# ACTS 2005
First Regular Session of the 114th Indiana General Assembly

<table>
<thead>
<tr>
<th>Index</th>
<th>Table of Citations Affected</th>
<th>2004 Cash Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>22 64 85 106 127 148 169 190 211 232</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>23 65 86 107 128 149 170 191 212 233</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>24 66 87 108 129 150 171 192 213 234</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>25 67 88 109 130 151 172 193 214 235</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>26 68 89 110 131 152 173 194 215 236</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>27 69 90 111 132 153 174 195 216 237</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>28 70 91 112 133 154 175 196 217 238</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>29 71 92 113 134 155 176 197 218 239</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>30 72 93 114 135 156 177 198 219 240</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>31 73 94 115 136 157 178 199 220 241</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>32 74 95 116 137 158 179 200 221 242</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>33 75 96 117 138 159 180 201 222 243</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>34 76 97 118 139 160 181 202 223 244</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>35 77 98 119 140 161 182 203 224 245</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>36 78 99 120 141 162 183 204 225 246</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>37 79 100 121 142 163 184 205 226 247</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>38 80 101 122 143 164 185 206 227 248</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>39 81 102 123 144 165 186 207 228</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>40 82 103 124 145 166 187 208 229</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>41 83 104 125 146 167 188 209 230</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>42 84 105 126 147 168 189 210 231</td>
<td></td>
</tr>
</tbody>
</table>

**Enrolled Act Number to Public Law Number Table**

**Public Law Number to Enrolled Act Number Table**
ACTS 2005

Laws enacted by the

114th GENERAL ASSEMBLY

at the

FIRST REGULAR SESSION
(2005)

VOLUME I
(P.L. 1-2005)

By the authority of
INDIANA LEGISLATIVE COUNCIL
(IC 2-6-1.5)

Office of Code Revision
Legislative Services Agency
PREFACE TO 2005 ACTS

ARRANGEMENT

This year's edition of the Acts of Indiana includes all laws from the First Regular Session of the 114th General Assembly. The laws are arranged into two categories: first, laws of a permanent nature that amend the Indiana Code or laws that are temporary or special in nature and that do not amend the Code; and second, joint resolutions.

Public Law 1 of the 2005 First Regular Session of the 114th General Assembly (P.L.1-2005) is a nonsubstantive act to recodify Title 20 of the Indiana Code, concerning education. Public Law 2 of the 2005 First Regular Session of the 114th General Assembly (P.L.2-2005) is a technical, nonsubstantive act to correct technical errors in Indiana's statutary law.

The text of all other laws enacted during the First Regular Session is arranged, insofar as possible, in the order in which the governor signed the bills into law or the order in which laws not signed and not vetoed by the governor took effect.
A special printing code has been used in publishing the session laws in order that the reader may determine at a glance the specific changes made by any amendment. The following statement appeared at the top of each bill:

PRINTING CODE: Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in this style type. Also, the word NEW will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in this style type or this style type reconciles conflicts between statutes enacted by the 2004 General Assembly.

Upon the recommendation of the Code Revision Commission, the Legislative Council authorized a change in the style in which bills are printed to highlight the manner in which “blind amendments” are resolved in the technical correction bill prepared by the Code Revision Commission. A “blind amendment” occurs when two or more enrolled acts amend the same section of law but fail to indicate how they are to be read together. P.L.2-2005 (HEA 1398-2005), the technical correction bill prepared for the 2005 Session of the General Assembly, uses an italic typeface to indicate that one or more words contained in a law enacted in 2004 were absent from other versions the law enacted in the same session. P.L.2-2005 (HEA 1398-2005) in 2005 resolves the differences by striking superfluous words and inserting additional words as needed to harmonize the various versions of the law.

This system is intended to make the session laws more usable to the researcher by eliminating the need to compare each amendment against the text of the prior law in order to determine exactly what changes the General Assembly made.

Of course, these typefaces are intended only as a tool to indicate to the reader the text of the prior law that was deleted by amendment and to highlight any new text that was added by amendment. They are
not a permanent part of the law itself. In reproducing or quoting the law, it is unnecessary to retain these typefaces; instead, all stricken text may be deleted and all boldface and italic may be reproduced in regular type.

PUBLIC LAW CITATION FORM

The public law citation form incorporates the year the public law was enacted as a part of the public law number. For example, Public Law 1 enacted by the 114th First Regular Session is cited as P.L.1-2005.

CERTIFICATION

IC 2-6-1.5 requires the Indiana Legislative Council to supervise the preparation, indexing, and distribution of the session laws. Under IC 2-6-1.5, the Speaker of the House of Representatives and President Pro Tempore of the Senate must certify that the printed session laws have been compared with the enrolled acts and joint resolutions and have been found correct. The certification immediately follows the text of the session laws in the last volume of the 2005 Acts.

CASH STATEMENT

Article 10, Section 4 of the Constitution of the State of Indiana requires that an "accurate statement of the receipts and expenditures of the public money, shall be published with the laws of each regular session of the General Assembly". The statement for the current year appears in this publication following the certification of the session laws.
TABLES

There are two citation tables at the end of the last volume of the 2005 Acts, offset from the text by a green divider. The Table of Citations Affected sets out each section of the Code that has been affected by legislation enacted at the First Regular Session of the 114th General Assembly. The Enrolled Act Number to Public Law Number Table provides cross-references from House and Senate bill numbers to public law numbers for the First Regular Session of the 114th General Assembly.

INDEX

Immediately following the tables in the last volume of the 2005 Acts is a subject index for the legislation enacted at the First Regular Session of the 114th General Assembly.
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-17 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 17. EFFECT OF RECODIFICATION OF TITLE 20
Chapter 1. Effect of Recodification by the Act of the 2005 Regular Session of the General Assembly

Sec. 1. As used in this chapter, "prior law" refers to the statutes concerning education that are repealed or amended in the recodification act of the 2005 regular session of the general assembly as the statutes existed before the effective date of the applicable or corresponding provision of the recodification act of the 2005 regular session of the general assembly.

Sec. 2. The purpose of the recodification act of the 2005 regular session of the general assembly is to recodify prior law in a style that is clear, concise, and easy to interpret and apply. Except to the extent that:

(1) the recodification act of the 2005 regular session of the general assembly is amended to reflect the changes made in a provision of another bill that adds to, amends, or repeals a provision in the recodification act of the 2005 regular session of the general assembly; or

(2) the minutes of meetings of the code revision commission during 2004 expressly indicate a different purpose;

the substantive operation and effect of the prior law continue uninterrupted as if the recodification act of the 2005 regular session of the general assembly had not been enacted.

Sec. 3. Subject to section 2 of this chapter, sections 4 through 9 of this chapter shall be applied to the statutory construction of the recodification act of the 2005 regular session of the general assembly.
Sec. 4. (a) The recodification act of the 2005 regular session of the general assembly does not affect:

(1) any rights or liabilities accrued;
(2) any penalties incurred;
(3) any violations committed;
(4) any proceedings begun;
(5) any bonds, notes, loans, or other forms of indebtedness issued, incurred, or made;
(6) any tax levies made or authorized;
(7) any funds established;
(8) any patents issued;
(9) the validity, continuation, or termination of any contracts, easements, or leases executed;
(10) the validity, continuation, scope, termination, suspension, or revocation of:
   (A) permits;
   (B) licenses;
   (C) certificates of registration;
   (D) grants of authority; or
   (E) limitations of authority; or
(11) the validity of court decisions entered regarding the constitutionality of any provision of the prior law;

Before the effective date of the recodification act of the 2005 regular session of the general assembly (July 1, 2005). Those rights, liabilities, penalties, violations, proceedings, bonds, notes, loans, other forms of indebtedness, tax levies, funds, patents, contracts, easements, leases, permits, licenses, certificates of registration, grants of authority, and limitations of authority continue and shall be imposed and enforced under prior law as if the recodification act of the 2005 regular session of the general assembly had not been enacted.

(b) The recodification act of the 2005 regular session of the general assembly does not:

(1) extend or cause to expire a permit, license, certificate of registration, or other grant or limitation of authority; or
(2) in any way affect the validity, scope, or status of a license, permit, certificate of registration, or other grant or limitation of authority;

Issued under the prior law.

(c) The recodification act of the 2005 regular session of the general assembly does not affect the revocation, limitation, or suspension of a
permit, license, certificate of registration, or other grant or limitation of authority based in whole or in part on violations of the prior law or the rules adopted under the prior law.

Sec. 5. The recodification act of the 2005 regular session of the general assembly shall be construed as a recodification of prior law. Except as provided in section 2(1) and 2(2) of this chapter, if the literal meaning of the recodification act of the 2005 regular session of the general assembly (including a literal application of an erroneous change to an internal reference) would result in a substantive change in the prior law, the difference shall be construed as a typographical, spelling, or other clerical error that must be corrected by:

1. inserting, deleting, or substituting words, punctuation, or other matters of style in the recodification act of the 2005 regular session of the general assembly; or

2. using any other rule of statutory construction;
as necessary or appropriate to apply the recodification act of the 2005 regular session of the general assembly in a manner that does not result in a substantive change in the law. The principle of statutory construction that a court must apply the literal meaning of an act if the literal meaning of the act is unambiguous does not apply to the recodification act of the 2005 regular session of the general assembly to the extent that the recodification act of the 2005 regular session of the general assembly is not substantively identical to the prior law.

Sec. 6. Subject to section 9 of this chapter, a reference in a statute or rule to a statute that is repealed and replaced in the same or a different form in the recodification act of the 2005 regular session of the general assembly shall be treated after the effective date of the new provision as a reference to the new provision.

Sec. 7. A citation reference in the recodification act of the 2005 regular session of the general assembly to another provision of the recodification act of the 2005 regular session of the general assembly shall be treated as including a reference to the provision of prior law that is substantively equivalent to the provision of the recodification act of the 2005 regular session of the general assembly that is referred to by the citation reference.

Sec. 8. (a) As used in the recodification act of the 2005 regular session of the general assembly, a reference to rules adopted under any provision of this title or under any other provision of the recodification act of the 2005 regular session of the general assembly refers to either:
(1) rules adopted under the recodification act of the 2005 regular session of the general assembly; or
(2) rules adopted under the prior law until those rules have been amended, repealed, or superseded.

(b) Rules adopted under the prior law continue in effect after June 30, 2005, until the rules are amended, repealed, or suspended.

Sec. 9. (a) A reference in the recodification act of the 2005 regular session of the general assembly to a citation in the prior law before its repeal is added in certain sections of the recodification act of the 2005 regular session of the general assembly only as an aid to the reader.

(b) The inclusion or omission in the recodification act of the 2005 regular session of the general assembly of a reference to a citation in the prior law before its repeal does not affect:

1. any rights or liabilities accrued;
2. any penalties incurred;
3. any violations committed;
4. any proceedings begun;
5. any bonds, notes, loans, or other forms of indebtedness issued, incurred, or made;
6. any tax levies made or authorized;
7. any funds established;
8. any patents issued;
9. the validity, continuation, or termination of contracts, easements, or leases executed;
10. the validity, continuation, scope, termination, suspension, or revocation of:
   (A) permits;
   (B) licenses;
   (C) certificates of registration;
   (D) grants of authority; or
   (E) limitations of authority; or
11. the validity of court decisions entered regarding the constitutionality of any provision of the prior law;

before the effective date of the recodification act of the 2005 regular session of the general assembly (July 1, 2005). Those rights, liabilities, penalties, proceedings, bonds, notes, loans, other forms of indebtedness, tax levies, funds, patents, contracts, easements, leases, permits, licenses, certificates of registration, grants of authority, and limitations of authority continue and shall be imposed and enforced under prior law as if the recodification act of the 2005 regular session
of the general assembly had not been enacted.

(c) The inclusion or omission in the recodification act of the 2005 regular session of the general assembly of a citation to a provision in the prior law does not affect the use of a prior conviction, violation, or noncompliance under the prior law as the basis for revocation of a license, permit, certificate of registration, or other grant of authority under the recodification act of the 2005 regular session of the general assembly, as necessary or appropriate to apply the recodification act of the 2005 regular session of the general assembly in a manner that does not result in a substantive change in the law.

SECTION 2. IC 20-18 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 18. GENERAL PROVISIONS

Chapter 1. Applicability

Sec. 1. Except as otherwise provided, this title applies to public school corporations.

Chapter 2. Definitions

Sec. 1. The definitions in this chapter apply throughout this title.

Sec. 2. "Average daily membership" or "ADM" has the meaning set forth in IC 21-3-1.6-1.1(d).

Sec. 3. "Department" refers to the department of education established by IC 20-19-3-1.

Sec. 4. "Elementary school" means any combination of kindergarten and grades 1, 2, 3, 4, 5, 6, 7, or 8.

Sec. 5. "Governing body" means:

(1) a township trustee and the township board of a school township;
(2) a county board of education;
(3) a board of school commissioners;
(4) a metropolitan board of education;
(5) a board of trustees; or
(6) any other board or commission charged by law with the responsibility of administering the affairs of a school corporation.

Sec. 6. "Graduation examination" means the test designated by the board under the ISTEP program.

Sec. 7. "High school" means any combination of grades 9, 10, 11, or 12.

Sec. 8. "Indiana physician" means an individual who holds an
unlimited license to practice medicine in Indiana.

Sec. 9. "Individualized education program" means a written statement developed for a child by a group that includes:

1. a representative of the school corporation or public agency responsible for educating the child;
2. the child’s teacher;
3. the child's parent, guardian, or custodian;
4. if appropriate, the child; and
5. if the provision of services for a seriously emotionally disabled child is considered, a mental health professional provided by:
   A. the community mental health center (as described in IC 12-29); or
   B. a managed care provider (as defined in IC 12-7-2-127(b)); serving the community in which the child resides;
and that describes the special education to be provided to the child.

Sec. 10. "ISTEP program" refers to the Indiana statewide testing for educational progress program developed and administered under IC 20-32-5.

Sec. 11. "Legal settlement" of a student means the student’s status with respect to the school corporation that has the responsibility to allow the student to attend its local public schools without the payment of tuition, or to pay transfer tuition under IC 20-26-11 if the student attends school in a local public school of another school corporation.

Sec. 12. (a) "Nonpublic school" means a school that is not maintained by a school corporation.
   (b) The term includes a private school or parochial school.

Sec. 13. "Parent" means:
1. the natural father or mother of a child;
2. in the case of adoption, the adopting father or mother of a child;
3. if custody of the child has been awarded in a court proceeding to someone other than the mother or father, the court appointed guardian or custodian of the child; or
4. if the parents of a child are divorced, the parent to whom the divorce decree or modification awards custody or control with respect to a right or obligation under this title.

Sec. 14. "Principal" refers to the chief administrative officer of a school.

Sec. 15. "Public school" means a school maintained by a school
corporation.

Sec. 16. (a) "School corporation" means a public school corporation established by Indiana law.
(b) The term includes a:
   (1) school city;
   (2) school town;
   (3) school township;
   (4) consolidated school corporation;
   (5) metropolitan school district;
   (6) township school corporation;
   (7) county school corporation;
   (8) united school corporation; or
   (9) community school corporation.

Sec. 17. "School year" means the period:
   (1) beginning after June 30 of each year; and
   (2) ending before July 1 of the following year;
except when a different period is specified for a particular purpose.

Sec. 18. "Secondary school" means a high school.


Sec. 20. "State superintendent" refers to the state superintendent of public instruction.

Sec. 21. "Superintendent" means:
   (1) the chief administrative officer of a school corporation; or
   (2) in the case of a township school, the county superintendent of schools.

Sec. 22. (a) "Teacher" means a professional person whose position in a school corporation requires certain teacher training preparations and licensing.
   (b) For purposes of IC 20-28, the term includes the following:
   (1) A superintendent.
   (2) A supervisor.
   (3) A principal.
   (4) An attendance officer.
   (5) A teacher.
   (6) A librarian.

Sec. 23. "Textbook" means systematically organized material designed to provide a specific level of instruction in a subject matter category.

Sec. 24. "Transfer" with respect to a student refers to the situation
in which the student, for all or part of the student's education, attends
school in a public school of a school corporation other than the school
corporation in which the student has legal settlement.

Sec. 25. "Transferor corporation" and "transferee corporation"
refer, respectively, in transfer situations to the school corporation of
a student's legal settlement and the school corporation where the
student attends school.

Sec. 26. (a) "Transferred student" means a student attending
school in a school corporation in which the student does not have legal
settlement.

(b) For purposes of subsection (a), a student is considered attending
school in a school corporation when:

(1) the student is confined by a disability to a place outside the
school corporation's facilities and receives instruction from
school corporation personnel;

(2) the student attends a special or vocational education school in
which the school corporation of the student's legal settlement
provides cooperatively a portion of the cost; or

(3) the student is in another similar situation.

SECTION 3. IC 20-19 IS ADDED TO THE INDIANA CODE AS A
NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
2005]:

ARTICLE 19. STATE ADMINISTRATION OF ELEMENTARY
AND SECONDARY EDUCATION

Chapter 1. State Superintendent of Public Instruction

Sec. 1. (a) The state superintendent shall be elected under
IC 3-10-2-6 by the voters of Indiana.

(b) The term of office of the state superintendent is four (4) years:

(1) beginning on the second Monday in January after election;

and

(2) continuing until a successor is elected and qualified.

Sec. 2. The state superintendent is designated to, and may
cooperate with, the Agricultural Marketing Service of the United
States Department of Agriculture and with other federal relief
agencies in the distribution of surplus agricultural commodities to the
following:

(1) School corporations.

(2) Nonprofit nonpublic schools.

(3) Township and county relief agencies.

(4) Other nonprofit public and private institutions to which by
law the commodities may be distributed.

Sec. 3. The state superintendent has administrative duties and authority concerning the school lunch programs under IC 20-26-9.

Chapter 2. State Board of Education

Sec. 1. As used in this chapter, "advisory committee" refers to the advisory committee on textbook adoption established by section 3 of this chapter.

Sec. 2. (a) The Indiana state board of education is established. The state board consists of:

(1) the state superintendent; and
(2) ten (10) members appointed by the governor.

(b) The following provisions apply to members of the state board appointed by the governor:

(1) At least four (4) of the members must be actively employed in the schools in Indiana and hold a valid teaching license.
(2) At least one (1) member must be appointed from each congressional district in Indiana.
(3) Not more than six (6) members of the state board may be appointed from the membership of any one (1) political party.
(4) The term of office of a member begins on July 1. Except as provided in subdivision (5), the term of office of a member is four (4) years.
(5) The governor may dismiss a member for just cause.
(6) The governor may appoint a member to fill a vacancy occurring on the state board. A member appointed under this subdivision serves for the remainder of the unexpired term.

(c) A quorum consists of six (6) members of the state board. An action of the state board is not official unless the action is authorized by at least six (6) members.

(d) The state superintendent serves as chairperson of the state board.

Sec. 3. (a) The advisory committee on textbook adoption is established. The advisory committee consists of:

(1) the state superintendent or the state superintendent’s designee; and
(2) six (6) members appointed by the state superintendent.

(b) The following provisions apply to members of the advisory committee appointed by the state superintendent:

(1) At least four (4) of the members must be actively employed in the schools in Indiana and hold a valid teaching license.
(2) Not more than four (4) of the members of the committee may be appointed from the membership of any one (1) political party.

(3) Members serve at the pleasure of the state superintendent.

(c) The state superintendent or the state superintendent's designee serves as chairperson of the advisory committee.

Sec. 4. (a) The state board and the advisory committee shall meet at the times they determine.

(b) The state board may establish other advisory committees as necessary to provide technical and professional assistance to the state board.

Sec. 5. If the state board is required to conduct hearings under IC 4-21.5-3, the state board may use hearing examiners who are not members of the state board to conduct the hearings.

Sec. 6. (a) The state board shall elect one (1) member to serve as secretary. The secretary shall:

(1) maintain custody of the state board's records, papers, and effects; and

(2) keep minutes of the state board's proceedings.

The records, papers, effects, and minutes of all meetings and actions of the state board shall be kept at the office of the state superintendent and are public records.

(b) The state board shall adopt and use a seal that contains the words "Indiana State Board of Education". A written description of the seal shall be recorded in the minutes of the state board and filed in the office of the secretary of state. The seal shall be used for the authentication of the acts of the state board and the important acts of the department.

Sec. 7. (a) Each member of the state board who is not an officer or employee of the state is entitled to an annual salary of two thousand dollars ($2,000).

(b) Each member of the advisory committee who is not an officer or employee of the state is entitled to the minimum salary per diem provided in IC 4-10-11-2.1(b) while performing their respective duties as committee members.

(c) Each member of the state board or the advisory committee is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency. The compensation of members employed in the public schools may not
be decreased because of regular service on the state board or the advisory committee.

Sec. 8. (a) In addition to any other powers and duties prescribed by law, the state board shall adopt rules under IC 4-22-2 concerning, but not limited to, the following matters:

1. The designation and employment of the employees and consultants necessary for the department. The state board shall fix the compensation of employees of the department, subject to the approval of the budget committee and the governor under IC 4-12-2.

2. The establishment and maintenance of standards and guidelines, other than building, space, and site requirements, for media centers, libraries, instructional materials centers, or any other area or system of areas in a school where a full range of information sources, associated equipment, and services from professional media staff are accessible to the school community. With regard to library automation systems, the state board may only adopt rules that meet the standards established by the state library board for library automation systems under IC 4-23-7.1-11(b).

3. The establishment and maintenance of standards for student personnel and guidance services.

4. The establishment and maintenance of minimum standards for driver education programs (including classroom instruction and practice driving) and equipment. Classroom instruction standards established under this subdivision must include instruction about:
   A. railroad-highway grade crossing safety; and
   B. the procedure for participation in the human organ donor program.

5. The inspection of all public schools in Indiana to determine the condition of the schools. The state board shall establish standards governing the accreditation of public schools. Observance of:
   A. IC 20-31-4;
   B. IC 20-28-5-2;
   C. IC 20-28-6-3 through IC 20-28-6-7;
   D. IC 20-28-9-7 and IC 20-28-9-8;
   E. IC 20-28-11; and
   F. IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, and
is a prerequisite to the accreditation of a school. Local public school officials shall make the reports required of them and otherwise cooperate with the state board regarding required inspections. Nonpublic schools may also request the inspection for classification purposes. Compliance with the building and site guidelines adopted by the state board is not a prerequisite of accreditation.

(6) Subject to section 9 of this chapter, the adoption and approval of textbooks under IC 20-20-5.

(7) The distribution of funds and revenues appropriated for the support of schools in the state.

(8) The state board may not establish an accreditation system for nonpublic schools that is less stringent than the accreditation system for public schools.

(9) A separate system for recognizing nonpublic schools under IC 20-19-2-10. Recognition of nonpublic schools under this subdivision constitutes the system of regulatory standards that apply to nonpublic schools that seek to qualify for the system of recognition.

(b) Before final adoption of any rule, the state board shall make a finding on the estimated fiscal impact that the rule will have on school corporations.

Sec. 9. (a) The advisory committee may initiate rules and hold public hearings under IC 4-22-2 on rules concerning the adoption of textbooks. The advisory committee shall send a proposed rule on which public hearings have been held to the state board. The state board may adopt or reject a rule initiated by the advisory committee. If the advisory committee holds hearings on a proposed rule, the state board is not required to hold hearings.

(b) Every rule initiated by the state board concerning textbook adoption shall be sent to the advisory committee. Upon receipt of a rule initiated by the state board, the advisory committee may hold public hearings on the rule. If the advisory committee holds a public hearing on a rule initiated by the state board, the advisory committee shall send the proposed rule and a recommendation to the state board not more than ninety (90) days after the date the advisory committee receives the rule from the state board. If the advisory committee fails to hold a hearing or to return the proposed rule with a recommendation to the state board within the ninety (90) day period,
the state board may:
(1) hold public hearings on the proposed rule and proceed under IC 4-22-2; or
(2) discontinue the proceedings.

Sec. 10. (a) It is the policy of the state that the state:
(1) recognizes that nonpublic schools provide education to children in Indiana;
(2) has an interest in ensuring that all Indiana children are well educated in both curricular and extracurricular programs; and
(3) should facilitate the transferability of comparable academic credit between appropriate nonpublic schools and state supported educational institutions.

(b) The state board shall implement a system of recognition of the educational programs of nonpublic schools to fulfill the policy set forth in subsection (a).

(c) The system of recognition described under subsection (b) must:
(1) be voluntary in nature with respect to the nonpublic school;
(2) recognize the characteristics that distinguish nonpublic schools from public schools; and
(3) be a recognition system that is separate from the accreditation standards required of public schools and available to nonpublic schools under section 8(a)(5) of this chapter.

(d) This section does not prohibit a nonpublic school from seeking accreditation under section 8(a)(5) of this chapter.

(e) The state board shall adopt rules under IC 4-22-2 to implement this section.

Sec. 11. (a) As used in this section, "plan" refers to a strategic and continuous school improvement and achievement plan developed under IC 20-31-5.

(b) A plan must:
(1) conform to the requirements of IC 20-31-5; and
(2) include a professional development program that conforms to IC 20-20-31.

(c) The governing body may do the following for a school that participates in a plan:
(1) Invoke a waiver of a rule adopted by the state board under IC 20-31-5-5(b).
(2) Develop a plan for the admission of students who do not reside in the school’s attendance area but have legal settlement in the school corporation.
(d) In approving a school corporation’s actions under this section, the state board shall consider whether the governing body has done the following:

1. Approved a school’s plan.
2. Demonstrated the support of the exclusive representative only for the professional development program component of the plan.

(e) The state board may waive any statute or rule relating to curriculum or textbook selection on behalf of a school in accordance with IC 20-31-5-5.

(f) As part of the plan, the governing body may develop and implement a policy to do the following:

1. Allow the transfer of a student who resides in the school’s attendance area but whose parent requests that the student attend another school in the school corporation of legal settlement.
2. Inform parents of their rights under this section.

(g) The state board shall adopt rules under IC 4-22-2 to implement this section.

Sec. 12. (a) The state board shall adopt nonbinding guidelines for the selection of school sites and the construction, alteration, and repair of school buildings. The nonbinding guidelines:

1. Must include preferred location and building practices for school corporations, including standards for enhancing health, energy efficiency, cost efficiency, and instructional efficacy; and
2. May include guidelines concerning minimum acreage, cost per square foot, and per student square footage.

(b) The state board shall annually compile, in a document capable of easy revision, the:

1. Guidelines described in subsection (a); and
2. Rules of the:
   A. Fire prevention and building safety commission; and
   B. State department of health;
that govern site selection and the construction, alteration, and repair of school buildings.

(c) Before submitting completed written plans and specifications for the selection of a school building site or the construction or alteration of a school building to the state building commissioner for issuance of a design release under IC 22-15-3, a school corporation shall:
(1) issue a public document that describes any material differences between the plans and specifications prepared by the school corporation and the guidelines adopted under subsection (a), as determined under the guidelines adopted by the state board; and

(2) after publishing a notice of the public hearing under IC 5-3-1, conduct a public hearing to receive public comment concerning the school corporation's plans and specifications.

After the public hearing and without conducting another public hearing under this subsection, the governing body may revise the plans and specifications or submit the plans and specifications to the state building commissioner without making changes. The school corporation shall revise the public document described in subdivision (1) to identify any changes in the plans and specifications after the public document's initial preparation.

Sec. 13. The state board may not approve or disapprove plans and specifications for the construction, alteration, or repair of school buildings, except as necessary under the following:

(1) The terms of a federal grant or a federal law.
(2) IC 20-35-4-2 concerning the authorization of a special school for children with disabilities.

Sec. 14. The state board shall do the following:

(1) Establish the educational goals of the state, developing standards and objectives for local school corporations.
(2) Assess the attainment of the established goals.
(3) Assure compliance with established standards and objectives.
(4) Make recommendations to the governor and general assembly concerning the educational needs of the state, including financial needs.

Sec. 15. The state board shall comply with IC 20-26-15 to establish a freeway school corporation and a freeway school.

Sec. 16. (a) The state accepts the provisions and benefits of laws enacted by the Congress of the United States that provide for aid to children with disabilities.

(b) The state board is designated as the proper authority and may accept any federal funds appropriated to aid in the education of children with disabilities. The state board shall comply with all the requirements of:

(1) federal law concerning any federal funds relating to special educational activities; and
(2) any amendments to those laws or rules and regulations issued under and in conformity with those laws and not inconsistent with this chapter.

Sec. 17. The provisions of an act of Congress entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the states in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the states in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," are accepted by the state as to the following:

(1) Appropriations for the salaries of:
   (A) teachers;
   (B) supervisors; or
   (C) directors;
   of agricultural subjects.
(2) Appropriations for salaries for teachers of trade and industrial subjects.
(3) Appropriations for the training of teachers of vocational subjects.

Sec. 18. (a) The treasurer of state is designated as the custodian for vocational education.

(b) The treasurer of state shall do the following:
   (1) Receive money paid to the state from the United States treasury under the act of Congress described in section 17 of this chapter.
   (2) Pay the money described in subdivision (1), upon the warrant of the auditor of state, when the money is certified by the state board.

Sec. 19. The state board:
   (1) is designated as the state agency to carry out the provisions of the act of Congress described in section 17 of this chapter, so far as the act relates to the cooperation of the state and federal government; and
   (2) may take all necessary steps in:
       (A) forming plans to promote education in agriculture, trades, and industries; and
       (B) forming and executing plans to prepare teachers of vocational subjects.

Chapter 3. Department of Education
Sec. 1. The department of education is established.
Sec. 2. The state superintendent is the director of the department. Sec. 3. The state superintendent:
   (1) subject to IC 20-19-2-8(a)(1); and
   (2) with the approval of the budget agency;
may hire the personnel necessary to perform the duties of the department under this title.
Sec. 4. The department shall:
   (1) perform the duties required by statute;
   (2) implement the policies and procedures established by the state board;
   (3) conduct analytical research to assist the state board in determining the state’s educational policy;
   (4) compile statistics concerning the ethnicity and gender of students in Indiana schools, including statistics for all information that the department receives from school corporations on enrollment, number of suspensions, and number of expulsions; and
   (5) provide technical assistance to school corporations.
Sec. 5. The department may:
   (1) exercise the powers granted by statute;
   (2) with the approval of the budget agency, employ experts and consultants to assist the department in carrying out its functions;
   (3) with the consent of other state agencies, use the services and facilities of other state agencies without reimbursements;
   (4) accept in the name of the department, for use in carrying out the functions of the department, money received by gift, grant, bequest, or otherwise;
   (5) accept voluntary and uncompensated services; and
   (6) expend funds made available to the department according to policies established by the budget agency.
Sec. 6. (a) The department shall:
   (1) establish a program in health and physical education to encourage children in kindergarten through grade 12 to develop:
      (A) healthful living habits;
      (B) an interest in lifetime health and physical fitness; and
      (C) decision making skills in the areas of health and physical fitness;
   (2) establish the position of education consultant for health and physical education; and
   (3) hire an individual to perform the duties of education
consultant for health and physical education.

(b) The education consultant for health and physical education shall:

(1) plan and develop curricula for health and physical education for grades kindergarten through 12; and
(2) perform other duties designated by the department.

(c) The program in health and physical education must include the following:

(1) Local school program development.
(2) Technical and inservice training assistance for local schools.
(3) Local school initiatives in writing curricula in the areas of health and physical education.
(4) Cardiopulmonary resuscitation training using a training program approved by the American Heart Association or an equivalent nationally recognized training program.

(d) The department may give grants to or enter into contracts with individuals or school corporations to carry out the purposes of the program in health and physical education.

Sec. 7. (a) The department may not accept or distribute to school corporations grants from the federal government under Title III of P.L.103-227 (repealed), if the state superintendent determines that acceptance or distribution of grant money does at least one (1) of the following:

(1) Authorizes an officer or employee of the federal government to mandate, direct, or control at least one (1) of the following:
   (A) The department.
   (B) A school corporation.
   (C) A school curriculum or program of instruction.
   (D) Allocation of a state or local government resource.
(2) Requires the department, a school corporation, or a school to spend money or incur an expense not paid under Title III of P.L.103-227 (repealed).
(3) Requires a school corporation, as a condition of participation, to increase the access of students to at least one (1) of the following:
   (A) Social services.
   (B) Health care.
   (C) Nutrition.
   (D) Services related to the services listed in clauses (A) through (C).
(E) Child care services.
(4) Requires a school corporation, as a condition of participation, to implement an outcome based education program.
(5) Requires a school corporation, as a condition of participation, to adopt:
   (A) a national curriculum; or
   (B) national assessment standards.
(6) Requires federal government certification of:
   (A) a state curriculum; or
   (B) state assessment standards.
(b) The governing body of a school corporation that receives a grant under this section may withdraw from participation in the grant program at the following times:
   (1) At the end of a school year.
   (2) At any time during a school year, if money received for participation in the grant program is returned to the department. The amount that a school corporation must return to the department is the amount received for expenditure during the time after the school corporation has ceased to participate in the program.

Sec. 8. The department may not approve or disapprove plans and specifications for the construction, alteration, or repair of school buildings, except as necessary under the following:
   (1) The terms of a federal grant or a federal law.
   (2) IC 20-35-4-2 concerning the authorization of a special school for children with disabilities.

Chapter 4. Education Roundtable
Sec. 1. As used in this chapter, "roundtable" refers to the education roundtable established by section 2 of this chapter.
Sec. 2. The education roundtable is established.
Sec. 3. The roundtable consists of the following members:
   (1) A number of members appointed jointly by the governor and the state superintendent. These members must be representatives of:
      (A) business and community leaders;
      (B) elementary and secondary education, including programs for exceptional learners (as defined in IC 20-31-2-6); and
      (C) higher education.
The number of members appointed under clause (A) must be equal to the number of members appointed under clauses (B) and
(C).

(2) Two (2) members appointed by the president pro tempore of the senate from different political parties.

(3) Two (2) members appointed by the speaker of the house of representatives from different political parties.

Sec. 4. (a) A member of the roundtable is not entitled to a salary per diem.

(b) A member of the roundtable is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 5. (a) The governor and the state superintendent shall jointly serve as cochairpersons of the roundtable. The roundtable shall meet upon the call of the cochairpersons.

(b) A quorum of the roundtable must be present to conduct business. A quorum consists of a majority of the voting members appointed to the roundtable. The roundtable may not take an official action unless the official action has been approved by at least a majority of the voting members appointed to serve on the roundtable.

Sec. 6. The roundtable is a permanent body and working group.

Sec. 7. (a) The roundtable shall provide recommendations on subjects related to education to the following:

(1) The governor.
(2) The state superintendent.
(3) The general assembly.
(4) The state board.

(b) The recommendations to the general assembly must be in an electronic format under IC 5-14-6.

Sec. 8. (a) Before providing a recommendation under section 7 of this chapter, the roundtable shall prepare an analysis of the fiscal impact that the recommendation will have on the state, political subdivisions, and private schools affected by the recommendation. The analysis must be submitted with the recommendation under section 7 of this chapter.

(b) If the roundtable provides a recommendation under section 7 of this chapter and the fiscal impact analysis prepared under subsection (a) indicates that the impact of the recommendation will be at least five hundred thousand dollars ($500,000), the roundtable shall submit a copy of the recommendation and the fiscal impact analysis
prepared under subsection (a) to the legislative services agency for review. This recommendation must be in an electronic format under IC 5-14-6. Not more than forty-five (45) days after receiving a copy of the recommendation and fiscal impact analysis, the legislative services agency shall prepare a fiscal analysis concerning the effect that compliance with the recommendation will have on:

1. the state;
2. political subdivisions; and
3. nonpublic schools affected by the proposed recommendation.

The fiscal analysis must contain an estimate of the direct fiscal impact of the recommendation and a determination concerning the extent to which the recommendation creates an unfunded mandate on the state, a political subdivision, or a nonpublic school affected by the proposed recommendation. The fiscal analysis is a public document. The legislative services agency shall make the fiscal analysis available to interested parties upon request. The roundtable shall provide the legislative services agency with the information necessary to prepare the fiscal analysis. The legislative services agency may also receive and consider applicable information from the entities affected by the recommendation in preparation of the fiscal analysis. The legislative services agency shall provide copies of its fiscal analysis to each of the persons described in section 7 of this chapter.

Sec. 9. The roundtable shall make recommendations to the state board for improving the academic standards under IC 20-31-3.

Sec. 10. The roundtable shall review and recommend to the state board for the state board’s approval the following:

1. The academic standards under IC 20-31-3, IC 20-32-4, IC 20-32-5, and IC 20-32-6 for all grade levels from kindergarten through grade 12.
2. The content and format of the ISTEP program, including the following:
   A. The graduation examination.
   B. The passing scores required at the various grade levels tested under the ISTEP program.

Sec. 11. In making recommendations under section 10 of this chapter, the roundtable shall consider:

1. a variety of available national and international assessments and tests;
2. the development of an assessment or test unique to Indiana; and
(3) any combination of assessments or tests described under subdivisions (1) and (2).

Sec. 12. In making recommendations under section 10 of this chapter, the roundtable shall recommend to the state board only state tests that when appropriate:

(1) present the content of each test in an interdisciplinary manner; and
(2) provide each student with the opportunity to meet the academic standards in an applied manner.

Sec. 13. The state board may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 4. IC 20-20 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 20. PROGRAMS ADMINISTERED BY THE STATE
Chapter 1. Educational Service Centers
Sec. 1. As used in this chapter, "board" refers to the local governing board of an educational service center.

Sec. 2. (a) As used in this chapter, "educational service center" means an extended agency of school corporations that:

(1) operates under rules established by the state board;
(2) is the administrative and operational unit that serves a definitive geographical boundary; and
(3) allows school corporations to voluntarily cooperate and share programs and services that the school corporations cannot individually provide but collectively may implement.

(b) Programs and services collectively implemented through an educational service center may include, but are not limited to, the following:

(1) Curriculum development.
(2) Pupil personnel and special education services.
(3) In-service education.
(4) State-federal liaison services.
(5) Instructional materials and multimedia services.
(6) Vocational and career education.
(7) Purchasing and financial management.
(8) Needs assessment.
(9) Computer use.
(10) Research and development.

Sec. 3. The state board may provide for the establishment of and
procedures for the operation of educational service centers.

Sec. 4. (a) The state board shall do the following:
   (1) Adopt a comprehensive plan to implement this chapter.
   (2) Determine the areas in Indiana that will be served by an
       educational service center.
   (b) In determining the geographic area to be served by an
       educational service center, the state board shall consider the
       following:
       (1) Physical factors.
       (2) Socio-economic factors.
       (3) Educational factors.
       (4) Existing cooperative efforts and agreements.

Sec. 5. An educational service center must be established under
rules adopted by the state board to develop, provide, and make
available to participating schools those services requested by the
participating school corporations and approved by the state board.

Sec. 6. Educational service centers shall be located throughout
Indiana to allow each school corporation to have an opportunity to:
   (1) be served by; and
   (2) participate in;

an approved center on a voluntary basis by resolution of the
governing body.

Sec. 7. An educational service center shall be governed in its local
administration by a board selected by an assembly comprised of the
superintendent or the superintendent's designee from each
participating school corporation.

Sec. 8. (a) The state board shall adopt uniform rules to provide for
the local selection, appointment, and continuity of membership for
boards.
   (b) Vacancies on a board shall be filled by appointment by the
remaining members of the board.
   (c) Members of a board serve without compensation.

Sec. 9. A board may employ the following:
   (1) An executive director for the educational service center.
   (2) Other personnel the board considers necessary to:
       (A) carry out the functions of the educational service center;
       and
       (B) do and perform all things the board considers proper for
       successful operation of the center.

Sec. 10. (a) The state board shall provide for the selection of an
advisory council to each board. The state board shall provide for the representation of:

1. teachers;
2. elementary principals;
3. secondary principals;
4. members of the governing body; and
5. parents of students;

of the school corporations that are within the geographic area served by the educational service center.

(b) The advisory council shall make recommendations to the board on budgetary and program matters.

Sec. 11. (a) Any funds, including donated funds and funds from federal or other local sources, shall be used to pay for the costs of establishing or operating an educational service center.

(b) An educational service center may administer programs and funds from any of the sources described in subsection (a). All activities funded from federal sources must follow all applicable federal guidelines, rules, and regulations.

Sec. 12. This chapter does not prohibit an educational service center from receiving and using matching funds from federal sources in any amount for which the educational service center may be eligible.

Chapter 2. Principal Leadership Academy

Sec. 1. As used in this chapter, "academy" refers to the principal leadership academy established by section 3 of this chapter.

Sec. 2. As used in this chapter, "advisory board" refers to the advisory board for the principal leadership academy established by this chapter.

Sec. 3. The principal leadership academy is established within the department to achieve excellence in teacher and student performance by strengthening leadership and management skills of practicing Indiana public school principals.

Sec. 4. (a) The state superintendent shall:

1. appoint a full-time director to administer the academy;
2. employ staff necessary to implement this chapter;
3. appoint members of the advisory board; and
4. submit to the general assembly an annual report before July 1 of each year.

(b) The annual report of the state superintendent must be in an electronic format under IC 5-14-6 and must include the following:
(1) A summary of the activities of the academy.
(2) Data on the number of persons trained.
(3) An analysis of the extent to which the purposes of the academy have been accomplished.
(4) A proposal for a program and budget for the two (2) years following the year that is the subject of the report.

Sec. 5. (a) There is established an advisory board for the academy to advise and assist the director appointed under section 4 of this chapter.

(b) The advisory board consists of nine (9) members appointed by the state superintendent. Each of the following groups must be represented by at least one (1) member of the advisory board:

(1) Practicing public school principals.
(2) Members of the general assembly.
(3) Experts in administration, supervision, curriculum development, or evaluation who are members of the faculty of a state supported university.
(4) Practicing school superintendents.
(5) Practicing public school teachers.
(6) Members of the business or industry community.
(7) Parents of public school age children.

(c) The advisory board shall:

(1) annually elect a chairperson;
(2) advise the director about the curriculum of the academy;
(3) review the plan developed by the director under section 6 of this chapter;
(4) approve an evaluation plan for the academy;
(5) review the director's plan for continuing education;
(6) review the academy budget and make recommendations to the director;
(7) set criteria for the selection of academy participants;
(8) review the operation of the academy and make recommendations to the director;
(9) assist the director in compiling an annual report for submission to the state superintendent;
(10) consider coordinating the programs and curriculum offered at the academy with the programs and curriculum required in principal certification programs offered at institutions of higher education in Indiana; and
(11) complete other tasks requested of the advisory board by the
state superintendent.
(d) Each member of the advisory board serves a four (4) year term beginning on May 1 in the year the member is appointed.
(e) The state superintendent shall fill a vacancy on the advisory board:
   (1) for the unexpired part of the term; and
   (2) in a manner that preserves the composition of the advisory board under subsection (b).
(f) Each member of the advisory board who is not a member of the general assembly is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
(g) Each member of the advisory board who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

Sec. 6. (a) The director of the academy shall, with staff support, develop a plan to accomplish the goals of the academy. The plan must be approved by the advisory board and must include procedures to teach principals the following:
   (1) How to develop the leadership skills and management techniques necessary for providing quality education in Indiana schools.
   (2) How to improve teacher and student performance.
   (3) How to strengthen communication and leadership skills required for the establishment of a broad based support for public education.
   (4) Management skills for use in improving curriculum and instruction.
   (5) How to improve the school environment.
(b) The director of the academy shall, with staff support, and subject to approval by the advisory board, develop a plan for continuing education by the academy of public school principals who have completed initial training at the academy.

Sec. 7. To be eligible for admission to the academy, a participant must be a practicing public school principal for a public school located in Indiana. Admission preference must be given to those school
principals who have at least three (3) years of administrative experience in Indiana public schools and intend to continue as public school principals.

Chapter 3. Teacher Referral System

Sec. 1. As used in this chapter, "referral system" refers to the teacher employment opportunities referral system established by section 2 of this chapter.

Sec. 2. The department shall establish and keep current a computerized teacher employment opportunities referral system.

Sec. 3. The referral system must:

1. be capable of identifying the available public school teaching positions within Indiana;
2. provide the pertinent information on individuals who are seeking employment as teachers; and
3. be accessible to school corporations, teachers, prospective teachers, and state educational institutions.

Sec. 4. The department shall disseminate the necessary information to school corporations and state educational institutions to provide awareness of the availability of the referral system to the pertinent parties.

Chapter 4. Ambassador for Education

Sec. 1. The following are the goals of the ambassador for education program:

1. Enhance the stature of teachers and the teaching profession.
2. Inspire and attract talented young people to become teachers.
3. Promote the teaching profession within community and business groups.
4. Support the activities of the Future Teachers of America clubs.
5. Represent Indiana teachers at business, education, and teacher leadership conferences and meetings.
6. Reward the teacher of the year for the teacher's outstanding contributions to the teaching profession.
7. Reward the teacher of the year for the teacher's contributions to the teacher's classroom and school.

Sec. 2. As used in this chapter, "ambassador" refers to the ambassador for education established by section 4 of this chapter.

Sec. 3. As used in this chapter, "school" means a school corporation or an accredited nonpublic school.

Sec. 4. The position of ambassador for education is established to
act as an education liaison to Indiana schools.

Sec. 5. A teacher in a school who:
   (1) is selected by the state superintendent as teacher of the year;
   and
   (2) agrees to be ambassador;

is ambassador for a one (1) year term beginning July 1 after selection as teacher of the year and ending the following June 30.

Sec. 6. (a) The school where an ambassador is regularly employed shall do the following:
   (1) Grant the ambassador a one (1) year professional leave to serve as ambassador during the ambassador's term.
   (2) Allow the ambassador to return to the school from the professional leave:
      (A) to the same or a comparable position as the ambassador held before the professional leave; and
      (B) without loss of accrued benefits or seniority.
   (3) Continue to provide the ambassador all benefits of employment with the school other than salary.

(b) The department shall reimburse a school for the cost of benefits provided by the school to an ambassador under subsection (a)(3).

Sec. 7. An ambassador may elect to serve the one (1) year professional leave at:
   (1) an Indiana institution of higher education; or
   (2) the department.

Sec. 8. If an ambassador elects to serve a one (1) year professional leave with the department, the following apply:
   (1) The state coordinator of the ambassador for education program, as designated by the state superintendent, shall establish the ambassador's duties.
   (2) The ambassador is entitled to receive from the department the following:
      (A) A salary in place of compensation from the school where the ambassador is regularly employed that equals the salary that the ambassador, if not serving as ambassador, would receive during the school year of the ambassador's term from the school where the ambassador is regularly employed.
      (B) Actual expenses of the ambassador incurred as a result of the performance of duties under this chapter.

Sec. 9. If an ambassador elects to serve a one (1) year professional leave with an Indiana institution of higher education, the following
apply:

(1) The dean of the institution's school of education or the equivalent officer shall establish the ambassador's duties.

(2) The ambassador is entitled to receive from the institution the amount of compensation that the institution offers the ambassador.

(3) The ambassador is entitled to receive from the department compensation in an amount that when added to the amount provided under subdivision (2) equals the salary that the ambassador, if not serving as ambassador, would receive during the school year of the ambassador's term from the school where the ambassador is regularly employed.

Sec. 10. The ambassador's duties must match the relative skills and education background of the ambassador and reflect the goals of the ambassador for education program. However, duties may include the following:

(1) Providing professional development seminars and workshops in the subject matter areas in which the ambassador has expertise.

(2) Accompanying the state superintendent in the exercise of the state superintendent's duties throughout Indiana.

Chapter 5. Textbook Adoption

Sec. 1. (a) Subject to section 3 of this chapter, the state board shall adopt textbooks and enter into contracts with publishers to furnish the textbooks at fixed prices.

(b) For each subject for which credit is given in the public schools and for each grade, the state board shall adopt as many textbooks as the state board finds satisfactory.

(c) In addition to adopting textbooks under this chapter, the state board may recommend to school corporations as many as seven (7) textbooks from the list of adopted textbooks that the state board finds most satisfactory.

(d) The state board shall make regular adoptions and enter into contracts each year for every subject in one (1) subject classification under section 6 of this chapter. The term of a contract is six (6) years.

(e) The state board in a call for bids may exempt a certain textbook category or categories in nonrequired subject matter areas from being bid.

Sec. 2. (a) If:

(1) a textbook was:
(A) adopted by the state board at the state board’s last regular adoption of textbooks for that subject; or
(B) adopted by the state board under section 7 or 8 of this chapter within the last six (6) years; and
(2) the publisher does not submit a bid proposal for that textbook at the next regular adoption of textbooks for that subject;
a school corporation may continue to use that textbook unless the state board finds that the textbook is no longer satisfactory.
(b) This section does not require a publisher to submit a bid or enter into a contract for the continued sale of a textbook.
(c) A textbook whose continued use is authorized by this section may be used for a maximum of six (6) years after the expiration of the textbook’s original adoption.
Sec. 3. The state board may adopt only textbooks that:
(1) have been recommended by the advisory committee on textbook adoption established by IC 20-19-2-3; or
(2) are approved by seven (7) members of the board.
Sec. 4. In adopting textbooks, the state board shall give priority to textbooks written at a reading level appropriate to the grade for which the textbooks will be used.
Sec. 5. (a) The following classifications encompass all subjects in all grades of the public schools for which credit is given:
(1) Language arts/English, spelling, and literature.
(2) Social studies.
(3) Mathematics.
(4) Science and health education.
(5) Miscellaneous.
(6) Language arts/reading and handwriting.
(7) Foreign languages.
(b) If the classification for a textbook subject is unclear, the classification shall be determined by the rules of the state board.
Sec. 6. (a) In 2008 and every sixth year thereafter, the state board shall adopt and contract for textbooks for each subject under the classification of social studies.
(b) In 2009 and every sixth year thereafter, the state board shall adopt and contract for textbooks for each subject under the classification of mathematics.
(c) In 2010 and every sixth year thereafter, the state board shall adopt and contract for textbooks for each subject under the classification of science and health education.
(d) In 2005 and every sixth year thereafter, the state board shall adopt and contract for textbooks for each subject under the classification of miscellaneous.

(e) In 2006 and every sixth year thereafter, the state board shall adopt and contract for textbooks for each subject under the classification of language arts/reading and handwriting.

(f) In 2007 and every sixth year thereafter, the state board shall adopt and contract for textbooks for each subject under the following classifications:

1. Language arts/English, spelling, and literature.
2. Foreign languages.

Sec. 7. (a) The state board may make additional adoptions as new textbooks become available or as waivers are granted under IC 20-26-12-28.

(b) A contract for a textbook that was adopted after a regular adoption expires at the same time as a contract that was entered into at a regular adoption of textbooks in the subject in which the textbook is classified under section 5 of this chapter.

Sec. 8. If a new subject is to be taught in any grade, the state board shall, at its next adoption meeting, adopt and contract for textbooks for that subject and grade. A contract entered into under this section may extend only for the period required for its expiration to coincide with the expiration of contracts for textbooks for other subjects in the same classification.

Sec. 9. The state board shall hold a public hearing each year before establishing adoption categories for an adoption year to solicit comments from the public about the determination of adoption categories and the evaluation and selection of textbook materials submitted in the categories.

Sec. 10. (a) The state superintendent shall issue a press release to the news media about the availability of the textbooks submitted for adoption for public inspection. The press release must:

1. state the dates, times, and places where the textbooks will be available for inspection; and
2. encourage the public to inspect the submitted textbooks and submit written comments to the state board.

The state superintendent shall mail the press release to the superintendent of each school corporation to make available to interested citizens.

(b) The state board shall make the textbooks submitted for
adoption available for public inspection during regular business hours for at least six (6) weeks, beginning on or before September 15 of each year, at a textbook review center in each of the nine (9) education service center regions established by the state board under IC 20-20-1.

Sec. 11. The state board shall conduct public hearings as often as necessary to receive and consider public testimony concerning the submitted textbooks before making a final adoption.

Sec. 12. Thirty (30) days before a meeting to adopt textbooks and contracts, the state board shall publish a notice of the meeting in two (2) daily newspapers, each of which:
   (1) has paid circulation of at least eighty-five thousand (85,000); and
   (2) is published in Indiana.

The notice must include a complete list of all subjects and grades for which textbooks are to be adopted at the meeting.

Sec. 13. The state board shall accept sealed bids from publishers who submit textbooks for adoption under this chapter. A bid must state the exact price at which the publisher furnishes each textbook. Specimen copies of every submitted textbook and an affidavit that states the following must accompany each bid:
   (1) The publisher is not connected with any other publisher bidding at the same time.
   (2) The publisher does not have a pecuniary interest in any other publisher bidding at the same time.
   (3) The publisher is not a party to any agreement that would deny the benefits of competition to the people of Indiana.

If a submitted textbook is a revised version of a previously adopted textbook, the bidder shall state that fact in the affidavit and shall indicate if the revised version varies substantively from the previously adopted version.

Sec. 14. The state board may reject one (1) or more bids. When a bid proposes more than one (1) textbook, the state board may accept the bid in part or in whole.

Sec. 15. (a) The state board shall evaluate all textbooks submitted for approval based on the following criteria:
   (1) Amount and quality of material in the textbook.
   (2) Correlation between the subject matter of the textbook and the description adopted by the state board.
   (3) Style of binding.
   (4) Mechanical execution of the textbook.
Price.
(b) The state board shall select educators and other individuals to serve as textbook evaluators.

Sec. 16. The state board may not approve a textbook that contains anything of a partisan or sectarian character.

Sec. 17. The letting of contracts for textbooks shall be competitive. A person may bid to furnish any textbook regardless of whether the textbook is used in Indiana schools at the time of bidding.

Sec. 18. The state superintendent shall notify the governing bodies of all school corporations of all textbook adoptions immediately after adoption.

Sec. 19. A publisher that has a textbook adopted must post a five thousand dollar ($5,000) bond to the acceptance and satisfaction of the governor. The bond must be conditioned on the publisher's adequately and properly furnishing all adopted textbooks in the manner prescribed by the state board and at the quoted prices. If a publisher fails to adequately and properly furnish an adopted textbook, the state board may cancel the adoption of the textbook.

Sec. 20. (a) The state board and publishers of adopted textbooks shall enter into contracts approved by the attorney general. A contract must specify terms, specifications, price, and other necessary matters. If a publisher of an adopted textbook sells the same book elsewhere at a lower price than in Indiana, the publisher shall make that lower price apply to all subsequent sales in Indiana. On refusal by a publisher to make this lower price available, the governor shall investigate to verify that the publisher is selling the same book at a lower price and under similar conditions elsewhere than in Indiana. If the governor's investigation verifies that such a sale has occurred, the governor shall cancel the adoption of the textbook involved.

(b) A contract entered into under this chapter must provide that the publisher agrees to grant a license to the state board to allow for the reproduction of adopted textbooks in:
   (1) large type;
   (2) braille; and
   (3) an audio format.

(c) Subject to subsection (e), a contract entered into under this chapter for a textbook must require a publisher to furnish, not more than sixty (60) days after a request is submitted by the board to the publisher, electronic formats for literary subject areas in:
   (1) the American Standard Code of Information Interchange (or
ASCII); or
(2) other electronic formats as determined by the board;
from which braille versions of the textbooks can be produced.
(d) Subject to subsection (e), if braille specialty code translation
computer software is available, each contract under this chapter must
require that a publisher furnish electronic formats in:
(1) the American Standard Code of Information Interchange
(ASCII); or
(2) other electronic formats as determined by the board;
for nonliterary subjects as determined by the board in areas such as
natural and computer science, mathematics, and music.
(e) The board may waive the requirements described in subsections
(c) and (d) if a publisher:
(1) offers a braille version of a specific textbook title as a
commercial product;
(2) offers the braille version described in subdivision (1) at a
price that does not exceed standard braille costs; and
(3) agrees to deliver the braille textbook not more than forty-five
(45) days after the board submits a request to the publisher in
this regard.
Sec. 21. Adoptions and contracts made under this chapter become
effective on July 1 of the year following the year in which the contract
or adoption was made.
Sec. 22. A contract made under this chapter must provide that:
(1) the state is not liable to a contracting publisher for any sum;
and
(2) the publisher receives compensation solely from the sale of
textbooks under IC 20-26-12.
Sec. 23. (a) A textbook contract made under this chapter must
provide that the contracting publisher may agree to furnish a
sufficient number of textbooks selected under IC 20-26-12-24 to:
(1) a requesting school corporation; or
(2) one (1) or more dealers designated by a requesting school
corporation.
(b) A contract described in subsection (a) must contain the
following terms:
(1) Textbooks paid for in cash within sixty (60) days after
delivery must be furnished at the net wholesale price of the
textbooks plus transportation costs.
(2) Textbooks purchased on a time basis must be furnished at the
net wholesale price plus transportation costs plus interest on the
unpaid balance, subject to any restrictions in this chapter on time
basis purchases.

Sec. 24. A member of the state board or the advisory committee on
textbook adoption established by IC 20-19-2-3 shall disclose any
financial interest that the member has in any textbook considered for
adoption.

Sec. 25. The state board may adopt rules under IC 4-22-2 to assist
in the administration of this chapter.

Chapter 6. General Educational Development Diploma Program

Sec. 1. The department may grant a state of Indiana general
educational development (GED) diploma to an individual who:
(1) is at least seventeen (17) years of age;
(2) is not subject to compulsory school attendance; and
(3) achieves satisfactory high school level scores on the general
educational development (GED) test or any other properly
validated tests of comparable difficulty designated by the board.

Sec. 2. The department is responsible for the administration of the
testing program provided in this chapter.

Sec. 3. (a) The state board shall adopt rules under IC 4-22-2 to
provide for the implementation and administration of this chapter.
(b) The rules may include the following provisions:
(1) Qualifications of applicants.
(2) Acceptable tests.
(3) Acceptable test scores.
(4) Criteria for retesting.

Sec. 4. A high school equivalency certificate issued under this
chapter before July 1, 1995, is equivalent to a state of Indiana general
educational development (GED) diploma.

Chapter 7. High School Diploma Program for Eligible Veterans

Sec. 1. As used in this chapter, "department of veterans' affairs"
refers to the Indiana department of veterans' affairs established by
IC 10-17-1-2.

Sec. 2. As used in this chapter, "diploma" refers to a high school
diploma.

Sec. 3. As used in this chapter, "eligible veteran" refers to an
individual who has the following qualifications:
(1) Served as a member of the armed forces of the United States
at any time during at least one (1) of the following periods:
(A) Beginning April 6, 1917, and ending November 11, 1918
(World War I).
(B) Beginning December 7, 1941, and ending December 31, 1946 (World War II).

(2) Before the military service described in subdivision (1):
(A) attended a public or nonpublic high school in Indiana; and
(B) was a student in good standing at the high school described in clause (A), to the satisfaction of the department of veterans' affairs.

(3) Did not graduate or receive a diploma because of leaving the high school described in subdivision (2) for the military service described in subdivision (1).

(4) Was honorably discharged from the armed forces of the United States.

Sec. 4. As used in this chapter, "program" refers to the high school diploma program for eligible veterans established by section 6 of this chapter.

Sec. 5. As used in this chapter, "school corporation" includes a successor school corporation serving the area where a high school that no longer exists was once located.

Sec. 6. The high school diploma program for eligible veterans is established to provide for the issuance of high school diplomas to certain veterans.

Sec. 7. (a) The department and the department of veterans' affairs shall jointly design a form for the application for issuance of a diploma under the program.

(b) The application form must require at least the following information about an eligible veteran:

(1) Personal identification information.
(2) Military service information, including a copy of the eligible veteran's honorable discharge.
(3) High school information, including the following:
(A) Name and address, including county, of the last high school attended.
(B) Whether the high school was a public or nonpublic school.
(C) Years attended.
(D) Year of leaving high school to begin military service.
(E) Year in which the veteran would have graduated if the veteran had not left high school to begin military service.
(4) If the high school attended was a public school, whether the
veteran prefers receiving a diploma issued by:
(A) the state board; or
(B) the governing body of the school corporation governing
the high school.

Sec. 8. The department of veterans' affairs shall do the following
for individuals that the department of veterans' affairs has reason to
believe may be eligible to apply for a diploma under the program:
(1) Give notice of the program.
(2) Describe the application procedure.
(3) Furnish an application form.

Sec. 9. The following individuals may apply for the issuance of a
diploma to an eligible veteran under the program:
(1) An eligible veteran, including an eligible veteran who has
received a general educational development (GED) diploma
issued under IC 20-20-6 or a similar diploma.
(2) An individual who is:
(A) the surviving spouse of; or
(B) otherwise related to;
an eligible veteran who is deceased.

Sec. 10. An applicant for a diploma under the program must
submit a completed application form to the department of veterans'
affairs.

Sec. 11. Upon receipt of an application, the department of veterans'
affairs shall do the following:
(1) Verify the accuracy of the information in the application, in
consultation with the department, if necessary.
(2) Forward the verified application to the department.

Sec. 12. Upon receipt of a verified application, the department shall
do the following:
(1) If the applicant:
(A) expresses a preference in the application to receive a
diploma issued by the state board; or
(B) attended a nonpublic high school before leaving high
school for military service;
the department shall present a diploma issued by the state board.
(2) If the applicant expresses a preference for receiving a
diploma from the governing body of the school corporation
containing the public high school that the eligible veteran left for
military service, the department shall direct the governing body
of the affected school corporation to issue and present the
diploma.

Sec. 13. (a) The department and governing bodies are encouraged but are not required to hold a ceremony to present a diploma that is issued under the program.

(b) Upon request of a governing body, the department, in cooperation with the department of veterans' affairs, shall assist the governing body to develop a variety of formats for appropriate ceremonies at which to award diplomas under the program.

Sec. 14. (a) The state board shall design a unique commemorative diploma for the board to issue to eligible veterans who:

(1) attended a public high school and express in the application a preference for receiving a diploma that the state board issues; or

(2) attended a nonpublic high school.

(b) The state board shall design a unique commemorative diploma that a governing body may choose to issue under the program.

Sec. 15. (a) A governing body may design a unique commemorative diploma for the governing body to issue under the program.

(b) A governing body that issues a diploma under the program shall issue one (1) of the following types of diplomas:

(1) The diploma described in subsection (a).

(2) The diploma designed by the state board under section 14(b) of this chapter.

(3) The same diploma that the governing body issues to current graduates.

Sec. 16. The department and the department of veterans' affairs shall work cooperatively to jointly administer this chapter.

Sec. 17. A fee may not be charged to process an application or to award a diploma under this chapter.

Sec. 18. The department and the department of veterans' affairs may adopt rules under IC 4-22-2 to implement this chapter.

Chapter 8. School Corporation Annual Performance Report

Sec. 1. As used in this chapter, "benchmark" refers to a benchmark established under this chapter.

Sec. 2. As used in this chapter, "report" refers to the school corporation annual performance report required by this chapter.

Sec. 3. (a) Not earlier than January 15 or later than January 31 of each year, the governing body of a school corporation shall publish an annual performance report of the school corporation, in compliance with the procedures identified in section 7 of this chapter. The report
must be published one (1) time annually under IC 5-3-1.

(b) The department shall make each school corporation's report available on the department's Internet web site. The governing body of a school corporation may make the school corporation's report available on the school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the report to a person who requests a copy. The governing body may not charge a fee for providing the copy.

Sec. 4. Not later than sixty (60) days after the publication of the report, the governing body of a school corporation may conduct a public hearing at a location within the school corporation to present and discuss the report. The governing body may conduct the meeting in conjunction with a regular meeting of the governing body.

Sec. 5. A school corporation shall provide a copy of the report to the department.

Sec. 6. A report must contain the following:

(1) The information listed in section 8 of this chapter for each of the preceding three (3) years.

(2) Additional components determined under section 7(4) of this chapter.

(3) Additional information or explanation that the governing body wishes to include, including the following:

(A) Results of assessments of students under programs other than the ISTEP program that a school corporation uses to determine if students are meeting or exceeding academic standards in grades that are not tested under the ISTEP program.

(B) The number and types of staff professional development programs.

(C) The number and types of partnerships with the community, business, or higher education.

(D) Levels of parental participation.

Sec. 7. The state superintendent and the state board, in consultation with school corporations, educational organizations, appropriate state agencies, and other organizations and individuals having an interest in education, shall develop and periodically revise the following for the benchmarks and indicators of performance under section 8 of this chapter and the additional components of the performance report:

(1) Reporting procedures, including the following:

(A) A determination of the information that a school
corporation must compile and the information that the department must compile.

(B) A determination of the information required on a school by school basis and the information required on a school corporation basis.

(C) A common format suitable for publication, including tables, graphics, and explanatory text.

(2) Operational definitions.

(3) Standards for implementation.

(4) Additional components for the report that may be benchmarks, indicators of performance, or other information.

Sec. 8. The report must include the following information:

(1) Student enrollment.

(2) Graduation rate (as defined in IC 20-26-13-6).

(3) Attendance rate.

(4) The following test scores, including the number and percentage of students meeting academic standards:

   (A) ISTEP program test scores.

   (B) Scores for assessments under IC 20-32-5-21, if appropriate.

   (C) For a freeway school, scores on a locally adopted assessment program, if appropriate.

(5) Average class size.

(6) The number and percentage of students in the following groups or programs:

   (A) Alternative education, if offered.

   (B) Vocational education.

   (C) Special education.

   (D) Gifted or talented, if offered.

   (E) Remediation.

   (F) Limited English language proficiency.

   (G) Students receiving free or reduced price lunch under the national school lunch program.

(7) Advanced placement, including the following:

   (A) For advanced placement tests, the percentage of students:

      (i) scoring three (3), four (4), and five (5); and

      (ii) taking the test.

   (B) For the Scholastic Aptitude Test:

      (i) test scores for all students taking the test;

      (ii) test scores for students completing the academic honors
diploma program; and
(iii) the percentage of students taking the test.
(8) Course completion, including the number and percentage of
students completing the following programs:
   (A) Academic honors diploma.
   (B) Core 40 curriculum.
   (C) Vocational programs.
(9) The percentage of grade 8 students enrolled in algebra I.
(10) The percentage of graduates who pursue higher education.
(11) School safety, including the number of students receiving
      suspension or expulsion for the possession of alcohol, drugs, or
      weapons.
(12) Financial information and various school cost factors,
      including the following:
      (A) Expenditures per pupil.
      (B) Average teacher salary.
      (C) Remediation funding.
(13) Technology accessibility and use of technology in
      instruction.
(14) Interdistrict and intradistrict student mobility rates, if that
      information is available.
(15) The number and percentage of each of the following within
      the school corporation:
      (A) Teachers who are certificated employees (as defined in
          IC 20-29-2-4).
      (B) Teachers who teach the subject area for which the teacher
          is certified and holds a license.
      (C) Teachers with national board certification.
(16) The percentage of grade 3 students reading at grade 3 level.
(17) The number of students expelled, including the number
      participating in other recognized education programs during
      their expulsion.
(18) Chronic absenteeism, which includes the number of students
      who have been absent more than ten (10) days from school within
      a school year without being excused.
(19) Other indicators of performance as recommended by the
      education roundtable under IC 20-19-4.
Sec. 9. The department shall annually produce and distribute in
paper and electronic formats a compiled report that includes the
reports of all school corporations.
Chapter 9. School Grant Writing and Fund Raising Assistance Program

Sec. 1. As used in this chapter, "program" refers to the school grant writing and fund raising assistance program established by section 2 of this chapter.

Sec. 2. The school grant writing and fund raising assistance program is established to do the following:

(1) Identify potential sources of funds for educational purposes for which a school corporation or a school may qualify, including federal programs and private sources.

(2) Disseminate information concerning funds identified under subdivision (1) to school corporations and schools.

(3) Assist school corporations and schools in applying for funds identified under subdivision (1).

Sec. 3. The department shall administer the program using funds received under IC 9-18-31-6(2).

Chapter 10. Technology Preparation Task Force

Sec. 1. As used in this chapter, "task force" refers to the technology preparation task force established by section 2 of this chapter.

Sec. 2. (a) The technology preparation task force is established to design and approve:

(1) technology preparation curriculum models; and

(2) teacher and staff training to implement the technology preparation models.

(b) The:

(1) state superintendent;

(2) commissioner of workforce development; and

(3) executive officer of the commission for higher education;

shall each appoint three (3) members to the task force. The members appointed to the task force must include representatives of school corporations and state educational institutions.

Sec. 3. (a) The curriculum models developed by the task force must:

(1) be performance based;

(2) provide a student with:

(A) the skills necessary to gain employment upon graduation from high school; and

(B) the subject or skills areas required by a state educational institution (as defined in IC 20-12-0.5-1) to gain admittance into the respective state educational institution;

upon the satisfactory fulfillment of the curriculum;
(3) relate to a broad scope of occupational opportunities;
(4) include math, science, and English/language arts courses taught through practical application and designed to meet graduation requirements for those subjects;
(5) be designed to include secondary and postsecondary sequence models; and
(6) allow for dual credit, advanced study, and cooperative agreements.

(b) The task force shall identify certain occupations for secondary and postsecondary articulation curriculum agreements in cooperation with the department of workforce development.

Sec. 4. (a) The department shall require all school corporations to make available to the school corporation's high school students the technology preparation curriculum.

(b) The state board shall implement teacher and staff training for the technology preparation curriculum.

(c) This chapter does not eliminate the approved industrial arts/technology education curriculum adopted by the state board by rule in effect on July 1, 1990.

Sec. 5. Expenditure for equipment necessary to implement this chapter by a school corporation may be paid for:

(1) through technology loans from the common school fund; or

(2) from the school corporation's capital projects fund.

Sec. 6. The state board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 11. Research and Development Program

Sec. 1. As used in this chapter, "program" refers to the research and development program established by section 2 of this chapter.

Sec. 2. (a) The research and development program is established to fund certain programs, projects, studies, or other education initiatives undertaken or authorized to be undertaken by the department.

(b) The department shall implement the program.

(c) Unexpended money appropriated to the department for use in implementing the program under this chapter at the end of a state fiscal year does not revert to the state general fund but remains available to the department for its continued use under this chapter.

Sec. 3. (a) The types of initiatives for which money appropriated to the program may be used include the following:

(1) Conducting feasibility studies concerning the following:

(A) Mandating full-day or half-day kindergarten programs.
(B) Choice of enrollment programs.
(C) Establishing magnet schools.
(3) Exploring different or expanded testing methods.
(4) An evaluation of the primetime program under IC 21-1-30.
(5) Administering pilot programs concerning school academic
readiness factors of students in kindergarten and grades 1 and 2.
(6) Studying the implications of offering preschool programs for
special education students.
(7) Conducting the student services programs under IC 20-20-27.
(8) The Indiana writing project.
(b) The evaluation of P.L.390-1987(ss) and the primetime program
described in subsection (a)(2) and (a)(4) shall be conducted by an
entity other than the department under a contract entered into by the
department.
(c) The student services programs under subsection (a)(7) shall be
funded under the program based upon criteria approved by the
department. The programs must include a study of:
(1) the role of the public school guidance counselor; and
(2) the guidance counselor proficiency statements developed
under P.L.342-1989(ss), SECTION 39, as approved by the
department.

Chapter 12. Program for the Advancement of Math and Science
Sec. 1. The department shall administer the advanced placement
program established by IC 20-36-3-4(a).

Chapter 13. Educational Technology Program and Grants
Sec. 1. As used in sections 13 through 24 of this chapter, "grant"
refers to a technology plan grant under sections 13 through 24 of this
chapter.

Sec. 2. As used in sections 13 through 24 of this chapter, "group"
includes the school corporations that are placed in a group of school
corporations under sections 13 through 24 of this chapter.

Sec. 3. As used in sections 13 through 24 of this chapter, "school
corporation" includes, except as otherwise provided in this chapter,
the Indiana School for the Deaf established by IC 20-22-2-1 and the
Indiana School for the Blind established by IC 20-21-2-1.

Sec. 4. As used in sections 6 through 12 of this chapter, "technology
equipment" means computer hardware, computer software, related
teacher training services, related instructional manuals and materials,
and equipment servicing.
Sec. 5. As used in sections 13 through 24 of this chapter, "technology plan" refers to a technology plan developed under section 7 of this chapter.

Sec. 6. (a) The educational technology program and fund is established to provide and extend educational technologies to elementary and secondary schools for:

1. the 4R’s technology grant program to assist school corporations (on behalf of public schools) in purchasing technology equipment:
   (A) for kindergarten and grade 1 students, to learn reading, writing, and arithmetic using technology;
   (B) for students in all grades, to understand that technology is a tool for learning; and
   (C) for students in kindergarten through grade 3 who have been identified as needing remediation, to offer daily remediation opportunities using technology to prevent those students from failing to make appropriate progress at the particular grade level;
2. providing educational technologies, including computers in the homes of students;
3. conducting educational technology training for teachers; and
4. other innovative educational technology programs.

(b) The department may also use money in the fund under contracts entered into with the Indiana department of administration and the state data processing oversight commission to study the feasibility of establishing an information telecommunications gateway that provides access to information on employment opportunities, career development, and instructional services from data bases operated by the state among the following:

1. Elementary and secondary schools.
2. Institutions of higher learning.
3. Vocational educational institutions.
4. Libraries.
5. Any other agencies offering education and training programs.

(c) The fund consists of:

1. state appropriations;
2. private donations to the fund;
3. money directed to the fund from the corporation for educational technology under IC 20-20-15; or
4. any combination of the amounts described in subdivisions (1)
through (3).

(d) The program and fund shall be administered by the department.

(e) Unexpended money appropriated to or otherwise available in the fund for the department's use in implementing the program under this chapter at the end of a state fiscal year does not revert to the state general fund but remains available to the department for use under this chapter.

(f) Subject to section 7 of this chapter, a school corporation may use money from the school corporation's capital projects fund as permitted under IC 21-2-15-4 for educational technology equipment.

Sec. 7. (a) Notwithstanding any other law, a school corporation is not entitled to:

(1) receive any money under this chapter or IC 20-20-15;
(2) use money from the school corporation's capital projects fund for educational technology equipment under IC 21-2-15-4; or
(3) receive an advance from the common school fund for an educational technology program under IC 21-1-5;

unless the school corporation develops a three (3) year technology plan.

(b) Each technology plan must include at least the following information:

(1) A description of the school corporation's intent to integrate technology into the school corporation's curriculum.
(2) A plan for providing inservice training.
(3) A schedule for maintaining and replacing educational technology equipment.
(4) A description of the criteria used to select the appropriate educational technology equipment for the appropriate use.
(5) Other information requested by the department after consulting with the budget agency.

(c) The department shall develop guidelines concerning the development of technology plans. The guidelines developed under this subsection are subject to the approval of the governor.

Sec. 8. Upon the approval of the governor and the budget agency, the department may use funds available under this chapter to provide or extend education technology to any school corporation for purposes described in this chapter. The department (upon the approval of the governor and the budget agency) may direct funds under this chapter to the corporation for educational technology under IC 20-20-15 to
further the corporation's purposes.

Sec. 9. (a) This section applies to the 4R's technology program described in section 6(a)(1) of this chapter.

(b) In addition to any other funds available under this chapter, if state funds are transferred under IC 20-32-5-19 to the 4R's technology program:

(1) those funds do not revert to the state general fund;
(2) those funds shall be made available to the 4R's technology program under this chapter; and
(3) the department, upon approval by the governor and the budget agency, shall use those funds to award grants under this section.

(c) To be eligible to receive a grant under the program, a school corporation must comply with the following:

(1) The school corporation must apply to the department for a grant on behalf of a school within the school corporation to purchase technology equipment.

(2) The school corporation must certify the following:

(A) That the school will provide every kindergarten and grade 1 student at that school the opportunity to learn reading, writing, and arithmetic using technology.
(B) That the school will provide daily before or after school technology laboratories for students in grades 1 through 3 who have been identified as needing remediation in reading, writing, or arithmetic.
(C) That the school will provide additional technology opportunities, that may include Saturday sessions, for students in other grade levels to use the technology laboratories for remediation in reading, writing, arithmetic, or mathematics.
(D) That the school will provide technology opportunities to students that attend remediation programs under IC 20-32-8 (if the school corporation is required to do so) or any other additional summer programs.
(E) That the school corporation, either through its own or the school's initiative or through donations made to the corporation for educational technology under IC 20-20-15 on behalf of the school corporation, is able to provide a part of the costs attributable to purchasing the necessary technology equipment.
(3) The school corporation must include in the application the sources of and the amount of money secured under subdivision (2)(E).

(4) The school corporation or the school must:
   (A) provide teacher training services; or
   (B) use vendor provided teacher training services.

(5) The school corporation must give primary consideration to the purchase of technology equipment that includes teacher training services.

(6) The teachers who will be using the technology equipment must support the initiative described in this chapter.

(d) Upon review of the applications by the department, the satisfaction of the requirements set forth in subsection (c), and subject to the availability of funds for this purpose, the department shall award to each eligible school corporation a grant to purchase technology equipment under section 6(a)(1) of this chapter.

(e) The department shall monitor the compliance by the school corporations receiving grants of the matters cited in subsection (c).

Sec. 10. The department shall develop guidelines necessary to implement sections 6 through 9 of this chapter, including guidelines that require the school corporation to use the laboratories to the fullest extent possible.

Sec. 11. To be eligible to receive money under sections 6 through 9 of this chapter, a school corporation must apply to the department on forms provided by the department.

Sec. 12. A school corporation that receives a grant under sections 6 through 9 of this chapter must deposit the grant in the school technology fund established under IC 21-2-18.

Sec. 13. There is established a technology plan grant program.

Sec. 14. The department shall fund and administer the technology plan grant program.

Sec. 15. A school corporation qualifies for a technology plan grant under sections 13 through 24 of this chapter when the technology plan of the school corporation developed under section 7 of this chapter is approved by the department. For purposes of determining whether a school corporation qualifies for a grant under sections 13 through 24 of this chapter, the department shall:
   (1) review;
   (2) suggest changes;
   (3) approve; or
(4) reject;

a school corporation’s technology plan. However, before the
department may approve a technology plan, the department must
consult with the corporation for educational technology established by
IC 20-20-15-3 on the contents of the technology plan.

Sec. 16. (a) This section applies when a school corporation does not
qualify for a grant because the school corporation’s technology plan
has not been approved under section 15 of this chapter.

(b) The department shall delay grant distribution after the
scheduled time for grant distribution until the school corporation's
technology plan is approved. The delay is without loss or penalty to
the school corporation. If the school corporation's technology plan is
not approved by the end of the grant distribution period, the school
corporation may not receive a grant distribution.

Sec. 17. The total technology plan grant amount to a qualifying
school corporation is the amount determined by the department, with
advice from the educational technology council established by
IC 20-20-14-2, multiplied by the school corporation's ADM. The
amount is one hundred dollars ($100). However, for the purposes of
determining the ADM of a school corporation, students who are
transferred under IC 20-33-4 or IC 20-26-11 shall be counted as
students having legal settlement in the transferee corporation and not
having legal settlement in the transferor corporation.

Sec. 18. A school corporation must use a grant received under
sections 13 through 24 of this chapter to implement all or part of the
school corporation’s technology plan by funding uses that include the
following:

(1) Support of the school corporation’s remediation plans.
(2) Professional development related to technology.
(3) Computers in classrooms.
(4) Computers for teachers.
(5) Access to electronic gateways or telephone access to
    information providers.
(6) The buddy system project (as described in
    IC 20-20-15-4(1)(A)).
(7) Video distance learning.
(8) Wiring infrastructure.
(9) Salaries for management of the technology program.
(10) Technical support.
(12) Media distribution systems.
(13) Expansion of the 4R's technology program (as described in section 6(a)(1) of this chapter).
(14) Software.
(15) Library automation.
(16) Indiana public broadcasting services.
(17) Assistive technology devices for students with disabilities.

Sec. 19. (a) The department shall list all school corporations in Indiana according to assessed valuation for property tax purposes per student in ADM, beginning with the school corporation having the lowest assessed valuation for property tax purposes per student in ADM. For purposes of the list made under this section, the Indiana School for the Deaf established by IC 20-22-2-1 and the Indiana School for the Blind established by IC 20-21-2-1 shall be considered to have the lowest assessed valuation for property tax purposes per student in ADM during the six (6) year period beginning July 1, 2001.

(b) The department must prepare a revised list under subsection (a) before a new series of grants may begin.

(c) The department shall determine those school corporations to be placed in a group to receive a grant in a fiscal year under sections 13 through 24 of this chapter as follows:

(1) Beginning with the school corporation that is first on the list developed under subsection (a), the department shall continue sequentially through the list and place school corporations that qualify for a grant under section 15 of this chapter in a group until the cumulative total ADM of all school corporations in the group depletes the money that is available for grants in the fiscal year.

(2) Each fiscal year the department shall develop a new group by continuing sequentially through the list beginning with the first qualifying school corporation on the list that was not placed in a group in the prior fiscal year.

(3) If the final group developed from the list contains substantially fewer students in ADM than available money, the department shall:

(A) prepare a revised list of school corporations under subsection (a); and

(B) place in the group qualifying school corporations from the top of the revised list.

(4) The department shall label the groups with sequential
numbers beginning with "group one".

Sec. 20. (a) Except as provided in subsection (b), in a state fiscal year, the department shall distribute grants to only two (2) groups of school corporations with each of the two (2) groups receiving fifty percent (50%) of the group's total grant amount.

(b) In state fiscal year 1996-1997:
   (1) the department shall begin grant distribution under sections 13 through 24 of this chapter; and
   (2) the school corporations in group one shall receive one hundred percent (100%) of the group's total grant.
(c) Beginning in state fiscal year 1997-1998, the department shall:
   (1) distribute grants so that school corporations in group two receive:
       (A) fifty percent (50%) of group two's total grant in the first year of distribution; and
       (B) fifty percent (50%) of group two's total grant in the second year of distribution; and
   (2) continue in group number sequence so that school corporations in each group receive:
       (A) fifty percent (50%) of the group's total grant in the first year of distribution to the group; and
       (B) fifty percent (50%) of the group's total grant in the second year of distribution to the group.

Sec. 21. A school corporation shall report to the department on the use of grant money received under sections 13 through 24 of this chapter. A school corporation that fails to make a report under this section is not eligible for a subsequent grant.

Sec. 22. (a) This section applies in a year when a school corporation receives a grant under sections 13 through 24 of this chapter. The school corporation's capital projects fund budget must include an expenditure for technology that is not less than the school corporation's average annual expenditure for technology from the capital projects fund in the six (6) budget years preceding the year of the grant. If the Indiana School for the Deaf established by IC 20-22-2-1 or the Indiana School for the Blind established by IC 20-21-2-1 receives a grant under sections 13 through 24 of this chapter, the school's expenditures for technology in the year of the grant must exceed the school's average annual expenditure for technology in the six (6) budget years preceding the year of the grant.

(b) For each year that a school corporation fails to observe
subsection (a), the school corporation forfeits a grant under sections
13 through 24 of this chapter. The forfeit of the grant must occur in
the first grant year after the school corporation fails to observe
subsection (a).

Sec. 23. The department shall develop guidelines to implement
sections 13 through 24 of this chapter.

Sec. 24. A school corporation that receives a grant under sections
13 through 24 of this chapter shall deposit the grant in the school
technology fund established under IC 21-2-18. If the Indiana School
for the Deaf established by IC 20-22-2-1 or the Indiana School for the
Blind established by IC 20-21-2-1 receives a grant under sections 13
through 24 of this chapter, the school shall deposit the grant in an
account or fund that the school uses exclusively for the funding of
technology.

Chapter 14. Educational Technology Council

Sec. 1. As used in this chapter, "council" refers to the educational
technology council established by section 2 of this chapter.

Sec. 2. The educational technology council is established.

Sec. 3. (a) The council shall advise the state superintendent and the
governor on education related technology initiatives.

(b) The appointed membership of the council shall reflect its
purposes and be experienced in technology generally. An appointed
member of the council serves at the pleasure of the appointing
authority. The council consists of the following sixteen (16) voting
members:

(1) The state superintendent.
(2) The special assistant to the state superintendent of public
instruction responsible for technology who is appointed under
section 5 of this chapter.
(3) Four (4) individuals who represent private business appointed
jointly by the state superintendent and the governor. Each
member appointed under this subdivision must be experienced
in development and use of information technology. A member
appointed under this subdivision may not represent possible
providers of technology or related services.
(4) Three (3) individuals who:
   (A) manage educational environments, including higher
   education; and
   (B) are experienced in their educational work with
   information technology;
are appointed jointly by the state superintendent and the governor.

(5) Three (3) individuals who are public school educators familiar with and experienced in the use of technology in educational settings appointed jointly by the state superintendent and the governor, with one (1) representing an urban school corporation, one (1) representing a suburban school corporation, and one (1) representing a rural school corporation.

(6) Four (4) members who are members of the general assembly and who are appointed as follows:

(A) Two (2) members of the house of representatives, appointed by the speaker of the house of representatives with not more than one (1) from a particular political party.

(B) Two (2) members of the senate, appointed by the president pro tempore of the senate with not more than one (1) from a particular political party.

(c) The state superintendent shall designate the chair of the council from the membership of the council.

(d) Nine (9) members of the council constitute a quorum to conduct business. Action of the council is not valid unless approved by at least seven (7) voting members of the council.

(e) Each member of the council who is not a state employee is not entitled to the minimum salary per diem as provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member’s duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(f) Each member of the council who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member’s duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(g) Each member of the council who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

Sec. 4. The department may employ personnel or consultants, or
both, to carry out the council’s duties and functions.

Sec. 5. (a) The state superintendent shall appoint a special assistant for technology. The person appointed under this section serves at the pleasure of the state superintendent.

(b) The person appointed under subsection (a) must be experienced in the integration of educational technology initiatives, infrastructure management and support, and applied research into effective educational practices available to students and educators in the classroom. The state superintendent is encouraged to conduct a nationwide search for the best available talent to fill the position required by this section.

c) The person appointed under subsection (a) shall coordinate the duties and functions of the department and the council under the following:

1. IC 20-20-13 (educational technology program and grants).

2. This chapter.

3. Any other law concerning educational technology or telecommunications.

Chapter 15. Corporation for Educational Technology

Sec. 1. As used in this chapter, "board" refers to the board of directors of the corporation.

Sec. 2. As used in this chapter, "corporation" refers to the corporation for educational technology established under section 3 of this chapter.

Sec. 3. (a) The state superintendent may, on behalf of the state, establish a private nonprofit corporation named "the corporation for educational technology".

(b) Upon:

1. the establishment of the corporation;

2. the corporation satisfying the conditions imposed by section 4 of this chapter; and

3. the state superintendent certifying the corporation;

the corporation may perform the functions set forth in section 5 of this chapter.

(c) Before certification by the state superintendent, the corporation must conduct a public hearing to give all interested parties an opportunity to review and comment on the articles of incorporation, bylaws, and methods of operation of the corporation. Notice of the hearing must be given at least fourteen (14) days before the hearing in accordance with IC 5-14-1.5-5(b).
Sec. 4. The articles of incorporation and bylaws of the corporation must provide for the following:

1) That the exclusive purposes of the corporation are to:
   (A) administer a statewide computer project placing computers in homes of public school students (commonly referred to as the "buddy system project") and any other educational technology program or project jointly authorized by the state superintendent and the governor; and
   (B) advise the state superintendent and the governor on education related technology initiatives, specifically those initiatives implemented through the educational technology program under IC 20-20-13.

2) That the board is composed of sixteen (16) individuals who serve at the pleasure of the state superintendent and the governor and who shall be appointed jointly by the state superintendent and the governor as follows:
   (A) Four (4) individuals who represent private business.
   (B) Three (3) individuals who are public school educators with one (1) representing an urban school corporation, one (1) representing a suburban school corporation, and one (1) representing a rural school corporation.
   (C) Four (4) individuals who are members of the general assembly and who are appointed as follows:
      (i) Two (2) members of the house of representatives, appointed by the speaker of the house of representatives with not more than one (1) from a particular political party.
      (ii) Two (2) members of the senate, appointed by the president pro tempore of the senate with not more than one (1) from a particular political party.
   (D) Five (5) individuals who represent education.

3) That the state superintendent shall designate the chair of the board from the membership of the board.

4) That the board may select other officers the board considers necessary, including a vice chair, treasurer, or secretary.

5) That the chair of the board may appoint subcommittees that the chair considers necessary to carry out the duties of the corporation.

6) That the corporation, with the approval of the state superintendent, shall appoint or contract with a person to be president. The president shall serve as the chief operating officer.
of the corporation and may employ consultants to carry out the corporation's duties under this chapter.

(7) That a majority of the entire membership constitutes a quorum to do business. However, an action of the corporation is not valid unless approved by at least nine (9) members of the corporation.

(8) That each board member who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a member is, however, entitled to reimbursement for traveling expenses and other expenses actually incurred in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(9) That each member of the board who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(10) That each member of the board who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

(11) That the corporation may receive money from any source, including state appropriations, may enter into contracts, and may expend funds for any activities necessary, convenient, or expedient to carry out the exclusive purposes of the corporation.

(12) That an individual who makes a donation to the corporation may designate:

(A) the particular school corporation; or

(B) the educational technology program implemented by the corporation under IC 20-20-13;

to receive the donation, and that the corporation may not authorize the distribution of that donation in a manner that disregards or otherwise interferes with the donor's designation. However, an individual who wishes to make a donation under this chapter is not entitled to specify, designate, or otherwise require that the corporation use the donation to purchase
particular technology equipment or patronize a particular vendor of technology equipment.

(13) That if the corporation elects to expend funds that have not been designated to a particular school corporation or educational technology program under IC 20-20-13, the corporation shall first expend those unspecified funds to school corporations or programs that have not been the recipient of a designated donation under subdivision (12).

(14) That the corporation shall take into account other programs and distributions available to school corporations for at risk students.

(15) That any changes in the articles of incorporation or bylaws must be approved by the board.

(16) That the corporation shall submit an annual report to the general assembly before November 2 of each year and that the report must include detailed information on the structure, operation, and financial status of the corporation and must be in an electronic format under IC 5-14-6.

(17) That the corporation is subject to an annual audit by the state board of accounts, and that the corporation shall pay the full costs of the audit.

Sec. 5. The corporation, after being certified by the state superintendent under section 3 of this chapter, may do the following:

(1) Take over the responsibilities and obligations associated with the project commonly referred to as the "buddy system project" as described in section 4(1)(A) of this chapter, which may include the following relating to the buddy system project:

(A) Conducting conferences on advances in technology and their application to the educational field.

(B) Upon the joint authorization by the state superintendent and the governor, establishing, operating, or managing education technology programs that:

(i) encourage the productive use of technology for instructing students in kindergarten through grade 12;

(ii) place technology directly with teachers and students, whether in school or otherwise to advance the education and skills and enhance the attitude of Indiana students who are in kindergarten through grade 12; or

(iii) accomplish both of the objectives described in items (i) and (ii).
(2) Administer all funds received by the corporation from whatever source to further the corporation's purposes, consistent with section 4(12) and 4(13) of this chapter.

Sec. 6. In administering the funds received by the corporation, the corporation may elect to direct corporation funds to the educational technology program under IC 20-20-13 in order to further the purposes of the educational technology program.

Sec. 7. Debts incurred by the corporation under authority of this chapter do not represent or constitute a debt of the state within the meaning of Indiana statutes or the Constitution of the State of Indiana.

Chapter 16. Access to Telecommunications Service

Sec. 1. The purpose of this chapter is to effectively:

1. provide the methods and means by which all schools and libraries may receive access to resources available through technology and telecommunications services; and
2. maximize the eligibility, availability, and use of the federal and state funding mechanisms.

Sec. 2. As used in this chapter, "telecommunications services and equipment" includes all telecommunication services and equipment eligible for universal service fund discounts as described:

1. in the federal Telecommunications Act of 1996 (P.L.104-104, 110 Stat. 56 (1996)) and applicable regulations or orders issued under that act;
2. by the Indiana utility regulatory commission as allowed under the federal act; or
3. in the intelenet commission or state library technology grant programs.

Sec. 3. The intelenet commission, with the department of education and the state library, shall coordinate available federal and state funds and funding mechanisms to accomplish full access to telecommunications services and equipment by all schools, libraries, and rural health care providers as defined in:

1. the federal Telecommunications Act of 1996 (P.L.104-104, 110 Stat. 56 (1996)) and regulations or orders issued under that act; or
2. any regulations or orders issued by the Indiana utility regulatory commission in fulfillment of the state's obligations under the act.

Chapter 17. School Intervention and Career Counseling
Development Program and Fund

Sec. 1. As used in this chapter, "fund" refers to the school intervention and career counseling development fund established by section 4 of this chapter.

Sec. 2. As used in this chapter, "grant" refers to a grant from the fund.

Sec. 3. As used in this chapter, "school intervention and career counseling development program" refers to a program carried out under this chapter:

(1) for kindergarten through grade 6; and
(2) by a licensed school counselor.

Sec. 4. (a) As a result of a comprehensive study conducted by the department on the role of school counselors, including the expanding role of school counselors in career development under workforce development programs that affect public schools, the school intervention and career counseling development fund is established. The money in the fund shall be used to develop counseling models in a limited number of school corporations as determined by the department under this chapter.

(b) If a school corporation is awarded a grant under this chapter, the school corporation must:

(1) agree to evaluate the impact and results of the school corporation's program; and
(2) submit the school corporation's findings to the department.

(c) The department shall administer the fund.

(d) The fund consists of:

(1) gifts to the fund;
(2) appropriations from the general assembly;
(3) grants, including grants from private entities; and
(4) a combination of the resources described in subdivisions (1), (2), and (3).

Sec. 5. Subject to section 6 of this chapter, for a school corporation to be eligible to receive a grant under this chapter, the following must occur:

(1) The superintendent of the school corporation must apply to the department for a grant on forms provided by the department.

(2) The application for a grant must include the following information:

(A) A detailed description of a proposal for initiating or
expanding a school intervention or career counseling program.
(B) Evidence supporting the school corporation's need to implement the school intervention or career counseling program.
(C) The number of elementary school counselors employed by the school corporation.
(D) The elementary school counselor/student ratio for the school corporation.
(E) Any other pertinent information required by the department, including evidence guaranteeing that if the school corporation receives a grant under this chapter, the school corporation has developed a plan to evaluate the impact and results of the school corporation's program.

Sec. 6. The department may award grants to school corporations:
(1) upon review of the applications received under section 5 of this chapter;
(2) upon receipt of the recommendations from the advisory committee under section 10 of this chapter;
(3) subject to available money; and
(4) in accordance with the following priorities:
   (A) To the extent possible, to achieve geographic balance throughout Indiana and to include urban, suburban, and rural school corporations.
   (B) To address a documented need for new or expanded school intervention or career counseling programs, including considering the percentage of students within the school corporation who are designated as at risk students.
   (C) To promote innovative methods for initiating or expanding school intervention or career counseling programs.
   (D) To reward school corporations that propose school intervention or career counseling programs that demonstrate the greatest potential for replication and implementation in Indiana.
   (E) To lower school counselor/student ratios where the ratios are excessively high.

Sec. 7. (a) Subject to subsection (b), the department shall determine the amount of each grant that is awarded under this chapter.
   (b) A grant to a particular school corporation may not exceed:
      (1) fifteen thousand dollars ($15,000) for each full-time counselor
for each academic year, or seven thousand five hundred dollars ($7,500) for each full-time counselor for each semester; and
(2) the following total grant awards as each relates to the ADM of the school corporation at the time the school corporation applies for the grant:
   (A) For a school corporation with an ADM of not more than five thousand (5,000), seventy-five thousand dollars ($75,000).
   (B) For a school corporation with an ADM of at least five thousand one (5,001) and not more than nine thousand nine hundred ninety-nine (9,999), one hundred twenty thousand dollars ($120,000).
   (C) For a school corporation with an ADM of at least ten thousand (10,000), one hundred eighty thousand dollars ($180,000).

Sec. 8. A grant received by a school corporation may be expended by the school corporation for a twenty-four (24) month period.
Sec. 9. The department shall develop guidelines necessary to implement this chapter.
Sec. 10. (a) An advisory committee composed of five (5) members is established.
   (b) The state superintendent shall appoint the members of the advisory committee.
   (c) The state superintendent shall:
       (1) convene the advisory committee; and
       (2) act as chair of the advisory committee.
   The state superintendent may not be a member of the advisory committee.
   (d) An employee of:
       (1) the governor; or
       (2) the department of education;
is eligible for appointment to the advisory committee.
   (e) A member of the advisory committee serves at the pleasure of the appointing authority.
   (f) A member of the advisory committee is not entitled to the following:
       (1) The minimum salary per diem provided in IC 4-10-11-2.1(b).
       (2) Reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties.
   (g) The advisory committee shall do the following:
       (1) Assist the department in developing the guidelines described
in section 9 of this chapter.
(2) Establish standards for qualifying for a grant under this chapter.
(3) Review grant applications and make recommendations to the state superintendent concerning the awarding of grants.
(4) Evaluate the impact and results of the various school intervention and career counseling programs receiving grants under this chapter.

Chapter 18. Elementary School Counselors, Social Workers, and School Psychologists Program and Fund

Sec. 1. As used in this chapter, "fund" refers to the elementary school counselors, social workers, and school psychologists fund established by section 4 of this chapter.

Sec. 2. As used in this chapter, "grant" refers to a grant from the fund.

Sec. 3. As used in this chapter, "program" refers to an elementary school counseling program, a social work program, or a school psychologist program carried out under this chapter:
(1) for kindergarten through grade 6; and
(2) by:
   (A) a licensed school counselor;
   (B) a licensed social worker who has obtained at least a master's degree; or
   (C) a licensed school psychologist.

Sec. 4. (a) The elementary school counselors, social workers, and school psychologists fund is established. The money in the fund shall be used to assist school corporations in placing school counselors, social workers, and school psychologists in elementary schools through grants awarded as determined by the department under this chapter.

(b) If a school corporation is awarded a grant under this chapter, the school corporation must:
   (1) agree to evaluate the impact and results of the school corporation's program; and
   (2) submit the school corporation's findings to the department.

(c) The department shall administer the fund.

(d) The fund consists of:
   (1) gifts to the fund;
   (2) appropriations from the general assembly; and
   (3) grants, including grants from private entities.
Sec. 5. Subject to section 6 of this chapter, for a school corporation to be eligible to receive a grant under this chapter, the following must occur:

1) The superintendent of the school corporation must apply to the department for a grant on a form provided by the department.

2) The application for a grant must include the following information:

   A) A detailed description of a proposal for placing school counselors, social workers, or school psychologists in elementary schools to provide services to students and their families.

   B) Evidence supporting the school corporation's need to implement the program.

   C) The number of elementary school counselors, social workers, and school psychologists employed by the school corporation.

   D) The elementary school:

      i) school counselor/student ratio;

      ii) social worker/student ratio; and

      iii) school psychologist/student ratio;

   for the school corporation.

   E) Any other pertinent information required by the department, including evidence guaranteeing that if the school corporation receives a grant under this chapter, the school corporation will have developed a plan to evaluate the impact and results of the school corporation's program.

Sec. 6. Upon review of the applications received under section 5 of this chapter, the department may award grants to school corporations subject to available money and in accordance with the following priorities:

1) To the extent possible, to achieve geographic balance throughout Indiana and to include urban, suburban, and rural school corporations.

2) To address a documented need for new or expanded programs, including consideration of the percentage of students within the school corporation who are designated as at risk students.

3) To lower:

   A) student/school counselor ratios;
(B) student/social worker ratios; and
(C) student/school psychologist ratios;
where the ratios are excessively high.
Sec. 7. The department shall determine the amount of each grant that is awarded under this chapter.
Sec. 8. A grant received by a school corporation may be expended by the school corporation for a twenty-four (24) month period.
Sec. 9. The department shall develop guidelines necessary to implement this chapter.
Chapter 19. School Social Workers
Sec. 1. (a) An individual who obtains a position as a school social worker for a school corporation must:
(1) hold a master's degree in social work; or
(2) agree as a condition of employment to obtain a master's degree in social work not more than five (5) years after the individual begins employment as a school social worker.
(b) Subsection (a) does not apply to an individual who obtained a position as a school social worker for a school corporation before July 1, 2001.
Chapter 20. Secondary Level Vocational Education
Sec. 1. As used in this chapter, "commission" refers to the Indiana commission on vocational and technical education of the department of workforce development established by IC 22-4.1-13-6.
Sec. 2. As used in this chapter, "vocational education" means any secondary level vocational, agricultural, occupational, manpower, or technical training or retraining that:
(1) enhances an individual's career potential and further education; and
(2) is accessible to individuals who desire to explore and learn for economic and personal growth leading to employment opportunities.
Sec. 3. (a) The state board shall do the following:
(1) Establish and monitor the operation of secondary level vocational education in Indiana in accordance with the comprehensive long range state plan developed by the commission under IC 22-4.1-13-9.
(2) Establish a list of approved secondary level vocational education courses in accordance with the workforce partnership plans under IC 22-4.1-14.
(b) The state board may authorize the department, whenever
practical or necessary, to assist in carrying out the duties prescribed by this chapter.

(c) The state board shall do the following:
   (1) Implement, to the best of its ability, its vocational education plan prepared under section 4 of this chapter.
   (2) Investigate the funding of vocational education on a cost basis.
   (3) Cooperate with the commission in implementing the long range plan prepared by the commission under IC 22-4.1-13-9.

Sec. 4. The state board shall biennially prepare a plan for implementing vocational education and shall submit the plan to the commission for its review and recommendations.

Sec. 5. The state board shall make recommendations to the commission on all secondary level vocational education.

Sec. 6. Upon request of the budget director, the department shall prepare a legislative budget request for state and federal funds for vocational education. The budget director shall determine the period to be covered by the budget request. This budget request shall be made available to the commission under IC 22-4.1-13-15 before review by the budget committee.

Sec. 7. The department shall distribute state funds made available for vocational education that have been appropriated by the general assembly in accordance with the general assembly appropriation and the plan prepared by the state board under section 4 of this chapter.

Sec. 8. The state board shall develop a definition for and report biennially to the:
   (1) general assembly;
   (2) governor; and
   (3) commission;

on attrition and persistence rates by students enrolled in secondary vocational education. A biennial report under this section to the general assembly must be in an electronic format under IC 5-14-6.

Sec. 9. The state board shall adopt rules under IC 4-22-2 and shall contract for services whenever necessary to perform the duties imposed by this chapter in accordance with the plan developed under section 4 of this chapter and approved by the commission.

Chapter 21. Advisory Adult Literacy Coalition

Sec. 1. As used in this chapter, "coalition" refers to the advisory adult literacy coalition established by section 2 of this chapter.

Sec. 2. The governor shall establish an advisory adult literacy
coalition to do the following:

(1) Promote lifelong learning for Indiana residents so the residents may participate fully in family, community, civic, employment, and educational opportunities.

(2) Encourage the coordination of state agency activity related to adult literacy.

Sec. 3. As part of the program, the coalition shall encourage the following:

(1) Communication among all the programs serving adults who need development in basic reading, writing, and math skills.

(2) Publicity about adult literacy programs throughout Indiana.

(3) The development and maintenance of local literacy coalitions to coordinate, expand, and improve local literacy services.

(4) Promotion of learner involvement in literacy programs and organizations.

(5) Contributions of time, space, funds, and other support by business and industry to:

(A) assist employees lacking the necessary reading, writing, and math skills; and

(B) encourage employees to become volunteers in literacy programs.

(6) Identification of gaps in services and literacy trends to assist state policymakers.

Sec. 4. (a) The coalition must have:

(1) at least thirty (30); and

(2) not more than thirty-five (35); members. The governor shall appoint the members on the recommendation of the state superintendent.

(b) A member serves a two (2) year term.

Sec. 5. (a) Before September 30 of each year, the state superintendent shall recommend to the governor individuals for appointment to the coalition.

(b) The governor shall:

(1) appoint the members of the coalition; and

(2) designate the date the terms of the members of the coalition begin so that terms are staggered.

(c) The membership of the coalition must include representatives from the following:

(1) The general assembly.

(2) Adult basic education programs.
(3) Local libraries.
(4) Community based organizations.
(5) Local literacy coalitions.
(6) Business and industry.
(7) Labor.
(8) Associations involved with promoting adult literacy in Indiana.
(9) The Indiana Literacy Foundation.
(10) Higher education.
(11) Persons who have benefited from adult literacy programs.

Sec. 6. The department shall provide logistical support to the coalition.

Sec. 7. The director of each of the following state agencies shall appoint an ex officio member to serve on the coalition and provide appropriate support to the coalition:

(1) The Indiana library and historical department.
(2) The department of workforce development.
(3) The department of correction.
(4) The office of the secretary of family and social services.
(5) The Indiana economic development corporation.
(6) The department.

Sec. 8. This chapter expires January 1, 2007.

Chapter 22. Teacher Quality and Professional Improvement Program

Sec. 1. As used in this chapter, "program" refers to the teacher quality and professional improvement program established by section 2 of this chapter.

Sec. 2. (a) The teacher quality and professional improvement program is established to:

(1) review the salary and reward structure for teachers; and
(2) identify and develop methods to confer honor upon:

(A) the teaching profession; and
(B) individual teachers;

in Indiana.

(b) The state board shall administer the program.

Sec. 3. The state board shall work with school corporations to do the following:

(1) Examine and develop a plan for the implementation of a comprehensive career ladder system, which includes assisting at least three (3) school corporations to serve as model field studies
for the feasibility of a career ladder reward program.
(2) Examine the implications of the career ladder system on the collective bargaining process under IC 20-29-6 and determine the effect of the collective bargaining process on the implementation of a career ladder system.
(3) Develop and implement recommendations for basic pay increases for teachers to be phased in with a career ladder system of rewards for teachers.
(4) Create programs that provide additional professional development opportunities for individual teachers, including the following programs:
   (A) Continuing education scholarships for teachers.
   (B) Professional development training for teachers.
   (C) Paid sabbatical leave for teachers.
   (D) Teacher fellowships.
   (E) Grants to schools for extended teacher contracts.
   (F) Grants for inschool projects for upgrading curriculum or improving instruction.
(5) Develop visible and meaningful ways to foster greater respect for the teaching profession and confer honor upon individual teachers in Indiana.
(6) Examine ways to implement a system of rewarding school corporations that improve the work environment by fostering collaborative working arrangements among teachers.

Sec. 4. The board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 23. Projects for Innovative Education
Sec. 1. As used in this chapter, "project" means an innovative education project as described in this chapter.
Sec. 2. (a) The innovative education projects fund is established for funding special experimental demonstration projects that involve the innovative use of teachers, methods, systems, materials, or programs for preschool, elementary school, or secondary school students that may have a special value in promoting effective educational programs in Indiana. The state board shall administer the fund.
   (b) The fund may be used only for projects created under this chapter.
   (c) The expenses of administering the fund shall be paid from money in the fund.
   (d) The treasurer of state shall invest the money in the fund not
currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

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

Sec. 3. (a) The state board shall adopt rules under IC 4-22-2 to:

1. establish project guidelines and criteria in addition to those specified in this chapter;
2. establish application deadlines;
3. evaluate projects;
4. provide for the dissemination of project plans to all interested school corporations in the state; and
5. otherwise carry out the purposes of this chapter.

(b) The state board may select and distribute money to school corporations submitting project proposals that best carry out the purposes of this chapter.

Sec. 4. For a project to receive funding under this chapter it must do the following:

1. Provide for curricular and instructional strategy and use of materials responsive to individual educational needs and learning styles.
2. Provide for the development of basic and applied learning skills; multicultural education; physical, emotional, and mental health education; consumer economics; career education; or skills in the arts, humanities, and physical, natural, and social sciences.
3. Use community resources or communications media.
4. Provide staff development.
5. Provide for ongoing and annual evaluation of goals and objectives.
6. Provide for parental involvement.

Sec. 5. Projects under this chapter may include provisions for the following:

1. A principal-teacher or career teacher component as described in section 7 of this chapter.
2. A counselor-teacher component as described in section 8 of this chapter.
3. Cooperative efforts with community agencies.
4. Advanced or accelerated programs for students with special abilities.
(5) Use of volunteers.
(6) Flexible student attendance schedules.
(7) Early childhood and family education.
(8) Application of research findings.
(9) Use of paraprofessionals.
(10) Alternative criteria for high school graduation.
(11) Variable age and class size groupings.

Sec. 6. Consent from a student's parent must be obtained before the student's involvement in a project.

Sec. 7. (a) A project may include a principal-teacher or career teacher component. The principal-teacher or career teacher may not be the exclusive teacher for students assigned to the principal-teacher or career teacher but shall serve the function of developing and implementing a student's overall learning program. The principal-teacher or career teacher may be responsible for regular classroom assignments as well as learning programs for other students assigned to the principal-teacher or career teacher.

(b) A principal-teacher must be a principal and a career teacher must be a teacher licensed under IC 20-28-5.

(c) The governing body of the school corporation shall establish procedures for hiring individuals for the positions of principal-teacher and career teacher. The governing body has sole authority to hire these individuals. An individual is not entitled to employment in the position based on seniority or order of employment in the school corporation. The principal-teacher and career teacher shall be employed on a twelve (12) month basis with vacation time negotiated individually with the governing body.

(d) The principal-teacher or career teacher is responsible for the following:

(1) The overall education and learning plan of students assigned to the principal-teacher or career teacher. The principal-teacher or career teacher shall design a plan with the student, parents, and other faculty to maximize the learning potential and maturation level of each student.

(2) Measuring the proficiency of the students assigned to the principal-teacher or career teacher and assisting other staff in identifying student needs and making appropriate educational and subject groupings.

(3) If part of the project's plan, taking responsibility for the parent and early childhood education of students assigned to the
principal-teacher or career teacher.
(4) Designing and being responsible for program components that meet special learning needs of high potential and talented students.
(5) Coordinating the ongoing, year-to-year learning program for students assigned to the principal-teacher or career teacher.

Sec. 8. (a) A project may include a counselor-teacher component. The counselor-teacher may not be the exclusive teacher of the students assigned to the counselor-teacher.
(b) A counselor-teacher must be a licensed counselor under IC 20-28-5.
(c) The governing body of the school corporation shall establish procedures for hiring counselors for the position of counselor-teacher. The governing body has sole authority to hire the counselors. An individual is not entitled to employment in the position based on seniority or order of employment in the school corporation.
(d) The counselor-teacher shall provide guidance and counseling services to students assigned to the counselor-teacher. This includes working with individual students, groups of students, and families.

Chapter 24. Arts Education Program

Sec. 1. The purpose of this chapter is to:
(1) encourage local schools to develop comprehensive plans to improve arts in education;
(2) coordinate available resources in support of arts programs in order to provide arts experiences for all students;
(3) provide assistance to local agencies in the development and implementation of comprehensive programs to improve instruction in the elementary and secondary schools;
(4) develop a means by which schools and communities can collaborate in order to strengthen programs;
(5) provide leadership training in the planning, execution, and evaluation of arts education programs;
(6) assist local schools in the development of educational arts education programs; and
(7) assist local schools in the training of educational staff, including specialists in all of the arts and general classroom teachers.

Sec. 2. As used in this chapter, "arts" includes the following:
(1) Music.
(2) Dance.
(3) Drama.
(4) Visual arts.
(5) Creative writing.
(6) Film making.
(7) Arts related to the presentation, performance, execution, and exhibition of arts listed in subdivisions (1) through (6).
(8) The study and application of arts listed in subdivisions (1) through (7) to the human environment.

Sec. 3. The department may award grants to school corporations under this chapter.

Sec. 4. A school corporation may apply for a grant under this chapter by submitting to the department a plan that includes the following:

(1) Identification of the instructional needs of students and teachers in the arts.
(2) A program through which funds received under this chapter as well as under local, state, or federal programs will serve the purposes of this chapter.
(3) A program for coordinating the efforts of local agencies, organizations, and institutions in order to make their efforts more effective.
(4) Identification of the area in which the funds received will be used, including one (1) of the following:
   (A) Comprehensive arts education programs.
   (B) Technical assistance leadership training.
   (C) Interagency and organizational programs.
   (D) Allotment programs for elementary arts specialists.

Sec. 5. The department may consult with the Indiana arts commission and private arts organizations regarding expenditure of funds received under this chapter.

Sec. 6. The state board shall adopt rules under IC 4-22-2 stating the criteria upon which grants may be made under this chapter. The department may make grants to school corporations from funds made available for purposes of this chapter.

Chapter 25. Committee on Educational Attitudes, Motivation, and Parental Involvement

Sec. 1. As used in this chapter, "committee" refers to the committee on educational attitudes, motivation, and parental involvement established by section 2 of this chapter.

Sec. 2. The committee on educational attitudes, motivation, and
parental involvement is established to do the following:
   (1) Study the attitudes of students toward the educational process
       in public schools.
   (2) Develop methods to motivate students to learn.
   (3) Develop methods to create and maintain a positive public
       perception within each community and within Indiana toward
       the public schools.
   (4) Develop methods to encourage increased parental and
       community involvement with the public schools.
   (5) Develop guidelines for the award of grants under section 6 of
       this chapter.
Sec. 3. (a) The committee consists of fifteen (15) members.
   (b) The governor shall:
       (1) appoint the members upon the recommendation of the state
           superintendent; and
       (2) designate a member to serve as chair.
   (c) The chair shall call the meetings of the committee. The members
       serve two (2) year terms.
Sec. 4. (a) The membership of the committee must include
   representatives from the following:
   (1) The general assembly.
   (2) The department.
   (3) Business.
   (4) Labor.
   (5) Agriculture.
   (6) Parents of children who attend public schools.
   (7) Public school or school corporation administrators.
   (8) Certificated employees (as defined in IC 20-29-2-4) who are
       teachers.
   (b) Each member of the committee who is not a state employee is
       not entitled to the minimum salary per diem provided by
       IC 4-10-11-2.1(b). Such a member is, however, entitled to
       reimbursement for traveling expenses and other expenses actually
       incurred in connection with the member's duties, as provided in the
       state travel policies and procedures established by the Indiana
       department of administration and approved by the budget agency.
   (c) Each member of the committee who is a state employee but who
       is not a member of the general assembly is entitled to reimbursement
       for traveling expenses and other expenses actually incurred in
       connection with the member's duties, as provided in the state travel
policies and procedures established by the Indiana department of administration and approved by the budget agency.

(d) Each member of the committee who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

Sec. 5. The state superintendent and the governor shall each designate a staff member to coordinate the planning of the committee.

Sec. 6. (a) A school corporation may apply to the department for a grant to expand or implement programs to do the following:

(1) Improve student attitudes toward education.
(2) Increase student motivation to pursue higher educational goals.
(3) Increase community and parental involvement with the local schools.

(b) The committee shall make recommendations to the department concerning the award of grants under subsection (a).

Chapter 26. Readiness Testing
Sec. 1. The board shall authorize a series of studies to be conducted by the department to determine a plan for reimbursing school corporations for the costs of administering academic readiness tests to selected students in kindergarten, grade 1, and grade 2.

Sec. 2. The department shall develop a plan, based upon the results of the studies, to offer readiness tests to school corporations.

Sec. 3. Readiness testing under this chapter is in addition to ISTEP program testing under IC 20-32-5.

Chapter 27. Student Services Programs
Sec. 1. (a) The department shall establish a student services summer institute designed to coordinate the student services personnel from each school corporation with youth serving organizations in developing a cohesive plan to serve the needs of students.

(b) The student services summer institute shall focus on developing a coordinated effort among the participants in the summer institute to do the following:

(1) Increase and enhance preventive and effective student services programs.
(2) Study methods of providing information and resources to assist parents in counseling students.
(3) Reduce and eliminate clerical duties regularly assigned to student guidance personnel.
(4) Coordinate the expertise and training of the student guidance personnel.
(5) Prepare a program to implement the coordinated plan.
Sec. 2. The student services summer institute shall identify the following:
(1) Effective models for the coordination of student services in Indiana and nationwide.
(2) Any rule, regulation, or funding requirement that creates barriers to or facilitates the coordination of student services.
(3) Specific local conditions or circumstances that promote or inhibit the coordination of student services.
(4) Specific needs or problems concerning the coordination of student services.
Sec. 3. The department shall authorize a student services team pilot program to be conducted under the research and development program under IC 20-20-11 designed to assist participating student guidance personnel with services provided by other local youth serving organizations.
Sec. 4. If a pilot program provides for direct services to students (other than services approved by the state board and governing bodies), parents of students must be notified that additional services are available.
Chapter 28. Early Childhood Programs
Sec. 1. As used in this chapter, "early childhood program" refers to a voluntary parental education program for parents of children from birth to less than three (3) years of age that provides these parents with information and activities to help the parents better prepare children for school.
Sec. 2. As used in this chapter, "latch key program" means a voluntary school age child care program for children who attend kindergarten through grade 6 and that at a minimum, operates after the school day and may include periods before school is in session or during periods when school is not in session.
Sec. 3. As used in this chapter, "preschool program" refers to a voluntary school readiness program for children who are at least three (3) years of age and not enrolled in at least kindergarten.
Sec. 4. (a) The department shall establish pilot programs targeting at risk students in the following areas:
(1) Early childhood parental information programs.
(2) Latch key programs.
(3) Preschool programs.

(b) In establishing the pilot programs under this chapter, the department shall focus on implementing programs that enable the local school corporation and appropriate community agencies to cooperate with each other.

(c) The department shall address the following in establishing the programs:

1. Screening for physical health problems that can inhibit school success.
2. Screening for learning disabilities.
3. Parental orientation and participation.

(d) In addition, the department shall employ an early childhood specialist and support staff personnel to identify and determine ways to coordinate the educational programs offered by local youth serving organizations.

Sec. 5. (a) The department:

1. shall select certain school corporations to participate in the respective pilot programs listed in section 4 of this chapter; and
2. may select school corporations that have a pilot program as described in section 4 of this chapter in existence on June 30, 1990.

(b) A school corporation may enter into an agreement with a nonprofit corporation to provide early childhood education, preschool education, or latch key programs. However, if a school corporation enters into a contract for preschool education, the nonprofit corporation:

1. must operate a federally approved preschool education program; and
2. may not be religiously affiliated.

Sec. 6. The department shall develop guidelines necessary to implement this chapter.

Sec. 7. Each school corporation that participates in a pilot program under this chapter shall prepare a written report detailing all of the pertinent information concerning the implementation of the pilot program, including any recommendations made and conclusions drawn from the pilot program. The school corporation shall submit the report to the department.

Chapter 29. Twenty-First Century Schools Pilot Program

Sec. 1. The department shall establish a twenty-first century schools pilot program to do the following:
(1) Increase the involvement of parents, teachers, administrators, and local civic leaders in the operation of the local school.
(2) Provide more responsibility and flexibility in the governance of schools at the local level.
(3) Encourage innovative and responsive management practices in light of the social and economic problems in the community.
(4) Provide grants to schools selected by the department to implement twenty-first century schools pilot programs.

Sec. 2. (a) The department shall administer the twenty-first century schools pilot program.
(b) Unexpended money appropriated to the department for the department's use in implementing the pilot program under this chapter at the end of a state fiscal year does not revert to the state general fund but remains available to the department for the department's continued use under this chapter.

Sec. 3. To be eligible for selection as a twenty-first century schools pilot program grant recipient, a school must do the following:
(1) Apply to the department for a grant, on forms provided by the department, and include a detailed description of the school pilot program.
(2) Demonstrate a significant commitment by teachers, parents, and school administrators toward achieving positive outcomes in school activities.
(3) Establish a school/community improvement council consisting of parents of students, school personnel, and representatives of the community.
(4) Comply with all other requirements set forth by the department.

Sec. 4. A pilot program eligible to be funded under this chapter must include all of the following:
(1) School based management models.
(2) Parental involvement strategies.
(3) Innovative integration of curricula, individualized education programs, nonstandard courses, or textbook adoption in the school improvement plan described under IC 20-31-4-6(6).
(4) Training for participants to become effective members on school/community improvement councils.

Sec. 5. To encourage participation in the pilot program by local schools, a school corporation that is selected to participate in the pilot program is not required to comply with certain state imposed
standards as determined by the department with the consent of the state board.

Sec. 6. Upon review of the applications submitted by schools under section 3 of this chapter, the department shall select the schools to participate in the twenty-first century schools pilot program.

Sec. 7. Each participating school shall prepare a written report to be submitted to the department that includes the findings, conclusions, and recommendations of the school concerning the twenty-first century schools pilot program.

Sec. 8. The department shall develop guidelines necessary to implement this chapter.

Sec. 9. The department may employ personnel necessary to implement this chapter.

Chapter 30. Anti-Gang Counseling Pilot Program and Fund

Sec. 1. As used in this chapter, "anti-gang counseling" refers to efforts described under section 8 of this chapter that are designed to discourage students from the following:

(1) Becoming members of criminal gangs.

(2) Engaging in criminal gang activity.

Sec. 2. As used in this chapter, "criminal gang" has the meaning as set forth in IC 35-45-9-1.

Sec. 3. As used in this chapter, "fund" refers to the anti-gang counseling pilot program fund established by section 9 of this chapter.

Sec. 4. As used in this chapter, "participating school corporation" refers to a school corporation or more than one (1) school corporation under a joint agreement selected by the department to participate in the pilot program.

Sec. 5. As used in this chapter, "pilot program" refers to the anti-gang counseling pilot program established by section 8 of this chapter.

Sec. 6. As used in this chapter, "pilot project" refers to an anti-gang counseling pilot project authorized under section 8 of this chapter.

Sec. 7. As used in this chapter, "student" refers to a public school student who is in an appropriate grade level as determined by the participating school corporation.

Sec. 8. The department shall establish the anti-gang counseling pilot program to provide financial assistance to participating school corporations to establish pilot projects designed to do the following:

(1) Educate students and parents:
(A) of the extent to which criminal gang activity exists in the school corporation's community;
(B) on the negative societal impact that criminal gangs have on the community; and
(C) on methods to discourage participation in criminal gangs.

(2) Encourage the use of community resources not directly affiliated with the school corporation, including law enforcement officials, to participate in the particular pilot project.

(3) Enable the participating school corporations on a case by case basis and with the prior written approval of the student's parent to contract with community mental health centers to provide appropriate anti-gang counseling to a student identified by the student's school guidance counselor as being at risk of becoming a member of a criminal gang or at risk of engaging in criminal gang activity.

Sec. 9. (a) The anti-gang counseling pilot program fund is established to provide grants to participating school corporations to establish and operate the school corporation's pilot project.

(b) The department shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

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

Sec. 10. (a) To be eligible for a grant under this chapter, a school corporation or more than one (1) school corporation under a joint agreement must timely apply for the grant to the department on forms provided by the department.

(b) The applying school corporation must include at least the following information in the school corporation's application:

(1) The number of students likely to benefit from the pilot project.
(2) A detailed description of the proposed pilot project format.
(3) The extent to which the applying school corporation intends to include appropriate community resources not directly affiliated with the applying school corporation in the pilot project.
(4) A statement of and any supporting information concerning the need to establish the pilot project as perceived by the applying school corporation.
(5) The estimated cost of implementing the pilot project.

(6) Any other pertinent information required by the department.

Sec. 11. (a) The department may approve not more than three (3) pilot projects from each congressional district.

(b) The department shall approve the pilot projects based on at least the following criteria:

(1) The relative need for the establishment of a pilot project of this nature as outlined by the applying school corporation, including the number of students who would likely benefit from the pilot project and the prevalence of criminal gang activity within the boundaries of the applying school corporation.

(2) The overall quality of the applying school corporation’s pilot project proposal, including the extent to which the applying school corporation demonstrates a willingness to include as a part of the pilot project appropriate community resources not directly affiliated with the applying school corporation.

(3) The availability of money in the fund.

Sec. 12. (a) By June 1 of each school year, each participating school corporation shall submit to the department a written report, on forms developed by the department, outlining the activities undertaken as part of the school corporation’s pilot project.

(b) By November 1 of each year, the department shall submit a comprehensive report to the governor and the general assembly on the pilot program, including the department’s conclusions and recommendations with regard to the impact that the pilot program has made on decreasing criminal gang activity in Indiana. A report submitted under this subsection to the general assembly must be in an electronic format under IC 5-14-6.

Chapter 31. Professional Development Program

Sec. 1. As used in this chapter, "plan" refers to an Indiana school academic plan established under IC 20-19-2-11.

Sec. 2. As used in this chapter, "program" refers to a professional development program.

Sec. 3. As used in this chapter, "school" includes the following:

(1) A public school.

(2) A nonpublic school that has voluntarily become accredited under IC 20-19-2-8.

Sec. 4. A school shall develop a program as a component of a plan established by the school.

Sec. 5. The following apply to a program developed under this
chapter:
(1) The program must emphasize improvement of student learning and performance.
(2) The program must be developed by the committee that develops the school’s strategic and continuous improvement and achievement plan under IC 20-31-5-1.
(3) The program must be integrated with the school’s strategic and continuous improvement and achievement plan developed under IC 20-31-5.

Sec. 6. A school committee shall submit the school’s program to the state superintendent for the superintendent’s review. The state superintendent:
(1) shall review the plan to ensure that the program aligns with the school corporation’s objectives, goals, and expectations;
(2) may make written recommendations of modifications to the program to ensure alignment; and
(3) shall return the program and any recommendations to the school committee.

Sec. 7. A school committee may modify the program to comply with recommendations made by the state superintendent under section 6 of this chapter.

Sec. 8. A school committee shall submit the program as part of its plan to the governing body. The governing body shall:
(1) approve or reject the program as part of the plan; and
(2) submit the program to the state board as part of the plan for the school.

Sec. 9. The state board may approve a school’s program only if the program meets the board’s core principles for professional development and the following additional criteria:
(1) To ensure high quality professional development, the program:
   (A) is school based and collaboratively designed, and encourages participants to work collaboratively;
   (B) has a primary focus on state and local academic standards, including a focus on Core 40 subject areas;
   (C) enables teachers to improve expertise in subject knowledge and teaching strategies, uses of technologies, and other essential elements in teaching to high standards;
   (D) furthers the alignment of standards, curriculum, and assessments; and
(E) includes measurement activities to ensure the transfer of new knowledge and skills to classroom instruction.

(2) A variety of resources, including needs assessments, an analysis of data regarding student learning needs, professional literature, research, and school improvement programs, are used in developing the program.

(3) The program supports professional development for all stakeholders.

(4) The program includes ongoing professional growth experiences that provide adequate time and job embedded opportunities to support school improvement and student learning, including flexible time for professional development that provides professional development opportunities before, during, and after the regular school day and school year.

(5) Under the program, teacher time for professional development sustains instructional coherence, participant involvement, and continuity for students.

(6) The program includes effective, research based strategies to support ongoing developmental activities.

(7) The program supports experiences to increase the effective use of technology to improve teaching and learning.

(8) The program encourages diverse techniques, including inquiry, reflection, action research, networking, study groups, coaching, and evaluation.

(9) The program includes a means for evaluating the effectiveness of the program and activities under the program.

Sec. 10. The state board shall approve an evaluation system for professional development based on recommendations from the department and the professional standards board established by IC 20-28-2-1. The department shall develop a means for measuring successful programs and activities in which schools participate. The measurements must include the following:

(1) A mechanism to identify and develop strategies to collect multiple forms of data that reflect the achievement of expectations for all students. The data may include the results of ISTEP program tests under IC 20-31-3, IC 20-32-4, IC 20-32-5, and IC 20-32-6, local tests, classroom work, and teacher and administrator observations.

(2) A procedure for using collected data to make decisions.

(3) A method of evaluation in terms of educator's practice and
student learning, including standards for effective teaching and effective professional development.

Sec. 11. A school qualifies for a grant from the department when the school's program, developed and submitted under this chapter, is approved by the state board upon recommendation of the department. For purposes of determining whether a school qualifies for a grant under this chapter, the department shall:

1. review;
2. suggest changes to; and
3. recommend approval or rejection of;

a school's program.

Sec. 12. A school must use a grant received under this chapter to implement all or part of the school's program by funding activities that may include the following:

1. Partnership programs with other entities, including professional development schools.
2. Teacher leadership academies, research teams, and study groups.
3. Workshops, seminars, and site visits.
4. Cooperative programs with other school corporations.

Sec. 13. A school may contract with private or public sector providers to provide professional development activities under this chapter.

Sec. 14. A grant received under this chapter:

1. may be expended only for the conduct of activities specified in the program; and
2. must be coordinated with other professional development programs and expenditures of the school and school corporation.

Sec. 15. A school shall report to the department concerning the use of grants received under this chapter. A school that fails to make a report under this chapter is not eligible for a subsequent grant.

Chapter 32. Technology Apprenticeship Grants Program

Sec. 1. As used in this chapter, "program" refers to the technology apprenticeship grant program established by section 2 of this chapter.

Sec. 2. The technology apprenticeship grant program is established. The department, with the advice of the department of labor established by IC 22-1-1-1, shall administer the program.

Sec. 3. The department, working with the department of labor, shall develop a grant program to provide grants from the state
technology advancement and retention account established by IC 4-12-12-1 for apprenticeships that are designed to develop the skills of apprentices in the area of technology.

Sec. 4. The department, with the department of labor, shall develop standards for the issuance of grants to businesses and unions that are working to enhance the technology skills of apprentices.

Sec. 5. Grants issued under this chapter are subject to approval by the budget agency.

SECTION 5. IC 20-21 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 21. INDIANA SCHOOL FOR THE BLIND

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Board" refers to the Indiana School for the Blind board established by IC 20-21-3-1.

Sec. 3. "Case conference" refers to the activities of a case conference committee as described in IC 20-35-7-2.

Sec. 4. "Employee" refers to an employee of the school.

Sec. 5. "School" refers to the Indiana School for the Blind established by IC 20-21-2-1.

Sec. 6. "School age individual" refers to an individual who is less than twenty-two (22) years of age.

Sec. 7. "Superintendent" refers to the superintendent of the school appointed under IC 20-21-2-4.

Chapter 2. Indiana School for the Blind

Sec. 1. The Indiana School for the Blind is established as a state educational resource center that includes the following:

(1) A residential and day school.

(2) Outreach services.

(3) Consultative services to local educational agencies to assist the agencies in meeting the needs of locally enrolled students with visual disabilities.

Sec. 2. The school shall provide for the instruction, education, and care of children who are determined to have a serious visual disability by case conference in accordance with Indiana law and federal law.

Sec. 3. The school shall provide the following:

(1) Educational facilities that meet standards established by the state board for regular public schools.

(2) Educational facilities for school age individuals.
(3) Educational programs and services to meet those special needs imposed by visual impairment so that a visually disabled student (including a student with multiple disabilities with visual impairment) may achieve the student's maximum ability for independence in academic pursuits, career opportunities, travel, personal care, and home management.

(4) Training to permit a visually disabled student (including a student with multiple disabilities with visual impairment) to achieve the student's maximum development toward self-support and independence by the provision of services in counseling, orientation and mobility, and other related services.

Sec. 4. (a) The board shall appoint the superintendent, subject to the approval of the governor. The superintendent serves at the pleasure of the board and may be removed for cause.

(b) The superintendent appointee must have the following qualifications:

1. Be an educator with knowledge, skill, and ability in the appointee's profession.
2. Have at least five (5) years experience in instruction of visually disabled students.
3. Have a master's degree or a higher degree.
4. Meet the qualifications for an Indiana teacher's certificate in the area of visual disabilities.
5. Have a superintendent's license or obtain a superintendent's license not more than two (2) years after appointment by the board.

Sec. 5. (a) The superintendent, subject to the approval of the board and IC 20-21-4, has complete responsibility for management of the school.

(b) The superintendent has responsibility for the following:
1. Direction of the education, care, safety, and well-being of all students in attendance.
2. Evaluation and improvement of the school staff, educational programs, and support services.
3. Implementation and administration of the policies, mission, and goals of the school as established by the board.
4. Serving as the purchasing agent for the school under IC 5-22-4-8.
5. Implementation of budgetary matters as recommended by the board and the department of education under IC 20-21-3-10(b).
(6) Management of the school's outreach program with local public schools.
(7) Advocating on behalf of the school under guidelines established by the board.
(8) Executing contracts on behalf of the school.
(c) The superintendent is the appointing authority for all employees necessary to properly conduct and operate the school.

Sec. 6. Subject to:
(1) the determination by case conference committees based on individualized education programs; and
(2) the school's admissions criteria adopted by the board under IC 20-21-3-10(a)(4);
the superintendent shall receive as students in the school Indiana residents who are visually disabled school age individuals.

Sec. 7. (a) A placement review committee for the school is established. The placement review committee consists of one (1) representative of each of the following:
(1) The board.
(2) The office of the secretary of family and social services.
(3) The state superintendent.
(b) The placement review committee shall meet upon petition of an interested party to review the following:
(1) Applications to the school denied through the process described in section 6 of this chapter.
(2) All instances of dismissal from the school for reasons other than graduation, voluntary transition to another educational facility, or voluntary departure from the school.
(c) The superintendent shall serve as an adviser to the placement review committee. The superintendent shall provide the placement review committee with information and justification for all application denials and dismissals under review.
(d) The placement review committee may recommend that application denials or dismissals be reconsidered.

Sec. 8. Upon the presentation of satisfactory evidence showing that:
(1) there is a school age individual with a visual disability residing in a county;
(2) the individual is entitled to the facilities of the school;
(3) the individual's parent wishes the individual to participate in the school's educational program but is unable to pay the expenses of maintaining the individual at the school; and
(4) the individual is entitled to placement in the school under section 6 of this chapter; a court with jurisdiction shall, upon application by the county office of family and children, order the individual to be sent to the school at the expense of the county. The expenses include the expenses described in section 10 of this chapter and shall be paid from the county general fund.

Sec. 9. The compulsory school attendance laws of Indiana apply to all children with visual disabilities. The case conference committee may place a child with a visual disability at the school. The child shall attend the school during the full scholastic term of the school unless the case conference committee changes the placement.

Sec. 10. (a) The school shall provide board, room, laundry, and ordinary medical attention, including emergency medical attention.

(b) While a student is enrolled at the school, the student's parent, guardian, or another person shall provide medical, optical, and dental care involving special medication or prostheses.

(c) While a student is enrolled at the school, the student's parent, guardian, or another responsible relative or person shall suitably provide the student with clothing and other essentials not otherwise provided under this article.

(d) The school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program under IC 20-35-8-2. However, the student's parent, guardian, or another responsible relative or person shall pay the cost of transportation not required by the student's individualized education program.

(e) The student's parent, guardian, or another responsible relative or person shall provide the incidental expense money needed by the student.

Sec. 11. (a) The school may establish an adult education program.

(b) The school may establish an appropriate fee for services for an adult education program. Federal grants or matching funds may also be used, subject to approval of the budget agency.

Sec. 12. The school may establish a vocational work-study program.

Sec. 13. The superintendent may, subject to the approval of the governor and the policies of the board, receive, for the use of the school, gifts, legacies, devises, and conveyances of real or personal
property that are made, given, or granted to or for the school.

Chapter 3. Indiana School for the Blind Board

Sec. 1. The Indiana School for the Blind board is established.

Sec. 2. (a) The board consists of the following members:

1. Seven (7) individuals appointed by the governor. The individuals appointed under this subdivision are voting members of the board.
2. The director of the division of special education of the department. The individual serving under this subdivision serves in a nonvoting, advisory capacity.
3. One (1) individual designated by the governor as the governor's representative on the board. The member appointed under this subdivision serves on the board in a nonvoting, advisory capacity.
4. One (1) member of the general assembly appointed by the president pro tempore of the senate. The member appointed under this subdivision serves in a nonvoting, advisory capacity.

(b) When appointing a member to the board under subsection (a)(1), the governor must satisfy the following:

1. One (1) voting member of the board must be a parent of at least one (1) student enrolled or formerly enrolled at the school.
2. One (1) voting member of the board must have been a student at the school.
3. One (1) voting member of the board must be a:
   (A) representative of a local education agency; or
   (B) special education director.

(c) Before assuming membership on the board, an individual appointed under subsection (a)(1) must do the following:

1. Execute a bond:
   (A) payable:
      (i) to the state; and
      (ii) in an amount and with sureties as approved by the governor; and
   (B) that is conditioned on the faithful discharge of the member's duties.
2. Take and subscribe an oath that must be endorsed upon the member's official bond.

The executed bond and oath shall be filed in the office of the secretary of state. The cost of the bond shall be paid from appropriations made to the school.
Sec. 3. (a) Each voting board member who is not an employee of the state or a political subdivision is entitled to the following:
   (1) The minimum salary per diem provided by IC 4-10-11-2.1 for each board meeting attended by the member.
   (2) Reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.
Money for payments to board members under this subsection shall be paid from appropriations made to the school.
   (b) The member of the board appointed under section 2(a)(4) of this chapter is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.
Sec. 4. (a) This section applies only to a board member serving under section 2(a)(1) of this chapter.
   (b) The term of a board member is four (4) years.
   (c) The term of a member begins upon appointment by the governor.
   (d) A member may serve after the member's term expires until the term of the member's successor begins.
   (e) The governor may reappoint a member to serve a new term.
Sec. 5. Whenever there is a vacancy on the board, the governor shall fill the vacancy for the remainder of the unexpired term.
Sec. 6. (a) At the board's last meeting before July 1 of each year, the board shall elect one (1) member to be chair of the board.
   (b) The member elected chair of the board serves as chair beginning July 1 after elected by the board.
   (c) The board may reelect a member as chair of the board.
   (d) The board shall annually elect one (1) of its members to serve as the secretary for the board.
Sec. 7. Four (4) voting members of the board constitute a quorum. The affirmative vote of at least four (4) voting members of the board is necessary for the board to take official action other than to do the following:
   (1) Adjourn.
(2) Meet to hear reports or testimony.

Sec. 8. The school shall provide staff and administrative support to the board.

Sec. 9. Subject to IC 20-35-2 and IC 20-21-4, the board has complete policy and administrative control and responsibility for the school.

Sec. 10. (a) The board shall do the following:
(1) Establish policies and accountability measures for the school.
(2) Implement this article.
(3) Perform the duties required by IC 5-22-4-8.
(4) Adopt rules under IC 4-22-2 to establish criteria for the admission of visually disabled children, including children with multiple disabilities, at the school.
(5) Hire the superintendent, who serves at the pleasure of the board.
(6) Determine the salary and benefits of the superintendent.
(7) Adopt rules under IC 4-22-2 required by this article.

(b) The board shall submit the school's biennial budget to the department, which shall review the proposed budget. As part of its review, the department may request and shall receive from the board, in a form as may reasonably be required by the department, all information used by the board to develop the proposed budget. If, upon review, the department determines that any part of the budget request is not supported by the information provided, the department shall meet with the board at the earliest date possible in order to reconcile the budget request. The department shall submit the reconciled budget to the budget agency and the budget committee.

Sec. 11. The board may do the following to implement this article:
(1) Adopt, amend, and repeal bylaws in compliance with this article to govern the business of the board.
(2) Appoint committees the board considers necessary to advise the board.
(3) Accept gifts, devises, bequests, grants, loans, and appropriations, and agree to and comply with conditions attached to a gift, devise, bequest, grant, loan, or appropriation.
(4) Do all acts and things necessary, proper, or convenient to carry out this article.

Chapter 4. Personnel System
Sec. 1. Except as provided in this chapter, IC 4-15-1.8 and IC 4-15-2 apply to the employees of the school.
Sec. 2. The superintendent shall hire directly for those positions as approved by the state personnel department and the board any candidate the superintendent considers qualified to fill a position at the school. The state personnel department, in collaboration with the board, shall annually develop a list of job classifications for positions at the school for which the superintendent may fill a vacancy by hiring a candidate for the position based on a search for qualified candidates outside the state personnel hiring list.

Sec. 3. (a) The board shall prescribe, subject to the approval of the state personnel department and the budget agency, a salary schedule for the school, using a daily rate of pay for each teacher that must be equal to that of the largest school corporation in the county in which the school is located.

(b) The board shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under the salary schedule as described in subsection (a).

(c) The hours of work for all teachers shall be set in accordance with IC 4-15-2.

SECTION 6. IC 20-22 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 22. INDIANA SCHOOL FOR THE DEAF
Chapter 1. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Board" refers to the Indiana School for the Deaf board established by IC 20-22-3-1.
Sec. 3. "Case conference" refers to the activities of a case conference committee (as defined in IC 20-35-7-2).
Sec. 4. "Employee" refers to an employee of the school.
Sec. 5. "School" refers to the Indiana School for the Deaf established by IC 20-22-2-1.
Sec. 6. "School age individual" refers to an individual who is less than twenty-two (22) years of age.
Sec. 7. "Superintendent" refers to the superintendent of the school appointed under IC 20-22-2-4.

Chapter 2. Indiana School for the Deaf
Sec. 1. The Indiana School for the Deaf is established as a state educational resource center that includes the following:

(1) A residential and day school.
(2) Outreach services.
(3) Consultative services to local educational agencies to assist the agencies in meeting the needs of locally enrolled students with hearing disabilities.

Sec. 2. The school shall provide for the instruction, education, and care of children who are determined to have a hearing disability by case conference in accordance with Indiana law and federal law.

Sec. 3. The school shall provide the following:
(1) Educational facilities that meet standards established by the state board for regular public schools.
(2) Educational facilities for school age individuals.
(3) Educational programs and services to meet those special needs imposed by hearing impairment so that a hearing disabled student (including a student with multiple disabilities with hearing impairment) may achieve the student's maximum ability for independence in academic pursuits, career opportunities, travel, personal care, and home management.
(4) Training to permit a hearing disabled student (including a student with multiple disabilities with hearing impairment) to achieve the student's maximum development toward self-support and independence.

Sec. 4. (a) The board shall appoint the superintendent subject to the approval of the governor. The superintendent serves at the pleasure of the board and may be removed for cause.
(b) The superintendent appointee must have the following qualifications:
(1) Be an educator with knowledge, skill, and ability in the appointee's profession.
(2) Have at least five (5) years experience in instruction of hearing disabled students.
(3) Have a master's degree or a higher degree.
(4) Meet the qualifications for an Indiana teacher's certificate in the area of hearing disabilities.
(5) Have a superintendent's license or obtain a superintendent's license within two (2) years after appointment by the board.

Sec. 5. (a) The superintendent, subject to the approval of the board and IC 20-22-4, has complete responsibility for management of the school.
(b) The superintendent has responsibility for the following:
(1) Direction of the education, care, safety, and well-being of all students in attendance.
(2) Evaluation and improvement of the school staff, educational programs, and support services.
(3) Implementation and administration of the policies, mission, and goals of the school as established by the board.
(4) Serving as the purchasing agent for the school under IC 5-22-4-8.
(5) Implementation of budgetary matters as recommended by the board and the department under IC 20-22-3-10(b).
(6) Management of the school's outreach program with local public schools.
(7) Advocating on behalf of the school under guidelines established by the board.
(8) Executing contracts on behalf of the school.
(c) The superintendent is the appointing authority for all employees necessary to properly conduct and operate the school.

Sec. 6. Subject to:
(1) the determination by case conference committees based on individualized education programs; and
(2) the school's admission criteria adopted by the board under IC 20-22-3-10(a)(4);
the superintendent shall receive as students in the school Indiana residents who are hearing disabled school age individuals.

Sec. 7. (a) A placement review committee for the school is established. The placement review committee consists of one (1) representative of each of the following:
(1) The board.
(2) The office of the secretary of family and social services.
(3) The state superintendent.
(b) The placement review committee shall meet upon petition of an interested party to review the following:
(1) Applications to the school denied through the process described in section 6 of this chapter.
(2) All instances of dismissal from the school for reasons other than graduation, voluntary transition to another educational facility, or voluntary departure from the school.
(c) The superintendent shall serve as an adviser to the placement review committee. The superintendent shall provide the placement review committee with information and justification for all application denials and dismissals under review.
(d) The placement review committee may recommend that
application denials or dismissals be reconsidered.

Sec. 8. Upon the presentation of satisfactory evidence showing that:
(1) there is a school age individual with a hearing disability residing in a county;
(2) the individual is entitled to the facilities of the school;
(3) the individual's parent wishes the individual to participate in the school's educational program but is unable to pay the expenses of maintaining the individual at the school; and
(4) the individual is entitled to placement in the school under section 6 of this chapter;
a court with jurisdiction shall, upon application by the county office of family and children, order the individual to be sent to the school at the expense of the county. The expenses include the expenses described in section 10 of this chapter and shall be paid from the county general fund.

Sec. 9. The compulsory school attendance laws of Indiana apply to all children with hearing disabilities. The case conference committee may place a child with a hearing disability at the school. The child shall attend the school during the full scholastic term of the school unless the case conference committee changes the placement.

Sec. 10. (a) The school shall provide board, room, laundry, and ordinary medical attention, including emergency medical attention.
(b) While a student is enrolled at the school, the student's parent, guardian, or another responsible relative or person shall provide medical, optical, and dental care involving special medication or prostheses.
(c) While a student is enrolled at the school, the student's parent, guardian, or another responsible relative or person shall suitably provide the student with clothing and other essentials not otherwise provided under this article.
(d) The school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program under IC 20-35-8-2. However, the student's parent, guardian, or another responsible relative or person shall pay the cost of transportation not required by the student's individualized education program.
(e) The student's parent, guardian, or another responsible relative or person shall provide the incidental expense money needed by the student.

Sec. 11. (a) The school may establish an adult education program.
(b) The school may establish an appropriate fee for services for an adult education program. Federal grants or matching funds may also be used, subject to the approval of the budget agency.

Sec. 12. The school may establish a vocational work-study program.

Sec. 13. The superintendent may, subject to the approval of the governor and the policies of the board, receive, for the use of the school, gifts, legacies, devises, and conveyances of real and personal property that are made, given, or granted to or for the school.

Chapter 3. Indiana School for the Deaf Board
Sec. 1. The Indiana School for the Deaf board is established.
Sec. 2. (a) The board consists of the following members:
(1) Seven (7) individuals appointed by the governor. The individuals appointed under this subdivision are voting members of the board.
(2) The director of the division of special education of the department. The individual serving under this subdivision serves in a nonvoting, advisory capacity.
(3) One (1) individual designated by the governor as the governor's representative on the board. The member appointed under this subdivision serves on the board in a nonvoting, advisory capacity.
(4) One (1) member of the general assembly appointed by the speaker of the house of representatives. The member appointed under this subdivision serves in a nonvoting, advisory capacity.
(b) When appointing a member to the board under subsection (a)(1), the governor must satisfy the following:
(1) One (1) voting member of the board must be a parent of at least one (1) student enrolled or formerly enrolled at the school.
(2) One (1) voting member of the board must have been a student at the school.
(3) One (1) voting member of the board must be a:
   (A) representative of a local education agency; or
   (B) special education director.
(c) Before assuming membership on the board, an individual appointed under subsection (a)(1) must do the following:
(1) Execute a bond:
   (A) payable:
       (i) to the state; and
       (ii) in an amount and with sureties as approved by the
governor; and
(B) that is conditioned on the faithful discharge of the
member's duties.

(2) Take and subscribe an oath that must be endorsed upon the
member's official bond.
The executed bond and oath shall be filed in the office of the secretary
of state. The cost of the bond shall be paid from appropriations made
to the school.

Sec. 3. (a) Each voting member of the board who is not an employee
of the state or a political subdivision is entitled to the following:

(1) The minimum salary per diem provided by IC 4-10-11-2.1 for
each board meeting attended by the member.
(2) Reimbursement for traveling expenses as provided under
IC 4-13-1-4 and other expenses actually incurred in connection
with the member's duties as provided in the state policies and
procedures established by the Indiana department of
administration and approved by the budget agency.
Money for payments to board members under this subsection shall be
paid from appropriations made to the school.

(b) The member of the board appointed under section 2(a)(4) of this
chapter is entitled to receive the same per diem, mileage, and travel
allowances paid to legislative members of interim study committees
established by the legislative council. Per diem, mileage, and travel
allowances paid under this subsection shall be paid from
appropriations made to the legislative council or the legislative
services agency.

Sec. 4. (a) This section applies only to a board member serving
under section 2(a)(1) of this chapter.

(b) The term of a board member is four (4) years.

(c) The term of a member begins upon appointment by the
governor.

(d) A member may serve after the member's term expires until the
term of the member's successor begins.

(e) The governor may reappoint a member to serve a new term.

Sec. 5. Whenever there is a vacancy on the board, the governor
shall fill the vacancy for the remainder of the unexpired term.

Sec. 6. (a) At the board's last meeting before July 1 of each year,
the board shall elect one (1) member to be chair of the board.

(b) The member elected chair of the board serves as chair
beginning July 1 after elected by the board.
(c) The board may reelect a member as chair of the board.
(d) The board shall annually elect one (1) of its members to serve as the secretary for the board.

Sec. 7. Four (4) voting members of the board constitute a quorum. The affirmative vote of at least four (4) members of the board is necessary for the board to take official action other than to do the following:

(1) Adjourn.
(2) Hear reports or testimony.

Sec. 8. The school shall provide staff and administrative support to the board.

Sec. 9. Subject to IC 20-35-2 and IC 20-22-4, the board has complete policy and administrative control and responsibility for the school.

Sec. 10. (a) The board shall do the following:

(1) Establish policies and accountability measures for the school.
(2) Implement this article.
(3) Perform the duties required by IC 5-22-4-8.
(4) Adopt rules under IC 4-22-2 to establish criteria for the admission of hearing disabled children, including children with multiple disabilities, at the school.
(5) Hire the superintendent, who serves at the pleasure of the board.
(6) Determine the salary and benefits of the superintendent.
(7) Adopt rules under IC 4-22-2 required by this article.

(b) The board shall submit the school’s biennial budget to the department, which shall review the proposed budget. As part of its review, the department may request and shall receive from the board, in a form as may reasonably be required by the department, all information used by the board to develop the proposed budget. If, upon review, the department determines that any part of the budget request is not supported by the information provided, the department shall meet with the board at the earliest date possible in order to reconcile the budget request. The department shall submit the reconciled budget to the budget agency and the budget committee.

Sec. 11. The board may do any of the following to implement this article:

(1) Adopt, amend, and repeal bylaws in compliance with this article to govern the business of the board.
(2) Appoint committees the board considers necessary to advise
(3) Accept gifts, devises, bequests, grants, loans, and appropriations, and agree to and comply with conditions attached to a gift, devise, bequest, grant, loan, or appropriation.

(4) Do all acts and things necessary, proper, or convenient to carry out this article.

Chapter 4. Personnel System

Sec. 1. Except as provided in this chapter, IC 4-15-1.8 and IC 4-15-2 apply to the employees of the school.

Sec. 2. The superintendent shall hire directly for those positions as approved by the state personnel department and the board any candidate the superintendent considers qualified to fill a position at the school. The state personnel department, in collaboration with the board, shall annually develop a list of job classifications for positions at the school for which the superintendent may fill a vacancy by hiring a candidate for the position based on a search for qualified candidates outside the state personnel hiring list.

Sec. 3. (a) The board shall prescribe, subject to the approval of the state personnel department and the budget agency, a salary schedule for the school, using a daily rate of pay for each teacher, that must be equal to that of the largest school corporation in the county in which the school is located.

(b) The board shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under the salary schedule as described in subsection (a).

(c) The hours of work for all teachers shall be set in accordance with IC 4-15-2.

SECTION 7. IC 20-23 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS follows [EFFECTIVE JULY 1, 2005]:

ARTICLE 23. ORGANIZATION OF SCHOOL CORPORATIONS

Chapter 1. County Boards of Education

Sec. 1. (a) As used in this chapter, "board" means a county board of education.

(b) As used in this chapter, "county superintendent" means the county superintendent of schools.

(c) The township trustees of each township of each county constitute a county board of education.

(d) The board shall meet:

(1) monthly at the office of the county superintendent; and
(2) at other times as the county superintendent considers necessary.

(e) The county superintendent:
(1) is ex officio chairperson of the board; and
(2) shall act as administrator of the board, carrying out the acts and duties designated by the board.

(f) The secretary of the board shall keep an accurate record of the minutes of the board. The minutes shall be kept at the county superintendent's office.

(g) A quorum consists of a number of members equal to the number of township schools under the administration of the county superintendent. However, business may not be transacted unless a majority of the trustees of the township schools under the administration of the county superintendent is present. Business shall be transacted and the acts of the board become effective by a two-thirds (2/3) majority vote of members present on matters coming before the board.

(h) This chapter may not be construed as granting the board any authority over:
(1) the selection or employment of any personnel or employees;
or
(2) the purchase of supplies;
in a township school.

(i) Upon nomination by the county superintendent and with the approval of two-thirds (2/3) of the members, the board shall enter into written contracts with additional administrative and supervisory employees who are necessary for the proper administration and supervision of the county school system and the township schools of the county.

(j) Except as provided in subsection (i), funds for the salaries of and supplies for persons employed under this section shall be provided in the same manner as the fixing and appropriation of the salaries of the county superintendent.

(k) The salary or fee of a school attorney related to performing the duties of the attorney's office may in part be paid directly from the school fund.

(l) The board shall make decisions concerning the general conduct of the schools, which shall be enforced as entered upon the minutes recorded by the secretary of the board.

(m) The board:
(1) shall receive through its treasurer from the state money provided and distributed from the state school tuition fund for teaching units for those employed by the board; and
(2) is considered to fulfill all requirements of a school corporation for receiving the funds from the state school tuition fund.

(n) The county treasurer is ex officio treasurer of the board, eligible to receive the distribution of funds from the state. Funds received under this section shall be credited to the county revenue fund as a receipt against the estimated expenditures for the salaries of the school employees, for which distribution was made by the state.

Sec. 2. The board by a majority vote of the members of the board shall appoint a county superintendent of schools who serves for a term of four (4) years. The board shall fill vacancies in this office, in accordance with law, by appointment. An appointment to fill a vacancy under this section expires at the end of the regular term of the county superintendent of schools.

Sec. 3. This chapter may not be construed to affect the status of or to interfere with a county school corporation created by a board under section 6 of this chapter.

Sec. 4. (a) A county superintendent of schools shall see that the full amount of interest on the school fund is paid and apportioned.
(b) When there is a deficit of interest of any school fund or loss of any school fund or revenue by the county, the county superintendent of schools shall see that proper warrants are issued for the reimbursement of the appropriate fund. However, the board of county commissioners may not pay interest that exceeds the amount provided under this chapter to the county superintendent of schools.

Sec. 5. (a) The official dockets, records, and books of account of the following officers serving in the county must be open at all times to the inspection of the county superintendent of schools:
   (1) Clerks of the courts.
   (2) County auditor.
   (3) County commissioners.
   (4) Prosecuting attorneys.
   (5) Mayors of cities.
   (6) Township trustees.
   (7) School trustees.
(b) If the county superintendent of schools finds that any of the officers described in subsection (a) have neglected or refused to collect
and pay over interest, fines, forfeitures, licenses, or other claims due the school funds and revenues of the state, or have misapplied the school funds or revenues in their possession, the county superintendent of schools shall:

(1) bring an action in the name of the state of Indiana for the recovery of the money for the benefit of the school fund or revenues; and

(2) make a report concerning the action to the board of county commissioners and to the state superintendent.

Sec. 6. (a) The township trustees of each township of each county shall perform all the civil functions performed before March 13, 1947, by the township trustees. The township trustees of the county constitute a county board of education to manage the affairs of the county school corporation created under this chapter in each county.

(b) School cities and school towns retain independent organization and administration unless abandoned as provided by law. The county school corporation includes all areas not organized on March 13, 1947, into jurisdictions controlled and governed as school cities or school towns.

(c) The board shall meet:

(1) at the time the board designates at the office of the county superintendent; and

(2) at other times and places the county superintendent considers necessary.

(d) At the first meeting of each year, to be held on the first Wednesday after the first Monday in January, the board shall organize by selecting a president, a vice president, a secretary, and a treasurer from its membership.

(e) The county superintendent shall call the board into special session. Unless the board elects to have this section remain inoperative, the board shall organize itself. The failure of the county superintendent to call the board into session under this section may not be construed to mean that a county school corporation described in this section is in existence in the county, and a county school corporation may not be brought into existence until the board has met in special session after March 13, 1947, and has taken action to organize itself into a county school corporation, after consideration of the question of whether it should elect to have the provisions of this section remain inoperative. The organization, if affected, must be:

(1) filed with the county auditor; and
(2) published by the county auditor in two (2) newspapers of different political persuasions of general circulation throughout the county within ten (10) days after the filing. The organization is considered to fulfill the requirements of this section for the transacting of public business under this section. The secretary of the board shall keep an accurate record of the minutes of the board, which shall be kept at the county superintendent's office. The county superintendent shall act as administrator of the board and shall carry out such acts and duties as shall be designated by the board. A quorum consists of two-thirds (2/3) of the members of the board.

(f) The board shall:

(1) make decisions as to the general conduct of the schools that may be enforced as entered in the minutes recorded by the secretary of the board; and

(2) exercise all powers exercised before March 13, 1947, by or through township trustees or meetings or petitions of the trustees of the county.

(g) The board shall appoint a county superintendent who serves a term of four (4) years. The board shall fill vacancies in this office by appointments that expire at the end of the regular term. The county superintendent of schools and other persons employed for administrative or supervisory duties are considered to be supervisors of instruction.

(h) The government of the common schools of the county is vested in the board. The board has the authority, powers, privileges, duties, and obligations granted to or required of school cities before March 13, 1947, and school towns and their governing boards generally with reference to the following:

(1) The purchase of supplies.

(2) The purchase and sale of buildings, grounds, and equipment.

(3) The erection of buildings.

(4) The employment and dismissal of school personnel.

(5) The right and power to sue and be sued in the name of the county.

(6) Insuring property and employees.

(7) Levying and collecting taxes.

(8) Making and executing a budget.

(9) Borrowing money.

(10) Paying the salaries and expenses of the county
superintendent and employees as approved by the board.

(11) Any act necessary to the proper administration of the common schools of the county.

(i) A county school corporation organized under this section:
   (1) has all right, title, and interest of the predecessor township school corporations terminated under this section to and in all the real, personal, and other property of any nature and from whatever source derived; and
   (2) shall assume, pay, and be liable for all the indebtedness and liabilities of the predecessor school corporation.

(j) The treasurer, before entering upon the duties of treasurer's office, shall execute a bond to the acceptance of the county auditor in an amount equal to the largest sum of money that will be in the possession of the treasurer at any one (1) time conditioned as an ordinary official bond, with a reliable surety company or at least two (2) sufficient freehold sureties, who may not be members of the board, as surety or sureties on the treasurer's bond.

(k) The president and secretary shall each give bond, with a surety or sureties described in subsection (j), to be approved by the county auditor, in the sum of one-fourth (1/4) of the amount required of the treasurer under subsection (j). A board may purchase bonds from a reliable surety company and pay for them out of the special school revenue of the board's county.

(l) The powers set forth in this section may not be considered or construed to limit the authority of a board to the powers expressly conferred in this section or to restrict or modify any authority granted by any other law not in conflict with this section.

(m) A board may annually levy the amount of taxes that in the judgment of the board, made a matter of record in the board's minutes, is necessary to produce income sufficient to conduct and carry on the common schools committed to the board.

(n) A board shall annually levy a sum sufficient to meet all payments of principal and interest as they mature in the year for which the levy is made on the bonds, notes, or other obligations of the board. The board may impose tax levies within statutory limits, and the levies are subject to the same review as school city and school town levies.

Chapter 2. County Superintendent of Schools

Sec. 1. (a) The township trustees of each county shall meet at the office of the county auditor on the first Monday in June, 2005, at 10
a.m., and every four (4) years thereafter and elect by ballot a county superintendent for the county. The county superintendent elected by the township trustees shall enter upon the duties of the office on August 16 following and, unless sooner removed, holds the office until a successor is elected and qualified.

(b) Before entering upon the duties of the office, the county superintendent elected under subsection (a) shall:

(1) subscribe and take an oath to perform faithfully the county superintendent’s duties according to law; and

(2) file the oath with the county auditor.

(c) The county superintendent shall execute, in the manner prescribed by IC 5-4-1, a bond conditioned upon the faithful discharge of the superintendent’s duties.

(d) The county auditor shall report the name and address of the person elected under subsection (a) to the state superintendent.

(e) If a vacancy occurs in the office of county superintendent, the township trustees of the county, on at least three (3) days notice given by the county auditor, shall assemble at 10 a.m., on the day designated in the notice, at the office of the auditor, and fill the vacancy by ballot for the unexpired term.

(f) In all elections of a county superintendent, the county auditor is the clerk of the election. In case of a tie vote, the auditor shall cast the deciding vote. If one (1) candidate receives a number of votes equal to one-half (1/2) of all the trustees of the county, the county auditor shall then and at all subsequent ballots cast the auditor’s vote with the trustees until a candidate receives a majority of all the votes in the county, including the county auditor. The county auditor shall keep a record of the election in a book kept for that purpose.

Sec. 2. If there is an election of a county superintendent under section 1(a) of this chapter and the person elected dies or fails, refuses, or neglects to assume the duties of the office on or before August 16 of the year of the election, the township trustees shall:

(1) as soon as possible declare a vacancy in the office of county superintendent; and

(2) immediately hold another election to elect a county superintendent under section 1(a) of this chapter.

Sec. 3. (a) A county superintendent may be impeached for immorality, incompetency, or general neglect of duty, or for acting as agent for the sale of any textbook, school furniture, maps, charts, or other school supplies.
(b) Impeachment proceedings are governed by the provisions of law for impeaching county officers.

Sec. 4. (a) The county superintendent has the general superintendence of the schools of the superintendent's county. The county superintendent shall do the following:

(1) Attend each township school at least one (1) time during each school year, and otherwise as often as possible.
(2) Preside over and conduct each school's exercises.
(3) Visit schools while the schools are in session to increase the schools' usefulness and elevate, as far as practicable, the poorer schools to the standard of the best.
(4) Conduct teachers' institutes and encourage other like associations.
(5) Labor, in every practicable way, to elevate the standard of teaching and to improve the condition of the schools of the superintendent's county.

(b) This subsection does not apply to a dispute concerning:

(1) the legality of school meetings;
(2) the establishment of schools;
(3) the location, building, repair, or removal of school buildings;
(4) the transfer of individuals for school purposes; or
(5) the resignation or dismissal of teachers.

In all controversies of a general nature arising under the school law, the decision of the county superintendent must first be obtained. An appeal may be taken from the county superintendent's decision to the state superintendent on a written statement of facts, certified by the county superintendent.

(c) This chapter may not be construed to change or abridge the jurisdiction of any court in cases arising under the school laws of Indiana. The right of any person to bring suit in any court, in any case arising under the school laws, is not abridged by this chapter.

(d) The county superintendent:

(1) shall carry out the orders and instructions of the state board and the state superintendent; and
(2) constitutes the medium between the state superintendent and subordinate school officers and the schools.

Sec. 5. City schools that have appointed superintendents are exempt from general superintendence under this chapter upon a written request of the school board of the city.

Sec. 6. The board of county commissioners shall:
(1) provide and furnish an office for the county superintendent; and
(2) allow and pay all costs incurred by the county superintendent for postage, stationery, and records in carrying out this chapter, upon satisfactory proof of the costs incurred submitted by the county superintendent.

The county superintendent shall be paid for the county superintendent's services the sum of four dollars ($4) per day.

Sec. 7. (a) A person may not hold the office of county superintendent unless the person:
(1) has at least five (5) years successful experience as a teacher in the public schools; and
(2) holds, at the time of the person’s election, a first or second grade superintendent’s license.

(b) This chapter does not:
(1) apply to; or
(2) disqualify;

an incumbent of the office of county superintendent.

Sec. 8. (a) The county superintendent of schools is entitled to receive as actual traveling expenses in discharging the duties of the superintendent's office a sum of not more than three hundred dollars ($300) per year.

(b) The county council may annually appropriate an amount sufficient to pay the expenses described in subsection (a).

(c) The board of county commissioners shall allow an amount appropriated under subsection (b) by a county council.

Chapter 3. School Townships 

Sec. 1. (a) A township is a school township.

(b) A school township is a body politic and corporate, by the name and style of "_______ School _______ township of ________ county", according to the name of the township and of the county in which the school township is organized.

(c) A school township may:
(1) contract and may be contracted with; and
(2) sue and be sued;

in the name of the school township in a court with jurisdiction.

Sec. 2. (a) The school trustees shall:
(1) take charge of the educational affairs of their respective townships, towns, and cities;
(2) employ teachers;
(3) establish and locate conveniently a sufficient number of schools for the education of the children; and
(4) build, or otherwise provide, suitable houses, furniture, apparatus, and other articles and educational appliances necessary for the thorough organization and efficient management of the schools.

The school trustees may establish and maintain, as near the center of the township as practical, at least one (1) separate graded high school, to which sufficiently advanced students shall be admitted.

(b) The school trustees of two (2) or more school corporations may establish and maintain one (1) or more joint graded high schools instead of separate graded high schools. If a joint graded high school is established, the participating school corporations are jointly responsible for the care, management, and maintenance of the school.

(c) A trustee, instead of building a separate graded high school for the trustee's township, shall transfer the students of the trustee's township competent to enter a graded high school to another school corporation.

(d) A graded high school may not be built unless there are, at the time the graded high school is built, at least twenty-five (25) common graduates of school age residing in the township.

Sec. 3. School trustees shall authorize a local tuition levy, not to exceed the limit provided by law, that is sufficient to conduct a six (6) month term of school each year. The levy must be based on estimates and receipts from all sources for the previous year. Receipts from the previous year may include amounts received from the state's tuition revenue.

Sec. 4. (a) School trustees have the care and management of all real and personal property belonging to their respective corporations for common school purposes. However, congressional township school lands shall be under the care and management of the trustees of the civil township to which the lands belong.

(b) School trustees shall provide janitorial help considered necessary to properly care for the schools and premises under the school trustees' control.

(c) Each janitor provided by the trustees under subsection (b) shall be paid from the special school funds of the township.

Sec. 5. Each township trustee in operating a school lunch program may use either of the following accounting methods:

(1) The township trustee may supervise and control the program
through its school corporation account by establishing a school lunch fund.

(2) The township trustee may have the program operated by the individual schools of the school corporation through the school corporation's extracurricular account or accounts under IC 20-26-6.

Sec. 6. Each township trustee in operating a textbook rental program may use either of the following accounting methods:

(1) The township trustee may supervise and control the program through its school corporation account by establishing a textbook rental fund.

(2) If textbooks have not been purchased and financial commitments or guarantees for these purchases have not been made by the school corporation, the township trustee may have the program operated by the individual schools of the school corporation through the school corporation's extracurricular account or accounts under IC 20-26-6.

Sec. 7. (a) If a school lunch fund is established under section 5 of this chapter or a textbook rental fund is established under section 6 of this chapter, the receipts and expenditures for each program shall be made to and from the proper fund without appropriation or the application of other laws relating to the budgets of local governmental units.

(b) If either program or both programs under sections 5 and 6 of this chapter are operated through the extracurricular account, the township trustee shall approve the amount of the bond of the treasurer of the extracurricular account in an amount the township trustee considers necessary to protect the account for all funds coming into the hands of the treasurer.

Sec. 8. An educational program under this chapter must include a kindergarten program that is at least a half day program.

Chapter 4. Community School Corporations

Sec. 1. It is the sense of the general assembly:

(1) that the establishment and maintenance of a general, a uniform, and an efficient system of public schools is the traditional and current policy of the state;

(2) that improvement in the organization of school corporations of the state will:

(A) provide a more equalized educational opportunity for public school students;
(B) achieve greater equity in school tax rates among the existing school corporations; and
(C) provide a more effective use of the public funds expended for the support of the public school system;
(3) that existing statutes with respect to the combination and the reorganization of school corporations are inadequate to effectuate the needed improvement;
(4) that modifications in the provisions for the combination and the reorganization of school corporations in this chapter are necessary in order to assure the future maintenance of a uniform and an efficient system of public schools in the state;
(5) that local electors:
   (A) have an interest in the boundaries of the school corporation in which they reside; and
   (B) will exercise their privileges, as provided in this chapter, to establish an efficient and economical reorganization plan best suited to local conditions; and
(6) that:
   (A) the state board; and
   (B) the:
      (i) committees; and
      (ii) public officers;
   charged with authority under this chapter;
will perform their duties wisely in view of the objective of this chapter as set forth in the title of this chapter.

Sec. 2. As used in this chapter, "attendance unit" or "school unit" means the area of an administrative unit served by a single school.

Sec. 3. As used in this chapter, "community school corporation" means a school corporation:
   (1) proposed to be formed; or
   (2) formed;
under this chapter, including a united school corporation.

Sec. 4. As used in this chapter, "county committee" or "committee" means the county committee for the reorganization of school corporations provided for in sections 11 through 17 of this chapter.

Sec. 5. As used in this chapter, "county superintendent" means the county superintendent of schools.

Sec. 6. As used in this chapter, "party" includes:
   (1) a person;
   (2) a firm;
(3) a limited liability company;
(4) a corporation;
(5) an association; or
(6) a municipality;
interested in proceedings under this chapter.

Sec. 7. As used in this chapter, "reorganization of school corporations" means the formation of new school corporations, the alteration of the boundaries of established school corporations, and the dissolution of established school corporations by:

(1) the uniting of two (2) or more established school corporations;
(2) the subdivision of one (1) or more school corporations;
(3) the transfer to a school corporation of a part of the territory of one (1) or more school corporations;
(4) the attachment to a school corporation of all or part of the territory of one (1) or more school corporations; and
(5) any combination of the methods listed in subdivisions (1) through (4).

Sec. 8. As used in this chapter, "school aid bonds" means bonds of a civil unit of government, the proceeds of which are used for school purposes in any school corporation.

Sec. 9. As used in this chapter, "united school corporation" means a school corporation that has territory in two (2) or more adjacent counties.

Sec. 10. State and county officers shall make available to:

(1) the county committees; and
(2) the state board;
information from public records in the officers' possession that is essential to the performance by the county committees and the state board of duties set forth in this chapter and IC 20-23-16-1 through IC 20-23-16-11.

Sec. 11. (a) A county committee for the reorganization of school corporations consists of nine (9) members. In a county that has a county superintendent:

(1) the superintendent is an ex officio member of the committee; and
(2) the remaining members of the committee are appointed by the judge of the circuit court of the county.

In a county that does not have a county superintendent, all the members of the committee are appointed by the judge of the circuit
court of the county. Appointments under this subsection are subject to subsections (f) through (h).

(b) Before the time specified in this section, the judge of the circuit court shall call into a county convention each of the township trustees of the county and the members of each local board of school trustees or board of school commissioners in the county to advise the judge in the selection of the members of the county committee. Except as provided in subsection (c), the judge must give at least ten (10) days notice of the convention by publication in:

1. one (1) newspaper of general circulation published in the affected area; or
2. if a newspaper is not published in the affected area, in a newspaper having a general circulation in the affected area.

(c) In a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the judge of the circuit court shall publish the notice referred to in subsection (b) in two (2) newspapers of general circulation published in the affected area or having a general circulation in the affected area. The notice must specify:

1. the date, time, place, and purpose of the county convention; and
2. that the county convention is open to all residents of the county.

(d) At the county convention, the judge of the circuit court shall:

1. explain or have explained; and
2. afford an opportunity for attendees to discuss; the provisions of this chapter.

(e) Not later than ten (10) days after the date of the county convention, the judge of the circuit court shall select the appointive members of the county committee.

(f) In a county that has a county board of education, one (1) member of the county committee must be a township trustee recommended by the county board of education.

(g) In a county in which there is a board of school trustees or a board of school commissioners, one (1) member of the county committee:

1. must be a member of:
   (A) the board of school trustees; or
   (B) the board of school commissioners; and
2. may not be a township trustee.
(h) One (1) member of the county committee must be:
   (1) a superintendent of schools;
   (2) a principal of:
      (A) a school city;
      (B) a school town; or
      (C) a consolidated school or corporation; or
   (3) a superintendent of a community school corporation.

(i) The members of the county committee not referred to in subsections (f) through (h):
   (1) may not be members of or employed by:
      (A) a board of school trustees; or
      (B) a board of school commissioners;
   (2) may not be members of or employed by a:
      (A) local; or
      (B) county;
      board of education;
   (3) may not be:
      (A) township trustees; or
      (B) employees of township trustees; and
   (4) are appointed without regard to political affiliation.

(j) The judge of the circuit court shall give written notice immediately to each person selected for appointment to the county committee. Each person selected shall notify the judge of the circuit court in writing not later than ten (10) days after receipt of the notice whether the person accepts the appointment. If a person:
   (1) refuses an appointment; or
   (2) fails to notify the judge of the circuit court of the person's acceptance or refusal of an appointment;
the judge shall select a qualified replacement for appointment to the county committee.

(k) Not later than thirty (30) days after the date of the county convention, the county committee shall meet to organize and to elect from its membership:
   (1) a chairperson;
   (2) a treasurer; and
   (3) a secretary.

The secretary may be the county superintendent or the superintendent of one (1) of the school corporations in the county.

(l) The chairperson and the members of the county committee serve without compensation. Subject to approval by the state board, the
chairperson of the county committee shall:
   (1) secure necessary office space and equipment;
   (2) engage necessary clerical help; and
   (3) receive reimbursement for any necessary expenses incurred
       by the chairperson with respect to duties in connection with the
       county committee.

(m) Members of the county committee hold office for terms of four
   (4) years until the reorganization program in the county is completed,
   subject to replacement as prescribed in this chapter. An appointed
   member who ceases to be a resident of the county may not continue to
   serve on a county committee.

(n) An individual appointed member of a county committee or the
   appointed members as a group are not disqualified from serving on a
   county committee because they fail at any time to meet the
   qualifications for appointment by the judge of the circuit court, other
   than county residence, if they met the qualifications at the time of their
   appointments.

(o) Vacancies shall be filled by the remaining members of the
    committee without regard for the qualifications for appointment by
    the judge of the circuit court.

(p) Meetings of the county committee shall be held:
   (1) upon call of the chairperson; or
   (2) by a petition to hold a meeting signed by a majority of the
       members of the committee.

(q) A majority of the committee constitutes a quorum.

Sec. 12. (a) In formulating a preliminary reorganization plan and
   with respect to each of the community school corporations that are a
   part of the reorganization plan, the county committee shall determine
   the following:

   (1) The name of the community school corporation.
   (2) Subject to subsection (e), a general description of the
       boundaries of the community school corporation.
   (3) With respect to the board of school trustees:
       (A) whether the number of members is:
           (i) three (3);
           (ii) five (5); or
           (iii) seven (7);
       (B) whether the members are elected or appointed;
       (C) if the members are appointed:
           (i) when the appointments are made; and
(ii) who makes the appointments;
(D) if the members are elected, whether the election is at:
   (i) the primary election at which county officials are
       nominated; or
   (ii) the general election at which county officials are elected;
and
(E) subject to sections 21 and 22 of this chapter, the manner
in which members are elected or appointed.
(4) The compensation, if any, of the members of the regular and
interim board of school trustees, which may not exceed the
amount provided in IC 20-26-4-6.
(5) Subject to subsection (f), qualifications required of the
members of the board of school trustees, including limitations on:
   (A) residence; and
   (B) term of office.
(6) If an existing school corporation is divided in the
reorganization, the disposition of assets and liabilities.
(7) The disposition of school aid bonds, if any.
(b) If existing school corporations are not divided in the
reorganization, the:
   (1) assets;
   (2) liabilities; and
   (3) obligations;
of the existing school corporations shall be transferred to and assumed
by the new community school corporation of which they are a part,
regardless of whether the plan provides for transfer and assumption.
(c) The preliminary plan must be supported by a summary
statement of:
   (1) the educational improvements the plan's adoption will make
       possible;
   (2) data showing the:
       (A) assessed valuation;
       (B) number of resident students in average daily attendance
           in grades 1 through 12;
       (C) assessed valuation per student referred to in clause (B);
           and
       (D) property tax levies;
of each existing school corporation to which the plan applies;
(3) the:
(A) assessed valuation;
(B) resident average daily attendance; and
(C) assessed valuation per student;
data referred to in subdivision 2(A) through 2(C) that would
have applied for each proposed community school corporation
if the corporation existed in the year the preliminary plan is
prepared or notice of a hearing or hearings on the preliminary
plan is given by the county committee; and
(4) any other data or information the county committee considers
appropriate or that may be required by the state board in its
rules.
(d) The county committee:
(1) shall base the assessed valuations and tax levies referred to in
subsection (c)(2) through (c)(3) on the valuations applying to
taxes collected in:
(A) the year the preliminary plan is prepared; or
(B) the year notice of a hearing or hearings on the
preliminary plan is given by the county committee;
(2) may base the resident average daily attendance figures on the
calculation of the figures under the rules under which they are
submitted to the state superintendent by existing school
corporations; and
(3) shall set out the resident average daily attendance figures for:
(A) the school year in progress if the figures are available for
that year; or
(B) the immediately preceding school year if the figures are
not available for the school year in progress.
The county committee may obtain the data and information referred
to in this subsection from any source the committee considers reliable.
If the county committee attempts in good faith to comply with this
subsection, the summary statement referred to in subsection (c) is
sufficient regardless of whether the statement is exactly accurate.
(e) The general description referred to in subsection (a)(2) may
consist of an identification of an existing school corporation that is to
be included in its entirety in the community school corporation. If a
boundary does not follow the boundary of an existing civil unit of
government or school corporation, the description must set out the
boundary:
(1) as near as reasonably possible by:
(A) streets;
(B) rivers; and
(C) other similar boundaries;
that are known by common names; or
(2) if descriptions as described in subdivision (1) are not possible,
by section lines or other legal description.
The description is not defective if there is a good faith effort by the
county committee to comply with this subsection or if the boundary
may be ascertained with reasonable certainty by a person skilled in
the area of real estate description. The county committee may require
the services of the county surveyor in preparing a description of a
boundary line.

(f) A member of the board of school trustees:
(1) may not serve an appointive or elective term of more than
four (4) years; and
(2) may serve more than one (1) consecutive appointive or
elective term.

Sec. 13. (a) When a county committee has prepared its preliminary
written plans for reorganization of school corporations, the committee
shall fix dates and places for one (1) or more hearings on the plans and
give notice of the hearings to the residents of the school corporations
affected and all interested parties. The county committee may hold
more than one (1) hearing. The chairperson of the county committee
shall give the notice:
(1) by publication at least one (1) time in one (1) newspaper of
general circulation published in the school corporation or
corporations; or
(2) if a newspaper is not published in the school corporation or
corporations, in a newspaper having a general circulation in the
school corporation or corporations;
at least ten (10) days but not more than thirty (30) days before the date
of the hearing.

(b) At the hearing:
(1) the county committee shall:
(A) explain the proposed reorganization plan;
(B) summarize the educational improvements adoption of the
plan will make possible; and
(C) if the proposed reorganization includes division of an
existing school corporation, state the adjustment proposed
for:
   (i) property;
(ii) assets;
(iii) debts; and
(iv) other liabilities; and
(2) any resident of the county or of any affected school corporation in an adjoining county may be heard with reference to:
   (A) the proposed plan; or
   (B) an alternative plan.

Sec. 14. (a) The county committee shall consider any suggestions made in the public hearing and shall make any revisions or modifications in its written plans as it considers necessary and shall thereupon without any further hearing adopt its final comprehensive reorganization plan, and, within ten (10) days after such adoption, but not later than January 14, 1964, shall submit at least three (3) copies of its comprehensive plan to the state board. However, if a county committee encounters any difficulties in formulating and adopting either its preliminary or comprehensive plan for the reorganization of school corporations, through no lack of diligence upon the part of the committee so that it is unable to submit its plans to the state board within the period specified, the county committee may apply to the state board for an extension of time in which to complete and adopt its preliminary or comprehensive plan. The application may be made during or after the original or any extended period for which an extension is asked.

   (b) The state board may, if the facts and circumstances warrant, grant such extension or extensions as it may see fit.

Sec. 15. The county committee may submit to the state board for approval, in accordance with section 18 of this chapter, a plan for the reorganization of one (1) or more school corporations without awaiting the completion of a comprehensive plan. The plan becomes an integral part of the comprehensive plan the county committee is required to prepare.

Sec. 16. The form of a preliminary or final comprehensive plan of reorganization is sufficient if the plan contains in its own terms or by reference the following for each proposed community school corporation:

   (1) The name of the proposed community school corporation.
   (2) A general description of the boundaries of the community school corporation as provided in section 12 of this chapter.
   (3) The number of members of the board of school trustees and
whether the members are elected or appointed.
(4) The manner in which the board of school trustees, other than the interim board, is elected or appointed.
(5) If a school corporation is divided as part of the reorganization, the disposition of assets and liabilities of the school corporation.
(6) The statement required by section 12 of this chapter if that statement is submitted or adopted with the plan.
Sec. 17. (a) The county committee may form one (1) or more advisory committees.
(b) An advisory committee may include as members:
   (1) superintendents; or
   (2) principals;
of local school corporations.
(c) An advisory committee or the individual members of an advisory committee shall:
   (1) help the county committee; and
   (2) furnish information to the county committee;
as requested by the county committee.
Sec. 18. (a) The state board shall:
(1) aid the county committees, as required by subsection (b), in carrying out:
   (A) the powers conferred; and
   (B) the duties imposed;
on the committees by this chapter;
(2) receive and examine each plan for the reorganization of a school corporation submitted to the state board by a county committee and approve each plan that meets the standards of the state board;
(3) adopt a set of minimum standards, in furtherance of the policy expressed in section 1 of this chapter, which all proposed community school corporations must meet, insofar as feasible;
(4) not later than ninety (90) days after receipt of a reorganization plan, hold a public hearing in the county to which the plan mainly applies to allow residents of the affected territory to testify;
(5) not later than sixty (60) days after the public hearing:
   (A) approve or disapprove in writing all or part of the plan; and
   (B) notify in writing the county committee concerned;
(6) assist any county committee whose plan does not meet minimum standards in revising the plan and permit the committee to resubmit the plan not later than ninety (90) days after receipt of notice of nonapproval; and

(7) adopt rules under IC 4-22-2 for:
   (A) the conduct of its own business; and
   (B) the guidance and direction of county committees;

to carry out this chapter and IC 20-23-16-1 through IC 20-23-16-11.

(b) The minimum standards for community school corporations proposed under this chapter or IC 20-23-16-1 through IC 20-23-16-11 must provide for the inclusion of all the area of a county in:
   (1) a school corporation; or
   (2) school corporations;

to furnish efficient and adequate educational opportunity for all students in grades 1 through 12.

(c) Before the adoption of a preliminary written plan, the county committee and the state board may meet to consider problems encountered by the county committee in formulating a plan. Following the meeting, the state board may waive in writing any specified minimum standard for a designated geographic area on the ground that meeting the standard is not feasible.

(d) The state board is not required to hold a public hearing on a plan that does not meet the minimum standards required by the state board unless the state board waives the attainment of a minimum standard.

Sec. 19. (a) If the creation of a community school corporation out of an existing corporation would not involve a change in its territorial boundaries or in its board of school trustees or other governing body, other than a change, if any, in the time of election or appointment or the time the board members take office, and the creation is consistent with the standards set up under this chapter as modified, if any, by the standards set out in this section, the state board may upon its own motion or upon petition of the governing body of the existing school corporation at any time with hearing in the county where such school corporation is located, after notice by publication at least once in one (1) newspaper of general circulation published in the county where such school corporation is located, at least ten (10) but not more than thirty (30) days before the date of a hearing, and without action of the county committee declare such existing school corporation to be a
community school corporation by adopting a resolution to this effect. The existing school corporation qualifies as to size and financial resources if it has an average daily attendance of at least two hundred seventy (270) students in grades 9 through 12 or at least one thousand (1,000) students in grades 1 through 12, and has an assessed valuation per student of at least five thousand dollars ($5,000). For the purposes of this provision, the following terms have the following meanings:

1) "County tax" means a property tax that is levied at an equal rate in the entire county in which any school corporation is located, other than a tax qualifying as a countywide tax within the meaning of Acts 1959, c.328, s.2, or any similar statute, and the net proceeds of which are distributed to school corporations in the county.

2) "Assessed valuation" of any school corporation means the net assessed value of its real and personal property as of March 1, 1964, adjusted in the same manner as such assessed valuation is adjusted for each county by the department of local government finance under Acts 1949, c.247, s.5, as amended, unless that statute has been repealed or no longer provides for such adjustment. If a county has a county tax, the assessed valuation of each school corporation in the county shall be increased by the amount of assessed valuation, if any, that would be required to raise an amount of money, equal to the excess of the amount distributed to any school corporation from the county tax over the amount collected from the county tax in the school corporation, using total taxes levied by the school corporation in terms of rate, excluding the countywide tax under Acts 1959, c.328, s.2, or any similar statute and including all other taxes levied by or for the school corporation, including but not limited to the county tax, bond fund levy, lease rental levy, library fund levy, special school fund levy, tuition fund levy, capital projects fund levy, and special funds levies. The increased valuation shall be based on the excess distributed to the school corporation from the county tax levied for the year 1964 and the total taxes levied for the year, or if the county tax is first applied or is raised for years after 1964, then the excess distributions and total taxes levied for the year in which the tax is first applied or raised. If the excess distribution and total taxes levied cannot be determined accurately on or before the adoption of the resolution provided in this section, excess distribution and taxes levied shall
be estimated by the department of local government finance using the last preceding assessed valuations and tax rates or such other information as that department determines, certifying the increased assessment to the state board before such time. In all cases, the excess distribution shall be determined upon the assumption that the county tax is one hundred percent (100%) collected and all collections are distributed.

(3) "Assessed valuation per student" of any school corporation means the assessed valuation of any school corporation divided by its average daily attendance in grades 1 through 12.

(4) "Average daily attendance" in any school corporation means the average daily attendance of students who are residents in the school corporation and in the particular grades to which the term refers for the school year 1964-1965 in accordance with the applicable regulations of the state superintendent, used in determining average daily attendance in the distribution of the tuition funds by the state to its various school corporations where funds are distributed on such basis and irrespective of whether the figures are the actual resident daily attendance of the school for the school year.

(b) The community school corporation shall automatically come into being on either July 1 or January 1 following the date of approval, whichever is earlier. The state board shall mail by certified United States mail, return receipt requested, a copy of the resolution certified by county committee's chairperson or secretary to the recorder of the county from which the county committee having jurisdiction of such existing school corporation was appointed and to such county committee. The resolution may change the time of election or appointment of the board of trustees of the school corporation or the time such trustees take office. The recorder shall without cost record the certified resolution in the miscellaneous records of the county. The recording shall constitute a permanent record of the action of the state board and may be relied on by any person. Unless the resolution provides that an interim member of the board of trustees shall not be appointed, the board of trustees in office on the date of the action shall continue to constitute the board of trustees of the school corporation until their successors are qualified, and the terms of their respective office and board membership shall remain unchanged except to the extent that the resolution otherwise provides. For purposes of this chapter and IC 20-23-16-1 through
IC 20-23-16-11, a community school corporation shall be regarded as a school corporation created under section 16 of this chapter.

Sec. 20. (a) After the state board approves a comprehensive plan or partial plan for reorganization of school corporations as submitted to the state board by a county committee, the state board shall promptly, by certified mail with return receipt requested, give written notice of the approval to:

(1) the chairperson of the county committee submitting the plan; and
(2) the judge of the circuit court of the county from which the county committee was appointed.

(b) After notice is given under subsection (a), a community school corporation proposed by a plan referred to in subsection (a) may be created:

(1) by petition as provided in this section;
(2) by election as provided in section 21 of this chapter; or
(3) under section 22 of this chapter.

(c) After receipt of the plan referred to in subsection (a) by the county committee and before or after the election described in section 21 of this chapter, a community school corporation proposed by a plan referred to in subsection (a) may be created by a petition. The petition must be signed by at least fifty-five percent (55%) of the registered voters residing in the community school corporation, determined in the manner set out in this section, and filed by any signer or by the county committee with the clerk or clerks of the circuit court or courts of the county or counties where the voters reside. The petition must state that the signers request the establishment of a community school corporation and must contain the following information:

(1) The name of the proposed community school corporation.
(2) A general description of the boundaries as set out in the plan.
(3) The number of members of the board of school trustees.
(4) The manner in which:
   (A) the permanent board of school trustees; and
   (B) if covered in the plan, the interim board of school trustees;
will be elected or appointed.
(5) The compensation, if any, of the members of:
   (A) the permanent board of school trustees; and
   (B) if covered in the plan, the interim board of school trustees.
(6) The disposition, if any, of assets and liabilities of each existing
school corporation that:
(A) is included in the proposed community school corporation; and
(B) has been divided.

(7) The disposition of school aid bonds, if any.
(d) The petition referred to in subsection (c) must show:
(1) the date on which each person signed the petition; and
(2) the person's residence address on that date.

The petition may be executed in several counterparts, the total of which constitutes the petition described in this section. An affidavit of the person circulating a counterpart must be attached to the counterpart. The affidavit must state that each signature appearing on the counterpart was affixed in the person's presence and is the true and lawful signature of the signer. Each signer on the petition may withdraw the signer's signature from the petition before the petition is filed with the clerk of the circuit court. Names may not be added to the petition after the petition is filed with the clerk of the circuit court.

(e) After receipt of the petition referred to in subsection (c), the clerk of the circuit court shall make a certification under the clerk's hand and seal of the clerk's office as to:
(1) the number of signers of the petition;
(2) the number of signers of the petition who are registered voters residing in:
   (A) the proposed community school corporation; or
   (B) the part of the school corporation located in the clerk's county;
   as disclosed by the voter registration records of the county;
(3) the number of registered voters residing in:
   (A) the proposed community school corporation; or
   (B) the part of the school corporation located in the clerk's county;
   as disclosed by the voter registration records of the county; and
(4) the date of the filing of the petition with the clerk.

If a proposed community school corporation includes only part of a voting precinct, the clerk of the circuit court shall ascertain from any means, including assistance from the county committee, the number of registered voters residing in the part of the voting precinct.

(f) The clerk of the circuit court shall make the certification referred to in subsection (e):
(1) not later than thirty (30) days after the filing of the petition
under subsection (c), excluding from the calculation of that period the time during which the registration records are unavailable to the clerk; or

(2) within any additional time as is reasonably necessary to permit the clerk to make the certification.

In certifying the number of registered voters, the clerk shall disregard any signature on the petition not made in the ninety (90) days that immediately precede the filing of the petition with the clerk as shown by the dates set out in the petition. The clerk shall establish a record of the certification in the clerk's office and shall return the certification to the county committee.

(g) If the certification or combined certifications received from the clerk or clerks disclose that the petition was signed by at least fifty-five percent (55%) of the registered voters residing in the community school corporation, the county committee shall publish a notice in two newspapers of general circulation in the community school corporation. The notice must:

(1) state that the steps necessary for the creation and establishment of the community school corporation have been completed; and

(2) set forth:

(A) the number of registered voters residing in the community school corporation who signed the petition; and

(B) the number of registered voters residing in the community school corporation.

(h) A community school corporation created by a petition under this section takes effect on the earlier of:

(1) July 1; or

(2) January 1;

that next follows the date of publication of the notice referred to in subsection (g).

(i) If a public official fails to perform a duty required of the official under this chapter within the time prescribed in this section and sections 21 through 24 of this chapter, the omission does not invalidate the proceedings taken under this chapter.

(j) An action:

(1) to contest the validity of the formation or creation of a community school corporation under this section;

(2) to declare that a community school corporation:

(A) has not been validly formed or created; or
(B) is not validly existing; or

(3) to enjoin the operation of a community school corporation;

may not be instituted later than thirty (30) days after the date of
publication of the notice referred to in subsection (g).

Sec. 21. (a) If the chairperson of the county committee does not
receive the certification or combined certifications under section 20(f)
of this chapter not later than ninety (90) days after the receipt by the
county committee of the plan referred to in section 20(a) of this
chapter, the judge of the circuit court of the county from which the
county committee submitting the plan was appointed shall:

(1) certify the public question under IC 3-10-9-3; and

(2) order the county election board to conduct a special election
in which the registered voters residing in the proposed
community school corporation may vote to determine whether
the corporation will be created.

(b) If:

(1) a primary election at which county officials are nominated; or

(2) a general election at which county officials are elected;

and for which the question can be certified in compliance with
IC 3-10-9-3 is to be held not later than six (6) months after the receipt
by the chairperson of the county committee of the plan referred to in
section 20(a) of this chapter, regardless of whether the ninety (90) day
period referred to in subsection (a) has expired, the judge shall order
the county election board to conduct the special election to be held in
conjunction with the primary or general election.

(c) If a primary or general election will not be held in the six (6)
month period referred to in subsection (b), the special election shall be
held:

(1) not earlier than sixty (60) days; and

(2) not later than one hundred twenty (120) days;

after the expiration of the ninety (90) day period referred to in
subsection (a).

(d) The county election board shall give notice under IC 5-3-1 of
the special election referred to in subsection (a).

(e) The notice referred to in subsection (d) of a special election
must:

(1) clearly state that the election is called to afford the registered
voters an opportunity to approve or reject a proposal for the
formation of a community school corporation;
(2) contain:
   (A) a general description of the boundaries of the community school corporation as set out in the plan;
   (B) a statement of the terms of adjustment of:
      (i) property;
      (ii) assets;
      (iii) debts; and
      (iv) liabilities;
   of an existing school corporation that is to be divided in the creation of the community school corporation;
   (C) the name of the community school corporation;
   (D) the number of members comprising the board of school trustees; and
   (E) the method of selecting the board of school trustees of the community school corporation; and
(3) designate the date, time, and voting place or places at which the election will be held.

(f) A special election referred to in subsection (a) is under the direction of the county election board in the county. The election board shall take all steps necessary to carry out the special election. If the special election is not conducted at a primary or general election, the cost of conducting the election is:
   (1) charged to each component school corporation embraced in the community school corporation in the same proportion as the component school corporation's assessed valuation is to the total assessed valuation of the community school corporation; and
   (2) paid:
      (A) from any current operating fund not otherwise appropriated of; and
      (B) without appropriation by;
   each component school corporation.

If a component school corporation is to be divided and its territory assigned to two (2) or more community corporations, the component school corporation's cost of the special election is in proportion to the corporation's assessed valuation included in the community school corporation.

(g) The county election board shall place the public question on the ballot in the form prescribed by IC 3-10-9-4. The public question must state "Shall the (here insert name) community school corporation be formed as provided in the Reorganization Plan of the County
Committee for the Reorganization of School Corporations?”. Except as otherwise provided in this chapter, the election is governed by IC 3.

(h) If a majority of the votes cast at a special election referred to in subsection (a) on the public question are in favor of the formation of the corporation, a community school corporation is created and takes effect on the earlier of:

(1) the July 1; or
(2) the January 1;

that next follows the date of publication of the notice referred to in subsection (d).

(i) If a public official fails to perform a duty required of the official under this section within the time prescribed in this section, the omission does not invalidate the proceedings taken under this section.

(j) An action:

(1) to contest the validity of the formation or creation of a community school corporation under this section;
(2) to declare that a community school corporation:
   (A) has not been validly formed or created; or
   (B) is not validly existing; or
(3) to enjoin the operation of a community school corporation;

may not be instituted later than thirty (30) days after the date of the special election referred to in subsection (a).

Sec. 22. (a) This section applies to a proposed school corporation reorganization plan approved by the state board that involves no change in:

(1) territorial boundaries; or
(2) the board of school trustees or other governing body;

of a school corporation, other than a change in the time of election of board members or the time the board members take office.

(b) A plan referred to in subsection (a) automatically comes into being on the earlier of:

(1) the July 1; or
(2) the January 1;

that next follows the date of approval of the plan by the state board.

(c) If subsection (b) applies:

(1) an interim board of trustees member may not be appointed;
(2) the board members in office on the date the plan comes into being under subsection (b) continue to constitute the governing body of the school corporation until their successors are qualified; and
(3) the:
   (A) terms of offices; and
   (B) board memberships;
   of the board members remain unchanged except to the extent the
   plan provides otherwise.

Sec. 23. (a) If a proposal for the formation of a community school
    corporation is rejected by the voters at the special election provided
    for in this chapter, the county committee shall:
    (1) subject to subsection (b), devise a new plan of reorganization
        considered more acceptable to the electors of the territory
        affected; or
    (2) subject to subsection (c), direct the county election board or
        boards to resubmit the same plan rejected by the voters.

(b) The county committee shall submit a new plan devised under
    subsection (a)(1) to the state board for the state board’s approval not
    later than six (6) months after the date of the special election at which
    the proposal was rejected, subject to the same conditions and
    requirements concerning extensions of time and other matters
    provided in this chapter. If the new plan is approved by the state
    board, the procedures of this chapter for the creation of a community
    school corporation must be followed.

(c) The county committee may direct the county election board or
    boards to resubmit the plan referred to in subsection (a)(2) at a special
    election to be held not later than six (6) months after the special
    election at which the proposal was rejected. If a primary or general
    election for state offices is to be held not later than six (6) months after
    the special election at which the proposal was rejected, the special
    election must be held in conjunction with the primary or general
    election. The judge of the circuit court shall give notice by publication
    of the special election on request of the county committee. The special
    election is held in the same manner required for the holding of a
    special election under section 21 of this chapter. Officials concerned
    shall take all actions necessary to conduct the special election as
    required under section 21 of this chapter.

Sec. 24. (a) Except as provided in subsection (b), if a public official
    fails to perform a duty required under this chapter or IC 20-23-16-1
    through IC 20-23-16-11 within the time prescribed in this chapter or
    IC 20-23-16-1 through IC 20-23-16-11, the omission does not
    invalidate any proceedings taken by the official.

(b) This section:
(1) does not apply to the time within which a county committee must accept jurisdiction of all or part of a school corporation from another county committee following a petition under IC 20-23-16-1; and

(2) may not be construed to extend the time within which petitions may be filed by registered voters under this chapter or IC 20-23-16-1 through IC 20-23-16-11.

Sec. 25. (a) A party aggrieved by the decision of the county committee after the hearing provided for under section 13 of this chapter may:

(1) appear before the state board when the state board holds public hearings on the reorganization plan involved; and

(2) state the grievance.

(b) A party aggrieved by the decision of the state board after the hearing provided for in section 13 of this chapter may appeal within thirty (30) days from the decision to the court in the county on any question of adjustment of:

(1) property;
(2) debts; and
(3) liabilities;

among the school corporations involved. Notice of the appeal shall be given to the chairperson or secretary of the county committee ten (10) days before the appeal is filed with the court.

(c) The court may:

(1) determine the constitutionality and the equity of the adjustment or adjustments proposed; and

(2) direct the county committee to alter the adjustment or adjustments found by the court to be inequitable or violative of any provision of the Constitution of the State of Indiana or of the United States.

An appeal may be taken to the supreme court or the court of appeals in accordance with the rules of civil procedure of the state.

(d) A determination by the court with respect to the adjustment of:

(1) property;
(2) debts; and
(3) liabilities;

among the school corporations or areas involved does not otherwise affect the validity of the reorganization or creation of a school corporation or corporations under this chapter or IC 20-23-16-1 through IC 20-23-16-11.
Sec. 26. (a) This section applies to each community school corporation.

(b) A community school corporation established under this chapter or IC 20-23-16-1 through IC 20-23-16-11, is a body corporate and politic. The corporation may:

(1) sue and be sued; and

(2) acquire, hold, and convey real and personal property necessary to the community school corporation's establishment and operation.

(c) A corporation has:

(1) all the powers, rights, duties, and obligations of the school cities of any class in which the school corporation would fall if it were organized as a school city; and

(2) the additional powers granted school corporations:

(A) in general; or

(B) school corporations in the population or other classifications in which the school corporation falls.

(d) The officers of the governing body are a:

(1) president;

(2) secretary;

(3) treasurer; and

(4) vice president, if the board of trustees consists of more than three (3) members.

Sec. 27. (a) Subsections (b) and (c) do not apply to a community school corporation created before March 12, 1965. A community school corporation created before March 12, 1965, shall operate in accordance with the plan under which it was created and the statutes applicable to that plan, as if Acts 1965, c.336, s.4 had not been enacted.

(b) If the members of a governing body are elected, the members shall be elected in accordance with one (1) of the options set forth in subsection (c) or in accordance with section 35 of this chapter. The options must be set out in the plan with sufficient description to permit the plan to be operable with respect to the community school corporation. The description may be partly or wholly by reference to the applicable option.

(c) The options described in subsection (b) are the following:

(1) Members of a governing body:

(A) may reside anywhere in the school corporation; and

(B) shall be voted upon by all registered voters living within the school corporation voting at any governing body member
election.

(2) The community school corporation shall be divided into two (2) or more residence districts with one (1) or more members of the governing body resident within each of the residence districts. The plan may also provide that one (1) or more members of the governing body may reside anywhere in the community school corporation. The plan:

(A) must set out the number of members to be elected from each district;
(B) may provide for the election of an equal number of members from each district; and
(C) must set out the number, if any, to be elected at large without reference to governing body member districts.

Under this option, all candidates must be voted on by all registered voters of the community school corporation voting at any governing body member election.

(3) The community school corporation shall be divided into three (3) residence districts of approximately equal population. In a district divided into three (3) residence districts, if:

(A) the governing body consists of three (3) members, one (1) member must reside in each residence district;
(B) the governing body consists of five (5) members, two (2) members may not reside in any one (1) residence district; and
(C) the governing body consists of seven (7) members, at least two (2) shall be elected from each residence district.

Candidates shall be voted on by all registered voters of the community school corporation voting at any governing body member election.

(4) The community school corporation shall be divided into two (2) or more electoral districts. Each member:

(A) serves from one (1) electoral district;
(B) must be a resident of the district; and
(C) must be voted upon by the registered voters residing within the electoral district and voting at any governing body member election.

The plan must set out the number to be elected from each electoral district and may provide for election of an equal number of members from each district. The plan must provide that not less than one (1) less than a majority of the governing body may reside anywhere in the community school corporation.
and must be voted upon by all its registered voters voting at any
governing body member election.

(5) The community school corporation consists of one (1)
electoral district that must embrace the entire community school
corporation from which a majority of the members of the
governing body shall be elected by all the registered voters of the
community school corporation voting at a governing body
member election. The other electoral districts must be
subdivisions of the community school corporation. Each of the
remaining members of the governing body:

(A) serves from one (1) of the latter electoral districts;

(B) must be a resident of that district; and

(C) must be voted upon by registered voters voting at a
governing body member election.

The plan must set out the number to be elected from each district
and may provide for the election of an equal number of members
from the district.

(6) The community school corporation shall be divided into two
(2) or more electoral districts. Each member:

(A) serves from one (1) electoral district;

(B) must be a resident of that district; and

(C) must be voted upon only by the registered voters residing
within that district who vote at a governing body election.

The plan must set out the number of members to be elected from
each electoral district in the school corporation and may provide
for election of an equal number of members from each district.

Sec. 28. (a) Subsections (b) through (g) do not apply to a
community school corporation created before March 12, 1965. A
community school corporation created before March 12, 1965, shall
operate in accordance with the plan under which it was created and
the statutes applicable to that plan, as if Acts 1965, c.336, s.4 had not
been enacted.

(b) If the members of the governing body are to be appointed, they
shall be appointed in accordance with one (1) of the options described
in subsection (c). The option must be set out in the plan with sufficient
description to permit the plan to be operable with respect to each
community school corporation. The description may be partly or
wholly by reference to the applicable option provided in this section.

(c) The options described in subsection (b) are the following:

(1) Members of the governing body may reside anywhere in the
community school corporation.

(2) The community school corporation shall be divided into two
or more governing body member districts, any one (1) of
which may embrace the entire community school corporation.

Each member:

(A) serves from a particular district; and

(B) must be a resident of the district.

The plan must set out the number to be appointed from each
district and may provide for an equal number of members from
each district.

(d) The plan, under either option in subsection (c), may provide
that the first appointments of the governing body members are for
staggered terms of not more than four (4) years. Thereafter,
appointments shall be made for terms of four (4) years. All terms of
office for appointive governing body members expire June 30 in the
applicable year.

(e) A plan providing for the appointment of members of the
governing body must designate the appointing authority. The
authority may be the same for each governing body member and must
be one (1) or more of the following:

(1) The judge of the circuit or superior court.
(2) The city executive.
(3) The legislative body of a city.
(4) The board of commissioners of a county.
(5) The county fiscal body.
(6) The town legislative body.
(7) The township executive.
(8) The township legislative body.
(9) A township executive and legislative body jointly.
(10) More than one (1) township executive and legislative body
jointly.

(f) If an appointment is to be made by:

(1) a body, the appointment must be made by a majority vote of
the body in official session;
(2) township executives, the appointment must be made by a
majority vote of the executives taken in joint session; and
(3) township legislative bodies, the appointment must be made by
a majority vote of the total number of township legislative body
members by a majority vote of the members, taken in joint
session.
(g) If a member of the governing body, whether of the interim governing body or regular governing body, is to be appointed, and the beginning of the appointive member's term of office coincides with the date an individual assumes the office of the official who is to make the appointment, the appointment shall be made by the latter individual. If the appointing official or body fails to appoint a member of the first governing body within five (5) days after a community school corporation comes into being, or, for members appointed after the first board is appointed, within five (5) days after a member is to take office, the member of the governing body shall be appointed:

(1) by the judge of the circuit court; or

(2) in the case of a united school corporation, by the judge of the circuit court of the county having the most students enrolled in the united school corporation.

Sec. 29. (a) This section applies to each school corporation.

(b) If a plan provides for the election of members of the governing body of the community school corporation at a primary election, at the time provided by IC 3-8-2 for the filing of notice of candidacies for the primary election following the creation of the community school corporation, nominations for members of the governing body of the community school corporation may be made by a petition signed by the candidates and ten (10) registered voters residing within the boundaries of the community school corporation.

(c) A petition must be filed with the circuit court clerk of the county that contains the greatest percentage of population of the school corporation. If the plan requires residence in a specified district or voting solely in a specified district for a governing body member office, the petition must clearly state the residence or electoral district from or for which the person is a candidate. If a school corporation is located in more than one (1) county, the circuit court clerk shall, after determining that a petition complies with subsection (b), promptly certify to each circuit court clerk of a county in which the school corporation is located, the names of the candidates to be placed on the ballot.

(d) If a plan provides for an election of members of the governing body at a general election, the filing of notice of candidates must be made in the manner provided for filing at primary elections under this section. The filing must be made within the same period before the general election as would have been required before the primary election had the election been held at the latter time.
(e) All nominations shall be listed for each office in the form prescribed by IC 3-10-1-19 or IC 3-11-2 but without party designation. Voting and tabulation of votes shall be conducted in the same manner as voting and tabulation in primary elections are conducted. The precinct election boards serving at each primary election in each county shall conduct the election for governing board members. If a school corporation is located in more than one (1) county, each county election board shall print the ballots required for voters in that county to vote for candidates for members of the board of school trustees of the school corporation.

(f) If the plan provides that the governing body shall be elected by all the voters of the community school corporation, candidates shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11-2 without party designation. Candidates elected shall be those having the greatest number of votes.

(g) If the plan provides that members of the governing body are to be elected from residence districts by all voters in the community school corporation, nominees for the governing body shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11-2 by residence districts without party designation. The ballot must state the:

1. number of members to be voted upon; and
2. maximum number that may be elected from each residence district as provided in the plan.

A ballot is not valid if a voter votes for more than the maximum number of members that are determined under subdivision (2). Candidates having the greatest number of votes are elected. However, if more than the maximum number that may be elected from a residence district are among those having the greatest number of votes, the lowest of those candidates from the residence districts in excess of the maximum number shall be eliminated in determining the candidates who are elected.

(h) If the plan provides that members of the governing body are to be elected from electoral districts solely by the voters of each district, nominees residing in each electoral district shall be placed on the ballot:

1. in the form prescribed by IC 3-10-1-19 or IC 3-11-2; and
2. without party designation.

The ballot must state the number to be voted on from the electoral district. Candidates residing in the electoral district having the
greatest number of votes are elected.
Sec. 30. (a) This section applies to each school corporation.
(b) If the governing body is to be elected at the primary election, each registered voter may vote in the governing body election without otherwise voting in the primary election.
(c) If a tie vote occurs among any of the candidates:
   (1) the judge of the circuit court; or
   (2) in case of a united school corporation, the judge of the circuit court of the county having the most students enrolled in the united school corporation;
shall select one (1) of the candidates, who shall be declared and certified elected.
(d) If after the first governing body takes office, there is a vacancy on the governing body for any reason, including the failure of the sufficient number of petitions for candidates being filed, whether the vacating member was elected or appointed, the remaining members of the governing body, whether or not a majority of the governing body, shall by a majority vote fill the vacancy by appointing a person from within the boundaries of the community school corporation to serve for the term or balance of the term. An individual appointed under this subsection must possess the qualifications provided for a regularly elected or appointed governing body member filling the office. If:
   (1) a tie vote occurs among the remaining members of the governing body; or
   (2) the governing body fails to act within thirty (30) days after any vacancy occurs;
the judge of the circuit court in the county where the majority of registered voters of the school corporation reside shall make the appointment.
(e) A vacancy in the governing body occurs if a member ceases to be a resident of any community school corporation. A vacancy does not occur when the member moves from a district of the school corporation from which the member was elected or appointed if the member continues to be a resident of the school corporation.
(f) At the first primary or general election in which members of the governing body are elected:
   (1) a simple majority of the candidates elected as members of the governing body who receive the highest number of votes shall be elected for four (4) year terms; and
(2) the balance of the candidates elected as members of the governing body receiving the next highest number of votes shall be elected for two (2) year terms. Thereafter, all school board members shall be elected for four (4) year terms.

(g) Governing body members elected:
(1) in November take office and assume their duties on January 1 or July 1 after their election, as determined by the board of school trustees before the election; and
(2) in May take office and assume their duties on July 1 after their election.

Sec. 31. (a) This section applies to each school corporation.
(b) If the plan provides for the election of members of the governing body of the community school corporation:
(1) the judge of the circuit court; or
(2) in the case of a united school corporation, the judge of the circuit court of the county having the most students enrolled in the united school corporation;
shall appoint interim governing body members in accordance with the plan approved by the county committee and the state board.
(c) The members of the governing body appointed serve until their successors are elected and qualified.
(d) Instead of appointment, the plan may provide for an alternative method of appointing the members of the interim governing body of a community or united school corporation. The appointment under this subsection must be made by one (1) or more of the class of officials listed in section 28(e) of this chapter.

Sec. 32. (a) This section applies to each school corporation.
(b) The governing body does not assume its powers and duties until the date the community school corporation becomes effective. For thirty (30) days before the date on which the governing body of a community school corporation assumes office, an existing school corporation having territory that will be included within the boundaries of a community school corporation may not contract or place the school corporation under any further obligations, except upon written approval of the county committee.
(c) The transfer of:
(1) powers;
(2) duties;
(3) property rights;
(4) other assets;
(5) liabilities;
(6) contracts both as to rights and obligations; and
(7) all else connected with the transfer of authority from existing
school corporations to the community school corporation;
takes place at the time of the formation and creation of the community
school corporation and are vested in the community school
corporation.

Sec. 33. (a) This section applies to each school corporation.
(b) The governing body shall:
(1) divide the community school corporation into the proper
attendance units;
(2) adopt rules with respect to the units; and
(3) provide adequate and practical transportation if a
reorganization plan provides for the transportation of students
from one (1) part of a community school corporation to a central
point.

Sec. 34. (a) This section applies to a community school corporation
located in a county containing a consolidated city.
(b) The same method used to cast votes for all other offices for
which candidates have qualified to be on the election ballot must be
used for the school board offices on the election ballot.

Sec. 35. (a) The governing body of a school corporation may be
organized under this section.
(b) The governing body consists of seven (7) members, elected as
follows:
(1) Four (4) members elected from districts, with one (1) member
serving from each electoral district. A member elected under this
subdivision must be:
(A) a resident of the electoral district from which the member
is elected; and
(B) voted upon by only the registered voters residing within
the electoral district and voting at a governing body election.
(2) Three (3) members, who are voted upon by all the registered
voters residing within the school corporation and voting at a
governing body election, elected under this subdivision. The
governing body shall establish three (3) residential districts as
follows:
(A) One (1) residential district must be the township that has
the greatest population within the school corporation.
(B) Two (2) residential districts must divide the remaining area within the school corporation. Only one (1) member who resides within a particular residential district established under this subdivision may serve on the governing body at a time.

(c) A member of the governing body who is:
   (1) elected from an electoral or a residential district; or
   (2) appointed to fill a vacancy from an electoral or a residential district;

must reside within the boundaries of the district the member represents.

(d) A vacancy on the governing body shall be filled by the governing body as soon as practicable after the vacancy occurs. A member chosen by the governing body to fill a vacancy holds office for the remainder of the unexpired term.

(e) The members of the governing body serving at the time a plan is amended under this section shall establish the electoral and residential districts described in subsection (b).

(f) The electoral districts described in subsection (b)(1):
   (1) shall be drawn on the basis of precinct lines;
   (2) may not cross precinct lines; and
   (3) as nearly as practicable, be of equal population, with the population of the largest exceeding the population of the smallest by not more than fifteen percent (15%).

(g) The residential districts described in subsection (b)(2) may:
   (1) be drawn in any manner considered appropriate by the governing body; and
   (2) be drawn along township lines.

(h) The governing body shall certify the districts established under subsections (f) and (g) to:
   (1) the state board; and
   (2) the county election board of the county in which the school corporation is located.

(i) The governing body shall designate:
   (1) three (3) of the districts established under this section to be elected at the first school board election that occurs after the effective date of the plan; and
   (2) the remaining four (4) districts to be elected at the second school board election that occurs after the effective date of the plan.
Sec. 36. (a) This section applies to a school corporation located in a county containing a consolidated city.

(b) The same method used to cast votes for all other offices for which candidates have qualified to be on the election ballot must be used for the governing body offices on the election ballot.

Sec. 37. (a) A consolidation or reorganization of a school corporation does not become effective until the consolidation or reorganization is approved by the state board.

(b) Except to the extent set forth in subsection (a), this chapter shall be construed as being supplemental to all laws appertaining to public schools in Indiana.

Sec. 38. (a) Whenever an entire county has been reorganized under this chapter or IC 20-23-16-1 through IC 20-23-16-11, by the creation of a community school corporation or corporations for the entire county, the county committee shall be dissolved. Where the term of any member of a county committee expires before the time of dissolution of the county committee, the judge shall fill a vacancy by replacement or reappointment for a term of four (4) years in accordance with sections 11 through 15 of this chapter and IC 20-23-16-2. In the event the membership of an entire county committee shall at any time be vacant by resignation or otherwise, the judge shall appoint a new county committee in accordance with sections 11 through 15 of this chapter or IC 20-23-16-2.

(b) After a county committee has been dissolved, if the local governing body or the state superintendent considers further reorganization necessary to improve educational opportunities for the students in the county, the local school trustees or the state superintendent shall submit proposed changes to the state board. If the changes proposed by the local governing body or the state superintendent are approved by the state board, the proposal becomes effective under the procedure specified in sections 20 through 24 of this chapter so far as the same are applicable.

Sec. 39. A county committee formed under this chapter and the state board may accept donations of money or other articles of value to assist in financing the studies authorized by this chapter.

Sec. 40. (a) To defray the expenses of the county study, a county committee may prepare and submit a budgetary request to the county council on or before August 1 of each year during the life of the committee. The county council may, upon receipt of a request, establish a uniform ad valorem tax levy on all real and personal
property within the county, in an amount sufficient to raise an amount of money not to exceed the amount of the budget request.

(b) The county committee may request from the county council sufficient sums of money necessary to defray legal expenses incident to placing the county plan in operation.

Sec. 41. The state board of accounts shall prescribe accounting forms to be used by the county committees and shall audit the financial records of each county committee at least once every three (3) years.

Sec. 42. (a) The state board shall enforce the rules compiled under IC 20-19-2-8 that establish procedures and standards for the construction of, addition to, or remodeling of school facilities. The commission shall apply these rules equally to facilities to be used or leased by both community school corporations and school corporations that are not community school corporations.

(b) A school building or an addition to a school building may not be constructed and a lease of a school building for a term of more than one (1) year may not be entered into by a school corporation other than a community school corporation or by two (2) or more school corporations jointly without the approval of the state board. For purposes of this subsection, "community school corporation" does not include a community school corporation governed by an interim board of school trustees.

(c) An action to question any approval referred to in this section or to enjoin school construction or the performance of any of the terms and conditions of a lease or the execution, sale, or delivery of bonds, on the ground that any approval should not have been granted, may not be instituted at any time later than fifteen (15) days after approval has been granted.

Sec. 43. A plan approved by:

(1) a county committee or committees; and

(2) the state board before May 1, 1984;

may provide for or be amended to provide for delaying the commencement of the terms of some members of the governing body for one (1) year and for extending the terms of their predecessors for one (1) year where this is necessary to prevent a majority of the board from taking office at any one time.

Sec. 44. (a) This section applies only to a school corporation with territory in a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy
thousand (170,000).

(b) This section applies if there is a:
   (1) tie vote in an election for a member of the governing body of
       a school corporation; or
   (2) vacancy on the governing body of a school corporation.

(c) Notwithstanding any other law, if a tie vote occurs among any
    of the candidates for the governing body or a vacancy occurs on the
    governing body, the remaining members of the governing body, even
    if the remaining members do not constitute a majority of the
    governing body, shall by a majority vote of the remaining members:
       (1) select one (1) of the candidates who shall be declared and
           certified elected; or
       (2) fill the vacancy by appointing an individual to fill the
           vacancy.

(d) An individual appointed to fill a vacancy under subsection
    (c)(2):
       (1) must satisfy all the qualifications required of a member of the
           governing body; and
       (2) shall fill the remainder of the unexpired term of the vacating
           member.

(e) If a tie vote occurs among the remaining members of the
    governing body or the governing body fails to act within thirty (30)
    days after the election or the vacancy occurs, the fiscal body (as
    defined in IC 3-5-2-25) of the township in which the greatest
    percentage of population of the school district resides shall break the
    tie or make the appointment. A member of the fiscal body who was a
    candidate and is involved in a tie vote may not cast a vote under this
    subsection.

(f) If the fiscal body of a township is required to act under this
    section and a vote in the fiscal body results in a tie, the deciding vote
    to break the tie vote shall be cast by the executive.

Sec. 45. A community school corporation created or organized
under this chapter may change its name at any time by adoption of a
resolution by majority vote of the governing body.

Chapter 5. Community School Corporations: Territory
Annexations

Sec. 1. As used in this chapter,"acquiring school corporation"
means the school corporation that acquires territory as a result of
annexation.

Sec. 2. As used in this chapter,"annex","annexing","annexation","
and "school annexation" mean any action whereby the boundaries of a school corporation are changed so that additional territory, constituting all or a part of any one (1) or more other school corporations, is transferred to the school corporation.

Sec. 3. As used in this chapter, "annexed territory" means the territory acquired by an acquiring school corporation as a result of annexation from a losing school corporation.

Sec. 4. As used in this chapter, "losing school corporation" means a school corporation that loses territory to an acquiring school corporation by annexation.

Sec. 5. As used in this chapter, "resolution" of a school corporation means a resolution adopted by the school corporation's governing body.

Sec. 6. As used in this chapter, "school corporation" means:

(1) a school corporation created under IC 20-23-4; and
(2) any other school corporation established under any other statute of the state of Indiana, which has common boundaries with any school corporation or corporations formed under IC 20-23-4.

The term does not include any public school corporation located in whole or any part in a county containing a consolidated city.

Sec. 7. Subject to the limitations and procedures in this chapter, a school corporation may annex territory from any other school corporation by resolutions of the acquiring and losing school corporations under section 8 of this chapter.

Sec. 8. An annexation may be effected by any school corporation as follows:

(1) The acquiring and the losing school corporations shall each adopt a substantially identical annexation resolution. The resolution must contain the following items:

(A) The name of the acquiring school corporation, which may differ from the name of the acquiring corporation at the time of the adoption of the resolution, after the effective date.
(B) A description of the annexed territory. The description shall as near as reasonably possible:
   (i) be by streets and other boundaries known by common names; and
   (ii) does not have to be by legal description unless the additional description is necessary to identify the annexed territory.
A notice is not defective if there is a good faith compliance with this section and if the area designated may be ascertained with reasonable certainty by persons skilled in the area of real estate description.

(C) The time the annexation takes place.

(D) Any terms and conditions facilitating education of students in the:
   (i) annexed territory;
   (ii) losing school corporation; or
   (iii) acquiring school corporation.

The terms may provide for the continued attendance by students in the annexed territory at schools in the losing school corporation for specified periods after annexation on a transfer basis. If students will continue attendance in schools in the losing school corporation, transfer tuition for the students shall be paid by the acquiring school corporation to the losing school corporation:
   (i) using the method; and
   (ii) at the rates;

provided by the Indiana statutes governing the computation and payment of transfer tuition costs.

(E) Disposition of assets and liabilities of the losing school corporation to the acquiring school corporation.

(F) Allocation between the acquiring and losing school corporations of subsequently collected school taxes levied on property in the annexed territory.

(G) The amount, if any, to be paid by the acquiring school corporation to the losing school corporation on account of property received from the losing school corporation.

(H) Dispositions, allocations, and amounts transferred under this subsection must be equitable.

(2) After the adoption of the resolution, notice shall be given by publication in both the acquiring school corporation and the losing school corporation setting out:
   (A) the text of the resolution; and
   (B) a statement that the resolution has been adopted and that a right of remonstrance exists as provided in this chapter.

(3) It is not necessary to set out the remonstrance provisions of this chapter. A general reference to a right of remonstrance with a reference to this chapter is sufficient.
(4) The annexation takes effect:
   (A) within thirty (30) days after publication; or
   (B) at the time provided in the resolution;

whichever is later, unless within the period during which a
remonstrance may be filed a remonstrance is filed in the circuit
or superior court of the county where the annexed territory or
any part of the annexed territory is located, by registered voters
residing in the losing school corporation at least equal in number
to the greater of ten percent (10%) of the number of registered
voters residing in the losing school corporation or fifty-one
percent (51%) of the number of registered voters residing in the
annexed territory.

Sec. 9. (a) The notice by publication required by section 8 of this
chapter shall be made:
   (1) two (2) times;
   (2) a week apart; and
   (3) in two (2) daily newspapers of general circulation, published
      in the English language and of general circulation in the
      acquiring school corporation and in the losing school
corporation.

   (b) If there is only one (1) or no daily newspaper in either school
corporation, a weekly newspaper may be used.

   (c) If there is only one (1) daily or weekly newspaper, publication
      in the newspaper is sufficient.

   (d) If a newspaper is of general circulation in both the acquiring
      school corporation and the losing school corporation, publication in
      the newspaper qualifies as one (1) of the required publications in the
      acquiring school corporation and the losing school corporation.

   (e) Publication may be made jointly by the losing school
corporation and acquiring school corporation.

   (f) The remonstrance period runs from the second publication.

Sec. 10. (a) A remonstrance under section 8 of this chapter must be
in the following or a substantially similar form:

"The undersigned hereby remonstrate against the annexation of
the following described territory situated in ______ County,
Indiana, whereby it would be transferred from ______ (the
losing corporation) to ______ (the acquiring corporation):

(Description of the annexed territory sufficient to identify it.)"

The remonstrance may be filed in any number of counterparts. Each
counterpart shall have attached to it the affidavit of the person
circulating it that each signature appearing on the remonstrance was affixed in the presence of the person circulating the petition and is the true and lawful signature of the person who made the signature. The person who makes the affidavit does not have to be one (1) of the persons who signs the counterpart to which the affidavit is attached. The remonstrance must be accompanied by a complaint filed by one (1) or more of the remonstrators (who shall be treated as a representative of the entire class of remonstrators) and signed by the remonstrator or the remonstrator’s attorney, stating the reasons for the remonstrance. The reasons for the remonstrance are limited to the following:

1. There is a procedural defect in the manner in which the annexation is carried out that is jurisdictional.
2. The annexed territory does not form a compact area abutting the acquiring corporation.
3. The benefits to be derived from the annexation are outweighed by the detriments, taking into consideration the respective benefits and detriments to the schools and of the students residing in the acquiring school corporation, the losing school corporation, and the annexed territory.
4. The:
   A. disposition of assets and liabilities of the losing school corporation;
   B. allocation of school tax receipts between the acquiring school corporation and the losing school corporation; and
   C. amount to be paid by the acquiring school corporation as set out in the annexation resolution;

are inequitable. Except with respect to subdivision (1), the allegations may be made in the statutory language.

(b) The plaintiff in a remonstrance under section 8 of this chapter must be the person whose name appears on the complaint. The defendants in a remonstrance under section 8 of this chapter shall be both the acquiring school corporation and the losing school corporation. Service of process shall be made on the defendants as in other civil actions.

(c) To determine if a petition was timely filed, the time of filing is the time of filing with the clerk without regard to the time of issuance of the summons. If the thirtieth day falls on Sunday, a holiday, or any other day when the clerk’s office is not open, the time shall be extended to the next day when the office is open.
(d) The issues in a remonstrance under section 8 of this chapter are made up by the complaint. The allegations in the complaint shall be treated as denied by each defendant. A responsive pleading may not be filed except that any defendant may, if appropriate, file a motion to dismiss the remonstrance on the ground that:

1. the requisite number of qualified remonstrators have not signed the petition;
2. the remonstrance was not timely filed; or
3. the complaint does not state a cause of action.

A responsive pleading to this motion may not be filed. With respect to a motion under subdivisions (1) and (2), the allegations of the pleading shall be treated as denied by the remonstrators. To determine whether there are the requisite number of qualified remonstrators, a person may not withdraw the person's name after a remonstrance has been filed or add the person's name to the remonstrance. Any person may, however, at the trial of the cause and in support or derogation of the substantive matters in the complaint, introduce into evidence a verified statement that the person wishes the person's name added to or withdrawn from the remonstrance. The court may either hear all or a part of the matters raised by the motion to dismiss separately or may consolidate for trial all or a part of the matters with the matters relating to the substance of the case. A complaint may not be dismissed for failure to state a cause of action if a fair reading of the complaint supports one (1) of the grounds for remonstrance provided in subsection (a). The court may permit an amendment of the complaint if the amendment does not state a new ground of remonstrance.

(e) The trial of a remonstrance shall be conducted as other civil cases by the court without the intervention of a jury on the issues raised by the complaint or a motion to dismiss, or both. A change of venue from a judge may be permitted. A change of venue from the county may not be permitted. The court shall expedite the hearing of the case. The court's judgment, except with respect to any matter raised under subsection (a)(4), shall be either that:

1. the annexation shall take place;
2. the annexation shall not take place; or
3. the remonstrance shall be dismissed.

If the court finds that the remonstrators have proved any of the reasons for the remonstrance described in subsection (a)(1) through (a)(4), the court's judgment shall be that the annexation may not take place. Unless the remonstrators have proved at least one (1) of the
reasons for a remonstrance described in subsection (a)(1) through (a)(4), the court's judgment shall be that the annexation shall take place. With respect to any matter raised under subsection (a)(4), the court's judgment may be either that the disposition, allocation, and amount set out in the annexing resolution is equitable or that it is inequitable. In the latter event, the court in the court's judgment shall provide for an equitable disposition, allocation, and amount. Costs shall follow judgment. Appeals may be taken from any judgment of the court in the same manner as appeals are taken in other civil cases.

Sec. 11. (a) Within sixty (60) days after the annexation takes place, the governing body of the acquiring school corporation and losing school corporation shall adopt a plan determining the manner in which the governing body shall be constituted. The plan shall be adopted in accordance with the requirements and procedures of IC 20-23-8, except as set out in subsection (b).

(b) The adoption of a plan by the governing body in accordance with IC 20-23-8-10 and its submission to the state board under IC 20-23-8-15 are the only procedures required when an existing plan is changed as follows:

1. All governing body members are elected at large, and there are no governing body member residency districts.
2. Governing body members are elected from governing body member residency districts, and the annexed territory is added to or deleted from one (1) or more districts.
3. A governing body member is appointed from a given area or district, and the annexed territory is added to or deleted from one (1) or more districts or areas.
4. A governing body member is elected solely by the voters in a school governing body member district, but the addition or deletion of the annexed territory to or from an existing district does not constitute a denial of equal protection of the laws.

If a school corporation elects or appoints members of its governing body both from a school governing body member district encompassing the entire school corporation and from smaller districts, the governing body of the acquiring school corporation shall add the annexed territory both to the district consisting of the entire school corporation and to one (1) or more smaller districts. In a comparable situation, the losing school corporation shall delete the annexed territory both from the district consisting of the entire school corporation and from any smaller district or districts. The change in
the plan becomes effective upon its approval by the state board. The application of this subsection does not limit the initiation of, or further changes in, any plan under IC 20-23-8.

Sec. 12. (a) With respect to whether the disposition of the assets and liabilities of the losing school corporation, allocation of school tax receipts, and the amount to be paid by the acquiring school corporation is equitable, the court, subject to subsection (b), shall be satisfied that the annexing resolution conforms substantially to the following standards:

(1) The acquiring school corporation shall assume a part of all installments of principal and interest on any indebtedness of the losing school corporation (other than current obligations or temporary borrowing) that fall due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property of the annexed territory. The part consists of the following:

(A) All installments relating to any indebtedness incurred in connection with the acquisition or construction of any building located in the annexed territory.
(B) A proportion of all installments relating to any other indebtedness that is the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation, as the indebtedness is assessed for general taxation immediately before annexation.

(2) The acquiring school corporation shall make the payments and assume the obligations provided for a school corporation acquiring territory or a building or buildings under IC 21-5-10.

(3) Unless the losing school corporation consents to some other allocation, the part of the general fund money collected by the losing school corporation may not be allocated to the acquiring school corporation in a greater amount than would be awarded if the losing school corporation and the acquiring school corporation were respectively the "original school corporation" and the "annexing school corporation" within the meaning of IC 20-23-16, using the method provided in IC 20-23-16 for allocating the special school and tuition fund money.

(b) Standards under subsection (a) may not be applicable to the extent the losing school corporation and acquiring school corporation
otherwise agree in a situation where all or a majority of the students in the annexed territory have been transferred from the losing school corporation to the acquiring school corporation for the five (5) school years immediately preceding the transfer. The agreement between school corporations may not prejudice the rights of bondholders or lessors whose rights against the losing school corporation and acquiring school corporation shall, upon enforcement, be allocated between the losing school corporation and acquiring school corporation in accordance with subsection (a)(1) and (a)(2).

Sec. 13. (a) If a remonstrance is filed on grounds other than the grounds in section 10(a)(4) of this chapter, annexation does not become effective until final judgment in the remonstrance suit. Judgment may not be considered to be final until:

(1) the time for taking an appeal has expired; or

(2) final judgment in the appeal is entered.

A judgment of the trial court dismissing a remonstrance is a final judgment. If judgment is against the annexation, a further annexation of the annexed territory may not take place for two (2) years after the date the remonstrance was filed. A final judgment may not prevent either the acquiring school corporation or acquiring school corporation and losing school corporation from rescinding the annexation resolution. If the suit is dismissed without prejudice, the two (2) year prohibition does not apply unless a subsequent annexation resolution is adopted primarily for the purpose of harassment and not for some other purpose, including the correction of procedural irregularities or a substantial change in the annexed territory or the annexation resolution.

(b) If the remonstrance relates solely to any matter raised under section 10(a)(4) of this chapter, the annexation takes effect at the time provided under section 8 of this chapter.

Sec. 14. (a) Laws or parts of laws in conflict with this chapter are repealed. This chapter may not be construed to repeal any part of IC 20-23-4 or any statute concerning the consolidation of two (2) or more school corporations, to which this chapter is supplementary, except to the extent that IC 20-23-4 conflicts with this section.

(b) An annexation that is undertaken under or that results by operation of any section of this chapter may require, for its effectiveness, any approval of any county committee or state commission or committee created under, or referred to in, IC 20-23-4.

Chapter 6. Consolidation of School Corporations
Sec. 1. As used in this chapter, "trustees" means the:
(1) township trustee and township board; or
(2) governing body;
of each school corporation joining in the resolution provided for in
this chapter.
Sec. 2. The governing body of two (2) or more school corporations,
whether:
(1) towns;
(2) cities;
(3) townships;
(4) joint schools; or
(5) consolidated schools;
situated in the same or adjoining counties may consolidate their
respective school corporations in the manner and upon the conditions
prescribed in this chapter.
Sec. 3. (a) If the governing bodies of at least two (2) school
corporations desire to consolidate school corporations, the governing
bodies may meet together and adopt a joint resolution declaring
intention to consolidate school corporations. The resolution must set
out the following information concerning the proposed consolidation:
(1) The name of the proposed new school corporation.
(2) The number of members on the governing body and the
manner in which they shall be elected or appointed.
(A) If members are to be elected, the resolution must provide
for:
(i) the manner of the nomination of members;
(ii) who shall constitute the board of election
commissioners;
(iii) who shall appoint inspectors, judges, clerks, and
sheriffs; and
(iv) any other provisions desirable in facilitating the
election.
(B) Where applicable and not in conflict with the resolution,
the election is governed by the general election laws of
Indiana, including the registration laws.
(3) Limitations on residences, term of office, and other
qualifications required of the members of the governing body. A
resolution may not provide for an appointive or elective term of
more than four (4) years. A member may succeed himself or
herself in office.
(4) Names of present school corporations that are to be merged together as a consolidated school corporation. In addition, the resolution may specify the time when the consolidated school corporation comes into existence.

(b) The number of members on the governing body as provided in the resolution may not be less than three (3) or more than seven (7). However, the joint resolution may provide for a board of nine (9) members if the proposed consolidated school corporation is formed out of two (2) or more school corporations that:

(1) have entered into an interlocal agreement to construct and operate a joint high school; or

(2) are operating a joint high school that has an enrollment of at least six hundred (600) in grades 9 through 12 at the time the joint resolution is adopted.

(c) The members of the governing body shall, after adopting a joint resolution, give notice by publication once each week for two (2) consecutive weeks in a newspaper of general circulation, if any, in each of the school corporations. If a newspaper is not published in the school corporation, publication shall be made in the nearest newspaper published in the county in which the school corporation is located. The governing bodies of school corporations shall meet one (1) week following the date of the appearance of the last publication of notice of intention to consolidate. If a protest has not been filed, as provided in this chapter, the governing bodies shall declare by joint resolution the consolidation of the school corporations to be accomplished, to take effect as provided in section 8 of this chapter. However, on or before the sixth day following the last publication of the notice of intention to consolidate, twenty percent (20%) of the legal voters residing in any school corporation may petition the governing body of the school corporations for an election to determine whether or not the majority of the voters of the school corporation is in favor of consolidation.

Sec. 4. (a) If the joint resolution under section 3 of this chapter provides that the consolidated schools shall be under the direction of the county superintendent of schools, the resolution may be amended by following the procedure in this section to provide that the consolidated schools are under the direction of a superintendent selected by the governing body of the new consolidated school corporation. The change shall be effected by a resolution adopted by a majority of the members of the governing body at a meeting held
within the limits of the consolidated school corporation. All the members of the governing body shall receive or waive written notice of the:

(1) date;
(2) time;
(3) place; and
(4) purpose;

of the meeting. The resolution and proof of service or waiver of the notice shall be made a part of the records of the governing body. An amendment takes effect after the adoption of a resolution at the time a superintendent is selected by the governing body and commences the superintendent's duties. The superintendent shall serve under a contract in the same manner and under the same rules governing the employment and service of other licensed personnel. The superintendent's original contract and succeeding contracts may be for a period of from one (1) to five (5) years.

(b) The joint resolution of a consolidated school corporation may not be amended under this section unless the corporation is entitled at the time the governing body adopts an amending resolution under:

(1) the rules established by the state board or its successor; or
(2) any appropriation or other statute;

to an additional unit or administrative unit of state support if the governing body employs a licensed superintendent devoting full time to administration or supervision of schools of the corporation.

(c) In all instances of reorganization under this chapter after March 11, 1965, the consolidated school corporation shall be under the direction of a superintendent selected by its governing body.

Sec. 5. (a) If a petition is filed in one (1) or more of the school corporations protesting consolidation as provided in this chapter by the legal voters of any school corporation the governing body of which proposes to consolidate, the governing body in each school corporation in which a protest petition is filed shall certify the public question to each county election board of the county in which the school corporation is located. The county election board shall call an election of the voters of the school corporation to determine if a majority of the legal voters of the corporation is in favor of consolidating the school corporations.

(b) If a protest is filed in more than one (1) school corporation, the elections shall be held on the same day. Each county election board shall give notice by publication once each week for two (2) consecutive
weeks in a newspaper of general circulation in the school corporation. If a newspaper is not published in the:

(1) township;
(2) town; or
(3) city;
the notice shall be published in the nearest newspaper published in the county or counties, that on a day and at an hour to be named in the notice, the polls will be open at the usual voting places in the various precincts in the corporation for taking the vote of the legal voters upon whether the school corporation shall be consolidated with the other school corporations joining in the resolution.

(c) The public question shall be placed on the ballot in the form provided by IC 3-10-9-4 and must state: "Shall (insert name of school corporation) be consolidated with (insert names of other school corporations)?".

(d) Notice shall be given not later than thirty (30) days after the petition is filed. The election shall be held not less than ten (10) days or more than twenty (20) days after the last publication of the notice.

(e) The governing body of each school corporation in which an election is held is bound by the majority vote of those voting. However, if the election falls within a period of not more than six (6) months before a primary or general election, the election shall be held concurrently with the primary or general election.

(f) If a majority of those voting in any one (1) school corporation votes against the plan of consolidation, the plan fails. However, the failure does not prevent any or all the school corporations from taking further initial action for the consolidation of school corporations under this chapter.

(g) Whenever:

(1) twenty percent (20%) of the legal voters residing in any school corporation join with twenty percent (20%) of the legal voters in each of one (1) or more other school corporations;
(2) prepare a resolution; and
(3) petition the trustees of their respective school corporations; to consolidate the school corporations, as set out in the resolution, the governing body petitioned shall call the school election provided for in this chapter in each of the school corporations.

(h) Notice of the election shall be published within thirty (30) days after the filing of the resolution with the governing body of the school corporation where it is last filed. However, if any of the petitioned
governing bodies agrees to the consolidation as set out in the resolution, an election in that school corporation may not be required under the resolution.

(i) Notice as set out in this section shall be given, and a protest requesting an election may be filed in conformity with section 3 of this chapter.

Sec. 6. (a) On the day and hour named in the notice filed under section 5 of this chapter, polls shall be opened and the votes of the registered voters shall be taken upon the public question of consolidating school corporations. The election shall be governed by IC 3, except as provided in this chapter.

(b) The county election board shall conduct the election. The public question shall be placed on the ballot in the form prescribed by IC 3-10-9-4 and must state "Shall (here insert the names of the school corporations that the resolution proposes to consolidate) be consolidated into a consolidated school corporation?".

(c) A brief statement of the provisions in the resolution for appointment or election of a governing body may be placed on the ballot in the form prescribed by IC 3-10-9-4. A certificate of the votes cast for and against the consolidation of the school corporations shall be filed with:

(1) the governing body of the school corporations subject to the election;
(2) the state superintendent; and
(3) the county recorder of each county in which a consolidated school corporation is located;

together with a copy of the resolution.

(d) If a majority of the votes cast at each of the elections is in favor of the consolidation of two (2) or more school corporations, the trustees of the school corporations shall proceed to consolidate the schools and provide the necessary buildings and equipment. In any school corporation where a petition was not filed and an election was not held, the failure on the part of the voters to file a petition for an election shall be considered to give the consent of the voters of the school corporation to the consolidation as set out in the resolution.

(e) If the special election is not conducted at a primary or general election, the expense of the election shall be borne by the school corporation or each of the school corporations subject to the election and shall be paid out of the special school fund.

Sec. 7. (a) Each school of the consolidated schools is under the
control and management of the original governing body until the consolidated school corporation comes into existence at the time provided in section 8 of this chapter. When the consolidated school corporation comes into existence, the term of office of each of the original members of the governing body expires.

(b) The term of any township trustee does not expire. However, the duties and powers of the trustee as a school township trustee may be altered or changed by any resolution and the consolidation provided for in this chapter.

Sec. 8. (a) Consolidated schools are under the control and management of the consolidated governing body created under this chapter, and a new consolidated school corporation comes into existence:

(1) at the time specified in the resolutions provided in section 3 or 4 of this chapter; or
(2) if a time is not specified, at the following times:
   (A) If a protest has not been filed and the creation is accomplished by the adoption of a joint resolution following publication of notice as provided in section 3 of this chapter, thirty (30) days following the adoption of the joint resolution.
   (B) If the creation is accomplished after an election as provided in section 6 of this chapter, thirty (30) days following the election.

(b) The members of the governing body shall:
   (1) take an oath to faithfully discharge the duties of office; and
   (2) meet at least five (5) days before the time the new consolidated school corporation comes into existence to organize.

(c) The governing body shall meet to reorganize on August 1 of each year and at any time the personnel of the board is changed. At the organization or reorganization meeting, the members of the governing body shall elect the following:

   (1) A president.
   (2) A secretary.
   (3) A treasurer.

(d) The treasurer, before starting the duties of the treasurer's office, shall execute a bond to the acceptance of the county auditor. The fee for the bond shall be paid from the special school fund of the consolidated school corporation. Any vacancy occurring in governing body membership in any governing body, other than vacancy in the office of an ex officio member, shall be filled in the following manner:
(1) If the membership was originally made by appointment, the vacancy shall be filled by appointment by the legislative body of the:
   (A) city;
   (B) town;
   (C) township; or
   (D) other body;
or other official making the original appointment.
(2) If the membership was elected, the vacancy shall be filled by a majority vote of the remaining members of the governing body of the consolidated school corporation.

(e) The members of the governing body, other than the township executive or ex officio member, shall receive compensation for services as fixed by resolution of the governing body. The members, other than the township executive or any ex officio member, may not receive more than two hundred dollars ($200) annually. Any:
   (1) township executive; or
   (2) ex officio member of the governing body;
shall serve without additional compensation.

(f) The governing body of a consolidated school corporation may elect and appoint personnel it considers necessary.

Sec. 9. (a) When any:
   (1) school town;
   (2) school city;
   (3) school township;
   (4) joint school; or
   (5) consolidated school;
have become consolidated by resolution or election and the new governing body has been appointed and legally organized, the former school township, school town, school city, joint school, or consolidated school is considered abandoned.

(b) All school:
   (1) property;
   (2) rights;
   (3) privileges; and
   (4) any indebtedness;
from the abandoned school is considered to have accrued to and be assumed by the new consolidated school corporation.

(c) The title of property shall pass to and become vested in the new consolidated school corporation. All debts of the former school
corporations shall be assumed and paid by the new consolidated school corporation. All the privileges and rights conferred by law upon the former:

(1) school township;
(2) school town;
(3) school city;
(4) joint school; or
(5) consolidated school;

are granted to the newly consolidated school corporation.

(d) This subsection applies when the consolidated governing body of a consolidated school corporation decides that property acquired under subsection (b) from a township is no longer needed for school purposes. The governing body shall offer the property as a gift for park and recreation purposes to the township that owned the property before the school was consolidated. If the township board accepts the offer, the governing body shall give the township a quitclaim deed to the property. The deed must state that the township is required to use the property for park and recreation purposes. If the township board refuses the offer, the governing body may sell the property in the manner provided in subsection (e).

(e) This subsection provides the procedure for the sale of school property that is no longer needed for school purposes by the governing body of a consolidated school corporation. The governing body shall cause the property to be appraised at a fair cash value by three (3) reputable resident freeholders of the school corporation offering the property for sale. The appraisals shall be made under oath and spread of record upon the records of the governing body. A sale may not be made for less than the appraised value, and the sale must be made for cash. The sale shall take place after the governing body gives notice under IC 5-3-1 of the terms, date, time, and place of sale.

(f) Proceeds from a sale under subsection (e) shall be placed in a special school fund of the consolidated school corporation designated as the capital outlay fund that shall be available for capital outlay of the school corporation.

Sec. 10. (a) The governing body of a consolidated school corporation formed under this chapter may join with other:

(1) townships;
(2) school towns;
(3) school cities;
(4) joint schools; or
(5) consolidated schools;

to decide whether a consolidation shall take place.

(b) The provisions concerning:

(1) resolutions;
(2) petitions; and
(3) elections;

set out in this chapter apply.

(c) The new resolution may change the name of the consolidated school corporation or the number of members of the newly consolidated governing body under this chapter.

Sec. 11. A governing body shall, after the members have taken their oath of office, cause a copy of the resolution to consolidate to be filed with the county recorder in the county in which the new school district is located. Any consolidated school district is declared to be and is made a school corporation for school purposes, separate and distinct from any civil corporation.

Sec. 12. (a) This section provides an alternative method for a school corporation to be reorganized as a community school corporation.

(b) The following may petition directly to the state board to be reorganized as a community school corporation:

(1) A consolidated school corporation organized under section 3 of this chapter.
(2) A county school corporation organized under IC 20-23-16-15.
(3) A metropolitan school district organized under IC 20-23-7-2 or IC 20-23-7-12.

(c) The following apply to a school corporation that petitions directly to the state board under subsection (b):

(1) The school corporation is not required to do the following:

(A) Seek approval of a county committee established by IC 20-23-4-11.

(B) Pursue a joint meeting of a county committee and the state board under IC 20-23-4-18.

(2) The state board may waive the attainment of any standard required for reorganization as a community school corporation under this chapter.

Sec. 13. If the term "majority" is used in connection with any law providing for the submission to an electorate of the question of the consolidation of two (2) or more school corporations, in all laws enacted before March 13, 1959, concerning school consolidation, and in particular IC 20-23-6 and IC 20-23-7, the term means the greater
number of votes cast and counted either for or against the proposition of consolidation. Any additions to the certificate of the votes cast, other than the number of votes cast for and against the proposition of consolidation, shall be considered as surplusage and of no effect, and the intention of IC 20-23-6 and of IC 20-23-7 shall be so interpreted.

Sec. 14. All laws enacted pertaining to the consolidation of school corporations shall be liberally construed to effect the following purposes for which the laws were enacted:

1) Better schools.
2) Ease of administration.
3) Economy of operation.

Sec. 15. An action to test or question the legality of a consolidated school corporation may only be brought in an action of quo warranto in the name of the state on information filed by the prosecuting attorney of the county in which the principal office of the consolidated school corporation is located where attempts are made or have been made to consolidate or join together school corporations under the provisions of IC 20-23-6 or IC 20-23-7, and an election on the question of consolidation has been held and the certificate certifying the vote is filed as provided by law or, an election is not held and the number of days allowed by statutes for filing a petition for an election has expired.

Sec. 16. It is the policy of the state that whenever a community school corporation (as defined in IC 20-23-4-3) seeks to:

1) reorganize into a community school corporation under IC 20-23-4 or IC 20-23-16-1 through IC 20-23-16-11;
2) enter into a territorial annexation under IC 20-23-5 either as an acquiring school corporation or a losing school corporation (as defined in IC 20-23-5-4);
3) consolidate with another school corporation under IC 20-23-6; or
4) consolidate with another school corporation into one (1) metropolitan school district under IC 20-23-7;
the school corporation shall give consideration to the educational opportunities for students, local community interest, the effect on the community as a whole, and the economic interests of the community relative to establishing the boundaries of the school corporation that is involved in the school corporation reorganization, consolidation, or annexation attempt.

Sec. 17. (a) If the territory of a third class city is in a part of the
 territory of a consolidated school corporation, the third class city may
lease to the consolidated school corporation a building and the
property the building is on that is owned by the city for school
purposes for a period of at least five (5) consecutive years.

(b) The common council of the city shall authorize a lease under
subsection (a) and the authorization may be made:

(1) without appraisement;
(2) without compensation; or
(3) upon terms agreed upon.

(c) The possession and use of a specified part of property that a city
leases under this section may be reserved by the city for city use. A
lease made under this section shall be in the form of a deed or other
written instrument that may be recorded. The grant must state that if
the property is no longer needed for school purposes, the property
reverts back to the city. A consolidated school corporation acting
through its board of school trustees may accept a lease:

(1) without appraisement;
(2) compensation; or
(3) upon agreed upon terms;
by its board of school trustees.

(d) This section, being necessary and intended to remedy
deficiencies in laws existing on June 30, 1955, relating to powers of
certain municipal corporations and of certain school corporations,
does not repeal the provisions of those laws governing corporations
but supplements and clarifies those laws, and to that end shall be
liberally construed.

Chapter 7. Consolidation of County School Corporations and
Metropolitan School Districts

Sec. 1. It is the purpose of this chapter to provide for the
organization of public schools in Indiana to:

(1) promote the best interests of the students of Indiana;
(2) provide for the organization of additional forms of local
school government;
(3) preserve and ensure an economical and efficient school
system in accordance with the desires of the people in local
communities; and
(4) improve the education of the students of Indiana as
guaranteed by the laws and Constitution of the State of Indiana.

Sec. 2. (a) In any county or adjoining counties at least two (2)
school corporations, including school townships, school towns, school
cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, or community school corporations, regardless of whether the consolidating school corporations are of the same or of a different character, may consolidate into one (1) metropolitan school district. Subject to subsection (h), the consolidation must be initiated by following either of the following procedures:

(1) The township trustee, board of school trustees, board of education, or other governing body (the trustee, board, or other governing body is referred to elsewhere in this section as the "governing body") of each school corporation to be consolidated shall:

(A) adopt substantially identical resolutions providing for the consolidation; and
(B) publish a notice setting out the text of the resolution one (1) time under IC 5-3-1.

The resolution must set forth any provision for staggering the terms of the board members of the metropolitan school district elected under this chapter. If, not more than thirty (30) days after publication of the resolution, a petition of protest, signed by at least twenty percent (20%) of the registered voters residing in the school corporation is filed with the clerk of the circuit court of each county where the voters who are eligible to sign the petition reside, a referendum election shall be held as provided in subsection (c).

(2) Instead of the adoption of substantially identical resolutions in each of the proposed consolidating school corporations under subdivision (1), a referendum election under subsection (c) shall be held on the occurrence of all of the following:

(A) At least twenty percent (20%) of the registered voters residing in a particular school corporation sign a petition requesting that the school corporation consolidate with another school corporation (referred to in this subsection as "the responding school corporation").
(B) The petition described in clause (A) is filed with the clerk of the circuit court of each county where the voters who are eligible to sign the petition reside.
(C) Not more than thirty (30) days after the service of the petition by the clerk of the circuit court to the governing body of the responding school corporation under subsection (b) and
the certification of signatures on the petition occurs under subsection (b), the governing body of the responding school corporation adopts a resolution approving the petition and providing for the consolidation.

(D) An approving resolution has the same effect as the substantially identical resolutions adopted by the governing bodies under subdivision (1), and the governing bodies shall publish the notice provided under subdivision (1) not more than fifteen (15) days after the approving resolution is adopted. However, if a governing body that is a party to the consolidation fails to publish notice within the required fifteen (15) day time period, a referendum election still must be held as provided in subsection (c).

If the governing body of the responding school corporation does not act on the petition within the thirty (30) day period described in clause (C), the governing body's inaction constitutes a disapproval of the petition request. If the governing body of the responding school corporation adopts a resolution disapproving the petition or fails to act within the thirty (30) day period, a referendum election as described in subsection (c) may not be held and the petition requesting the consolidation is defeated.

(b) Any petition of protest under subsection (a)(1) or a petition requesting consolidation under subsection (a)(2) must show in the petition the date on which each person has signed the petition and the person's residence on that date. The petition may be executed in several counterparts, the total of which constitutes the petition. Each counterpart must contain the names of voters residing within a single county and shall be filed with the clerk of the circuit court of the county. Each counterpart must have attached to it the affidavit of the person circulating the counterpart that each signature appearing on the counterpart was affixed in that person's presence and is the true and lawful signature of each person who made the signature. Any signer may file the petition or any counterpart of the petition. Each signer on the petition may before and may not after the filing with the clerk withdraw the signer's name from the petition. A name may not be added to the petition after the petition has been filed with the clerk.

After the receipt of any counterpart of the petition, each circuit court clerk shall certify:

(1) the number of persons signing the counterpart;

(2) the number of persons who are registered voters residing
within that part of the school corporation located within the clerk’s county, as disclosed by the voter registration records in the office of the clerk or the board of registration of the county, or wherever registration records may be kept;

(3) the total number of registered voters residing within the boundaries of that part of the school corporation located within the county, as disclosed in the voter registration records; and

(4) the date of the filing of the petition.

Certification shall be made by each clerk of the circuit court not more than thirty (30) days after the filing of the petition, excluding from the calculation of the period any time during which the registration records are unavailable to the clerk, or within any additional time as is reasonably necessary to permit the clerk to make the certification. In certifying the number of registered voters, the clerk of the circuit court shall disregard any signature on the petition not made within the ninety (90) days immediately before the filing of the petition with the clerk as shown by the dates set out in the petition. The clerk of the circuit court shall establish a record of the certification in the clerk’s office and shall serve the original petition and a copy of the certification on the county election board under IC 3-10-9-3 and the governing bodies of each affected school corporation. Service shall be made by mail or manual delivery to the governing bodies, to any officer of the governing bodies, or to the administrative office of the governing bodies, if any, and shall be made for all purposes of this section on the day of the mailing or the date of the manual delivery.

(c) The county election board in each county where the proposed metropolitan school district is located, acting jointly where the proposed metropolitan school district is created and where it is located in more than one (1) county, shall cause any referendum election required under either subsection (a)(1) or (a)(2) to be held in the entire proposed metropolitan district at a special election. The special election shall be not less than sixty (60) days and not more than ninety (90) days after the service of the petition of protest and certification by each clerk of the circuit court under subsection (a)(1) or (a)(2) or after the occurrence of the first action requiring a referendum under subsection (a)(2). However, if a primary or general election at which county officials are to be nominated or elected, or at which city or town officials are to be elected in those areas of the proposed metropolitan school district that are within the city or town, is to be held after the sixty (60) days and not more than six (6) months after
the service or the occurrence of the first action, each election board may hold the referendum election with the primary or general election.

(d) Notice of the special election shall be given by each election board by publication under IC 5-3-1.

(e) Except where it conflicts with this section or cannot be practicably applied, IC 3 applies to the conduct of the referendum election. If the referendum election is not conducted at a primary or general election, the cost of conducting the election shall be charged to each component school corporation included in the proposed metropolitan school district in the same proportion as its assessed valuation bears to the total assessed valuation of the proposed metropolitan school district and shall be paid from any current operating fund of each component school corporation not otherwise appropriated, without appropriation.

(f) The question in the referendum election shall be placed on the ballot in the form prescribed by IC 3-10-9-4 and must state "Shall the school corporations of ______ be formed into one (1) metropolitan school district under IC 20-23-7?" (in which blanks the respective name of the school districts concerned will be inserted).

(g) If:

(1) a protest petition with the required signatures is not filed after the adoption of substantially identical resolutions of the governing bodies providing for or approving the consolidation as described in subsection (a)(1); or

(2) a referendum election occurs in the entire proposed metropolitan district and a majority of the voters in each proposed consolidating school corporation vote in the affirmative;

a metropolitan school district is created and comes into existence in the territory subject to the provisions and under the conditions described in this chapter. The boundaries include all of the territory within the school corporations, and it shall be known as "Metropolitan School District of ______, Indiana" (the name of the district concerned will be inserted in the blank). The name of the district shall be decided by a majority vote of the metropolitan governing board of the metropolitan school district at the first meeting. The metropolitan governing board of the new metropolitan school district shall be composed and elected under this chapter. The failure of any public official or body to perform any duty within the time provided in this
chapter does not invalidate any proceedings taken by that official or body, but this provision shall not be construed to authorize a delay in the holding of a referendum election under this chapter.

(h) If the governing body of a school corporation is involved in a consolidation proposal under subsection (a)(1) or (a)(2) that fails to result in a consolidation, the:

(1) governing body of the school corporation may not initiate a subsequent consolidation with another school corporation under subsection (a)(1); and

(2) residents of the school corporation may not file a petition requesting a consolidation with another school corporation under subsection (a)(2); for one (1) year after the date on which the prior consolidation proposal failed.

Sec. 3. (a) The metropolitan school district shall conduct the educational activities of all the schools in the district in compliance with:

(1) state law; and

(2) the laws of the state of Indiana with reference to public education.

(b) The control and administration of the schools of the metropolitan school district are vested in a governing body whose:

(1) composition;
(2) duties;
(3) manner of election; and
(4) powers;
are described in this chapter.

Sec. 4. (a) At the first meeting of the board of commissioners of the county after the creation of the metropolitan school district as provided in this chapter, the board of commissioners shall divide the district into three (3) governing body districts approximately equal in population. Not more than one (1) year after the effective date of each United States decennial census, the board of commissioners shall readjust the boundaries of the districts to equalize the districts by population.

(b) Instead of the division provided under subsection (a), any resolution or petition provided in section 2(a) or 2(b) of this chapter may:

(1) provide that the metropolitan school district to be created shall be divided into two (2) or more governing body districts;
(2) describe the governing body member districts;
(3) provide that one (1) or more members of the governing body must reside within each of the governing body member districts;
(4) set out the number of members to serve from each designated district;
(5) provide that the governing body member districts need not be equal in size or population, and that one (1) board member district may include all the area in the metropolitan school district;
(6) specify that the number of governing body members to be resident in each district need not be an equal number; and
(7) eliminate all requirements that there be governing body member districts.

(c) If the resolution or petition:
(1) does not provide for governing body member districts and designate the number of governing body members to be resident in each district; or
(2) provides for the elimination of governing body member districts;
subsection (a) controls. If either subsection (a) or (b) applies, candidates shall be voted upon by all the registered voters of the metropolitan school district voting at any governing body member election.

Sec. 5. (a) The rights, powers, and duties of the metropolitan school district shall be vested in the governing body that must be composed of:
(1) three (3);
(2) five (5); or
(3) seven (7) members;
who have resided in the district for at least two (2) years before taking office. The resolution or petition provided by section 2(a) or 2(b) of this chapter may designate the number of members of the governing body. If a designation is not made concerning the number of members of a governing body, the governing body is composed of five (5) members.

(b) If section 4(a) of this chapter applies to a metropolitan school district, the following rules apply:
(1) If the governing body consists of three (3) members, one (1) member shall reside in each residence district.
(2) If the governing body consists of five (5) members, not more
than two (2) shall reside in any one (1) residence district.
(3) If the governing body consists of seven (7) members, at least
two (2) shall reside in any one (1) residence district.
(c) If a governing body member moves the member's residence
within the metropolitan school district from one (1) governing body
member district to another or when governing body member district
boundaries are moved so that the member's place of residence changes
from one (1) governing body member district to another, the member
does not on this account become disqualified as a governing body
member but may continue to hold office as a member of the governing
body.

Sec. 6. (a) The first metropolitan board of education shall be
composed of the:
(1) trustees; and
(2) members of school boards;
of the school corporations forming the metropolitan board of
education.
(b) The members of the metropolitan board of education shall serve
ex officio as members subject to the laws concerning length of terms,
powers of election, or appointment and filling vacancies applicable to
their respective offices.
(c) If a metropolitan school district is comprised of only two (2)
board members, the two (2) members shall appoint a third board
member not more than ten (10) days after the creation of the
metropolitan school district. If the two (2) members are unable to
agree on or do not make the appointment of a third board member
within the ten (10) day period after the creation of the metropolitan
school district, the third member shall be appointed not more than
twenty (20) days after the creation of the metropolitan school district
by the judge of the circuit court of the county in which the
metropolitan school district is located. If the metropolitan school
district is located in two (2) or more counties, the judge of the circuit
court of the county containing that part of the metropolitan school
district having more students than the part or parts located in another
county or counties shall appoint the third member. The members of
the metropolitan board of education serve until their successors are
elected or appointed and qualified.
(d) The first meeting of the first metropolitan board of education
shall be held not more than one (1) month after the creation of the
metropolitan school district. The first meeting shall be called by the
superintendent of schools, or township trustee of a school township, of the school corporation in the district having the largest number of students. At the first meeting, the board shall organize, and during the first ten (10) days of each July the board shall reorganize, by electing a president, a vice president, a secretary, and a treasurer.

(e) The secretary of the board shall keep an accurate record of the minutes of the metropolitan board of education and the minutes shall be kept in the superintendent's office. When a metropolitan school district is formed, the metropolitan superintendent shall act as administrator of the board and shall carry out the acts and duties as designated by the board. A quorum consists of a majority of the members of the board. A quorum is required for the transaction of business. The vote of a majority of those present is required for a:

(1) motion;
(2) ordinance; or
(3) resolution;
to pass.

(f) The board shall conduct its affairs in the manner described in this section. Except in unusual cases, the board shall hold its meetings at the office of the metropolitan superintendent or at a place mutually designated by the board and the superintendent. Board records are to be maintained and board business is to be conducted from the office of the metropolitan superintendent or a place designated by the board and the superintendent.

(g) The metropolitan board of education shall have the power to pay to a member of the board:

(1) a reasonable per diem for service on the board not to exceed one hundred twenty-five dollars ($125) per year; and
(2) for travel to and from a member's home to the place of the meeting within the district, a sum for mileage equal to the amount per mile paid to state officers and employees. The rate per mile shall change when the state government changes its rate per mile.

Sec. 7. (a) The transfer of:

(1) powers;
(2) duties;
(3) property;
(4) property rights;
(5) other assets;
(6) liabilities;
(7) contracts, both as to rights and obligations; and
(8) other issues connected with the transfer of authority from existing school corporations to the metropolitan school district; shall take place at the time of the first meeting of the metropolitan board of education not more than one (1) month after the creation of the board.

(b) The transfer of the items listed in subsection (a) are vested in the metropolitan school district at the time of the first meeting of the metropolitan board of education.

Sec. 8. (a) Members of the metropolitan board of education are elected by the registered voters of the metropolitan school district at the primary elections held biennially in the state, commencing with the next primary election that is held more than sixty (60) days after the creation of the metropolitan school district as provided in this chapter. Nominations for a member of the board of education are made by a petition signed by the nominee and by ten (10) registered voters residing in the same board member district as the nominee. A petition must be filed not earlier than the date that a petition of nomination may first be filed under IC 3-8-6-10 and not later than noon on the last date provided by IC 3-8-2-4 for the filing of a declaration of candidacy for the primary election with the clerk of the circuit court in each county where the metropolitan school district is located.

(b) Nominees for school board members shall be listed on the primary election ballot in the form prescribed by IC 3-10-1-19 by board member districts without party designation. A ballot shall state the number of board members to be voted upon and the maximum number of board members who may be elected from each board member district in compliance with section 5 of this chapter. A ballot is not valid if more than the maximum number of board members are voted upon from a board member district. The election boards in the various precincts and in the county or counties serving at a primary election shall conduct the election for school board members. A registered voter may vote in a school board election without otherwise voting in the primary election.

(c) Voting and tabulation of votes shall be conducted in the same manner as voting and tabulation in primary elections are conducted, and the candidates having the greatest number of votes shall be elected. If more than the maximum number of candidates that may be elected from a board member district, as provided in section 5 of this chapter, are among those having the greatest number of votes, the
lowest of those candidates from the board member district in excess of the maximum number must be eliminated in determining the candidates who are elected. If there is a tie vote for the candidates, the judge of the circuit court in the county where the majority of the registered voters of the metropolitan school district reside shall select one (1) of the candidates who shall be declared and certified elected.

(d) If after the first board member election a vacancy on the board occurs, including the failure of a sufficient number of petitions for candidates being filed, and whether the vacating member was elected or appointed, the remaining members of the metropolitan board of education shall by a majority vote fill the vacancy by appointing a person from the board member district that the person who vacated the board membership was elected, or if the person was appointed, the board member district from which the last elected predecessor of the person was elected. If there is a tie vote among the remaining members of the board or their failure to act not more than thirty (30) days after the vacancy occurs, the judge of the circuit court in the county where the majority of registered voters of the metropolitan school district reside shall make the appointment. A successor to the appointive board member shall be elected at the next primary election that is held more than sixty (60) days after an elected board member vacates membership on the board or at the primary election held immediately before the end of the term for which the vacating member was elected, whichever is sooner. Unless the successor takes office at the end of the term of the vacating member, the member shall serve only for the balance of the term. In an election of a successor board member to fill a vacancy for a two (2) year balance of a term, nominating petitions for school board membership candidacy need not be filed for or with reference to the vacancy. However, as required by IC 3-11-2-14.5, candidates for at-large seats must be distinguished on the ballot from candidates for district seats. If there is more than one (1) at-large seat on the ballot due to this vacancy, the elected candidate who receives the lowest number of votes at the election at which the successor is elected shall serve for a two (2) year term.

(e) At the first primary election in which members of the metropolitan board of education are elected under this section, a simple majority of the elected candidates, consisting of those elected candidates who receive the highest number of votes, are elected for four (4) year terms, and the balance of the elected candidates, consisting of those who received the lowest number of votes, are
elected for two (2) year terms. A candidate for membership on the metropolitan board of education shall:

(1) be voted upon by the voters of the entire district;
(2) be elected for four (4) year terms after the first election; and
(3) take office and assume the duties of the office July 1 following their election.

Sec. 9. (a) This section applies to a metropolitan or consolidated school corporation located in a county containing a consolidated city.

(b) The same method used to cast votes for other offices for which candidates have qualified to be on the election ballot shall be used for the school board offices on the election ballot.

Sec. 10. (a) The metropolitan board of education shall appoint a metropolitan superintendent of schools who shall serve under contract in the same manner and under the same laws that govern the employment and service of other licensed school personnel. The metropolitan superintendent of schools' salary and expense allowance is fixed by the metropolitan board of education. The metropolitan superintendent of schools' original contract:

(1) must be for a period of one (1) to five (5) years; and
(2) may be changed or extended by mutual agreement.

(b) Appointments to fill a vacancy for a metropolitan superintendent of schools shall be made under this chapter.

(c) The board shall:

(1) act upon the recommendations of the metropolitan superintendent of schools; and
(2) make other decisions and perform other duties as required by law.

(d) A:

(1) county superintendent;
(2) city school superintendent; or
(3) town superintendent;

in a metropolitan school district shall continue in the superintendents' respective employment at the same salary, paid in the same manner and according to the same terms as agreed to before the formation of the metropolitan school district.

(e) A metropolitan board of education shall:

(1) assign administrative duties; and
(2) designate:

(A) one (1) of the superintendents in the metropolitan school district; or
(B) a competent and qualified person as determined by the board; to perform the duties of the metropolitan superintendent of the metropolitan school district as set forth in this chapter.

(f) A metropolitan board of education shall appoint a superintendent of the metropolitan school district and other administrative supervisory officers as provided in this chapter if:

(1) the previous superintendent’s term expired;
(2) the previous superintendent’s contract of employment ended; or
(3) the previous superintendent:
   (A) died; or
   (B) resigned.

(g) The appointment and salary of the metropolitan superintendent of schools appointed under subsection (f) shall be made, set, and paid as provided in this chapter.

Sec. 11. If a metropolitan school district formed under this chapter includes territory in more than one (1) county, the respective counties, boards, commissions, and officers of each of the counties shall perform duties required to form a metropolitan school district jointly and severally, including:

(1) dividing the territory into board member districts;
(2) levying and collecting taxes;
(3) allocating receipts;
(4) filing petitions for nomination;
(5) printing and distributing ballots,
(6) tabulating and certifying election results; and
(7) filling vacancies.

Sec. 12. (a) As used in this section, "school township" means a school township of this state that:

(1) for the last full school semester immediately preceding the adoption of a preliminary resolution by the township trustee and the township board under subsection (f) or their adoption of a resolution of disapproval under subsection (g) had an average daily membership of at least six hundred (600) students in kindergarten through grade 12 in the public schools of the school township; or
(2) is part of a township in which there were more votes cast for township trustee outside the school township than inside the school township in the general election at which the trustee was
elected and that preceded the adoption of the preliminary or disapproving resolution.

(b) As used in this section, "township trustee" means the township trustee of the township in which the school township is located.

(c) As used in this section, "township board" means the township board of the township in which the school township is located.

(d) As used in this section, "county" means the county in which the school township is located.

(e) In a school township, a metropolitan school district may be created by complying with this section. A metropolitan school district created under this section shall have the same boundaries as the school township. After a district has been created under this section, the school township that preceded the metropolitan school district is abolished. None of the procedures or provisions governing the creation of a metropolitan school district under another section of this chapter are applicable to the creation of a district under this section. After a district is created under this section, the metropolitan school district shall, except as otherwise provided in this section, be governed by and operate in accordance with this chapter governing the operation of a metropolitan school district as established under section 2 of this chapter.

(f) Except as provided in subsection (g), a metropolitan school district provided for in subsection (e) may be created in the following manner:

(1) The township trustee shall call a meeting of the township board. At the meeting the township trustee and a majority of the township board shall adopt a resolution that a metropolitan school district shall be created in the school township. The township trustee shall then give notice:
   (A) by publication by two (2) insertions one (1) week apart in a newspaper of general circulation published in the school township, or
   (B) if there is no newspaper as described in clause (A), in a newspaper of general circulation in the county;

   of the adoption of the resolution setting forth the text of the resolution.

(2) On the thirtieth day after the date of the last publication of the notice under subdivision (1) and if a protest has not been filed, the township trustee and a majority of the township board shall confirm their preliminary resolution. If, however, on or
before the twenty-ninth day after the date of the last publication of the notice, a number of registered voters of the school township, equal to five percent (5%) or more of the number of votes cast in the school township for secretary of state at the last preceding general election for that office, sign and file with the township trustee a petition requesting an election in the school township to determine whether or not a metropolitan school district must be created in the township in accordance with the preliminary resolution, then an election must be held as provided in subsection (h). The preliminary resolution and confirming resolution provided in this subsection shall both be adopted at a meeting of the township trustee and township board in which the township trustee and each member of the township board received or waived a written notice of the date, time, place, and purpose of the meeting. The resolution and the proof of service or waiver of the notice shall be made a part of the records of the township board.

(g) Except as provided in subsection (f), a metropolitan school district may also be created in the following manner:

(1) A number of registered voters of the school township, equal to five percent (5%) or more of the votes cast in the school township for secretary of state at the last general election for that office, shall sign and file with the township trustee a petition requesting the creation of a metropolitan school district under this section.

(2) The township trustee and a majority of the township board shall, not more than ten (10) days after the filing of a petition:
   (A) adopt a preliminary resolution that a metropolitan school district shall be created in the school township and proceed as provided in subsection (f); or
   (B) adopt a resolution disapproving the creation of the district.

(3) If either the township trustee or a majority of township board members vote in favor of disapproving the resolution, an election must be held to determine whether or not a metropolitan school district shall be created in the school township in the same manner as is provided in subsection (f) if an election is requested by petition.

(h) An election required under subsection (f) or (g) may, at the option of the township trustee, be held either as a special election or
in conjunction with a primary or general election to be held not more than one hundred twenty (120) days after the filing of a petition under subsection (f) or the adoption of the disapproving resolution under subsection (g). The township trustee shall certify the question to the county election board under IC 3-10-9-3 and give notice of an election:

(i) On the day and time named in the notice, the polls shall be opened and the votes of the voters shall be taken regarding whether a metropolitan school district shall be created in the township. The election shall be held not less than twenty (20) days and not more than thirty (30) days after the last publication of the notice unless a primary or general election will be conducted not more than six (6) months after the publication. In that case, the county election board shall place the public question on the ballot at the primary or general election. If the election is to be a special election, the township trustee shall give notice not more than thirty (30) days after the filing of the petition or the adoption of the disapproving resolution.

(j) The votes cast in the election shall be canvassed at a place in the school township determined by the county election board. The certificate of the votes cast for and against the creation of a metropolitan school district shall be filed in the records of the township board and recorded with the county recorder. If the special election is not conducted at a primary or general election, the school township shall pay the expense of holding the election out of the special school fund that is appropriated for this purpose.
(k) A metropolitan school district shall, subject to section 7 of this chapter, be created on the thirtieth day after the date of the adoption of the confirming resolution under subsection (f) or an election held under subsection (h). If a public official fails to do the official’s duty within the time prescribed in this section, the failure does not invalidate the proceedings taken under this section. An action to contest the validity of the creation of a metropolitan school district under this section or to enjoin the operation of a metropolitan school district may not be instituted later than the thirtieth day following the date of the adoption of the confirming resolution under subsection (f) or of the election held under subsection (h). Except as provided in this section, an election under this subsection may not be held sooner than twelve (12) months after another election held under subsection (h).

(l) A metropolitan school district is known as "The Metropolitan School District of ____________ Township, ____________ County, Indiana". The first metropolitan board of education in a metropolitan school district created under this section consists of five (5) members. The township trustee and the township board members are ex officio members of the first board, subject to the laws concerning length of their respective terms of office, manner of election or appointment, and the filling of vacancies applicable to their respective offices. The ex officio members serve without other compensation or reimbursement for expenses than that which they may receive from their respective offices. The township board shall, by a resolution recorded in its records, appoint the fifth member of the metropolitan board of education. The fifth member shall meet the qualifications of a member of a metropolitan board of education under this chapter, with the exception of the board member district requirements provided in sections 4, 5, and 8 of this chapter.

(m) A fifth board member shall be appointed not more than fifteen (15) days after the date of the adoption of the confirming resolution under subsection (f)(2) or an election held under subsection (h). The first board shall hold its first meeting not more than fifteen (15) days after the date when the fifth board member is appointed or elected, on a date established by the township board in the resolution in which it appoints the fifth board member. The first board shall serve until July 1 following the election of a metropolitan school board at the first primary election held more than sixty (60) days following the creation of the metropolitan school district.

(n) After the creation of a metropolitan school district under with
this section, the president of the metropolitan school board of the district shall serve as a member of the county board of education and perform the duties on the county board of education that were previously performed by the township trustee. The metropolitan school board and superintendent of the district may call upon the assistance of and use the services provided by the county superintendent of schools. This subsection does not limit or take away the powers, rights, privileges, or duties of the metropolitan school district or the board or superintendent of the district provided in this chapter.

Sec. 13. In the resolution creating a county school corporation or metropolitan school district or in the petitions requesting the creation of or requesting a referendum on the question of creating a corporation or district under IC 20-23-16-15 or section 2 or 12 of this chapter, the resolutions or petitions may specify when a school corporation or school district shall be created and the corporation or district shall then be created at the time provided in the resolutions or petitions.

Chapter 8. Governing Body Composition Change
Sec. 1. As used in this chapter, "circuit court" means:
(1) the circuit court of the county in which a school corporation is located; or
(2) if a school corporation is located in more than one (1) county, the circuit court of the county in which the largest number of registered voters of the school corporation are residents.

Sec. 2. As used in this chapter, "clerk" means:
(1) the clerk of the circuit court of the county in which a school corporation is located; or
(2) if a school corporation is located in more than one (1) county, the clerks in each of the counties in which the school corporation is located.

Sec. 3. As used in this chapter, "county election board" means:
(1) the county election board in the county in which a school corporation is located; or
(2) if a school corporation is located in more than one (1) county, the county election boards of the counties in which the school corporation is located, acting jointly.

Sec. 4. As used in this chapter, "plan" means the manner in which the governing body of a school corporation is constituted, including the number, qualifications, length of terms, manner, and time of
selection, either by appointment or by election of the members of the
governing body.

Sec. 5. As used in this chapter, "school corporation" means a local
public school corporation established under the laws of Indiana. The
term does not include a school township or a school corporation
covered by IC 20-23-12.

Sec. 6. As used in this chapter, "voter", with respect to a petition,
means a registered voter in the school corporation as determined in
this chapter.

Sec. 7. (a) A plan or proposed plan must contain the following
items:

1) The number of members of the governing body, which shall
   be:
   (A) three (3);
   (B) five (5); or
   (C) seven (7);
   members.
2) Whether the governing board shall be elected or appointed.
3) If appointed, when and by whom, and a general description
   of the manner of appointment that conforms with the
   requirements of IC 20-23-4-28.
4) If elected, whether the election shall be at the primary or at
   the general election that county officials are nominated or
   elected, and a general description of the manner of election that
   conforms with the requirements of IC 20-23-4-27.
5) The limitations on:
   (A) residence;
   (B) term of office; and
   (C) other qualifications;
   required by members of the governing body.
6) The time the plan takes effect.
A plan or proposed plan may have additional details to make the
provisions of the plan workable. The details may include provisions
relating to the commencement or length of terms of office of the
members of the governing body taking office under the plan.

(b) Except as provided in subsection (a)(1), in a city having a
population of more than fifty-nine thousand seven hundred (59,700)
but less than sixty-five thousand (65,000), the governing body
described in a plan may have up to nine (9) members.

Sec. 8. (a) A plan is subject to the following limitations:
(1) A member of the governing body may not serve for a term of more than four (4) years, but a member may succeed himself or herself in office. This limitation does not apply to members who hold over during an interim period to effect a new plan awaiting the selection and qualification of a member under the new plan.

(2) The plan, if the members are:
   (A) to be elected, shall conform with one (1) of the types of board organization permitted by IC 20-23-4-27; or
   (B) appointed, shall conform with one (1) of the types permitted by IC 20-23-4-28.

(3) The terms of the members of the governing body, either elected to or taking office on or before the time the plan takes effect, may not be shortened. The terms of the members taking office under the plan may be shortened to make the plan workable on a permanent basis.

(4) If the plan provides for electoral districts, where a member of the governing body is elected solely by the voters of a single district, the districts must be as near as practicable equal in population. The districts shall be reapportioned and their boundaries changed, if necessary, by resolution of the governing body before the election next following the effective date of the subsequent decennial census to preserve the equality by resolution of the governing body.

(5) The plan shall comply with the:
   (A) Constitution of the State of Indiana; and
   (B) Constitution of the United States;
   including the equal protection clauses of both constitutions.

(6) The provisions of IC 20-23-4-26 through IC 20-23-4-33 and IC 20-23-16-4 relating to the board of trustees of a community school corporation and to the community school corporation, including provisions relating to powers of the board and corporation and provisions relating to the mechanics of selection of the board, where elected and where appointed, apply to a governing body set up by a plan under this chapter and to the school corporation.

(b) The limitations set forth in this section do not have to be specifically set forth in a plan but are a part of the plan. A plan shall be construed, if possible, to comply with this chapter. If a provision of the plan or an application of the plan violates this chapter, the invalidity does not affect the other provisions or applications of the
plan that can be given effect without the invalid provision or application. The provisions of a plan are severable.

Sec. 9. The plan of school board organization of a governing body may be changed in accordance with the procedures set out in this chapter.

Sec. 10. (a) A change in a plan may be initiated by one (1) of the following procedures:

1. By filing a petition signed by at least twenty percent (20%) of the voters of the school corporation with the clerk of the circuit court.
2. By a resolution adopted by the governing body of the school corporation.
3. By ordinance adopted by a city legislative body under section 13 of this chapter.

(b) A petition, resolution, or ordinance must set forth a description of the plan that conforms with section 7 of this chapter.

(c) Except as provided in subsection (a)(1), in a city having a population of more than fifty-nine thousand seven hundred (59,700) but less than sixty-five thousand (65,000), a change in a plan may be initiated by filing a petition signed by ten percent (10%) or more of the voters of the school corporation with the clerk of the circuit court.

Sec. 11. (a) A voter is entitled to file a petition under this chapter with the clerk of the circuit court to:

1. initiate a plan;
2. protest a plan; or
3. initiate an alternative plan.

(b) If a voter files a petition under subsection (a), the filing and certification of the petition is governed by the following provisions:

1. The petition must show:
   (A) the date that a person has signed the petition; and,
   (B) in order to identify the person as a registered voter of the school corporation, the person's residence on that date.
2. The petition may be executed in several counterparts, the total of which constitutes a petition. A counterpart must:
   (A) contain the names of voters residing within a single county;
   (B) be filed with the clerk of the circuit court of that county;
   (C) have attached to it the affidavit of the person circulating the counterpart stating that each signature:
      (i) appearing on the counterpart was affixed in the person's
presence; and
(ii) is the true and lawful signature of the person who made
the signature.

(3) A person who signs a petition or a counterpart may file the
petition or a counterpart.

(4) All counterparts constituting a petition shall be filed on the
same day.

(5) A person who signs a petition filed under subsection (a) may
withdraw the person's name from the petition before the petition
is filed with the clerk. Names may not be added to a petition after
the petition has been filed with the clerk.

(6) After the receipt of a petition, the clerk shall:
(A) strike all signatures appearing on the petition more than
once; and
(B) make a certification under the clerk's hand and seal of the
office as to the following:
(i) The number of signatures on the petition that are not
duplicates representing persons who are registered voters
residing within that part of the school corporation located
within the county, as disclosed by the voter registration
records in the office of the clerk or the board of registration
of the county, or wherever the registration records are kept.
(ii) The total number of registered voters residing within
the boundaries of that part of the school corporation
located within the county, as disclosed in the records
described in item (i).
(iii) The date of the filing of the petition with the clerk.

(7) The clerk shall:
(A) certify a petition not more than thirty (30) days after the
filing of the petition, excluding time when the registration
records are unavailable to the clerk, or within additional time
as is reasonably necessary not to exceed an additional thirty
(30) days, to permit the clerk to make a certification;
(B) establish a record of the certification at the clerk’s office;
and
(C) file:
(i) the original petition; and
(ii) a copy of the clerk’s certification;
with the governing body.

Sec. 12. The governing body shall, by resolution adopted not more
than thirty (30) days after a petition is filed with it, either approve or disapprove a plan. The failure to take action within the thirty (30) day period constitutes disapproval of the plan.

Sec. 13. (a) This section applies to a school corporation located in a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(b) The city legislative body may adopt an ordinance to increase the membership of the governing body of a school corporation to seven (7) members.

(c) The ordinance must provide the following:
   (1) The additional members of the governing body are to be appointed by the city executive.
   (2) If the plan is subsequently changed to provide for the election of governing body members:
       (A) the membership of the governing body may not be less than seven (7); and
       (B) the members of the governing body are to be elected.
   (3) The initial terms of the members appointed under this section.
   (4) The effective date of the ordinance.

(d) An ordinance adopted under this section:
   (1) supersedes a part of the plan that conflicts with the ordinance;
   (2) must be filed with the state superintendent under section 22 of this chapter; and
   (3) may only be amended or repealed by the city legislative body.

Sec. 14. (a) Not more than ten (10) days after a governing body has:
   (1) initiated;
   (2) approved; or
   (3) disapproved;

a plan initiated by the petition filed with it, the governing body shall publish a notice one (1) time in a newspaper of general circulation in the county of the school corporation. If a newspaper of general circulation is not published in the county of the school corporation, the governing body shall publish a notice one (1) time in a newspaper of general circulation published in a county adjoining the county of the school corporation.

(b) The notice must set out the text of a plan initiated by the governing body or another plan filed with the governing body before the preparation of the notice. The notice must also state the right of a
voter, as provided in this section, to file a petition for alternative plans or a petition protesting the adoption of a plan or plans to which the notice relates.

(c) If the governing body fails to publish a notice required by this section, the governing body shall, not more than five (5) days after the expiration of the ten (10) day period for publication of notice under this section, submit the petition that has been filed with the clerk to the state board, whether or not the plan contained in the petition or the petition meets the requirements of this chapter.

(d) Not later than one hundred twenty (120) days after the publication of the notice, voters of the school corporation may file with the clerk a petition protesting a plan initiated or approved by the governing body or a petition submitting an alternative plan as follows:

   (1) A petition protesting a plan shall be signed by at least twenty percent (20%) of the voters of the school corporation or five hundred (500) voters of the school corporation, whichever is less.

   (2) A petition submitting an alternative plan shall be signed by at least twenty percent (20%) of the voters of the school corporation.

A petition filed under this subsection shall be certified by the clerk and shall be filed with the governing body in the same manner as is provided for a petition in section 11 of this chapter.

(e) The governing body or the voters may not initiate or file additional plans until the plans that were published in the notice or submitted as alternative plans not later than one hundred twenty (120) days after the publication of the notice have been disposed of by:

   (1) adoption;

   (2) defeat at a special election held under section 16 of this chapter; or

   (3) combination with another plan by the state board under section 15 of this chapter.

Sec. 15. (a) Not more than thirty (30) days after the expiration of the one hundred twenty (120) day period for filing a petition, plans that have been published in accordance with section 14 of this chapter, whether the plans were initiated by the governing body or in connection with a petition, shall be submitted to the state board.

(b) The state board shall:

   (1) review a plan;

   (2) revise a plan, if possible, to:

      (A) cure ambiguities; and
(B) ensure that the plan complies with the limitations set out in section 8 of this chapter;
(3) if a plan provides for electoral districts, verify that the districts are, as near as practicable, equal in population according to the decennial census immediately preceding the first petition or resolution initiating the plan; and
(4) certify a plan, with revisions, to the governing body and to the clerk.

The state board may combine plans if the state board determines that the plans are substantially similar. In making its determinations, the commission may, but is not obligated to, hold hearings and shall make an investigation as it considers necessary. If the state board holds a hearing, the state board may hear the evidence through hearing examiners, who do not have to be members of the state board. The state board shall send a certified record of its determinations to the governing body, the clerk, and the county election board.

(c) Not more than sixty (60) days after receiving a plan submitted by a governing body under section 14 of this chapter, the state board shall publish notice of the plan in accordance with section 14 of this chapter, unless the state board determines that the plan or the petition does not meet the requirements of this chapter.

Sec. 16. (a) If:
(1) the governing body has disapproved a plan submitted;
(2) an alternative plan has been filed; or
(3) a petition of protest has been filed;
the county election board shall hold a special election at a date to be determined by the county election board not more than ninety (90) days after the receipt of the determination of the state board on a plan in the form certified by the state board.

(b) If a special election under subsection (a) can be held not more than six (6) months after the receipt of the determination from the state board in conjunction with a primary or general election at which:
(1) county officials are to be elected or nominated; or
(2) city or town officials are to be elected in those areas of the school corporations that are within the city or town;
the county election board may delay the special election until the date of the regular election.

(c) If a school corporation is located in more than one (1) county, the county election board of the county containing the greatest
percentage of population of the school corporation shall determine the date of an election held under this section.

Sec. 17. (a) The clerk shall create the form of notice of the election and the ballot not more than thirty (30) days after receiving the certification from the state board as required by section 15 of this chapter. The notice must:

(1) state the date when the election shall take place; and
(2) describe generally the plans to be voted upon.

(b) The text of the public question on the ballot must include a description of the plan proposed, including:

(1) the number of members on the board;
(2) the number of electoral or resident member districts, if any;
(3) the number of at-large districts, if any;
(4) a general description of the geographical boundaries of the districts, referring to civil boundaries where applicable or merely general descriptions, such as the north half or north part of a civil geographical district or the territory north of a geographical boundary; and
(5) other information sufficient to distinguish a plan from other plans.

If the text of the public question includes a description of the plan regarding how the current board is organized, as required by subsection (d), the plan must be identified as the existing plan.

(c) If only one (1) plan is proposed, the ballot shall be prepared so that voters who wish to vote on the plan must cast either an affirmative vote or a negative vote.

(d) If more than one (1) plan is proposed, the plan organizing the governing body must appear on the ballot as an option. The text of the public question must include a description of the existing plan that meets the criteria specified in subsection (b). The ballot must be prepared so that voters who wish to vote on the plans may vote for only one (1) plan.

(e) The text of the public question must be placed on the ballot in the form prescribed by IC 3-10-9-4.

(f) Subject to IC 3-12-1, the notice or ballot is not invalid if there has been a good faith effort to comply with this section.

Sec. 18. (a) The county election board shall give notice of an election under section 16 of this chapter after receiving the form of notice and ballot from the clerk. The county election board shall publish notice one (1) time in two (2) newspapers of general
circulation in the school corporation, or if only one (1) newspaper is of general circulation, then in that newspaper. The publication may not be made less than ten (10) days nor more than forty-five (45) days before the election. Any other notice of the election or requirement for the time of printing ballots, whether prescribed by IC 3 or otherwise, is not required to be given or observed. A person may not vote at the special election unless the person is then qualified as a registered voter.

(b) IC 3 applies to the conduct of an election under this chapter, except if the provisions of this chapter are in conflict with provisions of IC 3 or if IC 3 cannot be practically applied.

(c) If the special election is not conducted at a primary or general election, the school corporation shall pay the cost of conducting the election from the school corporation’s general fund not otherwise appropriated without appropriation.

Sec. 19. (a) A plan shall be adopted in the following circumstances:

(1) At the expiration of one hundred twenty (120) days after the publication of notice by the governing body if:
   (A) the governing body has initiated or approved the plan;
   (B) a petition has not been filed either protesting the plan or setting forth an alternative plan; and
   (C) the state board has reviewed and certified the plan.

(2) If only one (1) plan is on the ballot and it receives more affirmative than negative votes, the plan is adopted at the expiration of thirty (30) days following the special election.

(3) If more than one (1) plan is on the ballot, the plan receiving the most votes is adopted at the expiration of thirty (30) days after the special election.

(b) The plan is effective:

(1) at the time provided in the plan; or

(2) if a time is not provided or if the time provided is inapplicable due to the lapse of time of the proceedings under this chapter, either on the January 1 or July 1 following the time of adoption of the plan.

Sec. 20. An action to:

(1) contest the validity of the adoption of a plan to declare that the plan has not been validly adopted; or

(2) enjoin the operation of a plan;

may not be instituted with respect to the adoption of the plan under section 19(a)(1) of this chapter at any time later than the one hundred
twenty (120) days following the publication of the notice required by section 14 of this chapter or under section 19(a)(2) or 19(a)(3) of this chapter at any time later than the thirtieth day following the election at which the plan is adopted.

Sec. 21. An election may not be held under this chapter more than once each eighteen (18) months. A plan for a governing body may not be adopted more than once each six (6) years, except if:

(1) the plan only changes the time of voting for board members from the primary to the general election or from the general to the primary election;
(2) a plan adopted is declared or held to be invalid by a binding judgment or order in a United States or an Indiana court that no appeal or further approval can be taken; or
(3) the plan provides solely for changes in items specified in section 7(a)(5) of this chapter.

Sec. 22. (a) A school corporation shall file with the state superintendent:

(1) a transcript showing the acts and resolutions related to the school corporation’s formation; and
(2) a description, if not otherwise contained in the transcript under subdivision (1), of the structure and manner of selection of its governing body.

(b) The transcript or description under subsection (a) shall be filed not more than sixty (60) days after the school corporation’s creation or the school corporation’s adoption of a new plan.

(c) A school corporation shall file with the state superintendent, before August 1 of each year, a list of names and addresses of:

(1) members of its governing body; and
(2) the school corporation's officers along with the expiration of the officer's respective terms.

(d) A school corporation shall file any change to a list under subsection (c) not later than thirty (30) days after the change occurs.

Sec. 23. (a) The failure of a public official or body to perform the duties specified in this chapter within the time limits prescribed does not invalidate any proceedings taken by the official or board.

(b) If a public official or body refuses to perform duties within the time limits provided in this chapter, the official or body may be mandated to perform the duties in an action filed in the circuit or superior court by a voter or by the governing body.

(c) The court shall award reasonable attorney’s fees to a voter who
brings an action under this section against a governing body or public official and prevails. The governing body or employer of a public official shall pay costs and fees incurred by or on behalf of an employee in defense of a claim or suit for a loss occurring because of acts or omissions within the scope of the employee's employment, regardless of whether the employee can or cannot be held personally liable for the loss.

Sec. 24. If a United States or an Indiana court enters a binding temporary or permanent order directing or approving a change in the manner of selecting the governing body, any governing body selected under the order is the legal governing body of the school corporation, until its manner of selection is changed under this or any other applicable Indiana statute.

Sec. 25. (a) In implementing a plan adopted under this chapter, requiring the holding of a special election, the county election board, or county election boards in the case of a multicounty school corporation, shall hold, manage, and supervise a special election.

(b) The county election board shall pay the costs of a special election.

(c) A school corporation shall reimburse the county election board from the school corporation's general fund money not otherwise appropriated, without appropriation, if a special election occurs under this chapter.

Chapter 9. Annexation of a Township School Corporation

Sec. 1. As used in this chapter, "annexing corporation" refers to a school corporation that has annexed all or part of any territory of a township school.

Sec. 2. As used in this chapter, "township" refers to a township where any part of a township school was located.

Sec. 3. As used in this chapter, "township school" refers to:

1. a township school that loses territory to an annexing corporation as a result of an annexation;
2. the township school's successor; or
3. the township.

Sec. 4. (a) An annexing corporation may file a petition of appeal with the department of local government finance for emergency financial relief.

(b) The annexing corporation shall serve the petition on the following:

1. The department.
(2) The township.
(3) The township school.
(4) Any other annexing corporation that annexed the township school on the same date.
(c) All annexing corporations are parties to the petition.

Sec. 5. If the department of local government finance receives a petition of appeal under section 4 of this chapter, the department of local government finance shall submit the petition to the school property tax control board established by IC 6-1.1-19-4.1 for a factfinding hearing.

Sec. 6. (a) If the department of local government finance submits a petition to the school property tax control board under section 5 of this chapter, the school property tax control board shall hold a factfinding hearing.

(b) At a hearing described in subsection (a), the school property tax control board shall determine the following:

(1) Whether the township school has made all payments required by any statute, including the following:
(A) P.L.32-1999.
(B) IC 20-23-5-12 and IC 20-23-16-37.
(C) The resolution or plan of annexation of the township school, including:
   (i) any amendment to the resolution or plan;
   (ii) any supporting or related documents; and
   (iii) any agreement between the township school and an annexing corporation relating to the winding up of affairs of the township school.

(2) The amount, if any, by which the township school is in arrears on any payment described in subdivision (1).

(3) Whether the township school has filed with the department of local government finance all reports concerning the affairs of the township school, including all transfer tuition reports required for the two (2) school years immediately preceding the date on which the township school was annexed.

(c) In determining the amount of arrears under subsection (b)(2), the school property tax control board shall consider all amounts due to an annexing corporation, including the following:

(1) Any transfer tuition payments due to the annexing corporation.

(2) All levies, excise tax distributions, and state distributions
received by the township school and due to the annexing corporation, including levies and distributions received by the township school after the date on which the township school was annexed.

(3) All excessive levies that the township school agreed to impose and pay to an annexing corporation but failed to impose.

(d) If, in a hearing under this section, a school property tax control board determines that a township school has:

(1) under subsection (b)(1), failed to make a required payment; or

(2) under subsection (b)(3), failed to file a required report;

the department may act under section 7 of this chapter.

Sec. 7. (a) If a school property tax control board makes a determination under section 6(d) of this chapter, the department:

(1) may prohibit a township from:

(A) acquiring real estate;

(B) making a lease or incurring any other contractual obligation calling for an annual outlay by the township exceeding ten thousand dollars ($10,000);

(C) purchasing personal property for a consideration greater than ten thousand dollars ($10,000); and

(D) adopting or advertising a budget, tax levy, or tax rate for any calendar year;

until the township school has made all required payments under section 6(b)(1) of this chapter and filed all required reports under section 6(b)(3) of this chapter; and

(2) shall certify to the treasurer of state the amount of arrears determined under section 6(b)(2) of this chapter.

(b) Upon being notified of the amount of arrears certified under subsection (a)(2), the treasurer of state shall make payments from the funds of state to the extent, but not in excess, of any amounts appropriated by the general assembly for distribution to the township school, deducting the payments from any amount distributed to the township school.

Sec. 8. The department may grant permission to a township school or a township to impose an excess levy to satisfy its obligations under this chapter.

Chapter 10. Merger of School Corporations Within Counties

Sec. 1. As used in this chapter, "concurrent resolutions" means substantially identical resolutions adopted by the governing bodies of
the school corporations in a county.

Sec. 2. As used in this chapter, "governing body" means the board or commission charged by law with the responsibility of administering the affairs of a school corporation, including a board of school commissioners, metropolitan board of education, board of school trustees, or board of trustees. In the case of a school township, the term means the trustees and township board acting jointly.

Sec. 3. As used in this chapter, "merger" means the merger of all the school corporations in a county into a single school corporation in which the rights and obligations of each school corporation, including the right to receive tax and other money, are transferred into a new corporation to be known in this chapter as the merged corporation.

Sec. 4. As used in this chapter, "school corporation in the county" means all the school corporations that have territory in a county.

Sec. 5. School corporations in a county may merge in the following manner:

(1) The governing bodies of the school corporations shall adopt a concurrent resolution providing for the merger.

(2) The resolutions in subdivision (1) shall be adopted not later than sixty (60) days after the date the first concurrent resolution is adopted by a governing body. The resolutions must provide for the following:

(A) The makeup of board member districts, including that:
   (i) board members shall be elected from the entire merged school corporation, but residence requirements may provide that members live in different districts;
   (ii) the board member districts need not be equal in size or population, and one (1) board member district may include the area in the merged school corporation;
   (iii) the number of members of the governing body of the merged school corporation to be elected from a board member district need not be equal in number; and
   (iv) concurrent resolutions may also eliminate requirements that there be board member districts.

(B) The number of members on the governing body of the merged school corporation must be:

   (i) three (3);
   (ii) five (5); or
   (iii) seven (7);

members.
(C) The time the merged school corporation comes into existence.
If a time is not provided when the merged school corporation comes into existence or if a final judgment in the remonstrance proceeding is delayed beyond the time set in the concurrent resolutions, the merged school corporation comes into existence on July 1 following the adoption of the resolutions or the final judgment, whichever occurs last.

Sec. 6. (a) After the last concurrent resolution under section 5 of this chapter is adopted, notice of the adoption of the concurrent resolutions shall be given by stating:
   (1) the substance of the concurrent resolutions;
   (2) that the resolutions have been adopted; and
   (3) that a right of remonstrance exists as provided in this chapter.

It is not necessary to set out the remonstrance provisions of the statute, but a general reference to the right of remonstrance with a reference to this chapter is sufficient.

(b) The notice under subsection (a) shall be made two (2) times, one week apart in two (2) daily newspapers, published in the English language and of general circulation in the county. If there is only one daily or weekly newspaper in the county, publication in that newspaper is sufficient.

(c) The merger shall take effect at the time provided in section 5 of this chapter unless, not more than thirty (30) days after the first publication of the notice, a remonstrance is filed in the circuit or superior court of the county by registered voters equal in number to at least ten percent (10%) of the registered voters of a school corporation in the county.

Sec. 7. (a) A remonstrance under section 6 of this chapter:
   (1) must be in substantially the following form:
      The undersigned hereby remonstrates against the merger of the school corporations in ____________ county;
   (2) may be filed in counterparts that must have attached:
      (A) the affidavit of the person circulating it;
      (B) a statement that each signature appearing on the remonstrance was affixed in the presence of the person circulating the remonstrance; and
      (C) a statement that each signature is the true and lawful signature of the person who made it;
(3) shall be accompanied by a complaint filed by one (1) or more of the remonstrators (who shall be treated as a representative of the entire class of remonstrators); and
(4) shall be signed by the remonstrator or the remonstrator's attorney, stating the reasons for the remonstrance, where these reasons are limited to the following:

(A) There is a procedural defect in the manner that the merger is carried out which is jurisdictional.
(B) The benefits to be derived from the merger are outweighed by its detriments, taking into consideration the respective benefits and detriments of the students and inhabitants residing in the school corporations of the county.

(b) A person who makes an affidavit under subsection (a) does not have to be one (1) of the persons who signs the counterpart attached to the affidavit.

(c) The plaintiff in the suit is the person whose name appears on the complaint. The defendants in a remonstrance under section 6 of this chapter are the school corporations in the county. Service of process shall be made on the defendants as in other civil actions.

(d) To determine whether the petition was timely filed, the time of filing is the time of filing with the clerk of the circuit court without regard to the time of issuance of the summons. If the thirtieth day falls on Sunday, a holiday, or another day when the clerk's office is not open, the time is extended to the next day when the clerk's office is open.

(e) The issues in a remonstrance suit are made up by the complaint, the allegations of the complaint being considered denied by the defendant or defendants. A responsive pleading does not need to be filed. However, a defendant may file a motion to dismiss the suit on the ground:

(1) that the requisite number of qualified remonstrators have not signed the petition;
(2) that the remonstrance was not timely filed; or
(3) that the complaint does not state a cause of action.

(f) A responsive pleading to a motion to dismiss under subsection (e) does not need to be filed.

(g) With respect to a motion under subsection (e)(1) and (e)(2), the allegations are considered denied by the remonstrators.

(h) To determine whether there are the requisite number of qualified remonstrators under subsection (e)(1), a person may not:
(1) withdraw the person's name after a remonstrance has been filed; or
(2) add the person's name to a remonstrance that has been filed.

(i) At a trial for a remonstrance suit, a person may, in support or derogation of the substantive matters in the complaint, introduce into evidence a verified statement that the person wishes that the person's name be added to or withdrawn from the remonstrance.

(j) The court may either hear all or a part of the matters raised by a motion to dismiss separately or may consolidate for trial all or a part of the matters with the matters relating to the substance of the case.

(k) A complaint may not be dismissed for failure to state a cause of action, if a fair reading of the complaint makes out one (1) of the grounds for remonstrance and suit provided in subsection (a).

(l) An amendment of the complaint may be permitted in the discretion of the court if the complaint does not state a new ground of remonstrance.

(m) The trial of a remonstrance suit shall be conducted as other civil cases by a court without the intervention of a jury on the issues raised by the:

(1) complaint; or
(2) motion to dismiss.

(n) In a remonstrance suit:

(1) a change of venue from a judge, but no change of venue from the county, is permitted;
(2) the court will expedite the hearing of the case; and
(3) the court's judgment must be either that:
    (A) the merger takes place;
    (B) the merger does not take place; or
    (C) the remonstrance is dismissed.

Sec. 8. (a) The board members of a merged school corporation shall be elected at the first primary election following the merged school corporation's creation, and vacancies shall be filled in accordance with IC 20-23-4-30.

(b) Until the first election under subsection (a), the board of trustees of the merged school corporation consists of:

(1) the members of the governing body of a school corporation in the county other than a school township; and
(2) the township trustee of a school township in the county.

(c) The first board of trustees shall select the name of the merged school corporation by a majority vote. The name may be changed by
unanimous vote of the governing body of the merged school corporation.

Sec. 9. A merged school corporation has the powers provided in IC 20-23-4-26 through IC 20-23-4-33 and IC 20-23-16-4.

Chapter 11. Joint Schools in Adjacent States

Sec. 1. If a school trustee or board of school trustees of any school corporation in Indiana that is adjacent to a school corporation of another state believes the best interests of the public schools can be promoted by purchasing school grounds, repairing or erecting a schoolhouse or schoolhouses, and maintaining a school jointly between the two (2) adjacent school corporations, the school trustee or school trustees of the school corporation of Indiana so situated may enter into an agreement with the school authorities of the adjacent school corporation to:

(1) purchase school grounds or repair or construct a school building;
(2) purchase school furniture, equipment, appliances, or fuel; or
(3) employ teachers and maintain a school;

if, in the judgment of the school trustee or trustees of Indiana, the best interests of the public school can be promoted by doing so.

Sec. 2. The trustee or trustees of Indiana may levy taxes and perform other duties in maintaining the joint school as are otherwise provided by law for maintaining the public schools in Indiana.

Sec. 3. In carrying out this chapter, the school corporation shall pay the proportion of the cost of purchasing school grounds, repairing or erecting new building or buildings, and in maintaining the joint school, as the school trustees of the two (2) adjacent school corporations determines is equitable and just.

Chapter 12. Election of Governing Body Members in Gary

Sec. 1. IC 20-23-8 does not apply to:

(1) a school corporation; or
(2) the governing body of a school corporation;
covered by this chapter.

Sec. 2. As used in this chapter, "school corporation" means a school corporation that is located in a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

Sec. 3. (a) The governing body of the school corporation consists of seven (7) members elected as follows:

(1) On a nonpartisan basis.
(2) In a primary election held in the county.

(b) Six (6) of the members shall be elected from the school districts drawn under section 4 of this chapter. Each member:

(1) is elected from the school district in which the member resides; and
(2) upon election and in conducting the business of the governing body, represents the interests of the entire school corporation.

(c) One (1) of the members elected:

(1) is the at-large member of the governing body;
(2) may reside in any of the districts drawn under section 4 of this chapter; and
(3) upon election and in conducting the business of the governing body, represents the interests of the entire school corporation.

Sec. 4. The districts are drawn on the same lines as the common council districts referred to in IC 36-4-6-3.

Sec. 5. (a) The six (6) members who are elected for a position on the governing body described under section 3(b) of this chapter are determined as follows:

(1) Each prospective candidate must file a nomination petition with the clerk of the circuit court at least seventy-four (74) days before the election at which the members are to be elected that includes the following information:

(A) The name of the prospective candidate.
(B) The district in which the prospective candidate resides.
(C) The signatures of at least one hundred (100) registered voters residing in the school corporation.
(D) The fact that the prospective candidate is running for a district position.
(E) A certification that the prospective candidate meets the qualifications for candidacy imposed by this chapter.

(2) Only eligible voters residing in the district may vote for a candidate.

(3) The candidate within each district who receives the greatest number of votes in the district is elected.

(b) The at-large member elected under section 3(c) of this chapter is determined as follows:

(1) Each prospective candidate must file a nomination petition with the clerk of the circuit court at least seventy-four (74) days before the election at which the at-large member is to be elected. The petition must include the following information:
(A) The name of the prospective candidate.
(B) The signatures of at least one hundred (100) registered voters residing within the school corporation.
(C) The fact that the prospective candidate is running for the at-large position on the governing body.
(D) A certification that the prospective candidate meets the qualifications for candidacy imposed by this chapter.

(2) Only eligible voters residing in the school corporation may vote for a candidate.

(3) The candidate who:
   (A) runs for the at-large position on the governing body; and
   (B) receives the greatest number of votes in the school corporation;

   is elected to the at-large position.

Sec. 6. (a) A candidate who runs for a position on the governing body described under section 3(b) of this chapter must reside in the school corporation district for which the candidate filed.

(b) A candidate who runs for the at-large position on the governing body described in section 3(c) of this chapter must reside in the school corporation.

Sec. 7. The state board, with assistance from the county election board, shall establish:
   (1) balloting procedures under IC 3 for the election; and
   (2) all other procedures required to implement this chapter.

Sec. 8. The term of each person elected to serve on the governing body:
   (1) is four (4) years; and
   (2) begins the July 1 that next follows the person's election.

Sec. 9. The members are elected as follows:
   (1) Three (3) of the members elected under section 3(b) of this chapter are elected at the primary election to be held in 2008 and every four (4) years thereafter.
   (2) Three (3) of the members elected under section 3(b) of this chapter are elected at the primary election to be held in 2006 and every four (4) years thereafter.
   (3) The at-large member elected under section 3(c) of this chapter is elected at the primary election to be held in 2008 and every four (4) years thereafter.

Sec. 10. (a) A vacancy on the governing body is created when:
   (1) a member:
(A) dies;
(B) resigns from the governing body;
(C) ceases to be a resident of the school corporation;
(D) fails to attend, except for reason of chronic illness, six (6) regularly scheduled meetings of the governing body in any twelve (12) month period; or
(E) ceases to be a resident of the school district in which the member was elected; or

(2) a vacancy is created under any other law.

(b) The governing body shall temporarily fill a vacancy on the governing body as soon as practicable after the vacancy occurs.

Sec. 11. Before August 1 of each year, the school corporation shall file with the state superintendent a list of the:

(1) names and addresses of members of the school corporation's governing body;
(2) names and addresses of the school corporation's officers; and
(3) expiration dates of the terms of the school corporation's members and officers.

The school corporation shall file any change in the list not later than thirty (30) days after the change occurs.

Chapter 13. Election of Governing Body Members in Hammond Community School Corporation

Sec. 1. (a) In a community school corporation established under IC 20-23-4 that:

(1) has a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000); and
(2) is the successor in interest to a school city having the same population;

the governing body consists of a board of trustees of five (5) members elected in the manner provided in this chapter.

(b) At the 2004 primary election and at each primary election every four (4) years thereafter, there shall be elected in each school corporation covered by this chapter two (2) governing body members, each of whom shall serve for four (4) years. The two (2) candidates for the office of school trustee receiving the highest number of votes at the election take office on July 1 next following the election.

(c) At the 2002 primary election and at each primary election every four (4) years thereafter, there shall be elected in each school city covered by this chapter three (3) governing body members, each of whom shall serve for four (4) years. The three (3) candidates for the
office of school trustee receiving the highest number of votes at the election take office on July 1 next following the election.

(d) The governing body members shall be elected at the times provided and shall succeed the retiring members in the order and manner as set forth in this section.

Sec. 2. (a) As used in this section, "county election board" means a board of elections and registration under IC 3-6-5.2.

(b) The governing body shall be elected on a general ticket for a term of four (4) years by the voters of the school city. A voter may vote in the primary election for governing body members without otherwise voting and without declaring party preference. The members of the governing body shall be elected at the time of the primary elections as provided in section 1 of this chapter and shall be taken from the city at large without reference to district. The election shall be held under IC 3-10-1, insofar as it is not inconsistent with this chapter.

(c) At the time provided by law for the filing of declaration of candidacy for the primary election in which members of the governing body are to be elected as provided for in this chapter, legal voters of the city may present names of candidates for election as members of the governing body to the county election board in each county in which a school city subject to this chapter is situated as follows:

1. Each candidate shall be proposed in a petition in writing signed by not less than two hundred (200) legal voters of the school city.
2. Not more than one (1) candidate may be named in any one (1) petition.
3. A legal voter may not sign petitions for a greater number of candidates than the number of school trustees to be elected in the primary election concerned.

(d) Upon the presentation of the petition to the county election board, the board shall publish the names proposed in accordance with IC 5-3-1 and shall certify the nominations in the manner as required by law. The election shall be conducted in accordance with IC 3.

(e) The county election board shall prepare the ballot for the primary election at which governing body members are to be elected as provided in this section so that the names of the candidates nominated for the governing body appear on the ballot:

1. in alphabetical order;
2. without party designation; and
(3) in the form prescribed by IC 3-10-1-19.

The name of a candidate may not be published and placed on the ballot by the county election board if the candidate is ineligible for membership on the governing body under this chapter. Each voter may vote for as many candidates as there are governing body members to be elected.

Sec. 3. The intent of this chapter is to provide that the governing body of the school corporations to which it relates shall be elected as provided in IC 20-23-4-27 and IC 20-23-4-29 through IC 20-23-4-31, but this chapter prevails over any conflicting provisions of IC 20-23-4 relating to any school corporation.

Chapter 14. Election of Governing Body Members in Lake Station

Sec. 1. This chapter applies to a school corporation for which a referendum has been held:

(1) as required by statute; and
(2) in which a majority of the votes cast approves electing the members of the governing body.

Sec. 2. As used in this chapter, "school corporation" means a school corporation that is located in a city having a population of more than thirteen thousand nine hundred (13,900) but less than fourteen thousand two hundred (14,200).

Sec. 3. (a) The governing body of the school corporation consists of five (5) members elected on a nonpartisan basis.
(1) Three (3) of the members are elected from the school districts referred to in section 4 of this chapter by eligible voters residing in the school districts. Each member:
(1) is elected from the school district in which the member resides; and
(2) upon election and in conducting the business of the governing body, represents the interests of the entire school corporation.
(c) Two (2) of the members:
(1) are elected by eligible voters residing in the school corporation;
(2) are at-large members of the governing body; and
(3) upon election and in conducting the business of the governing body, represent the interests of the entire school corporation.

Sec. 4. The school districts for the election of the members of the governing body under section 3(b) of this chapter are as follows:
(1) Commencing at the Southeast corner of Section 16; thence West along the center line of 29th Avenue (South line of Section
16) to Deep River; thence Southwesterly along the center line of Deep River to State Road 51; thence South along the center line of State Road 51 to 33rd Avenue to Montgomery Street (the North-South center line of Section 20); thence North along the center line of Montgomery Street to 31st Avenue; then West along the center line of 31st Avenue to Grand Boulevard; then North along the center line of Grand Boulevard to Riverside Drive; then Northeasterly along the center line of Riverside Drive to Laporte Street; thence North along the center line of Laporte Street to Fairview Avenue; thence Easterly along the center line of Fairview Avenue to State Road 51; thence North along the center line of State Road 51 to Central Avenue; thence East along the center line of Central Avenue to the county line; thence South along the county line to the point of beginning.

(2) Commencing at the Northeast Corner of Section 9-36-7; thence South along the county line to Central Avenue; thence West along the center line of Central Avenue to State Road 51; thence South along the center line of State Road 51 to Fairview Street; thence Westerly along the center line of Fairview Avenue to Laporte Street; thence South along the center line of Laporte Street to Riverside Drive; thence Southwesterly along the center line of Riverside Drive to Grand Boulevard; thence North along the center line of Grand Boulevard to Court Street; thence West along the center line of Court Street to Howard Street; thence Northerly along the center line of Howard Street to the Borman Tri-State Highway (I-80 and I-94); thence Westerly along the center line of the Borman Tri-State Highway to the Little Calumet River Bed; thence meandering along the center line of the Little Calumet River Bed first in a Northeasterly direction, then in a Southwesterly direction, then in a Northerly direction to Burns Ditch; thence Westerly along the center line of Burns Ditch to Clay Street; then North along the center line of Clay Street to 15th Avenue; thence East along the center line of 15th Avenue to Gibson Street; thence North along Gibson Street to the Indiana Toll Road; thence Easterly along the North Line of the Indiana Toll Road to Lake Street; thence North along the East Line of Lake Street to the Wabash Railroad; thence East along the Wabash Railroad to the point of beginning.

(3) Commencing at the Southeast corner of Section 18-36-7; thence West along the center line of 29th Avenue to Hancock
Street; thence South along the center line of Hancock Street to Deep River; thence Southwesterly along the center line of Deep River to Gibson Street; thence North along the center line of Gibson Street to 29th Avenue; thence West along 29th Avenue, including residences on both the North and South sides of 29th Avenue to Clay Street; thence South along the center line of Clay Street to Liverpool Road; thence Westerly along the center line of Liverpool Road to Benton Street; thence North along the center line of Benton Street to 29th Avenue; thence West along the center line of 29th Avenue to State Street; thence North along the center line of State Street to Marquette Road; thence Easterly along the center line of Marquette Road to Clay Street; thence North along the center line of Clay Street to Burns Ditch; thence Easterly along the center line of Burns Ditch to the Little Calumet River Bed; thence meandering along the center line of the Little Calumet River Bed first in a Southerly direction, then in a Northeasterly direction, and then in a Southerly direction to the Borman Tri-State Highway (I-80 and I-94); then Easterly along the center line of the Borman Tri-State Highway to Howard Street; thence Southerly along the center line of Howard Street to Court Street; thence East along the center line of Court Street to Grand Boulevard; thence South along the center line of Grand Boulevard to the point of beginning.

Sec. 5. To be eligible to be a candidate for the governing body under this chapter, the following apply:

(1) Each prospective candidate must file a nomination petition with the clerk of the circuit court at least seventy-four (74) days before the primary election at which the members are to be elected that includes the following information:
   (A) The name of the prospective candidate.
   (B) Whether the prospective candidate is a district candidate or an at-large candidate.
   (C) A certification that the prospective candidate meets the qualifications for candidacy imposed under this chapter.
   (D) The signatures of at least one hundred (100) registered voters residing in the school corporation.

(2) Each prospective candidate for a district position must:
   (A) reside in the district; and
   (B) have resided in the district for at least the three (3) years immediately preceding the election.
(3) Each prospective candidate for an at-large position must:
   (A) reside in the school corporation; and
   (B) have resided in the school corporation for at least the
       three (3) years immediately preceding the election.
(4) Each prospective candidate (regardless of whether the
    candidate is a district candidate or an at-large candidate) must:
   (A) be a registered voter;
   (B) have been a registered voter for at least the three (3) years
       immediately preceding the election; and
   (C) be a high school graduate or have received a:
       (i) high school equivalency certificate; or
       (ii) state general educational development (GED) diploma
           under IC 20-20-6.
(5) A prospective candidate may not:
   (A) hold any other elective or appointive office; or
   (B) have a pecuniary interest in any contract with the school
       corporation or its governing body;
       as prohibited by law.
Sec. 6. (a) With regard to the district positions referred to in section
3(b) of this chapter, the candidate who receives the greatest number
of votes of all candidates against whom the candidate runs is elected.
(b) With regard to the at-large positions referred to in section 3(c)
of this chapter, the two (2) at-large candidates who receive the greatest
number of votes of all at-large candidates are elected.
Sec. 7. The state board, with assistance from the county election
board, shall establish:
   (1) balloting procedures under IC 3 for the election; and
   (2) all other procedures required to implement this chapter.
Sec. 8. The term of each person elected to serve on the governing
body:
   (1) is four (4) years; and
   (2) begins the July 1 that next follows the person's election.
Sec. 9. The members are elected as follows:
   (1) Three (3) of the members are elected at the primary election
       to be held in 2008 and every four (4) years thereafter.
   (2) Two (2) of the members are elected at the primary election to
       be held in 2006 and every four (4) years thereafter.
Sec. 10. The governing body shall temporarily fill a vacancy on the
governing body as soon as practicable after the vacancy occurs. The
member chosen must reside in the same district as the vacating
member. A member chosen by the governing body to fill a vacancy holds office for the remainder of the unexpired term.

Chapter 15. Election of Governing Body Members in South Bend

Sec. 1. As used in this chapter, "county" means the county in which the school corporation is located.

Sec. 2. As used in this chapter, "school corporation" means a school corporation that:

(1) is located in a county having a population of:
   (A) more than three hundred thousand (300,000) but less than four hundred thousand (400,000); or
   (B) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); and

(2) has at least twenty thousand (20,000) students.

Sec. 3. (a) A school corporation shall hold a referendum at the first primary election after this chapter becomes applicable to the school corporation in which the registered voters who reside within the boundaries of the school corporation are entitled to vote as to whether the school corporation shall elect the members of the governing body of the school corporation under sections 6 through 11 of this chapter.

(b) The referendum shall be held under the direction of the county election board, which shall take all steps necessary to carry out the referendum.

(c) However, a referendum is not required in a county in which a referendum under this chapter has been held in a school corporation in that county within twenty-four (24) months of the effective date of this act.

Sec. 4. (a) The circuit court clerk of the county shall provide notice of the referendum to the registered voters who reside within the boundaries of the school corporation:

(1) at least one (1) time;
(2) in at least one (1) newspaper of general circulation that is published in the county; and
(3) not earlier than March 15 or later than April 15 of the year in which the referendum is held.

(b) The notice published under subsection (a) must:

(1) state that the referendum is called to afford the registered voters an opportunity to vote on whether members of the governing body will be elected;
(2) state that the referendum will be held at the next primary election to be held on the first Tuesday after the first Monday in
May;
(3) state that the referendum will be held on a nonpartisan basis and that all registered voters residing within the boundaries of the (insert the name of school corporation) may vote in the referendum; and
(4) designate that the voting place or places at which the referendum will be held must be those that are:
   (A) used for the next primary election; and
   (B) located within the boundaries of the (insert the name of school corporation).
(c) The referendum question must be placed on the ballot in the form prescribed by IC 3-10-9-4 and must state:
"Shall the members of the board of school trustees of the (insert the name of school corporation) be elected in the general election from five (5) districts and from two (2) at-large positions in the school corporation?".
Sec. 5. (a) Each precinct election board shall count the affirmative votes and the negative votes cast in the referendum and shall certify those two (2) totals to the county election board.
(b) The clerk of the circuit court of the county shall, immediately after the votes cast in the referendum have been counted, certify the results to the state board.
(c) If a majority of the votes cast in the referendum favors the election of the members of the governing body, sections 6 through 11 of this chapter concerning the manner in which the members of the governing body shall be elected apply.
Sec. 6. (a) The governing body of the school corporation consists of seven (7) members who shall be elected:
   (1) on a nonpartisan basis; and
   (2) in the general election held in the county.
(b) Five (5) of the members shall be elected from the school districts in which the members reside as established under section 7 of this chapter.
(c) Two (2) of the members shall be elected at large.
Sec. 7. The state board shall, before July 1 immediately following the referendum, establish the school districts for the election of the members of the governing body under section 6(b) of this chapter as follows:
   (1) The districts shall be drawn on the basis of precinct lines.
   (2) The districts must be, as nearly as practicable, of equal
population, with the population of the largest district not to exceed the population of the smallest district by more than five percent (5%).

(3) The district lines must not cross precinct lines.

Sec. 8. If a candidate runs for one (1) of the district positions on the governing body, as provided under section 6(b) of this chapter, the following apply:

(1) An individual who runs for one (1) of the district positions on the governing body must reside within that district.

(2) Upon filing an intention to run under this chapter, the candidate must specify that the candidate is running for a district position.

(3) Only eligible voters residing in the candidate's district may vote for the candidate.

(4) The candidate who receives the greatest number of votes of all candidates against whom the candidate runs wins.

Sec. 9. If a candidate runs for one (1) of the at-large positions on the governing body, as provided under section 6(c) of this chapter, the following apply:

(1) An individual who runs for one (1) of the at-large positions on the governing body must reside within the boundaries of the school corporation.

(2) Upon filing an intention to run under this chapter, the candidate must specify that the candidate is running for an at-large position.

(3) Eligible voters from all districts may vote for the candidate.

(4) The two (2) candidates who receive the greatest number of votes win.

Sec. 10. The state board shall establish:

(1) balloting procedures for the election under the statutes governing elections; and

(2) all other procedures required to implement this chapter.

Sec. 11. (a) Except as otherwise provided in this section, a person elected to serve on the governing body:

(1) begins the person's term on January 1 of the year following the person's election; and

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

(b) The two (2) members of the governing body who were last selected under the selection process in effect for the school corporation before a referendum is held under this chapter shall serve as at-large
members through December 31 of the year in which the second
general election is held to elect members of the governing body under
this chapter. However, if this subsection applies to more than two (2)
members, the circuit court judge for the county shall select two (2) of
these members to serve as at-large members through December 31 of
the year in which the second general election is held to elect members
of the governing body under this chapter.

(c) The terms of all other members of the governing body who were
selected to serve on the governing body before a referendum is held
under this chapter expire December 31 of the year in which the
referendum is held.

(d) In the initial general election held to elect members of the
governing body under this chapter, five (5) of the members shall be
elected by voters from their districts as follows:

1. Three (3) of the members elected shall serve for four (4) year
terms.
2. Two (2) of the members elected shall serve for two (2) year
terms.

(e) In the second general election held to elect members of the
governing body under this chapter, four (4) of the members shall be
elected as follows:

1. Two (2) of the members shall be elected by voters from their
district and shall serve four (4) year terms.
2. Two (2) of the members shall be elected at large and shall
serve four (4) year terms.

Sec. 12. (a) A vacancy on the governing body must be filled
temporarily by the governing body as soon as practicable after the
vacancy occurs.

(b) A member chosen by the governing body to fill a vacancy holds
office for the remainder of the unexpired term and shall be chosen
from the same district as the vacating member if the vacating member
held a district position.

Chapter 16. School Corporation Organization; Miscellaneous
Provisions

Sec. 1. If a united school corporation is created from existing school
corporations that are each entirely located in one (1) county, the
county committees of the counties in which the school corporations are
located shall jointly prepare a plan for the united school corporation.
For the purpose of submission to the state board, the plan shall be
included in the comprehensive plan of the county that has the largest
number of students residing in the proposed united school corporation. If an existing school corporation from which a united school corporation is created contains territory in two (2) or more counties, the county committee of the county containing that part of the school corporation that has the most students shall include the entire corporation in its plan in the absence of a written agreement with the county committee of the adjoining county to the contrary.

Sec. 2. (a) Reorganization plans approved before March 15, 1963, by the state board are void on March 15, 1963, except with respect to any community school corporation where:

(1) any plan has received a majority affirmative vote at an election;
(2) the plan has been certified by the clerk of the circuit court as being petitioned in by fifty-five percent (55%) or more of the registered voters for any such reorganized school corporation and notice has been published by the county committee under sections 1 and 6 of this chapter and IC 20-23-4-11 through IC 20-23-4-17, IC 20-23-4-20 through IC 20-23-4-23, IC 20-23-4-42, and IC 20-23-4-43; or
(3) the plan provides for a school corporation meeting the qualifications for formation of a community school corporation under IC 20-23-4-16.

(b) The county committee and other government officials shall, with respect to any such voided reorganization plan, take all actions necessary for the preparation of a comprehensive plan as if a prior plan had not been submitted, and within the time prescribed by IC 20-23-4-5 through IC 20-23-4-10 and IC 20-23-16-1.

Sec. 3. With respect to a proposed community school corporation formed out of two (2) or more school corporations operating a joint high school that has an enrollment of at least six hundred (600) in grades 9 through 12 at the time of the adoption of a preliminary plan adopted under IC 20-23-4-5 through IC 20-23-4-10, IC 20-23-16-1, and IC 20-23-16-2, the preliminary plan or final plan adopted under IC 20-23-4-5 through IC 20-23-4-10, IC 20-23-16-1, and IC 20-23-16-2 may provide for a board of nine (9) members.

Sec. 4. (a) This section applies to each school corporation.

(b) Each governing body created under this chapter may annually levy the amount of taxes that;

(1) in the judgment of the governing body; and
(2) made a matter of record in the minutes;
should be levied to produce income sufficient to conduct and carry on the public schools committed to the governing body.

(c) The governing body shall annually levy a rate that will produce a sum sufficient to meet all payments of principal and interest as they mature in the year for which the levy is made on the:

(1) bonds;
(2) notes; or
(3) other obligations;

of the community school corporation.

(d) The power of the governing body in making tax levies shall be exercised within existing statutory limits. The levies:

(1) are subject to the same review as school city levies; and
(2) shall be at a uniform and equal rate on all taxable property located within the boundaries of the community school corporation.

Sec. 5. School corporations adjacent to rejected segments of proposed reorganized school corporations shall accept on transfer, in the manner required by law, pupils of the rejected school corporation territory.

Sec. 6. If:

(1) a plan has been approved by any county committee or committees and by the state board before March 10, 1961;
(2) the plan provides for election of the members of the board of school trustees of the community or united school corporation; and
(3) the first board of trustees has not yet been selected;

the plan may be amended by the county committee or committees with the approval of the state board without hearing to provide for the selection of the first members in the manner provided in IC 20-23-4-31.

Sec. 7. (a) A reorganization plan may provide that the proposed community school corporation or united school corporation shall pay to each:

(1) civil township;
(2) civil city; or
(3) civil town;

located in the corporation that has issued school aid bonds, before the due date of the bonds, amounts sufficient to pay principal and interest on school aid bonds.

(b) As an alternative to subsection (a), a reorganization plan may
provide for the payment of outstanding school aid bonds of any of the foregoing civil units by:

(1) the civil townships located in the territory of the community school corporation; or

(2) the united school corporation;

with each civil township paying annually a proportionate share of the cost of the payment of the principal and interest of school aid bonds falling due each year. The proportionate share must be in the proportion that the net assessed valuation of the civil township's taxable property located within the community or united school corporation bears to the total net assessed valuation in the community or united school corporation. The annual amount shall be paid in semiannual installments on June 20 and December 20 of each year to the treasurer of the governing body of the community or united school corporation who shall in turn promptly pay over to the fiscal officer of each civil unit having outstanding school aid bonds an amount sufficient to pay the then next succeeding installment of principal and interest on the bonds.

Sec. 8. (a) If a reorganization plan provides for the payment of school aid bonds as authorized in section 7(a) or section 7(b) of this chapter, a school corporation or civil township that is required to make payments shall include in the corporation's annual budget an amount sufficient to make the payments and to levy a tax for the bonds. For civil townships, the tax may be levied only on the property located within the community or united school corporation (which constitutes a special taxing district), and is in addition to all taxes previously authorized. The levy is reviewable by other bodies with authority to ascertain that the levy is sufficient to raise the amount required to meet the payments.

(b) Payments under this section may not be required before the first June 20 following the first August 1 after the proposed community school corporation or united school corporation has come into existence.

Sec. 9. In a community or united school corporation formed before March 11, 1961, the civil townships shall:

(1) make the payments as provided in section 7(b) of this chapter; and

(2) levy taxes as provided in section 8 of this chapter as if the provision had been included in the reorganization plan adopted.

Sec. 10. In a community school corporation formed before or after
July 26, 1967, the board of school trustees:

(1) may by resolution provide for making payments to civil townships as provided in section 7(a) of this chapter; and

(2) shall levy taxes as provided in section 8 of this chapter as if the provision had been included in the reorganization plan adopted.

Sec. 11. (a) In a county having a population of more than one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000), if, after April 17, 1963:

(1) proceedings have been undertaken in good faith to form a community school corporation by the consolidation of two (2) or more prior established school corporations;

(2) the community school corporation is held, by a final order and decision of a court, to be invalidly formed and nonexistent; and

(3) the order and decision are not subject to further judicial review;

any bonds issued (before the final order and decision of the court) in the name of the community school corporation to provide funds to be applied on the cost of construction and equipment of a school building are not invalid by reason of the final order and decision of the court but constitute the valid and binding obligation of the prior established school corporation in the territory where the school building was or is being constructed, the same as if the bonds had been validly issued in the name of the prior established school corporation.

(b) This section applies only if the bonds at the time of their issuance would have been within the limitation of indebtedness imposed by the Constitution of the State of Indiana on the prior established school corporation.

Sec. 12. (a) Except as otherwise provided with respect to the power to issue bonds under section 13 of this chapter, the governing body shall perform the duties and have all the powers vested in the governing body of a school city of the class in which the consolidated school corporation would fall on the basis of its population according to the last preceding United States census under the Indiana statutes if it were organized as a school city.

(b) If a consolidated school corporation has a population of less than two thousand (2,000), the governing body shall:

(1) perform the duties; and

(2) have all the powers vested in the governing body of a school
(c) The cost of maintaining consolidated schools shall be borne by the consolidated school corporation as a single taxing unit. Taxes to meet the cost shall be:

(1) levied by the consolidated governing body at a uniform and equal rate on all the taxable property located within the limits of the consolidated school corporation; and

(2) collected in the:
   (A) city or cities;
   (B) town or towns; and
   (C) township or townships;

in the same manner as other taxes are levied and collected.

Sec. 13. (a) When it becomes necessary to:

(1) build a new building or buildings; or

(2) make repairs or alterations on old buildings;

the governing body may build a new building or buildings or repair or alter old buildings and purchase the necessary site for new buildings.

(b) The cost of new buildings or repairs or alterations for old buildings shall be taxed against all taxable property within the corporate limits of the newly consolidated school corporation.

(c) The governing body may issue bonds of the new school corporation against the taxable property within the corporate limits of the newly consolidated school corporation to meet the cost of any new building or buildings or the repair or alteration of old buildings.

(d) Bonds authorized by this chapter shall be payable in amounts and at times the governing body determines and shall bear the rate of interest as may be determined.

(e) The board may levy and collect taxes to meet the payment of any bonds issued under this chapter. The governing body has all of the powers given to school corporations for the purchase of the real estate for school purposes by IC 20-26-7.

Sec. 14. (a) The governing body of a consolidated school corporation is governed by the Indiana laws in force for transportation of students to consolidated schools.

(b) If a consolidated school is maintained within the corporate limits of a city or town, the governing body shall provide and maintain means of transportation for all students in:

(1) elementary schools; or

(2) high schools; or
(3) both elementary schools and high schools; 
that live more than one-half (1/2) mile outside the city or town limit. 
(c) If due to: 
(1) the condition of roads or streams; or 
(2) distance; 
it is not advantageous for certain students to be transported to a 
consolidated school established and maintained under this chapter, the 
governing body may maintain separate schools and provide 
schoolhouses for the students affected by the condition of roads or 
streams or the distance to consolidated schools.

Sec. 15. (a) County school corporations may be formed in any 
county in either of the following ways: 
(1) By majority vote of the township trustees in the county. The 
township trustees shall hold an officially called public meeting to 
allow taxpayers of the county to be heard, at least ten (10) days 
following: 
(A) publication of notice of the meeting held within the county 
stating the date, time, and place of the meeting in accordance 
with IC 5-3-1; and 
(B) adoption of a resolution in which the trustees provide for 
and approve the creation of a county school corporation. 
After the actions in clauses (A) and (B) have been taken, the 
county school corporation shall be created and come into 
existence subject to the provisions and under the conditions 
prescribed in this chapter. 
(2) By action of the voters within any county in the following 
manner: 
(A) If a petition requesting a referendum in the township 
school corporations outside the cities and towns of a county: 
(i) on the question of whether the county school corporation 
shall be created; and 
(ii) signed by a number of registered voters in each school 
township in the county equal to five percent (5%) of the 
number of votes cast in that township for the office of 
secretary of state in the last general election; 
is filed in the office of the clerk of the circuit court in the 
county, the clerk shall call a meeting of the county election 
board, and the county election board shall provide for the 
referendum. 
(B) If the referendum will not be conducted at a general
election or primary election, the proper taxing authorities shall levy and appropriate funds for the referendum.

(C) The referendum shall be held:
   (i) at a special election not less than thirty (30) days after publication of notice in accordance with IC 5-3-1; or
   (ii) at the next primary or general election after the filing of the petition.

The referendum shall be submitted only to voters of the county residing in the area.

(b) The question shall be placed on the ballot in the form prescribed by IC 3-10-9-4 and must state "Shall the school townships of ________ county be formed into one county school corporation under IC 20-23-7?".

(c) If a majority of those voting on the referendum held under this section vote in the affirmative, a county school corporation shall be created and come into existence subject to the provisions and under the conditions described under this chapter. If a majority of those voting in the referendum vote in the negative, the existing school corporations and government of the school corporations remain unaffected.

Sec. 16. (a) When a county school corporation is created and comes into existence by either of the methods set forth in section 15 of this chapter, the boundaries of the county school corporation must be coterminous with the civil county, and the territories of the county school corporation must include all the territory within the county exclusive of any territory organized under or with a city or town school corporation. A township that at the time of the referendum is:

   (1) conducting any of its schools jointly; or
   (2) consolidated with any city or town under existing law;
shall continue to conduct the schools in all respects and in the same manner as before the creation of the county school corporation and the remainder of the county schools shall become a part of the county school corporation.

(b) The county school corporation shall conduct the educational activities of the county under state law with reference to public education. The control and administration of the schools of the county is vested in a county governing body whose:

   (1) composition;
   (2) duties;
   (3) manner of election; and
(4) powers;
are prescribed in this chapter.

Sec. 17. (a) At the first meeting of the board of commissioners of
the county after the creation of a county school corporation as
provided in this chapter, the board of commissioners shall divide the
school county exclusive of any cities and towns located therein into
three (3) board member districts approximately equal in population.
(b) Not more than one (1) year after the effective date of each
United States decennial census, the board of county commissioners
shall readjust the boundaries of the districts if necessary to equalize
the districts by population.

Sec. 18. (a) The:
(1) rights;
(2) powers; and
(3) duties;
of the school corporation are vested in the county governing body,
which must consist of five (5) members who have resided in the county
for at least two (2) years before taking office.
(b) The members of the governing body shall be appointed or
elected as provided in this chapter so that:
(1) there is at least one (1) member from each of the governing
body member districts; and
(2) not more than two (2) shall reside in any one (1) district.

Sec. 19. (a) The first county board of education shall be composed
of the following five (5) members:
(1) Three (3) persons residing in different governing body
member districts elected by the trustees of the townships
included in the county school corporation in a meeting called by
the county superintendent of schools and held to elect governing
body members not more than one (1) week after the
establishment of the governing body member districts by the
board of commissioners.
(2) Two (2) members appointed by the judge of the circuit court
from different governing body member districts.
Appointments made under this section shall be filed with the clerk of
the circuit court not later than the day following the elections and
appointments. The members of the county governing body shall serve
until successors are elected or appointed and qualified.
(b) The first meeting of the first board of education shall be held
not more than one (1) month after the creation of the county school
corporation. The meeting shall be called by the county superintendent of schools. At the first meeting the governing body shall organize.

(c) During the first ten (10) days of each succeeding July the governing body shall reorganize by electing a:

1. president;
2. vice president;
3. secretary; and
4. treasurer.

(d) The secretary of the governing body shall keep an accurate record of the minutes of the governing body. The minutes shall be kept in the county superintendent’s office. The county superintendent shall:

1. act as administrator of the governing body; and
2. carry out acts and duties as designated by the governing body.

(e) A quorum consists of a majority of the members of the governing body and is required for the transaction of business. The vote of a majority of those present is required for any:

1. motion;
2. ordinance; or
3. resolution;

to pass.

(f) The governing body shall:

1. conduct its affairs as prescribed for the conduct of county governing bodies;
2. hold its meetings at:
   (A) the office of the county superintendent of schools; or
   (B) a place mutually designated by the:
      (i) governing body; and
      (ii) the superintendent; and
3. maintain all records and transact all business from a place designated under subdivision (2).

(g) The county governing body may pay each member of the governing body:

1. a reasonable per diem for service on the governing body not to exceed one hundred twenty-five dollars ($125) annually; and
2. mileage from the home of a governing body member to the place of meeting within the county. The mileage rate shall be determined by the county fiscal body.

Sec. 20. The transfer of:

1. powers;
(2) duties;
(3) property;
(4) property rights;
(5) other assets;
(6) liabilities;
(7) contracts, both as to rights and obligations; and
(8) all else connected with the transfer of authority from existing school corporations to the county school corporation;
shall take place at the time of the first meeting of the first governing body within one (1) month after the creation of the governing body and are vested in the county school corporation at the time of the meeting.

Sec. 21. (a) At the time provided under IC 3-8-2-4 for filing a declaration of candidacy for the primary election following the creation of the county school corporation as provided in this chapter, nominations for members of the governing body of the county school corporation shall be:
(1) made by a petition signed by:
   (A) the nominee; and
   (B) ten (10) voters of the county residing in the same governing body member district as the nominee; and
(2) filed with the clerk of the circuit court in the county; and
(3) listed:
   (A) by governing body member districts on the primary election ballot as prescribed by IC 3-10-1-19; and
   (B) without party designation.
(b) Voting and tabulation of votes shall be conducted in the same manner as in primary elections under IC 3-10-1. The candidates elected:
(1) from each governing body member district; and
(2) at large;
are the persons having the greatest number of votes.
(c) If:
(1) in the first election more than two (2) candidates in any one governing body member district are among those who received the greatest number of votes; or
(2) in any subsequent election more than one (1) person shall be among those who received the greatest number of votes;
the candidate or candidates respectively receiving the next greatest number of votes in other board member districts respectively shall be
declared elected.

(d) If there is a tie vote for any candidates, the judge of the circuit court shall select one (1) of the candidates who shall be declared and certified elected.

(e) If a vacancy occurs on the governing body for any reason, including the failure of the sufficient number of petitions for candidates being filed, the judge of the circuit court shall fill the vacancy by appointing a person from the respective governing body member district or districts to serve for the term or balance of terms.

(f) At the first primary election in which members of the county board of education are elected, the:

1. three (3) candidates who receive the highest number of votes in each of the board member districts shall be elected for four (4) year terms; and
2. two (2) candidates from different districts receiving the next highest number of votes respectively shall be elected for two (2) year terms.

(g) All candidates for membership on the county governing body shall:

1. be voted upon by the voters in the county school corporation district only;
2. be elected for four (4) year terms after the first election; and
3. take office and assume their duties one (1) week after election.

Sec. 22. (a) The county governing body shall appoint a county superintendent of schools who shall serve under contract in the same manner and under the same laws that govern the employment and service of other licensed school personnel.

(b) The salary and expense allowance of the superintendent shall be fixed by the governing body.

(c) The original contract of the superintendent must be for a term of from three (3) to five (5) years. The superintendent may be elected for succeeding terms of from three (3) to five (5) years.

(d) Appointments to fill a vacancy in the position of county superintendent of schools:

1. may be made at any time; and
2. shall be so made as to coincide with this chapter.

(e) The governing body shall:

1. act upon the recommendations of the county superintendent of schools; and
2. make all other decisions and perform all other duties that fall
within the general framework of the laws of Indiana.

(f) The county superintendent shall serve as county superintendent for the balance of the term for which the superintendent was last elected or appointed at the same salary. The salary shall be paid from the source specified in the contract between the governing body and the superintendent unless by action of the county governing body of the county school corporation the superintendent's salary shall be increased.

(g) At the expiration of the contract between the superintendent and the governing body or, if the superintendent dies or resigns, appointment and salary of the county superintendent of schools shall be:

(1) made;
(2) set; and
(3) paid;
as provided in this chapter.

Sec. 23. The duties of the county superintendent of schools include:

(1) Acting as general administrator of the school corporation.
(2) Making recommendations to the governing body concerning:
   (A) the conduct of the schools;
   (B) the employment and dismissal of personnel;
   (C) the purchase of supplies;
   (D) the construction of buildings; and
   (E) all other matters pertaining to the conduct of the schools within the framework of the school laws of this state.
(3) Attending all meetings of the governing body except when the superintendent's reappointment is under consideration.
(4) Carrying out the orders of the governing body.
(5) Making all other decisions and performing all other duties that are prescribed by law or that fall within the superintendent's proper and logical jurisdiction.

Sec. 24. (a) The governing body shall:

(1) make decisions pertaining to the general conduct of the schools, which shall be enforced as recorded in the minutes prepared by the secretary of the governing body; and
(2) subject to provisions in this chapter, shall exercise all powers previously exercised:
   (A) under the law:
      (i) by or through township trustees;
      (ii) meetings; or
(iii) petitions of the township trustees of the county or county boards of education; previously existing.

(b) The duties of the:
   (1) township trustee;
   (2) county board; and
   (3) county boards of education; insofar as the conduct of public schools is concerned are abolished as of noon on the day the county school corporation is created and comes into existence under this chapter.

(c) The county superintendent of schools and other persons employed for administrative or supervisory duties are supervisors of instruction.

(d) The government of the common schools of the county is vested in the governing body. The governing body shall function with all the authority, powers, privileges, duties, and obligations previously granted to or required of school cities and their governing bodies generally under the laws concerning the:
   (1) purchase of supplies;
   (2) purchase and sale of:
      (A) buildings;
      (B) grounds; and
      (C) equipment;
   (3) erection of buildings;
   (4) employment and dismissal of school personnel;
   (5) insuring of property and employees;
   (6) levying and collecting of taxes;
   (7) making and execution of a budget;
   (8) borrowing of money; and
   (9) payment of the salaries and expenses of the county superintendent and employees as approved by the governing body.

(e) The school corporation is a body corporate and politic by the name and style of "The County School Corporation of ______ County, Indiana" with the right to prosecute and defend suits and shall act in any manner necessary to the proper administration of the common schools of the county.

(f) School corporations shall be vested with all rights, titles, and interests of the respective predecessor township and town school corporations terminated in all the:
(1) real;
(2) personal; and
(3) other property of any nature;
from whatever source derived.

(g) School corporations shall assume, pay, and be liable for all the:
(1) indebtedness;
(2) obligations;
(3) liabilities; and
(4) duties;
of the predecessor corporations from whatever source derived and
however arising.

(h) School corporations shall institute and defend suits arising out
of:
(1) liabilities;
(2) obligations;
(3) duties; and
(4) rights;
assumed under this section as a county school corporation.

(i) The treasurer, before entering upon the duties of office, shall
execute a bond to the acceptance of the county auditor in an amount
equal to the largest sum of money that will be in the possession of the
treasurer at any one time, conditioned as an ordinary official bond,
with a reliable surety company or at least two (2) sufficient freehold
sureties, who may not be members of the governing body as surety or
sureties on the bond.

(j) The president and the secretary shall each give bond, with like
surety or sureties, to be approved by the county auditor, in the sum of
one-fourth (1/4) of the amount of the bond of the treasurer under
subsection (i).

(k) Governing bodies may purchase bonds from a reliable surety
company and pay for them out of the special school revenue of their
counties.

(l) The powers in this section shall not be considered as limiting or
construed to limit the power and authority of a governing body to the
powers expressly conferred or to restrict or modify any powers or
authority granted by any other law not in conflict with this section.

(m) Every governing body may annually levy taxes necessary to
produce income sufficient to conduct and carry on the common
schools committed to the governing body. The levy must be a matter
of record in the minutes of the governing body. The governing body
shall annually levy a rate and levy that will produce a sum sufficient to meet all payments of principal and interest as they will mature in the year for which the levy is made on the:

1. bonds;
2. notes; or
3. other obligations;

of the governing body. The power of the governing body in making tax levies shall be exercised within existing statutory limits. The levies are subject to the same review as school city levies.

Sec. 25. A metropolitan superintendent of schools shall:
1. act as the general administrator of the metropolitan school district; and
2. make recommendations to the board concerning:
   A. the conduct of the schools;
   B. the employment and dismissal of personnel;
   C. the purchase of supplies;
   D. the construction of buildings; and
   E. other matters pertaining to the conduct of the school within the framework of the school laws of this state;
3. attend meetings of the board except when the superintendent's reappointment is under consideration;
4. carry out the orders of the board; and
5. make other decisions and perform other duties that are prescribed by law.

Sec. 26. (a) A metropolitan board of education shall:
1. make decisions pertaining to the general conduct of the schools, and these decisions shall be enforced and entered into the minutes recorded by the secretary of the board; and
2. exercise powers previously exercised under the law, by or through:
   A. township trustees;
   B. meetings or petitions of the township trustees of the county; and
   C. county boards of education previously existing.

The offices of township trustee or county board or county boards of education as far as the conduct of public schools is concerned are abolished as of noon on the day the metropolitan school district is created and comes into existence.

(b) The metropolitan superintendent of schools and other persons employed for administrative or supervisory duties may be considered
to be supervisors of instruction and are eligible, subject to the rules adopted by the state board, to qualify for teaching units in accordance with law.

(c) The government of the common schools of a district is vested in the board. The board shall function with the authority, powers, privileges, duties, and obligations previously granted to or required of school cities and their governing boards regarding the:

1. purchase of supplies;
2. purchase and sale of:
   - buildings;
   - grounds;
   - equipment;
3. erection of buildings;
4. employment and dismissal of school personnel;
5. insuring property and employees;
6. levying and collecting of taxes;
7. making and executing of a budget;
8. borrowing money; and
9. paying the salaries and expenses of the:
   - county superintendent; and
   - employees;
as approved by the board.

(d) A board is a body corporate and politic by the name and style of "The Metropolitan School District of ________, Indiana" with the right to prosecute and defend suits and shall act as necessary to the proper administration of the common schools of the county.

(e) The school district shall:
1. be vested with rights, titles, and interests of the district's predecessor township or town school corporations;
2. assume, pay, and be liable for the:
   - indebtedness;
   - obligations;
   - liabilities; and
   - duties;
of the predecessor corporations from whatever source derived; and
3. institute and defend suits arising out of the school district's:
   - liabilities;
   - obligations;
   - duties; and
(D) rights;
assumed by a metropolitan school district.

(f) The treasurer, before entering upon the duties of the office, shall
execute a bond to the acceptance of the county auditor. The bond may
not be greater than the largest sum of money that will be in the
possession of the treasurer at any one (1) time. The board of education
may purchase the bond from a reliable surety company and pay for
it out of the special school revenue of the metropolitan district.

(g) The powers set forth in this section shall not be considered as or
construed to:

(1) limit the power and authority of a school board; or
(2) restrict or modify powers or authority granted by another
law not in conflict with the provisions of this section.

(h) A board may annually levy taxes, and the decision to levy taxes
shall be recorded in the board's minutes. Taxes should be levied to
produce income sufficient to conduct the common schools committed
to the board. A board shall annually levy a rate that will produce a
sum sufficient to meet payments of principal and interest that will
mature in the year that the levy is made on the bonds, notes, or other
obligations of the board. The power of a board in making tax levies
shall be exercised within statutory limits and levies are subject to the
same review as school city levies.

Sec. 27. The boards of education of a county or metropolitan school
district created under this chapter may levy and collect taxes to
operate the schools of the district in the same manner and with the
same supervision that taxes are levied and collected by cities and
towns.

Sec. 28. A county school corporation or metropolitan school district
formed or operating under Acts 1949, c.227, on March 13, 1959, shall,
after that date, be governed, have the powers, and operate in
accordance with the provisions of this chapter in the same manner as
though it had been formed in accordance with this chapter.

Sec. 29. The following definitions apply throughout this chapter:

(1) "Acquiring school corporation" means the school corporation
that acquires territory as a result of an annexation by a city or
town.
(2) "Annex", "annexing", or "annexation" means an act of a city
or town, including but not limited to:

(A) annexation;
(B) incorporation of the city or town; and
(C) formation in a city or town of a city or town school corporation, if territory is acquired by one (1) school corporation from another school corporation.

(3) "Annexed territory" means the territory acquired from an original school corporation as a result of annexation by a city or town.

(4) "Depreciated replacement cost" of a building means the then cost of replacing the building with a comparable building built by then current methods and designs and providing the same general facilities, reduced by the sum of the following amounts:

(A) that part of the replacement cost that is equal to that part of the useful life of the building that has expired at that time; plus

(B) the additional amount that is necessary to reflect an obsolescence or damage that is not reasonably made by the reduction specified in clause (A).

(5) "Indebtedness of an original school corporation" means indebtedness on account of unpaid bonds of the original school corporation or its predecessors in interest.

(6) "Original school corporation" means a school corporation that loses territory to an acquiring school corporation by annexation.

(7) "Real property" means land, buildings, and interests in real estate located in the annexed territory and owned by the original school corporation at the time of annexation.

Sec. 30. (a) If a city or town annexes territory where real property of the original school corporation is located at the time of the annexation, the real property shall become the property of the acquiring school corporation. The acquiring school corporation shall make the payments provided by this section.

(b) If the original school corporation is indebted at the time of annexation for the acquisition or construction of real property, the acquiring school corporation shall assume and pay installments of principal and interest that fall due on the indebtedness after the end of the last calendar year that the original school corporation is entitled to receive current tax receipts from property tax levies on the property in the annexed territory.

(c) The acquiring school corporation shall make payments to the original school corporation as the agent for payment to the holders of the indebtedness. Indebtedness must include the proceeds that were
spent for:
   (1) the costs of acquisition or construction of the real property;
   (2) the architects' fees;
   (3) the attorney's fees;
   (4) other costs attributable to the acquisition or construction; and
   (5) the issuance or securing of indebtedness.
(d) The acquiring school corporation shall pay to the original school corporation the present value of the real property, less the principal amount of the indebtedness at the time of annexation.
(e) The present value of land that is a part of the real property means the present market value of the land.
(f) The present value of a building that is a part of the real property means the depreciated replacement cost of the building.
(g) A majority vote of three (3) appraisers shall determine the present value of the real property. The appraisers must include:
   (1) one (1) appraiser to be selected by the governing body of the original school corporation;
   (2) one (1) appraiser to be selected by the governing body of the acquiring school corporation; and
   (3) one (1) appraiser chosen by the appraisers selected under subdivisions (1) and (2).
If the appraisers fail to agree upon an appraiser under subdivision (3), the judge of the circuit court in the county where the real property to be appraised is located upon a motion of either school corporation shall appoint the third appraiser.
(h) On payment by the acquiring school corporation of the present value of the real property less indebtedness, the acquiring school corporation is entitled to a deed for the real property from the original school corporation.
Sec. 31. (a) If:
   (1) a city or town annexes territory; and
   (2) the original school corporation at the time of annexation has outstanding indebtedness, other than the indebtedness to be paid by the acquiring school corporation under section 30 of this chapter;
the city or town shall assume and pay the original school corporation's indebtedness and part of the installments of principal and interest due on the indebtedness after the end of the last calendar year that the original school corporation is entitled to receive current tax receipts from property tax levies on the property in the annexed territory.
(b) The proportion must be the same proportion as the valuation of the real property in the annexed territory bears to the valuation of the real property in the original school corporation, as the real property is assessed for general taxation immediately before the annexation. The payments shall be made to the original school corporation as the agent for payment to the holders of the indebtedness.

Sec. 32. Annexation of territory by a city or town is not effective if, as a result of the annexation, the liability of the city or town or of the acquiring school corporation will cause the entire indebtedness of the city or town or of the acquiring school corporation to exceed the constitutional limitation.

Sec. 33. This chapter may not be construed to permit or prohibit an annexation, except as provided in section 32 of this chapter, or to determine whether or to what extent an action by a city or town shall cause territory in an original school corporation to be acquired by another school corporation.

Sec. 34. This chapter applies to all annexations. The rights, privileges, or duties from the benefit of or imposed upon a municipal corporation on or after March 9, 1959, arising on account of an annexation occurring before March 9, 1959, shall remain unimpaired and shall be exercised and enforced as if the following statutes had not been repealed:

Acts 1893, c.109, s.1
Acts 1919, c.84
Acts 1927, c.219
Acts 1935, c.158.

Sec. 35. The following definitions apply in this section and sections 36 through 40 of this chapter:

(1) "Annexed territory" means the territory annexed from an original school corporation by a city or town.
(2) "Annexing school corporation" means the school corporation of a city or town that annexes territory.
(3) "City" or "town" means a city or town that conducts its school as a school city, school town, or as part of a consolidated or metropolitan school corporation.
(4) "Original school corporation" means a school corporation from whom territory is annexed.
(5) "Tax receipts" means the amounts received from the tax levy for the tuition and special school funds by the original school
corporation from the annexed territory.

Sec. 36. If a city or town has:
(1) annexed territory from an original school corporation; and
(2) assumed the responsibility for providing educational facilities
for the school age children residing in the annexed territory
before the end of the calendar year when the annexation occurs;
the auditor or auditors of the county or counties where the annexed
territory is located shall pay to the treasurer of the annexing school
corporation a proportion of the tax receipts payable in the year equal
to the number of months and any major fraction of a month, excluding
in the calculation any time falling within the summer recess, during
which the annexing school corporation provides the educational
facilities divided by nine (9).

Sec. 37. If a city or town has:
(1) annexed territory from an original school corporation after
March 1 of a calendar year; and
(2) assumed the responsibility for providing educational facilities
for the school age children residing in the annexed territory
during the calendar year following the year when the annexation
occurs;
the auditor or auditors of the county or counties where the annexed
territory is located shall pay to the treasurer of the annexing school
corporation a proportion of the tax receipts payable in the following
calendar year equal to the number of months and any major fraction
of a month, excluding in the calculation any time falling within the
summer recess, when the annexing school corporation provides the
educational facilities during the following calendar year divided by
nine (9).

Sec. 38. If the annexing school corporation assumed the
responsibility for providing educational facilities for only a part of
the school age children residing in the annexed territory during a period,
the school corporation shall receive a proportion of the amounts to be
received by it under sections 36 and 37 of this chapter during the
period, equal to the proportion of the children that the school
corporation is responsible for compared to the total number of
children in the annexed territory.

Sec. 39. (a) The governing bodies of the annexing and original
school corporations may mutually agree upon a date that the annexing
school corporation shall assume responsibility for providing facilities
for all or a part of the school age children residing in the annexed
territory, and payment provided in sections 36, 37, and 38 of this chapter may not be made until the annexing school corporation has assumed responsibility for providing educational facilities.

(b) In the absence of an agreement described in subsection (a), the annexing school corporation shall assume responsibility for providing educational facilities on the first day of July succeeding the annexation. The payment under this chapter to the annexing school corporation, on account of taxes collected in the name of the original school corporation for a calendar year, may not exceed the amount that would be due from the original school corporation to the annexing school corporation for transfer tuition for the part of the year that the children from the annexed territory were educated by the annexing school corporation, had the children still been residents during the time of the original school corporation.

(c) The amount of transfer tuition in subsection (b) shall be computed on the basis of the per capita cost of maintaining the school or schools of the annexing school corporation for the school year ending within the calendar year that tax receipts are to be paid to the annexing school corporation. The per capita cost shall be determined in the manner provided by Indiana law governing the computation of transfer tuition costs.

Sec. 40. This chapter does not apply to an annexation by a city or town in a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). Sections 35 through 39 of this chapter do not require the transfer of territory from one (1) school corporation to another in the county, as a result of an annexation by a city or town in the county.

Sec. 41. (a) School boards, boards of school trustees, boards of school commissioners, and school township trustees may hire and fix the salaries for clerical personnel as necessary to assist principals of schools in which at least twelve (12) teachers are employed.

(b) The board or trustees that hire personnel under subsection (a) may pay the salaries of the personnel out of the special school funds belonging to their respective school corporations in the manner provided by law for the payment of other school expenses.

SECTION 8. IC 20-24 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

   ARTICLE 24. CHARTER SCHOOLS
Chapter 1. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "ADM of the previous year" or "ADM of the prior year" has the meaning set forth in IC 21-3-1.6-1.1(m).
Sec. 3. "Charter" means a contract between an organizer and a sponsor for the establishment of a charter school.
Sec. 4. "Charter school" means a public elementary school or secondary school established under this article that:
   (1) is nonsectarian and nonreligious; and
   (2) operates under a charter.
Sec. 5. "Conversion charter school" means a charter school established under IC 20-24-11 by the conversion of an existing school into a charter school. The term includes a new school to which students from other schools in the school corporation are assigned or transferred.
Sec. 6. "Current ADM" has the meaning set forth in IC 21-3-1.6-1.1(n).
Sec. 7. "Organizer" means a group or an entity that:
   (1) has been determined by the Internal Revenue Service to be operating under nonprofit status or has applied for such determination; and
   (2) enters into a contract under this article to operate a charter school.
Sec. 8. "Proposal" refers to a proposal from an organizer to establish a charter school.
Sec. 9. "Sponsor" means, for a charter school, one (1) of the following:
   (1) A governing body.
   (2) A state educational institution (as defined in IC 20-12-0.5-1) that offers a four (4) year baccalaureate degree.
   (3) The executive (as defined in IC 36-1-2-5) of a consolidated city.

Chapter 2. Charter Schools Generally
Sec. 1. A charter school may be established under this article to provide innovative and autonomous programs that do the following:
   (1) Serve the different learning styles and needs of public school students.
   (2) Offer public school students appropriate and innovative choices.
   (3) Provide varied opportunities for professional educators.
(4) Allow public schools freedom and flexibility in exchange for exceptional levels of accountability.
(5) Provide parents, students, community members, and local entities with an expanded opportunity for involvement in the public school system.

Sec. 2. A charter school is subject to all federal and state laws and constitutional provisions that prohibit discrimination on the basis of the following:
(1) Disability.
(2) Race.
(3) Color.
(4) Gender.
(5) National origin.
(6) Religion.
(7) Ancestry.

Chapter 3. Establishment of Charter Schools

Sec. 1. A sponsor may grant a charter to an organizer to operate a charter school under this article.

Sec. 2. A sponsor may not grant a charter to a for-profit organizer.

Sec. 3. The organizer's constitution, charter, articles, or bylaws must contain a clause providing that upon dissolution:
(1) all remaining assets, except funds specified in subdivision (2), shall be used for nonprofit educational purposes; and
(2) remaining funds received from the department shall be returned to the department not more than thirty (30) days after dissolution.

Sec. 4. (a) An organizer may submit to the sponsor a proposal to establish a charter school.

(b) A proposal must contain at least the following information:
(1) Identification of the organizer.
(2) A description of the organizer's organizational structure and governance plan.
(3) The following information for the proposed charter school:
   (A) Name.
   (B) Purposes.
   (C) Governance structure.
   (D) Management structure.
   (E) Educational mission goals.
   (F) Curriculum and instructional methods.
   (G) Methods of pupil assessment.
(H) Admission policy and criteria, subject to IC 20-24-5.
(I) School calendar.
(J) Age or grade range of students to be enrolled.
(K) A description of staff responsibilities.
(L) A description and the address of the physical plant.
(M) Budget and financial plans.
(N) Personnel plan, including methods for selection, retention, and compensation of employees.
(O) Transportation plan.
(P) Discipline program.
(Q) Plan for compliance with any applicable desegregation order.
(R) The date when the charter school is expected to:
   (i) begin school operations; and
   (ii) have students attending the charter school.
(S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.
(4) The manner in which the sponsor must conduct an annual audit of the program operations of the charter school.
(c) This section does not waive, limit, or modify the provisions of:
   (1) IC 20-29 in a charter school where the teachers have chosen to organize under IC 20-29; or
   (2) an existing collective bargaining agreement for noncertificated employees (as defined in IC 20-29-2-11).
Sec. 5. (a) This section applies only to a sponsor that is the executive of a consolidated city.
   (b) Before issuing a charter, the sponsor must receive the approval of a majority of the members of the legislative body (as defined in IC 36-1-2-9) of the consolidated city for the establishment of a charter school. The sponsor may issue charters for charter schools located in the consolidated city.
Sec. 6. (a) Except as provided in subsection (b), if a governing body grants a charter to establish a charter school, the governing body must provide a noncharter school that students of the same age or grade levels may attend.
   (b) The department may waive the requirement that a governing body provide a noncharter school under subsection (a) upon the request of the governing body.
Sec. 7. The sponsor may revoke the charter of a charter school that
does not, by the date specified in the charter:
   (1) begin school operations; and
   (2) have students attending the charter school.

Sec. 8. Before granting a charter under which more than fifty percent (50%) of the students in a school corporation will attend a charter school, the governing body of the school corporation must receive the approval of the department.

Sec. 9. A sponsor must notify an organizer that submits a proposal under section 4 of this chapter of the:
   (1) acceptance of the proposal; or
   (2) rejection of the proposal;
not later than sixty (60) days after the organizer submits the proposal.

Sec. 10. (a) A sponsor must notify the department of the following:
   (1) Receipt of a proposal.
   (2) Acceptance of a proposal.
   (3) Rejection of a proposal, including the reasons for the rejection.
   (b) The department shall annually do the following:
      (1) Compile the information received under subsection (a) into a report.
      (2) Submit the report in an electronic format under IC 5-14-6 to the legislative council.

Sec. 11. If a sponsor rejects a charter school proposal, the organizer may:
   (1) amend the charter school proposal and resubmit the proposal to the same sponsor;
   (2) submit a charter school proposal to another sponsor; or
   (3) appeal the decision to the charter school review panel established by section 12 of this chapter.

Sec. 12. (a) This section applies if the sponsor rejects a proposal.
   (b) The organizer may appeal the decision of the sponsor to the charter school review panel established by subsection (c).
   (c) The charter school review panel is established. The members of the panel are as follows:
      (1) The governor or the governor's designee.
      (2) The state superintendent, who shall chair the panel.
      (3) A member of the state board appointed by the state superintendent.
      (4) A person with financial management experience appointed by the governor.
(5) A community leader with knowledge of charter school issues appointed jointly by the governor and the state superintendent. A member shall serve a two (2) year term and may be reappointed to the panel upon expiration of the member’s term.

(d) All decisions of the panel shall be determined by a majority vote of the panel’s members.

(e) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the sponsor's reasons for rejecting the proposal. The panel must allow the organizer and sponsor to participate in the meeting.

(f) After the panel meets under subsection (e), the panel shall make one (1) of the following findings and issue the finding to the organizer and the sponsor:

1. A finding that supports the sponsor's rejection of the proposal.
2. A finding that:
   A. recommends that the organizer amend the proposal; and
   B. specifies the changes to be made in the proposal if the organizer elects to amend the proposal.
3. A finding that approves the proposal.

The panel shall issue the finding not later than forty-five (45) days after the panel receives the request for review.

(g) If the panel makes a finding described in subsection (f)(1), the finding is final.

(h) If the panel makes a finding described in subsection (f)(2), the organizer may amend the proposal according to the panel's recommendations and resubmit the proposal directly to the panel.

(i) If the panel makes a finding described in subsection (f)(3), the proposal is considered conditionally approved. The approval shall be considered final upon delivery to the panel of written notice from the organizer and an eligible sponsor that the sponsor has agreed to serve as a sponsor for the proposal approved by the panel.

(j) Proposals approved under this section shall not be counted under any numerical limits placed upon a sponsor or set of sponsors.

Sec. 13. (a) The department shall monitor the number of charter schools approved by universities.

(b) Not more than six (6) months after twenty (20) charter schools have been approved by universities, the department shall issue a report to the charter school review panel identifying:

1. the purpose and organization of all charter schools sponsored
by universities;
(2) the procedure by which charter schools have been approved and monitored by university sponsors; and
(3) recommendations regarding the future of university sponsorships.
(c) The report issued under subsection (b) shall be submitted in an electronic format under IC 5-14-6 to the legislative council.
Sec. 14. (a) This section applies to university sponsors.
(b) Except as provided in subsection (c), the ultimate responsibility for choosing to sponsor a charter school and responsibilities for maintaining sponsorship rest with the university’s board of trustees.
(c) The university’s board of trustees may vote to assign sponsorship authority and sponsorship responsibilities to another person or entity that functions under the direction of the university’s board. A decision made under this subsection shall be communicated in writing to the department and the charter school review panel.
(d) Before a university may sponsor a charter school, the university must conduct a public meeting with public notice in the county where the charter school will be located.
Sec. 15. (a) This section applies to charter schools sponsored by the mayor of a consolidated city.
(b) The number of charter schools may not be more than five (5) during the 2001 calendar year.
(c) During each year after calendar year 2001, the maximum number of charter schools is increased by five (5).
(d) The limits resulting from subsections (b) and (c) are cumulative from year to year. However, there may not be any accumulation during the period beginning January 1, 2003, and ending December 31, 2005.
Sec. 16. An entity or multiple divisions of the same entity may not serve simultaneously as both the organizer and the sponsor of the same charter school.
Chapter 4. The Charter
Sec. 1. A charter must meet the following requirements:
(1) Be a written instrument.
(2) Be executed by a sponsor and an organizer.
(3) Confer certain rights, franchises, privileges, and obligations on a charter school.
(4) Confirm the status of a charter school as a public school.
(5) Be granted for:
(A) not less than three (3) years; and
(B) a fixed number of years agreed to by the sponsor and the organizer.

(6) Provide for:
(A) a review by the sponsor of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect; and
(B) renewal, if the sponsor and the organizer agree to renew the charter.

(7) Specify the grounds for the sponsor to:
(A) revoke the charter before the end of the term for which the charter is granted; or
(B) not renew a charter.

(8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:
(A) Evidence of improvement in:
   (i) assessment measures, including the ISTEP program and the graduation examination;
   (ii) attendance rates;
   (iii) graduation rates (if appropriate);
   (iv) increased numbers of Core 40 diplomas (if appropriate); and
   (v) increased numbers of academic honors diplomas (if appropriate).
   (B) Evidence of progress toward reaching the educational goals set by the organizer.

(9) Describe the method to be used to monitor the charter school's:
   (A) compliance with applicable law; and
   (B) performance in meeting targeted educational performance.

(10) Specify that the sponsor and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.

(11) Describe specific operating requirements, including all the matters set forth in the application for the charter.

(12) Specify a date when the charter school will:
(A) begin school operations; and

(B) have students attending the charter school.

(13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.

(14) Specify that records provided by the charter school to the department or sponsor that relate to compliance by the organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.

(15) Specify that the charter school is subject to the requirements of IC 5-14-1.5.

Chapter 5. Student Admissions and Enrollment

Sec. 1. Except as provided in this chapter, a charter school that is not a conversion charter school must be open to any student who resides in Indiana.

Sec. 2. (a) A student may attend a charter school outside the district in which the student resides if the student's parent determines that an academic program at the charter school would enhance the student's academic opportunities.

(b) If the governing body of the school corporation in which the student resides determines that a transfer would not improve the student's academic opportunities, the governing body may appeal to the state board. Not later than forty-five (45) days after receiving the appeal, the state board shall conduct a hearing and decide whether to uphold or reverse the parent's decision to enroll the student in the charter school.

(c) During the state board's consideration, the parents of the student may testify, but the governing body has the burden of proof for demonstrating that the charter school does not provide additional or unique academic opportunities that exceed those available at the school corporation.

Sec. 3. Except as provided in this chapter, a conversion charter school must be open to any student residing in the local school corporation. By joint agreement of the sponsor and organizer, a conversion charter school may enroll students residing outside the local school corporation.

Sec. 4. Except as provided in this chapter, a charter school may not establish admission policies or limit student admissions in any manner
Sec. 5. (a) Except as provided in subsections (b), (c), and (d), a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission.

(c) A charter school may limit new admissions to the charter school to:

1. ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; and
2. allow the siblings of a student who attends a charter school to attend the charter school.

(d) This subsection applies to an existing school that converts to a charter school under IC 20-24-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

1. those students who were enrolled in the charter school on the date of the conversion; and
2. siblings of students described in subdivision (1).

Chapter 6. Employment of Teachers and Other Personnel; Collective Bargaining

Sec. 1. (a) Except as provided in subsection (b), individuals who work at a charter school are employees of the charter school or of an entity with which the charter school has contracted to provide services.

(b) Teachers in a conversion charter school are employees of both the charter school and the school corporation that sponsored the charter school. For purposes of the collective bargaining agreement, conversion charter school teachers are considered employees of the school corporation that sponsored the charter school.

(c) All benefits accrued by teachers as employees of the conversion charter school are the financial responsibility of the conversion charter school. The conversion charter school shall pay those benefits directly or reimburse the school corporation for the cost of the benefits.
(d) All benefits accrued by a teacher during the time the teacher was an employee only of the school corporation that sponsored the charter school are the financial responsibility of the school corporation. The school corporation shall pay those benefits directly or reimburse the conversion charter school for the cost of the benefits.

(e) For any other purpose not otherwise stated in this section, a teacher is an employee of the charter school.

Sec. 2. Individuals must choose to be teachers at a charter school voluntarily, and a charter school must voluntarily choose those individuals to be its teachers.

Sec. 3. Employees of a charter school may organize and bargain collectively under IC 20-29.

Sec. 4. (a) This section applies to a conversion charter school.

(b) After the conversion, the teachers in a conversion charter school remain part of the bargaining unit of the sponsor and are subject to all the provisions of the collective bargaining agreement.

(c) The governing body, the equivalent body of the conversion charter school, and the exclusive representative may by mutual agreement grant a waiver of a specific provision of the collective bargaining agreement.

(d) Noncertificated employees (as defined in IC 20-29-2-11) remain in existing bargaining units and are covered under existing collective bargaining agreements.

Sec. 5. (a) An individual who teaches in a charter school must either:

(1) hold a license to teach in a public school in Indiana under IC 20-28-5; or

(2) be in the process of obtaining a license to teach in a public school in Indiana under the transition to teaching program established by IC 20-28-4-2.

(b) An individual described in subsection (a)(2) must complete the transition to teaching program not later than three (3) years after beginning to teach at a charter school.

(c) An individual who provides to students in a charter school a service:

(1) that is not teaching; and

(2) for which a license is required under Indiana law;

must have the appropriate license to provide the service in Indiana.

Sec. 6. A charter school may employ a substitute teacher or an individual who holds a limited license to teach in the same manner in
which a noncharter public school may employ a substitute teacher or an individual who holds a limited license to teach.

Sec. 7. (a) A charter school shall participate in the following:

1. The Indiana state teachers' retirement fund in accordance with IC 21-6.1.
2. The public employees' retirement fund in accordance with IC 5-10.3.

(b) A person who teaches in a charter school is a member of the Indiana state teachers' retirement fund. Service in a charter school is creditable service for purposes of IC 21-6.1.

(c) A person who:

1. is a local school employee of a charter school; and
2. is not eligible to participate in the Indiana state teachers' retirement fund;

is a member of the public employees' retirement fund.

(d) The boards of the Indiana state teachers' retirement fund and the public employees' retirement fund shall implement this section through the organizer of the charter school, subject to and conditioned upon receiving any approvals either board considers appropriate from the Internal Revenue Service and the United States Department of Labor.

Sec. 8. The decision by a sponsor whether to grant a charter is not subject to restraint by a collective bargaining agreement.

Sec. 9. If a school corporation grants a charter to a charter school and individuals choose and are chosen by the charter school to teach in the charter school, the school corporation may make personnel adjustments among its noncharter school teachers that the school corporation believes are necessary or appropriate to match existing resources with existing needs in its noncharter schools. If, as part of the adjustments, the school corporation eliminates a teaching position within the corporation, the legal or contractual provisions, if any, that otherwise apply to the teacher in one (1) of the noncharter schools whose contract with the school corporation is canceled as a result of the elimination of the position within the school corporation continue to apply to that teacher.

Sec. 10. (a) The governing body:

1. must grant a transfer of not more than two (2) years; and
2. may grant a transfer for a period in addition to the period required in subdivision (1);

to a teacher of a noncharter school in the school corporation who
wishes to teach and has been accepted to teach at a nonconversion charter school.

(b) During the term of the transfer under subsection (a):
   (1) the teacher's seniority status under law continues as if the teacher were an employee of a noncharter school in the school corporation; and
   (2) the teacher's years as a charter school employee shall not be considered for purposes of permanent or semipermanent status with the school corporation under IC 20-28-6, IC 20-28-7, or IC 20-28-8.

Chapter 7. Fiscal Matters
Sec. 1. (a) The organizer is the fiscal agent for the charter school.
(b) The organizer has exclusive control of:
   (1) funds received by the charter school; and
   (2) financial matters of the charter school.
(c) The organizer shall maintain separate accountings of all funds received and disbursed by the charter school.

Sec. 2. (a) Not later than the date established by the department for determining average daily membership, and after May 31 each year, the organizer shall submit to the department the following information on a form prescribed by the department:
   (1) The number of students enrolled in the charter school.
   (2) The name and address of each student.
   (3) The name of the school corporation in which the student has legal settlement.
   (4) The name of the school corporation, if any, that the student attended during the immediately preceding school year.
   (5) The grade level in which the student will enroll in the charter school.

The department shall verify the accuracy of the information reported.

(b) This subsection applies after December 31 of the calendar year in which a charter school begins its initial operation. The department shall distribute to the organizer the amount determined under IC 21-3-1.7 for the charter school. The department shall make a distribution under this subsection at the same time and in the same manner as the department makes a distribution under IC 21-3-1.7.

(c) The department shall provide to the department of local government finance the following information:
   (1) For each county, the number of students who:
      (A) have legal settlement in the county; and
(B) attend a charter school.

(2) The school corporation in which each student described in subdivision (1) has legal settlement.

(3) The charter school that a student described in subdivision (1) attends and the county in which the charter school is located.

(4) The amount determined under IC 6-1.1-19-1.5(f) STEP EIGHT for 2004 and IC 6-1.1-19-1.5(b) STEP SIX for 2005 for each school corporation described in subdivision (2).

(5) The amount determined under STEP TWO of the following formula:

   STEP ONE: Determine the product of:
   (A) the amount determined under IC 21-3-1.7-6.7(d) or IC 21-3-1.7-6.7(e) for a charter school described in subdivision (3); multiplied by
   (B) thirty-five hundredths (0.35).

   STEP TWO: Determine the product of:
   (A) the STEP ONE amount; multiplied by
   (B) the current ADM of a charter school described in subdivision (3).

(6) The amount determined under STEP THREE of the following formula:

   STEP ONE: Determine the number of students described in subdivision (1) who:
   (A) attend the same charter school; and
   (B) have legal settlement in the same school corporation located in the county.

   STEP TWO: Determine the subdivision (5) STEP ONE amount for a charter school described in STEP ONE (A).

   STEP THREE: Determine the product of:
   (A) the STEP ONE amount; multiplied by
   (B) the STEP TWO amount.

Sec. 3. (a) This section applies to a conversion charter school.

(b) Not later than the date established by the department for determining average daily membership and after July 2, the organizer shall submit to a governing body on a form prescribed by the department the information reported under section 2(a) of this chapter for each student who:

(1) is enrolled in the organizer's conversion charter school; and
(2) has legal settlement in the governing body’s school corporation.
(c) Beginning not more than sixty (60) days after the department receives the information reported under section 2(a) of this chapter, the department shall distribute to the organizer:

(1) tuition support and other state funding for any purpose for students enrolled in the conversion charter school;

(2) a proportionate share of state and federal funds received:
   (A) for students with disabilities; or
   (B) staff services for students with disabilities; enrolled in the conversion charter school; and

(3) a proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state categorical aid and are enrolled in the conversion charter school;

for the second six (6) months of the calendar year in which the conversion charter school is established. The department shall make a distribution under this subsection at the same time and in the same manner as the department makes a distribution to the governing body of the school corporation in which the conversion charter school is located. A distribution to the governing body of the school corporation in which the conversion charter school is located is reduced by the amount distributed to the conversion charter school. This subsection does not apply to a conversion charter school after December 31 of the calendar year in which the conversion charter school is established.

(d) This subsection applies beginning with the first property tax distribution described in IC 6-1.1-27-1 to the governing body of the school corporation in which a conversion charter school is located after the governing body receives the information reported under subsection (b). Not more than ten (10) days after the governing body receives a property tax distribution described in IC 6-1.1-27-1, the governing body shall distribute to the conversion charter school the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the quotient of:

(A) the number of students who:
   (i) are enrolled in the conversion charter school; and
   (ii) were counted in the ADM of the previous year for the school corporation in which the conversion charter school is located; divided by

(B) the current ADM of the school corporation in which the conversion charter school is located.

In determining the number of students enrolled under clause
STEP ONE: Determine the result under subsection (d) STEP ONE (A).

STEP TWO: Determine the difference between:
   (A) the conversion charter school’s current ADM; minus
   (B) the STEP ONE amount.

STEP THREE: Determine the quotient of:
   (A) the STEP TWO amount; divided by
   (B) the conversion charter school’s current ADM.
STEP FOUR: Determine the product of:
   (A) the STEP THREE amount; multiplied by
   (B) the quotient of:
      (i) the subsection (d) STEP TWO amount; divided by
      (ii) two (2).

Sec. 4. (a) Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.

(b) This subsection applies to a sponsor that is a state educational institution described in IC 20-24-1-7(2). In a calendar year, a state educational institution may receive from the organizer of a charter school sponsored by the state educational institution an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the calendar year under IC 6-1.1-19-12 and IC 21-3-1.7-8.2.

Sec. 5. (a) An organizer may apply for and accept for a charter school:
   (1) independent financial grants; and
   (2) funds from public or private sources other than the department.

(b) An organizer shall make all applications, enter into all contracts, and sign all documents necessary for the receipt by a charter school of aid, money, or property from the federal government.

Sec. 6. With the approval of a majority of the members of the governing body, a school corporation may distribute a proportionate share of the school corporation's capital project fund to a charter school.

Sec. 7. When a charter school uses public funds for the construction, reconstruction, alteration, or renovation of a public building, bidding and wage determination laws and all other statutes and rules apply.

Sec. 8. A sponsor may request and receive financial reports concerning a charter school from the organizer at any time.

Sec. 9. (a) This section applies if:
   (1) a sponsor:
      (A) revokes a charter before the end of the term for which the charter is granted; or
      (B) does not renew a charter; or
   (2) a charter school otherwise terminates its charter before the
end of the term for which the charter is granted.

(b) Any local or state funds that remain to be distributed to the charter school in the calendar year in which an event described in subsection (a) occurs shall be distributed as follows:

(1) First, to the common school loan fund to repay any existing obligations of the charter school under IC 21-1-32.

(2) Second, to the entities that distributed the funds to the charter school. A distribution under this subdivision shall be on a pro rata basis.

(c) If the funds described in subsection (b) are insufficient to repay all existing obligations of the charter school under IC 21-1-32, the state shall repay any remaining obligations of the charter school under IC 21-1-32 from the amount appropriated for distributions under IC 21-3-1.7.

Chapter 8. Charter School Powers and Exemptions
Sec. 1. A charter school may do the following:

(1) Sue and be sued in its own name.

(2) For educational purposes, acquire real and personal property or an interest in real and personal property by purchase, gift, grant, devise, or bequest.

(3) Convey property.

(4) Enter into contracts in its own name, including contracts for services.

Sec. 2. A charter school may not do the following:

(1) Operate at a site or for grades other than as specified in the charter.

(2) Charge tuition to any student residing within the school corporation's geographic boundaries. However, a charter school may charge tuition for:

(A) a preschool program, unless charging tuition for the preschool program is barred under federal law; or

(B) a latch key program;

if the charter school provides those programs.

(3) Except for a foreign exchange student who is not a United States citizen, enroll a student who is not a resident of Indiana.

(4) Be located in a private residence.

(5) Provide home based instruction.

Sec. 3. For each charter school established under this article, the charter school and the organizer are accountable to the sponsor for ensuring compliance with:
(1) applicable federal and state laws;
(2) the charter; and
(3) the Constitution of the State of Indiana.

Sec. 4. Except as specifically provided in this article and the statutes listed in section 5 of this chapter, the following do not apply to a charter school:

(1) An Indiana statute applicable to a governing body or school corporation.
(2) A rule or guideline adopted by the state board.
(3) A rule or guideline adopted by the professional standards board established by IC 20-28-2-1(a), except for those rules that assist a teacher in gaining or renewing a standard or advanced license.
(4) A local regulation or policy adopted by a school corporation unless specifically incorporated in the charter.

Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:

(1) IC 5-11-1-9 (required audits by the state board of accounts).
(2) IC 20-26-6-2 (unified accounting system).
(3) IC 20-35 (special education).
(4) IC 20-26-5-10 and IC 20-28-5-9 (criminal history).
(5) IC 20-26-5-6 (subject to laws requiring regulation by state agencies).
(6) IC 20-28-7-14 (void teacher contract when two (2) contracts are signed).
(7) IC 20-28-10-12 (nondiscrimination for teacher marital status).
(8) IC 20-28-10-14 (teacher freedom of association).
(9) IC 20-28-10-17 (school counselor immunity).
(10) For conversion charter schools only, IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and IC 20-28-10.
(11) IC 20-33-2 (compulsory school attendance).
(12) IC 20-33-3 (limitations on employment of children).
(13) IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student due process and judicial review).
(14) IC 20-33-8-16 (firearms and deadly weapons).
(15) IC 20-34-3 (health and safety measures).
(16) IC 20-33-9 (reporting of student violations of law).
(17) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative observances).
(18) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, IC 20-32-8,
or any other statute, rule, or guideline related to standardized
testing (assessment programs, including remediation under the
assessment programs).
(19) IC 20-33-7 (parental access to education records).
(20) IC 20-31 (accountability for school performance and
improvement).

Sec. 6. (a) A charter school may not duplicate a Bureau of
Apprenticeship and Training (BAT) approved Building Trades
apprenticeship program.
(b) A student in a charter school may not be excluded from
participating in a BAT approved Building Trades apprenticeship
program that is offered in a noncharter school.

Chapter 9. Oversight of Charter Schools; Reporting Requirements;
Revocation of Charter

Sec. 1. An organizer that has established a charter school shall
submit an annual report to the department for informational and
research purposes.

Sec. 2. An annual report under this chapter must contain the
following information for a charter school:
(1) Results of all standardized testing, including ISTEP program
testing and the graduation examination.
(2) A description of the educational methods and teaching
methods employed.
(3) Daily attendance records.
(4) Graduation statistics (if appropriate), including attainment
of Core 40 and academic honors diplomas.
(5) Student enrollment data, including the following:
   (A) The number of students enrolled.
   (B) The number of students expelled.
   (C) The number of students who discontinued attendance at
       the charter school and the reasons for the discontinuation.

Sec. 3. The sponsor shall oversee a charter school's compliance
with:
(1) the charter; and
(2) all applicable laws.

Sec. 4. Notwithstanding the provisions of the charter, a sponsor
that grants a charter may revoke the charter at any time before the
expiration of the term of the charter if the sponsor determines that at
least one (1) of the following occurs:
(1) The organizer fails to comply with the conditions established
in the charter.
(2) The charter school established by the organizer fails to meet the educational goals set forth in the charter.
(3) The organizer fails to comply with all applicable laws.
(4) The organizer fails to meet generally accepted government accounting principles.
(5) One (1) or more grounds for revocation exist as specified in the charter.

Sec. 5. A charter school shall report the following to the sponsor:
(1) Attendance records.
(2) Student performance data.
(3) Financial information.
(4) Any information necessary to comply with state and federal government requirements.
(5) Any other information specified in the charter.

Sec. 6. The organizer of a charter school shall publish an annual performance report that provides the information required under IC 20-20-8-8 in the same manner that a school corporation publishes an annual report under IC 20-20-8.

Chapter 10. Student Transfers From Charter School to Public Noncharter Schools

Sec. 1. A public noncharter school that receives a transfer student from a charter school may not discriminate against the student in any way, including by placing the student:
(1) in an inappropriate age group according to the student's ability;
(2) below the student's abilities; or
(3) in a class where the student has already mastered the subject matter.

Chapter 11. Conversion of Existing Public Schools Into Charter Schools

Sec. 1. An existing public elementary or secondary school may be converted into a charter school if the following conditions apply:
(1) At least sixty percent (60%) of the teachers at the school have signed a petition requesting the conversion.
(2) At least fifty-one percent (51%) of the parents of students at the school have signed a petition requesting the conversion.

Sec. 2. If the conditions of section 1 of this chapter are met, the teachers and parents may appoint a committee to act as organizers for the charter school.
Sec. 3. The organizers shall submit a proposal under IC 20-24-3 to the governing body of the school corporation in which the existing elementary or secondary school is located to convert the existing school into a charter school.

Sec. 4. Only the governing body of the school corporation in which an existing public elementary or secondary school that seeks conversion to a charter school is located may act as the sponsor of the conversion charter school.

SECTION 9. IC 20-25 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 25. INDIANAPOLIS PUBLIC SCHOOLS

Chapter 1. Applicability
Sec. 1. This article applies to a common school corporation that:
   (1) is located in whole or in part in the most populous township in a county having a population of more than seven hundred thousand (700,000); and
   (2) serves the largest geographical territory of any school corporation in the township.

Chapter 2. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Administrator" means a full-time employee of a school in the school city who is:
   (1) a principal;
   (2) an assistant principal; or
   (3) any other educational manager at the school.
Sec. 3. "Assessment program" refers to the assessment program established under IC 20-31-8 and a test approved by the board’s plan developed under IC 20-25-10.
Sec. 4. "Assessment test" refers to a test administered to students under the assessment program established under IC 20-31-8.
Sec. 5. "Board" refers to the local board of school commissioners established by IC 20-25-3-1.
Sec. 6. "Designated grade level" refers to a grade level tested under the assessment program established under IC 20-31-8.
Sec. 7. "Educators" means teachers and administrators.
Sec. 8. "Graduation rate" means the graduation rate for a high school:
   (1) determined by the method described in 511 IAC 6.1-1-2; and
   (2) calculated by the department.
Sec. 9. "Neighborhood school" means the school of the school city located closest to a student's residence.

Sec. 10. "Remediation rate" means the percentage of students, aggregated by grade, in a school who fail to meet state achievement standards in a designated grade level.

Sec. 11. "Residence" has the meaning set forth in IC 20-26-11-1.

Sec. 12. "School city" refers to a school corporation to which this article applies.

Sec. 13. "State achievement standards" refers to the state achievement standards by which the assessment program established under IC 20-31-8 assesses students.

Sec. 14. "Student" refers to a student enrolled in a school city.

Sec. 15. "Student attendance rate" means the student attendance rate for a school as:

(1) determined by the method described in 511 IAC 6.1-1-2; and
(2) calculated by the department.

Sec. 16. "Student performance improvement level" refers to a level of performance improvement in student academic achievement established by the board.

Sec. 17. "Teacher" means a:

(1) certified; and
(2) full-time;

teacher in the school city.

Sec. 18. "Teacher attendance rate" means the attendance rate for teachers at a school calculated by the board in the same manner as described for the student attendance rate in section 15(1) of this chapter.

Chapter 3. Board of School Commissioners; Officers and Employees

Sec. 1. (a) The government, management, and control of all common schools and common school libraries in the school city are vested in a board of school commissioners that consists of seven (7) school commissioners.

(b) The corporate name of the school city is "The Board of School Commissioners of the City of ____________" (the blank being filled with the name of the civil city), and by that corporate name the school city shall:

(1) contract;
(2) be contracted with;
(3) sue; and
(4) be sued.
Sec. 2. (a) The school city board has the following powers:
(1) The powers conferred upon school cities by Acts 1871, c.15.
(2) The powers conferred by law as of March 9, 1931, on boards of school commissioners in cities having a population of one hundred thousand (100,000) or more.
(3) The powers conferred by all laws in effect as of March 9, 1931, on boards of school commissioners in cities having a population of more than two hundred thousand (200,000) or more than three hundred thousand (300,000).
(4) The powers conferred under IC 20-26-1, IC 20-26-2, IC 20-26-3, IC 20-26-4, IC 20-26-5, IC 20-26-6, and IC 20-26-7, except as otherwise provided in this chapter.
(b) A school city board provided for by this chapter, in its respective school city, is liable for and must pay and discharge all of the indebtedness, liabilities, and obligations of a board elected in the school city under any of the statutes listed in this section and under this chapter.
(c) The board is vested with the title and ownership of all property of every kind of the existing school city.
Sec. 3. (a) A member of the board must:
(1) be a resident voter of the school city; and
(2) have been a resident of the school city for at least one (1) year immediately preceding the member's election.
(b) A board member may not:
(1) serve in an elective or appointive office under the board or under the government of the civil city while serving on the board; or
(2) knowingly have a pecuniary interest as described in IC 35-44-1-3(g) in a contract or purchase with the school city in which the member is elected.
If, at any time after a member is elected to the board, the board member knowingly acquires a pecuniary interest in a contract or purchase with the school city, the member is disqualified to continue as a member of the board, and a vacancy in the office is created.
(c) Each member of the board shall, before assuming the duties of office, take an oath, before a person qualified to administer oaths, that:
(1) the member possesses all the qualifications required by this chapter for membership on the board;
(2) the member will honestly and faithfully discharge the duties of office;
(3) the member will not, while serving as a member of the board, become interested, directly or indirectly, in any contract with or claim against the school city, except as authorized by law; and
(4) in the performance of official duties as a member of the board, including the selection of the board's officers, agents, and employees, the member will not be influenced by any consideration of politics or religion; and
(5) the member will be controlled in the selection of officers, agents, and employees only by considerations of merit, fitness, and qualification.

(d) Board members are entitled to receive compensation not to exceed the amount allowed under IC 20-26-4-6 and a per diem not to exceed the rate approved for members of the city-county council established under IC 36-3-4 for attendance at each regular and committee meeting as determined by the board.

Sec. 4. (a) The board consists of seven (7) members. A member:
(1) must be elected on a nonpartisan basis in primary elections held in the county as specified in this section; and
(2) serves a four (4) year term.

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

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

(d) If a candidate files to run for a position on the board, the candidate must specify whether the candidate is running for a district or an at-large position.

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

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

(1) balloting procedures for the election under IC 3; and
(2) other procedures required to implement this section.

(g) A member of the board serves under section 3 of this chapter.
(h) A vacancy in the board shall be filled temporarily by the board as soon as practicable after the vacancy occurs. The member chosen by the board to fill a vacancy holds office until the member’s successor is elected and qualified. The successor shall be elected at the next regular school board election occurring after the date on which the vacancy occurs. The successor fills the vacancy for the remainder of the term.

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

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

Sec. 5. The board in a school city shall organize in the manner set forth in IC 20-26-4-1.

Sec. 6. (a) A member of a standing committee of the board provided for by the board's rules shall be appointed by the president within three (3) weeks after the president's election to the office of president.
(b) Subject to the limitations in this chapter, the board may fix the salaries of each officer and employee of the board.
(c) The board in:

(1) electing and choosing a general superintendent; and
(2) employing agents and employees that the board considers necessary to conduct the business of the school city;
shall choose individuals whose qualifications peculiarly fit the positions the individuals will occupy.
(d) The board shall contract for and establish the amount of salary or compensation to be paid to each officer, agent, and employee chosen or elected by the board. The board shall adopt a schedule of salaries that the board considers proper, and for the purpose of establishing a salary schedule, the board may divide teachers, principals, and other employees into classes based upon efficiency, qualifications, experience, and responsibility. Each principal, teacher, or employee in a class shall receive the same regular salary given to
each of the other members of the same class, subject to the provisions of this article.

(e) The board may:

(1) by rule fix the time and the number of meetings of the board, except that one (1) regular meeting must be held in each calendar month; and

(2) make, amend, and repeal bylaws and rules for:

(A) the board’s own procedure; and

(B) the government and management of:

(i) the board’s schools; and

(ii) property under the board’s control.

Sec. 7. Each legislative act of the board must be by written resolution.

Sec. 8. (a) The board may:

(1) determine the number of employees of the board;

(2) prescribe the employees’ duties; and

(3) fix the employees’ compensation.

(b) The board shall adopt rules for obtaining, by open competition and without regard to religious or political belief, lists of candidates from which all teachers and all other officers and employees are selected.

(c) The selection of a candidate as a teacher, an officer, or an employee must be based solely on the fitness of the candidate under the rules adopted under subsection (b).

Sec. 9. (a) The board shall appoint a general superintendent if a vacancy occurs or will imminently occur in the office of the superintendent due to the:

(1) expiration of the term; or

(2) death, resignation, or removal from office;

of the incumbent superintendent.

(b) The board’s election of a superintendent shall be effected by resolution of the board. The resolution must specify the day on which the superintendent’s term begins and the day on which the superintendent’s term ends. The board may not appoint a superintendent for a term longer than four (4) years.

(c) The superintendent’s salary must be prescribed in the resolution declaring the superintendent’s appointment and must be paid to the superintendent in a frequency determined by the board, but not less frequently than monthly.

(d) The board shall:
Sec. 10. (a) The superintendent shall act as general administrator of the school city and make recommendations to the board concerning:

1. the conduct of the schools;
2. the employment and dismissal of personnel;
3. the purchase of supplies;
4. the construction of buildings; and
5. all other matters pertaining to the conduct of the schools within the general framework of the school laws of the state.

(b) The superintendent shall:

1. attend all meetings of the board, except when the superintendent's appointment is under consideration;
2. carry out the orders of the board; and
3. make all other decisions and perform all other duties that are prescribed by law or that reasonably fall within the superintendent's power and jurisdiction.

Sec. 11. (a) Except as provided in subsections (b) and (c), a payment made from money of the board must be made in accordance with budget appropriations.

(b) If a payment is from a fund of the board that is not subject to budgeting and appropriation but has been transferred to the board for specific purposes, the payment must be made:

1. in accordance with the terms of the fund being drawn upon that are made available to the board; and
2. after the superintendent has approved the proposed payment.

(c) If a payment is from a fund of the board that is not subject to budgeting and appropriation and is unrestricted as to the purposes for which it may be expended, the payment must be made in accordance with the prior:

1. direction of the superintendent; or
2. order of the board.

(d) Not later than thirty (30) days after a payment under subsection (b) or (c) is made from a fund of the board, the superintendent shall report the payment to the board for approval.

Sec. 12. (a) An appointment or discharge of an employee of the school city must be:

1. made in conformity with the rules of the board; and
(2) reported at the meeting of the board that follows the date of each appointment or discharge by the superintendent.

(b) The superintendent's actions reported to the board under this section are subject to the approval of the majority of the board.

(c) A discharge operates as a suspension until the discharge is approved by the board.

(d) A school employee of the school city, except a probationary employee discharged before the end of the employee's probationary period, is entitled to request a hearing before being discharged. Upon written request for a hearing from the school employee, the superintendent shall appoint a hearing examiner.

(e) The hearing examiner appointed by the superintendent under subsection (d) may be an individual on the school city's administrative staff or the school city's counsel, as long as the hearing examiner:

(1) did not recommend the discharge of the employee;

(2) will not be a witness at the hearing; and

(3) has no involvement in the recommendation to discharge the employee.

(f) The hearing examiner shall:

(1) make a written report of the hearing examiner's findings and conclusions; and

(2) submit the report to the superintendent.

(g) An employee may appeal in writing an adverse decision of the hearing examiner to the board. Upon appeal, the board shall review the decision of the hearing examiner and may receive additional evidence or testimony.

(h) The board shall adopt rules and procedures that afford an employee, other than a probationary employee, the right to a hearing and the right to appeal under this section.

(i) This section does not apply to teachers.

Sec. 13. (a) Money may not be drawn from the treasury of the board except for appropriations made:

(1) by the board; and

(2) upon an aye and nay vote recorded in the board's minutes.

(b) An appropriation may not be made for a period extending beyond December 31 of the current calendar year.

(c) Except as otherwise provided in this article, at the end of a fiscal year, all unexpended balances of all appropriations, except appropriations from tuition funds and the capital projects fund, revert to the board's general fund.
(d) General fund money that has been obligated but not paid at the end of a fiscal year may be paid without a new appropriation. Except as otherwise provided in this article, money obligated under this subsection does not revert to the board's general fund at the end of the fiscal year in which the money is appropriated, unless the board by affirmative act causes the money to revert.

Sec. 14. (a) The books, accounts, and vouchers of the board and of all the board's officers and employees may be examined by the state board of accounts at a time selected by the state board of accounts.

(b) An officer or employee of the board shall, on request of the state board of accounts:

(1) produce and submit to the state board of accounts for examination all:
   (A) books;
   (B) papers;
   (C) documents;
   (D) vouchers;
   (E) accounts; and
   (F) records;
   of the board in the possession of the officer or employee or belonging to the office of the officer or employee; and

(2) assist in every way the state board of accounts in its work in making an examination.

Sec. 15. (a) Money payable to the board must be paid to the board's treasurer. The treasurer's receipt for the money must be filed with the business manager of the board.

(b) The business manager, after receiving the treasurer's receipt, shall issue a quietus. The business manager's quietus alone is sufficient evidence of payment to the board.

(c) Only the treasurer of the board may collect or receive money payable to the board. A payment made to an individual other than the treasurer and a receipt given by an individual other than the treasurer are void as against the board.

Chapter 4. General Administrative Provisions

Sec. 1. A contract or an obligation is not binding on the board unless the board makes an appropriation for the contract or obligation.

Sec. 2. (a) A contract involving more than seventy-five thousand dollars ($75,000) must be:

(1) in writing;
(2) executed in the name of the board by:
   (A) the board’s business manager; or
   (B) another board designated employee; and
   (3) approved by the board.

(b) If money for a contract or purchase has been appropriated by the board, the designated employee may make contracts and purchases not exceeding seventy-five thousand dollars ($75,000) in any one (1) transaction. A contract and purchase under this subsection must be reported to the board at its next regular meeting.

(c) A purchase of supplies or materials may not be made from one (1) person, firm, limited liability company, or corporation at any one (1) time or in any one (1) transaction totalling more than ten thousand dollars ($10,000) unless bids for the purchase of the supplies or the materials have been advertised and accepted. The board shall determine the mode and manner of advertising for bids for supplies and materials.

Sec. 3. (a) This section does not apply if the board by formal vote elects to:
   (1) build;
   (2) enlarge;
   (3) make alterations to; or
   (4) make improvements to;
   a school or building owned by the board if the project described in subdivisions (1) through (4) will cost not more than fifteen thousand dollars ($15,000) and the board intends to complete the project using its own employees.

(b) If subsection (a) does not apply and the board determines to:
   (1) build;
   (2) enlarge;
   (3) make alterations to; or
   (4) make improvements to;
   a school or building owned by the board, the cost of which is estimated to be more than ten thousand dollars ($10,000), the business manager or other board designated employee shall advertise for bids in the manner provided in subsection (c).

(c) The advertisements for bids must be placed as follows:
   (1) One (1) advertisement must be placed each week for three (3) weeks.
   (2) The first advertisement must be placed at least twenty-one (21) days before the bids are opened.
(3) The advertisement must be placed in two (2) newspapers of general circulation in the city. The board shall enter in full in the minutes that advertisements for bids have been placed under this subsection.

(d) If bids are taken under this section, a bid must be:

(1) enclosed by the bidder in an envelope sealed by the bidder; and

(2) presented at a meeting of the board or the bid committee of the board at the time and place fixed by the advertisement. A bid may not be received after the time established in the advertisement.

(e) The business manager at the hour established in the advertisements and in the presence of the board or the bid committee shall open all the bids. The bids must then be publicly read by a designated employee and be immediately entered in full in the records of the board.

(f) The board shall, by general rules, specify the condition of each bid, and only the lowest and best bids from responsible bidders may be accepted. The board may, if the board has reason to suspect collusion among bidders, reject the bids of all bidders involved in the collusion.

Sec. 4. (a) Notwithstanding any other law, the board may designate a committee of the board, which may consist of employees or officers of the board, to open or tabulate bids at a date, time, and place fixed by advertisement for:

(1) the purchase of:
   (A) supplies;
   (B) material;
   (C) equipment; or
   (D) land;

(2) the building, enlargement, or alteration of any school building; or

(3) any other purpose.

(b) The committee of the board shall open and tabulate each bid that is presented to the committee. The bids shall be:

(1) read and tabulated publicly;

(2) immediately entered in the record of the board; and

(3) reported to the board at the board’s next meeting.

(c) A bid shall be accepted or rejected by the committee of the board under this section. The bid shall be accepted or rejected by the
board in an official board meeting.

Sec. 5. (a) The board may annually levy taxes in an amount the board determines is necessary to:

(1) produce income sufficient to conduct and carry on the work of the board; and
(2) meet all payments of principal and interest on bonds, notes, or other obligations of the board that mature in the year the levy is made.

The fund arising from a levy made by the board under this section is the board's general fund. The general fund may lawfully be used by the board for any purpose within the scope of the duties of the board as imposed by law.

(b) The board shall record the amount of the annual levy in its minutes.

Sec. 6. (a) The board may periodically, as the need arises, borrow money and issue school building bonds to supply the school city with funds:

(1) to buy real estate;
(2) to erect buildings for school or administrative purposes;
(3) to enlarge, remodel, and repair school buildings; or
(4) for one (1) or more of the purposes described in subdivisions (1) through (3).

The proceeds of the sale of bonds under this subsection may not be used for a purpose other than a purpose described in subdivisions (1) through (4).

(b) The board may periodically, as the need arises, issue school funding bonds to take up and retire the principal and accrued interest of any outstanding bonds of the school city. School funding bonds may be issued only if the board determines it is to the advantage of the school city to refund the outstanding bonds of the school city. A school funding bond may not be issued and the proceeds of a school funding bond may not be used for a purpose other than to refund or take up and discharge outstanding bonds of the school city. Any preexisting bonds for which the school city is liable under this chapter are outstanding bonds of the school city under this subsection.

(c) Before school building bonds may be issued under subsection (a), the board shall, by a resolution entered into the record in the board's corporate minutes, demonstrate a particular need for the money and the inability of the school city to supply the money from any other applicable fund under the control of the board. Before
school funding bonds may be issued under subsection (b), the board shall, by a resolution entered into the record of the board's corporate minutes, provide a description of the bonds to be taken up, including the kind, date, date of maturity, and amount of the bonds.

(d) Bonds issued under this section must:
   (1) be serial bonds;
   (2) bear interest at a rate payable semiannually; and
   (3) mature at a time or times fixed in the resolution of the board.

(e) A bond to be issued under this section may not be delivered until the price of the bond is paid to the treasurer of the school city in:
   (1) money for school building bonds; or
   (2) money or bonds to be refunded for school funding bonds.

A bond issued under this section may not accrue interest before its delivery.

(f) A bond issued under this section must be payable to bearer and be of the general form usual in municipal bonds.

(g) Before offering bonds authorized by this section for sale, the board must give three (3) weeks notice of the date fixed for the sale of the bonds. The notice must include a description of the bonds and invite bids for the bonds. The notice shall be given by three (3) advertisements, one (1) time each week for the three (3) consecutive weeks immediately preceding the day of sale in a newspaper published and with a general circulation in Indianapolis. Notice may also be required in other advertisements if ordered by the board.

(h) The board shall sell the bonds to the highest and best bidder and has the right to reject any bid. The proceeds arising from the sale shall be used only for the purpose declared in the resolution of the board.

Sec. 7. (a) The board may, if the board's general fund is exhausted or in the board's judgment is in danger of exhaustion, make temporary loans for the use of the board's general fund to be paid out of the proceeds of taxes levied by the school city for the board's general fund. The amount borrowed for the general fund must be paid into the board's general fund and may be used for any purpose for which the board's general fund lawfully may be used. A temporary loan must:

   (1) be evidenced by the promissory note or notes of the school city;
   (2) bear interest that is payable, according to the note or notes, periodically or at the maturity of the note or notes and at not
more than seven percent (7%) per annum; and
(3) mature at a time or times determined by the board, but not
later than one (1) year after the date of the note or notes.
Loans made in a calendar year may not be for a sum greater than the
amount estimated by the board as proceeds to be received by the
board from the levy of taxes made by the school city for the board's
general fund. Successive loans may be made to aid the general fund in
a calendar year, but the total amount of successive loans outstanding
at any time may not exceed the estimated proceeds of taxes levied for
the board's general fund.

(b) A loan under this section may not be made until notice asking
for bids is given by newspaper publication. Notice must be made one
(1) time in a newspaper published in the school city at least seven (7)
days before the time the bids for the loans will be opened. A bidder
shall name the amount of interest the bidder agrees to accept, not
exceeding seven percent (7%) per annum. The loan shall be made to
the bidder or bidders bidding the lowest rate of interest. The note,
notes, or warrants may not be delivered until the full price of the face
of the loan is paid to the treasurer of the school city, and interest does
not accrue on the loan until delivery.

Sec. 8. (a) A school city wishing to make a temporary loan for its
general fund under this section may temporarily borrow money,
without payment of interest, from the school city's treasury if the
school city has in its treasury money derived from the sale of bonds
that cannot or will not in the due course of the business of the school
city be expended in the near future. A school city shall, by its board,
take the following steps required by law to obtain a temporary loan
under this section:

(1) Present to the department of local government finance and
the state board of accounts:
(A) a copy of the corporate action of the school city
concerning the school city's desire to make a temporary loan;
(B) a petition showing the particular need for a temporary
loan;
(C) the amount and the date or dates when the general fund
will need the temporary loan or the installments of the loan;
(D) the date on which the loan and each installment of the
loan will be needed;
(E) the estimated amounts from taxes to come into the general
fund;
(F) the dates when it is expected the proceeds of taxes will be
received by the school city for the general fund;
(G) the amount of money the school city has in each fund
derived from the proceeds of the sale of bonds that cannot or
will not be expended in the near future; and
(H) a showing of when, to what extent, and why money in the
bond fund will not be expended in the near future.
(2) Request the department of local government finance and the
state board of accounts to authorize a temporary loan from the
bond fund for the general fund.
(b) If:
(1) the department of local government finance finds and orders
that there is need for a temporary loan and that it should be
made;
(2) the state board of accounts finds that the money proposed to
be borrowed will not be needed during the period of the
temporary loan by the fund from which it is to be borrowed; and
(3) the state board of accounts and the department of local
government finance approve the loan;
the business manager and treasurer of the school city shall, upon the
approval of the state board of accounts and the department of local
government finance, take all steps necessary to transfer the amount of
the loans as a temporary loan from the fund to be borrowed from to
the general fund of the school city. The loan is a debt of the school city
chargeable against its constitutional debt limit.
(c) The state board of accounts and the department of local
government finance:
(1) may fix the total amount that may be borrowed on a petition;
and
(2) shall determine:
   (A) at what time or times;
   (B) in what installments; and
   (C) for what periods;
the money may be borrowed.
The treasurer and business manager of the school city, as money is
collected from taxes levied in behalf of the general fund, shall credit
the amount of money collected from taxes levied to the loan until the
amount borrowed is fully repaid to the lending fund. The treasurer
and business manager of the school city shall at the end of each
calendar month report to the board the amounts applied from taxes
(d) The school city shall, as often as once a month, report to both the state board of accounts and the department of local government finance:

1. the amount of money borrowed and unpaid;
2. any anticipated similar borrowings for the current month;
3. the amount left in the general fund; and
4. the anticipated drafts on the bond fund for the purposes for which the fund was created.

(e) The state board of accounts and the department of local government finance, or either acting independently:

1. if it appears that the fund from which the loan was made requires the repayment of all or part of the loan before maturity; or
2. if the general fund no longer requires all or some part of the proceeds of the loan;

may require the school city to repay all or part of the loan. A school city shall, if necessary to repay all or part of a loan under this subsection, exercise its power to obtain a temporary loan from others under section 7 of this chapter to raise the money needed to repay the bond fund the amount ordered repaid.

Sec. 9. A school city shall provide for the payment and retirement of debt obligations of the school city in the manner provided under IC 21-2-21-5, IC 21-2-21-10, and IC 21-2-4.

Sec. 10. (a) The board may not create debt in excess of twenty-five thousand dollars ($25,000) in total, except:

1. as otherwise provided in this chapter; or
2. for debts that exist on or after March 9, 1931, that are authorized by the general school laws of Indiana, including debt incurred under IC 21-4-20, IC 20-26-1, IC 20-26-2, IC 20-26-3, IC 20-26-4, IC 20-26-5, IC 20-26-6, and IC 20-26-7.

(b) Notwithstanding subsection (a), the board is liable for the board's lawful contracts with persons rendering services and furnishing materials incident to the ordinary current operations of the board's schools if the contracts have been entered into as provided in this chapter and in accordance with law. The obligations of the board to persons rendering services or furnishing materials is not limited or prohibited by this chapter.

(c) If the compensation to be paid for the purchase of real estate or an interest in real estate required by the board for the board's
purposes cannot be agreed upon or determined by the:

(1) board; and
(2) persons owning or having an interest in the land desired;
the board may, by eminent domain, determine the compensation and acquire the title to the real estate or interest in the real estate by court action under IC 32-24.

d) The right and power of the board to own and acquire real estate and interests in real estate in any manner and for any purpose specified in this chapter or by the general school laws of Indiana is not limited to real estate situated within the corporate boundaries of the civil city in which a school city is located. However, the right and power to acquire and own real estate extends to any parcel or trace of real estate the whole of which is situated:

(1) within one-half (1/2) mile of the nearest point on the corporate boundary of the civil city;
(2) within a platted territory:
   (A) outside but contiguous to; or
   (B) contiguous to another platted territory that is contiguous to;
the corporate boundary of the civil city; or
(3) within one-half (1/2) mile of the nearest point of the boundary of a platted territory:
   (A) outside but contiguous to; or
   (B) contiguous to another platted territory that is contiguous to;
the corporate boundary of the civil city.
"Platted territory", as used in this subsection, means a territory or land area for which a plat has been recorded in the manner provided by Indiana statutes pertaining to the recording of plats of land.

e) Before acquiring any real estate or interest in real estate outside the corporate limits of the civil city, the board must, by resolution entered into the record of the board's corporate minutes, find and determine that, in the judgment of the board, the real estate or interest in real estate to be acquired will be needed for the future purposes of the board. This chapter does not limit the right of any board to accept, own, and hold real estate or an interest in real estate, wherever situated, that is acquired by the board by gift or devise.

Sec. 11. The board has the powers and duties conferred upon governing bodies by existing statutes and by the general school laws, including IC 20-26-1, IC 20-26-2, IC 20-26-3, IC 20-26-4, IC 20-26-5,
Sec. 12. (a) The board may:

1. except as provided in subsection (b), acquire by purchase, devise, gift, lease, or condemnation grounds needed by the school city;
2. construct or lease buildings for school, school administration, or school office purposes;
3. employ and pay all employees needed in any branch of the work committed to the board;
4. disburse, according to law, all money of the school city for lawful school city purposes;
5. have and exercise in the school city full and exclusive:
   A. authority concerning the conduct and management of all common schools, including elementary schools and high schools; and
   B. power to establish and enforce all regulations for the:
      i. grading of; and
      ii. courses of;
   instruction in all schools and for the government and discipline of the schools;
6. divide the city into districts for school attendance purposes;
7. maintain special day or night schools to which the board may admit adults and children at least fifteen (15) years of age; and
8. maintain playgrounds and vacation schools.

(b) The board may not acquire the following real property:
Lots 693-719, inclusive, and 7 1/2 feet west of and adjacent to such lots, in Norcliffe Addition, an addition to the city of Indianapolis, as per plat thereof, recorded in plat book 18 at pages 165 and 166, in the office of the recorder of Marion County, Indiana.

Sec. 13. The expense of operating special schools under section 12(a)(7) of this chapter and playgrounds and vacation schools under section 12(a)(8) of this chapter must be paid out of the board’s general fund. The board may make and impose fees that the board considers reasonable for:

1. enrollment of any high school graduate in any class offered in a special school; and
2. enrollment by any person at least seventeen (17) years of age in any special school class that does not provide credit toward
graduation or progression in the regularly maintained common schools in the school city.
The receipts from fees under this section become a part of the board's general fund.

Sec. 14. (a) A school city may:
(1) sell real estate;
(2) transfer personal property; and
(3) execute deeds of conveyance and instruments of transfer with or without covenants of warranty;
if, in the opinion of the board, the real estate or personal property cannot be advantageously used for school or library purposes and can be sold for its fair cash value.
(b) A determination by the board that real estate or personal property cannot be advantageously used under subsection (a) must be entered into the record of the minutes of the school city's board.

Sec. 15. (a) The board may, subject to the board's rules, authorize a member of the board or an officer or individual employed by the board to be absent from the school city in the interest of the school city without loss of compensation.
(b) The board may refund to an individual described in subsection (a) necessary expenses incurred during the individual's absence. The amount refunded under this subsection must be paid from the board's general fund.

Sec. 16. (a) The board may establish and conduct a system of industrial or manual training and education in connection with and as part of the board's common school system.
(b) Industrial or manual training or education may include:
(1) the principal use of tools and mechanical implements; and
(2) the elementary principles of mechanical construction, mechanical drawing, and printing.
The board shall employ competent instructors in each of the various subjects.
(c) The board shall establish rules and regulations for the admission of students to the industrial and manual training education system. The rules and regulations must, in the judgment of the board, produce the best results and provide instruction to the largest practicable number of students. The instruction in industrial and manual training education may be given in space provided in school buildings or in separate buildings if, in the judgment of the board, it is most advantageous.
Sec. 17. (a) If a school city acquires title to or possession of real estate, buildings, and personal property in the school city by gift or donation, and the real estate, building, or personal property was used as an industrial or trade school for the education of youths in the trades of:

(1) printing;
(2) lithography;
(3) machine making;
(4) molding;
(5) typesetting;
(6) bricklaying;
(7) tile setting;
(8) pattern making;
(9) pharmacy; or
(10) other trades or occupations;
the board may, by the use of the board's school funds, maintain and operate the industrial or trade school or schools.

(b) If real estate, a building, or personal property is acquired by the school city under subsection (a), the board shall:

(1) perform any conditions incident to the school city's acquisition of the property;
(2) maintain and operate the trade school and real estate, building, or personal property;
(3) employ competent instructors in the various subjects to be taught;
(4) purchase all necessary tools, implements, supplies, and apparatus; and
(5) establish general rules and requirements for:
    (A) admission of pupils to the school or schools;
    (B) the courses of instruction; and
    (C) the conduct of the trade or industrial schools;
    that, in the board's judgment, will produce the best results and give instruction to the largest practicable number of students.
The school city may also use the real estate, building, or personal property acquired under subsection (a) for other school purposes, but not for any purpose that will materially interfere with the conduct of the trade or industrial schools.

(c) The transfer tuition charge for each student who:

(1) is transferred to the school city from another school corporation in Indiana; and
(2) receives trade or industrial instruction in a trade or industrial
school located on property acquired under subsection (a);
must be the actual per capita cost of operating the school the student
attends. However, the costs of permanent improvements or additions,
the salaries of the superintendents, or the costs of apparatus or
repairing broken or damaged apparatus may not be used in
computing the actual per capita cost.

(d) If the school city admits a student to a trade school acquired by
means described in this section and the student is not, by law, entitled
to school privileges, the tuition charge for the student may not be
greater than the per capita cost of operating the school the student
attends. The cost of permanent improvements and additions may not
be included in computing the cost under this subsection.

(e) A school city may admit to the school city's vocational, trade, or
industrial schools nonresidents of Indiana. A nonresident student must
pay reasonable laboratory and shop fees and a tuition fee of not more
than the per student cost to the school city conducting the vocational,
trade, or industrial schools. A return on capital invested in buildings,
grounds, or equipment may not be included in computing the per
student cost under this subsection.

Sec. 18. (a) A school city may accept property in trust to be used for
common school or vocational, trade, or industrial school purposes.
The school city, whether made trustee by appointment of a court or by
the founder of the trust, may carry out the terms of the trust in
conducting common schools or vocational, trade, or industrial schools.

(b) If a school city by:
(1) resolution of; or
(2) other formal corporate action of;
the board accepts real estate or other property in trust under
subsection (a), the school city shall perform all requirements made
conditions of the trust performable by the trustee.

Sec. 19. (a) If the board determines it will promote the health of
school children and advance the educational work of the schools, the
board may provide for the serving of lunches to the students attending
designated schools.

(b) The board may:
(1) establish kitchens and lunch rooms;
(2) provide equipment suitable for kitchens and lunch rooms;
(3) make other necessary provision for furnishing and serving
lunches; and
(4) employ a director and other necessary assistants or employees; to provide lunches under subsection (a).

(c) The board shall pay the expenses arising under subsection (b) out of the board's general fund. The expense of operating a lunch department shall, so far as practicable, be paid from charges paid by the students for the lunches. However, the board may, in the board's discretion, furnish lunches without cost to a student who is needy and unable to pay for the student's lunch.

Sec. 20. The general school laws of Indiana and all laws and parts of laws applicable to the general system of common schools in school cities, so far as not inconsistent with this chapter and other provisions of this article, and unless made inapplicable by this article, are in full force and effect in a school city to which this chapter applies.

Sec. 21. This chapter applies to the school city to the extent the chapter is not in conflict with:

(1) IC 20-23-4 and IC 20-23-16; and
(2) the school reorganization plan applicable to the school city or the school city's successor corporation under the terms of IC 20-23-4 and IC 20-23-16.

However, IC 20-25-3-4 prevails over any conflicting provision of IC 20-23-4 and IC 20-23-16 and over the provisions of any school reorganization plan.

Chapter 5. Real Property Annexations and Transfers; Remonstrances

Sec. 1. As used in this chapter, "acquiring school corporation" means the school corporation that acquires territory as a result of annexation.

Sec. 2. As used in this chapter, "annex", "annexing", "annexation", and "school annexation" mean an action in which the boundaries of a school corporation are changed so that additional territory, constituting all or a part of one (1) or more other school corporations, is transferred to the acquiring school corporation.

Sec. 3. As used in this chapter, "annexed territory" means the territory acquired by an acquiring school corporation as a result of annexation from a losing school corporation.

Sec. 4. As used in this chapter, "civil annexation" means an action in which the civil boundaries of a civil city are extended.

Sec. 5. As used in this chapter, "civil city" means a civil city or a civil town, the area of which, or the major part of the area of which,
is under the jurisdiction of a school city.

Sec. 6. As used in this chapter, "losing school corporation" means a school corporation that loses territory to an acquiring school corporation by annexation.

Sec. 7. As used in this chapter, "resolution" of:
(1) a school township means a resolution adopted by the trustee and a majority of the township board; and
(2) any other school corporation means a resolution duly adopted by the school corporation's governing body.

Sec. 8. As used in this chapter, "school city" means a school corporation that at any time:
(1) is a school city;
(2) is a school town;
(3) has succeeded to the jurisdiction of all a school city or a school town; or
(4) has succeeded to the jurisdiction of a major part in area of a school city or school town.

Sec. 9. As used in this chapter, "school corporation" means a public school corporation of the state located in whole or in part in a county containing a consolidated city.

Sec. 10. Subject to the limitations and procedure set out in this chapter, any:
(1) school corporation may annex territory from any other school corporation by resolutions of the acquiring and losing school corporations as provided in section 11 of this chapter; and
(2) school city may annex territory from any other school corporation by a single resolution of the school city as provided in section 12 of this chapter.

Sec. 11. (a) An annexation may be effected if an acquiring school corporation and a losing school corporation each adopts a substantially identical annexation resolution that contains the following items:
(1) A description of the annexed territory. The description must, as near as reasonably possible, be by streets and other boundaries known by common names. The description does not need to include a legal description unless a legal description is necessary to identify the annexed territory. A notice is not defective if there is a good faith compliance with this section and if the area designated may be ascertained with reasonable certainty by a person skilled in the area of real estate description.
(2) The time the annexation takes place. The time the annexation takes place may vary with respect to the different parts of the annexed territory. If the entire annexed territory is contiguous to the acquiring school corporation, the annexed territory may be annexed so that some parts may not be contiguous to the annexed territory for temporary periods.

(3) The terms and conditions facilitating education of students in the annexed territory, losing school corporation, or acquiring school corporation. The terms may include, but are not limited to, the continued attendance by students in the annexed territory at schools in the losing school corporation for specified periods after annexation on a transfer basis. If a student in an annexed territory attends a school in a losing school corporation under this subdivision, transfer tuition for the student must be paid by the acquiring school corporation to the losing school corporation in the manner and at the rates provided by the statutes governing the computation and payment of transfer tuition costs.

(4) The:
   (A) disposition of assets and liabilities of the losing school corporation to the acquiring school corporation;
   (B) allocation between the acquiring school corporation and losing school corporation of subsequently collected school taxes levied on property in the annexed territory; and
   (C) amount, if any, to be paid by the acquiring school corporation to the losing school corporation on account of property received from the losing school corporation.
   The disposition, allocation, and amount must be equitable.

(b) After the adoption of the resolutions under subsection (a), notice shall be given by publication in both the acquiring school corporation and the losing school corporation. The notice must include the text of the resolution, a statement that the resolution has been adopted, and a statement that a right of remonstrance exists as provided in this chapter. It is not necessary to set out the remonstrance provisions of this chapter in the notice. A general reference to a right of remonstrance with a reference to this chapter is sufficient to satisfy the requirements of this subsection. The annexation must take effect not later than thirty (30) days after the publication of the notice or at the time provided in the resolution, whichever is later. However, the annexation is not required to take effect within the period required by this subsection if a remonstrance,
based on a ground other than that set out in section 14(a)(5) of this chapter, is filed in the circuit or superior court of the county in which the annexed territory or any part of the annexed territory is located. The remonstrance must be filed by registered voters residing in the losing school corporation at least equal in number to the greater of:

(1) ten percent (10%) of the number of registered voters residing in the losing school corporation; or
(2) fifty-one percent (51%) of the number of registered voters residing in the annexed territory.

Sec. 12. (a) Notwithstanding section 11 of this chapter, a school city may effect an annexation as follows:

(1) The acquiring school corporation must adopt an annexation resolution of the type provided in section 11 of this chapter. Unless the losing corporation consents, the resolution may not provide a time for annexation before July 1 following the May 1 next succeeding the last publication of the notice of annexation.
(2) The acquiring school corporation, after adopting a resolution under subdivision (1), shall give notice of the type provided in section 11 of this chapter by publication in the acquiring school corporation and in the losing school corporation. The acquiring school corporation shall also give notice to the losing school corporation before the last publication of notice of the type provided in section 11 of this chapter. The annexation must take effect thirty (30) days after the last publication in the losing school corporation or at the time provided in the resolution, whichever is later. However, the annexation is not required to take effect within the period required by this subdivision if a remonstrance, based on a ground other than that set out in section 14(a)(5) of this chapter, is filed in the circuit or superior court of the county in which the annexed territory or a part of the annexed territory is located. The remonstrance must be filed by:

(A) the losing school corporation;
(B) not less than a majority of the owners of land in the annexed territory; or
(C) the owners of seventy-five percent (75%) or more in assessed valuation of the real estate in the annexed territory.

(b) For purposes of determining ownership under subsection (a)(2)(B) and (a)(2)(C), the following rules apply:

(1) Only the record title holder or holders of a single piece of
property are considered an owner.

(2) If record title of a single piece of property is in more than one individual, all the individuals constitute only one (1) owner, and the remonstrance of any one (1) of the individuals constitutes the remonstrance of all the individuals, whether or not the other individuals authorized the filing of the remonstrance.

Sec. 13. (a) The notice by publication required by sections 11 and 12 of this chapter shall be made two (2) times a week apart in two (2) daily newspapers of general circulation in the acquiring school corporation and the losing school corporation. The two (2) daily newspapers must be published in the English language. If there is only one (1) daily newspaper or if there are not any daily newspapers in either school corporation, a weekly newspaper may be used to provide notice. If there is only one (1) daily or weekly newspaper, publication in that newspaper is sufficient. If a newspaper is of general circulation in both school corporations, the publication of notice in the newspaper qualifies as one (1) of the required publications in each of the school corporations. Publication may be made jointly by the losing school corporation and the acquiring school corporation. The remonstrance period runs from the second publication.

(b) If notice is required to be given by an acquiring school corporation to a losing school corporation, it may be made by registered or certified United States mail, return receipt requested, addressed to the:

(1) governing body of the losing school corporation at the governing body’s established business office;
(2) township trustee in the case of a school township; or
(3) superintendent of schools or any officer of the governing body of any other school corporation.

Sec. 14. (a) A remonstrance under section 11 or 12 of this chapter must be in substantially the following form:

The undersigned hereby remonstrate against the annexation of the following described territory situated in ________ County, Indiana, whereby it would be transferred from __________ (the losing corporation) to ____________ (the acquiring corporation):

(Description of the annexed territory sufficient to identify it.)

The remonstrance may be filed in any number of counterparts. Each counterpart must have attached to it the affidavit of the individual circulating the counterpart that affirms that each signature appearing on the counterpart was affixed in the presence of the individual
circulating the counterpart and that each signature is the true and lawful signature of the individual who made it. The individual who makes the affidavit is not required to be one (1) of the individuals who signs the counterpart to which the affidavit is attached. The remonstrance must be accompanied by a complaint filed by one (1) or more of the remonstrators. The individual or individuals who file the complaint must be treated as a representative of the entire class of remonstrators and must sign the complaint individually or have their respective attorneys sign it. The complaint must state the reasons for the remonstrance. The reasons for the remonstrance are limited to the following:

1. There is a procedural defect in the manner in which the annexation is carried out that is jurisdictional.
2. The annexed territory does not form a compact area abutting the acquiring school corporation.
3. The losing school corporation is left with no high school facilities, or its enrollment after annexation will be less than one thousand (1,000) students. This subdivision does not provide a basis for a remonstrance if the annexation includes all of the territory of the losing school corporation.
4. The benefits to be derived from the annexation are outweighed by the detriments after consideration of the respective benefits and detriments to the schools, the students residing in the acquiring school corporation, the students residing in the losing school corporation, and the students residing in the annexed territory.
5. The disposition of assets and liabilities of the losing corporation, the allocation of school tax receipts between the two school corporations, and the amount to be paid by the acquiring school corporation as set out in the annexation resolution are inequitable.

Except for subdivision (1), each allegation enumerated under this subsection may be made in the statutory language.

(b) The plaintiff in a remonstrance suit is the individual whose name appears on the complaint and may be the losing school corporation in a remonstrance under section 12 of this chapter. The defendants in a remonstrance under section 11 of this chapter are the acquiring school corporation and the losing school corporation. The defendant in a remonstrance under section 12 of this chapter is the acquiring school corporation. Service of process shall be made on each
defendant in the manner required in other civil actions.

(c) To determine if a petition is timely filed, the time of filing is the time of filing with the clerk of the circuit court without regard to the time of issuance of the summons. If the thirtieth day falls on Sunday, a holiday, or any other day when the clerk's office is not open, the time for filing must be extended to the next day when the clerk's office is open.

(d) The issues in a remonstrance suit are made up by the allegations in the complaint that are denied by each defendant. A responsive pleading does not need to be filed. A defendant may file a motion to dismiss the suit on the ground that the:

1. requisite number of qualified remonstrators have not signed the petition;
2. remonstrance was not timely filed; or
3. complaint does not state a cause of action.

A responsive pleading to a motion to dismiss does not need to be filed. With respect to a motion under subdivisions (1) and (2), the allegations are considered denied by the remonstrators. In order to determine whether there are the requisite number of qualified remonstrators, an individual is not entitled to withdraw the individual's name after a remonstrance is filed, and an individual is not entitled to add the individual's name to the remonstrance after the remonstrance is filed. An individual may, however, at a remonstrance trial, in support or derogation of the substantive matters in the complaint, introduce into evidence a verified statement that the individual wishes to add or withdraw the individual's name from the remonstrance. The court may hear all or part of the matters raised by the motion to dismiss separately, or the court may consolidate all or part of the matters in the motion to dismiss with matters relating to the substance of the case for trial. A complaint may not be dismissed for failure to state a cause of action if a fair reading of the complaint makes out one (1) of the grounds for remonstrance and suit provided in subsection (a). An amendment of the complaint may be permitted in the discretion of the court if the amendment does not state a new ground of remonstrance.

(e) A remonstrance trial must be conducted in the same manner as other civil cases by the court without the intervention of a jury on the issues raised by a complaint or a motion to dismiss, or both. A change of venue from a judge is permitted, but a change of venue from the county is not permitted. The court shall expedite the hearing of the case. A court's judgment, except with respect to a matter raised under
subsection (a)(5), must be that the:

1. annexation will take place;
2. annexation will not take place; or
3. remonstrance is dismissed.

(f) If the court finds that the remonstrators have proved a reason for the remonstrance described in subsection (a)(1) through (a)(4), the court's judgment shall be that the annexation will not take place. If the remonstrators fail to prove a reason for the remonstrance described in subsection (a)(1) through (a)(4), the court's judgment shall be that the annexation will take place. If the remonstrators raise an issue under subsection (a)(5) in support of a remonstrance, the court's judgment may be either that the disposition, allocation, and amount set out in the annexing resolution are equitable or inequitable. If the court finds that the disposition, allocation, and amount set out in the annexing resolution are inequitable, the court shall provide for an equitable disposition, allocation, and amount. Costs will follow judgment. Appeals may be taken from any judgment of the court in the same manner as appeals are taken in other civil cases.

Sec. 15. With respect to whether the disposition of the assets and liabilities of the losing school corporation is equitable, the allocation of school tax receipts is equitable, and the amount to be paid by the acquiring school corporation is equitable, a court must be satisfied that the annexing resolution conforms substantially to the following standards:

1. Except for current obligations or temporary borrowing, the acquiring school corporation shall assume a part of all installments of principal and interest on the indebtedness of the losing school corporation that is due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property in the annexed territory. The part assumed by the acquiring school corporation consists of the following:
   A. All installments relating to any indebtedness incurred in connection with the acquisition or construction of a building located in the annexed territory.
   B. A proportion of all installments relating to any other indebtedness that is in the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation. Valuation under this clause is based upon the
assessment for general taxation immediately before annexation.

(2) The acquiring school corporation shall make the payments and assume the obligations provided for a school corporation acquiring:
   (A) territory;
   (B) a building or buildings; or
   (C) both territory and a building or buildings;
under IC 21-5-10.

(3) Unless the losing school corporation consents to another allocation, the part of the special school and tuition fund money collected by the losing school corporation shall not be allocated in a greater amount to the acquiring school corporation than would be awarded if the:
   (A) two (2) corporations were respectively the original school corporation and the annexing school corporation under IC 20-23-16; and
   (B) amount to be paid to the losing corporation by the acquiring school corporation based on the acquisition by the acquiring school corporation of a building in the annexed territory may not be less than would be awarded if the two (2) school corporations were respectively the acquiring school corporation and original school corporation under IC 20-23-16.

(4) If the annexed territory includes an entire losing school corporation, the acquiring school corporation shall:
   (A) acquire all the property and assets of the losing school corporation without making any payments for the losing school corporation; and
   (B) assume all of the liabilities and obligations of the losing school corporation.

Sec. 16. (a) If a remonstrance is filed on any ground other than a ground set forth in section 14(a)(5) of this chapter, annexation does not become effective until final judgment in the remonstrance suit. A judgment is not considered final until the time for taking an appeal has expired or, if an appeal is taken within the permitted time, until a final judgment is issued in the appeal.

(b) A judgment of a trial court dismissing a remonstrance is a final judgment, subject to subsection (a).

(c) If a judgment is against annexation, no further annexation of
the annexed territory may occur for two (2) years after the date of the filing of the remonstrance. However, a judgment against annexation does not prevent either the:

(1) acquiring school corporation; or
(2) acquiring school corporation and the losing school corporation;

from rescinding the annexation resolution. If an annexation resolution is rescinded under this subsection, the suit must be dismissed without prejudice. If an annexation suit is dismissed without prejudice under this subsection, the two (2) year prohibition does not apply unless a subsequent annexation resolution is adopted primarily for the purpose of harassment and not for another purpose, such as the correction of procedural irregularities or a substantial change in the annexed territory or the annexation resolution.

d) If a remonstrance relates solely to a matter raised under section 14(a)(5) of this chapter, the annexation takes effect at the time provided under section 11 or 12 of this chapter.

Sec. 17. Notwithstanding any other statute that provides that the boundaries of a school city or school town are coterminous or coextensive with the boundaries of a civil city or civil town, the boundaries of a school city may be changed after March 8, 1961, solely by annexation under this chapter if this chapter was in effect at the time the annexation became effective or finally effective.

Sec. 18. (a) Except as provided in subsection (b), a law or a part of a law in conflict with this chapter is void.

(b) This chapter may not be construed to invalidate IC 20-23-4, IC 20-23-16, or any other statute concerning the consolidation of two (2) or more school corporations to which this chapter is supplementary. However, IC 20-23-4 and IC 20-23-16 are void to the extent that IC 20-23-4 and IC 20-23-16 conflict with the subsequent provisions of this section.

c) An annexation sought under this chapter does not require the approval of a:

(1) county committee;
(2) state commission; or
(3) committee created under or referred to in IC 20-23-4.

d) Acts 1961, c.186, s.9, with respect to an annexation that is finally effective before February 25, 1969, operates after March 8, 1961, before and after a final plan is put into effect by:

(1) election;
Sec. 19. Acts 1961, c.186, s.9 is repealed regarding an annexation that is not effective or finally effective before February 25, 1969.

Sec. 20. (a) This section applies to a school city described in IC 20-25-2-12.

(b) All real estate belonging to a school city that:

1. consists of lots and buildings on the real property of the school city; and
2. has not been used for school purposes for at least five (5) years;

may be transferred to and placed under the jurisdiction of the board of park commissioners of the city in which the school city is located and must be operated, managed, controlled, and maintained as a recreation center for the use and benefit of the city.

Chapter 6. Determination of School City Conditions and Needs

Sec. 1. The following school city conditions and needs are found to exist on January 1, 1995:

1. Education in the school city presents unique challenges.
2. Student achievement in the school city on statewide tests consistently has been significantly below:
   A. the state average; and
   B. achievement attained in school corporations adjacent to the school city.
3. The need for remediation of students in the school city consistently has been significantly higher than:
   A. the state average; and
   B. remediation rates in school corporations adjacent to the school city.
4. Graduation rates in the school city consistently have been significantly below:
   A. the state average; and
   B. graduation rates in school corporations adjacent to the school city.
5. Student attendance rates in the school city consistently have been below:
   A. the state average; and
   B. student attendance rates in school corporations adjacent
(6) There are individual schools in the school city whose students are achieving, but overall student achievement in the school city is unsatisfactory.

(7) Improving education in the school city requires unique legislative intervention.

(8) Educator driven school level control of efforts to improve student achievement in their schools and a program of performance awards in the school city will encourage the development and use of:

   (A) innovative teaching methods;
   (B) improved opportunities for teacher professional development;
   (C) programs achieving greater levels of parental involvement;
   (D) more efficient administrative efforts; and
   (E) improved student achievement.

(9) Greater accountability among educators in their schools, including:

   (A) evaluations based on student achievement measures and administrative efficiency criteria; and
   (B) annual reports to the public regarding student achievement information and administrative performance measures;

will encourage the development and use of creative and innovative educational methods and improve student achievement.

(10) Providing a range of remediation opportunities to students in the school city who:

   (A) fail to meet state achievement standards; or
   (B) are determined to be at risk of academic failure by the board;

will enhance the educational opportunities available to students and improve student performance.

(11) Enhanced intervention for schools whose students fail to meet expected performance levels will improve the:

   (A) educational opportunities; and
   (B) educational achievement;

in the school city.

(12) Allowing students to attend neighborhood schools and the
development and implementation of a plan by the board to increase student performance and achievement in the school city are necessary to:

(A) achieve the legislative objectives referred to in this section;
(B) meet the unique challenges to education in the school city; and
(C) improve student achievement in the school city.

Chapter 7. Neighborhood Schools
Sec. 1. The school city shall offer a parental choice program that allows a parent the opportunity to choose the school in the school city that the parent's child will attend.

Sec. 2. (a) The board shall establish appropriate criteria to:
(1) set priorities for parental choices; and
(2) assign students to schools.
(b) Criteria established under this section must provide that if the parent of a student chooses to enroll the student in a neighborhood school, the student will be assigned to the neighborhood school, subject only to building capacity limitations.

Chapter 8. Parental Involvement in Schools
Sec. 1. As used in this chapter, the term "student's parent" includes the foster parent of a student.

Sec. 2. (a) Each school in the school city shall develop a written compact among:
(1) the school;
(2) the students;
(3) the students' teachers; and
(4) the students' parents.
(b) A written compact must contain the expectations for:
(1) the school;
(2) the student;
(3) the student's teachers; and
(4) the student's parent.
(c) Each educator at the school shall affirm and sign the compact.
(d) Each student and the student's parent shall go to the school before the start of each school year to sign and affirm the compact.

Sec. 3. Each school shall report to the county office of family and children the names of foster parents who have not completed a compact under this chapter.

Chapter 9. Performance Measures for Student Achievement
Sec. 1. IC 20-31-8 applies to the school city and its schools. The board shall use the student performance improvement levels established under IC 20-25-11 to:

1. assess;
2. report; and
3. improve;
the performance of schools, educators, and students in the school city.

Sec. 2. The board shall use state achievement standards to identify students in need of summer remediation services.

Sec. 3. The board shall use the student performance improvement levels established under IC 20-25-11 to:

1. implement the board’s plan;
2. evaluate school performance;
3. publish annual reports; and

Sec. 4. The board shall use student performance improvement levels to determine whether to place a school in academic receivership under IC 20-25-15.

Sec. 5. Each school in the school city shall measure and record:

1. the students' achievement in reaching the school's student performance improvement levels established under IC 20-25-11;
2. student achievement information for the school described in IC 20-20-8-8 and IC 20-25-9-6; and
3. teacher and administrative performance information for the school described in IC 20-25-9-6;
which in each case must not be less rigorous than the student performance improvement levels and information developed and required under IC 20-31-8.

Sec. 6. For all schools under this article, the report must include the following, in addition to the requirements of IC 20-20-8-8:

1. Student achievement information as follows:
   (A) For each elementary and middle school, grade advancement rates.
   (B) For each high school, the percentage of students who apply to, are accepted by, and attend a college, university, or other postsecondary educational institution after high school.

2. Administrative performance measures as follows:
   (A) School receipts and expenditures by source, compared with budget amounts.
   (B) Total school enrollment.
(C) The school's general fund expenditures per student and
total expenditures per student.
(D) The amount and percentage of the school's general fund
expenditures and the amount and percentage of total
expenditures directly reaching the classroom as determined
by a formula to be established by the board.
(E) Teacher/pupil ratios totaled by class, grade, and school.
(F) Administrator/pupil ratio for the school.
(G) Teacher attendance rates totaled by class, grade, and
school.

(3) Achievement on the annual performance objectives identified
under IC 20-25-11.
(4) The performance objectives established under IC 20-25-11 for
the upcoming school year.
(5) State and school city averages for each of the measures set
forth in subdivisions (1) through (2), if available.

Chapter 10. Board Plan for Improvement of Student Achievement
Sec. 1. (a) The board shall modify, develop, and implement a plan
for the improvement of student achievement in the schools in the
school city.

(b) A plan modified, developed, and implemented under this
chapter must be consistent with this article and with IC 20-31-1,
IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9,
and IC 20-31-10.

Sec. 2. The plan modified, developed, and implemented under this
chapter must do the following:

(1) Provide for efforts to increase support of the schools by:
(A) the parents of students; and
(B) the neighborhood communities surrounding the schools.
(2) Establish student performance improvement levels for
students in each school in the school city that are not less
rigorous than the student performance improvement levels
developed under IC 20-31.
(3) Provide opportunity and support for the educators in each
school to develop a school plan, including:
(A) traditional or innovative methods and approaches to
improve student achievement; and
(B) efficient and cost effective management efforts in the
school;
that are developed consistently with IC 20-25-12-1 and with the
board's plan developed under this chapter.

(4) Require annual reports identifying the progress of student achievement for each school as described in IC 20-20-8-8 and IC 20-25-9-6.

(5) Provide for the effective evaluation of:
   (A) each school in the school city; and
   (B) the school's educators;
   including the consideration of student achievement in the school.

(6) Provide a range of opportunity for remediation of students who:
   (A) fail to meet state achievement standards; or
   (B) are at risk of academic failure.

(7) Require action to raise the level of performance of a school if the school's students fail to achieve student performance improvement levels established for the school under IC 20-25-11-1.

Sec. 3. The board shall:
   (1) modify, develop, and publish the plan required under this chapter; and
   (2) implement the modified plan;

in compliance with the timelines of IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10.

Sec. 4. If the board revises the plan required under this chapter after the plan is published, the board shall publish the revisions.

Sec. 5. (a) The board shall annually assess and evaluate educational programs offered by the school city to determine:
   (1) the relationship of the programs to improved student achievement; and
   (2) the educational value of the programs in relation to cost.

(b) The board may obtain information from:
   (1) educators in the schools offering a program;
   (2) students participating in a program; and
   (3) the parents of students participating in a program;

in preparing an assessment and evaluation under this section. The assessment must include the performance of the school's students in achieving student performance improvement levels under IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, IC 20-31-10, and IC 20-25-11.

Chapter 11. Annual Performance Objectives
Sec. 1. The board shall establish annual student performance
improvement levels for each school that are not less rigorous than the student performance improvement levels under IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10, including the following:

(1) For students:
   (A) improvement in results on assessment tests and assessment programs;
   (B) improvement in attendance rates; and
   (C) improvement in progress toward graduation.

(2) For teachers:
   (A) improvement in student results on assessment tests and assessment programs;
   (B) improvement in the number and percentage of students achieving:
      (i) state achievement standards; and
      (ii) if applicable, performance levels set by the board on assessment tests;
   (C) improvement in student progress toward graduation;
   (D) improvement in student attendance rates for the school year;
   (E) improvement in individual teacher attendance rates;
   (F) improvement in:
      (i) communication with parents; and
      (ii) parental involvement in classroom and extracurricular activities; and
   (G) other objectives developed by the board.

(3) For the school and school administrators:
   (A) improvement in student results on assessment tests, totaled by class and grade;
   (B) improvement in the number and percentage of students achieving:
      (i) state achievement standards; and
      (ii) if applicable, performance levels set by the board on assessment tests, totaled by class and grade;
   (C) improvement in:
      (i) student graduation rates; and
      (ii) progress toward graduation;
   (D) improvement in student attendance rates;
   (E) management of:
      (i) general fund expenditures; and
(ii) total expenditures; per student;
(F) improvement in teacher attendance rates; and
(G) other objectives developed by the board.

Chapter 12. School Plans for Improvement
Sec. 1. (a) IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10 apply to the school city. The composition of a local school improvement committee is determined under IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10.
(b) The plan developed and implemented by the board under IC 20-25-10 must contain general guidelines for decisions by the educators in each school to improve student achievement in the school.
(c) The board's plan shall provide for the publication to other schools in the school city and to the general community those:
   (1) processes;
   (2) innovations; and
   (3) approaches;
that have led individual schools to significant improvement in student achievement.
Sec. 2. (a) Educators in each school are responsible for improving student achievement in the school and may develop the educators' own school plan to achieve improvement that:
   (1) conforms to the guidelines issued by the board; and
   (2) has a cost that does not exceed the amount allocated to the school under section 5 of this chapter.
(b) Educators may use traditional or innovative techniques that the educators believe will:
   (1) best maintain a secure and supportive educational environment; and
   (2) improve student achievement.
Sec. 3. Each school's plan must include the development and maintenance of efforts to increase parental involvement in educational activities.
Sec. 4. School plans must promote:
   (1) increased options for; and
   (2) innovative and successful approaches to;
   improving student achievement.
Sec. 5. The approved general fund budget for each school for a school year must be, as nearly as is reasonable and practicable,
proportionate to the total general fund budget for the school city in the same ratio as the school's estimated ADM compares to the school city's estimated ADM for that school year.

Sec. 6. (a) Each school's educators may:
   (1) determine the educational resources, goods, and services that are necessary and appropriate for improving student performance in the school; and
   (2) obtain or purchase the educational resources, goods, and services.

(b) Purchases and acquisitions under this section are subject to:
   (1) the general guidelines developed by the board; and
   (2) the school's budget.

Sec. 7. Subject to the general guidelines developed by the board and after consulting with the school's teachers, each school's administrators may determine the:
   (1) sources of; and
   (2) part of;
the school's available budget allocated for noneducational goods and services.

Sec. 8. (a) If, as a result of a school's efforts to incur less expense than was budgeted in a fiscal year, the school has excess general fund money after the school's expenses for the fiscal year are paid in full, the school retains control of the excess.

(b) The school shall use excess general fund money retained under this section during the following school year for:
   (1) professional development of the school's educators; and
   (2) other classroom instructional purposes;
under the general guidelines developed by the board.

(c) The board may not consider a school's excess general fund money retained under this section when setting or approving the school's budget for subsequent years.

Chapter 13. Staff Performance Evaluations
Sec. 1. IC 20-28-11 does not apply to a school city.
Sec. 2. Each school year, a school shall develop and implement a staff performance evaluation plan to evaluate the performance of the school's certified employees under guidelines established by the board.
Sec. 3. A staff performance evaluation plan must do the following:
   (1) Provide for evaluation of the school's and the school's educators' performance based on the school's students' performance improvement level under IC 20-25-11, including the
following:

(A) Student achievement on assessment tests and assessment programs.
(B) Graduation rates.
(C) Scholastic aptitude test scores.
(D) Other objective standards developed by the board for measuring student, teacher, and administrator performance improvement consistent with:
   (i) state academic standards; and
   (ii) student performance improvement levels developed under IC 20-25-11.

(2) Provide for:
   (A) the continuing professional development; and
   (B) improvement of the performance; of the individuals evaluated.

(3) Require periodic assessment of the effectiveness of the plan.

Sec. 4. A staff performance evaluation plan may provide the basis for making employment decisions.

Sec. 5. Development and implementation of a staff performance evaluation plan for each school is a condition for accreditation for the school under IC 20-19-2-8(a)(5).

Sec. 6. A staff performance evaluation plan must:
   (1) comply with guidelines established by; and
   (2) be approved by; the board.

Sec. 7. IC 20-28-6-4 and IC 20-28-6-5 apply to certificated employees in the school city. A teacher’s students' performance improvement levels under the assessment tests and programs of IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10 may be used as a factor, but not the only factor, to evaluate the performance of a teacher in the school city.

Chapter 14. Summer Remediation

Sec. 1. (a) The school city must provide summer remediation services to each student in a designated grade level who does not meet state achievement standards.
   (b) The school city may provide summer remediation services to students of any other grade level who are determined by the school city to be at risk of academic failure.

Sec. 2. The board may:
   (1) request and receive competitive proposals from:
(A) a school of the school city;
(B) another public educational institution; or
(C) a group of educators from the school city;
to provide summer remediation services under guidelines and
specified performance standards established by the board; and
(2) contract with one (1) or more providers listed in subdivision
(1) to provide summer remediation services to students in the
school city.
Sec. 3. The school city:
(1) shall pay the cost of summer remediation services; and
(2) may use all available funding from the state for the payment.
The purchase of remediation services is eligible for state
reimbursement in the same manner as other state funding, including
summer school funding.
Sec. 4. (a) Summer remediation services provided by contractors
under section 2 of this chapter shall be provided at no tuition cost to
the student.
(b) Upon the request of the parent of a student described in section
1 of this chapter, the school city shall provide the parent with a
summer remediation subsidy in an amount equal to fifty percent
(50%) of the lowest per student cost of summer remediation services
provided by a contractor under section 2 of this chapter.
(c) A parent to whom a summer remediation subsidy is provided
may use the subsidy to purchase summer remediation services from
a provider located in Marion County. The parent may choose to use
the remediation subsidy at an accredited public school. If the amount
of tuition for the remediation services is greater than the amount of
the remediation subsidy provided to the parent, the parent is
responsible for the additional amount.
(d) The allocated remediation subsidy is payable to a provider of
remediation services upon the provider's enrollment of the student in
the remediation program.
(e) Payment of a remediation subsidy fulfills the obligation under
this chapter of the school city to provide remediation services to a
student.
(f) If a student who has received a remediation subsidy does not
complete a remediation program, the provider of remediation services
shall refund the remediation subsidy on a pro rata basis to the school
city.
Chapter 15. Academic Receivership
Sec. 1. In addition to the consequences of IC 20-31-9, the board shall place a school in the school city in academic receivership if the school fails for any two (2) consecutive school years to meet student performance improvement levels.

Sec. 2. Before August 1 of a school year for which a school is placed in academic receivership, the superintendent and the board shall require the following:

1. Evaluation of each administrator at the school.
2. Evaluation of each teacher at the school.
3. Evaluation of the school's educational plan.
4. Consideration of:
   A. personnel;
   B. management;
   C. plan; and
   D. policy;
   changes for the school to improve student performance at the school.
5. Identification of significant:
   A. management;
   B. personnel;
   C. plan; or
   D. policy;
   changes that in the board's judgment must be implemented to improve the school's performance.

Sec. 3. (a) If a school is placed in academic receivership, the superintendent and the board must take action to raise the school's level of performance.

(b) In addition to the consequences of IC 20-31-9, the actions that the superintendent and the board may take to raise the performance of a school in academic receivership include the following:

1. Shifting resources of the school city to the school.
2. Changing or removing:
   A. the school principal;
   B. teachers;
   C. administrators; or
   D. other staff.
3. Establishing a new educational plan for the school.
4. Requiring the superintendent or another school city appointee to administer the school until the academic receivership status of the school is removed.
(5) Contracting with a:
   (A) for-profit organization;
   (B) nonprofit organization; or
   (C) individual;
   to manage the school.
(6) Closing the school.
(7) Any other management, personnel, or policy changes that the
    superintendent and board expect in the following school year to:
    (A) raise the performance of the school; and
    (B) avoid continuing academic receivership status for the
    school.
(c) If this chapter is inconsistent with any other law relating to:
    (1) education;
    (2) teachers; or
    (3) common schools;
   this chapter governs.
Chapter 16. Additional Powers to Modify Policies and Waive
Requirements, Lease Property, and Transfer Funds
Sec. 1. To provide the board with the necessary flexibility and
resources to carry out this article, the following apply:
(1) The board may:
   (A) eliminate or modify existing policies;
   (B) create new policies; and
   (C) alter policies;
   subject to this article and the plan developed under IC 20-25-10.
(2) IC 20-29 applies to the school city, except for the provision of
    IC 20-29-6-7(a) that requires any items included in the 1972-1973
    agreements between an employer school corporation and an
    employee organization to continue to be bargainable.
(3) The board may waive the following statutes and rules for any
    school in the school city without administrative, regulatory, or
    legislative approval:
    (A) The following rules concerning curriculum and
        instructional time:
        511 IAC 6.1-3-4
        511 IAC 6.1-5-0.5
        511 IAC 6.1-5-1
        511 IAC 6.1-5-2.5
        511 IAC 6.1-5-3.5
        511 IAC 6.1-5-4.
(B) 511 IAC 6.1-4-1 concerning student/teacher ratios.
(C) The following statutes and rules concerning textbooks and rules adopted under the statutes:
   IC 20-20-5-1 through IC 20-20-5-4
   IC 20-20-5-23
   IC 20-26-12-24
   IC 20-26-12-26
   IC 20-26-12-28
   IC 20-26-12-1
   IC 20-26-12-2
   511 IAC 6.1-5-5.
(D) 511 IAC 6.1-4-2 concerning school principals.
(4) Notwithstanding any other law, a school city may do the following:
   (A) Lease school transportation equipment to others for nonschool use when the equipment is not in use for a school city purpose.
   (B) Establish a professional development and technology fund to be used for:
       (i) professional development; or
       (ii) technology, including video distance learning.
   (C) Transfer funds obtained from sources other than state or local government taxation to any account of the school corporation, including a professional development and technology fund established under clause (B).
(5) Transfer funds obtained from property taxation to the general fund (established under IC 21-2-11) and the school transportation fund (established under IC 21-2-11.5), subject to the following:
   (A) The sum of the property tax rates for the general fund and the school transportation fund after a transfer occurs under this subdivision may not exceed the sum of the property tax rates for the general fund and the school transportation fund before a transfer occurs under this subdivision.
   (B) This subdivision does not allow a school corporation to transfer to any other fund money from the debt service fund established under IC 21-2-4.

SECTION 10. IC 20-26 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE 26 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:


ARTICLE 26. SCHOOL CORPORATIONS: GENERAL ADMINISTRATIVE PROVISIONS

Chapter 1. Applicability
Sec. 1. IC 20-26-1 through IC 20-26-5 and IC 20-26-7 apply to all school corporations.

Chapter 2. Definitions
Sec. 1. Notwithstanding IC 20-18-2, the definitions in this chapter apply in IC 20-26-1 through IC 20-26-5 and IC 20-26-7.
Sec. 2. "Governing body" refers to the board of commissioners charged by law with the responsibility of administering the affairs of a school corporation, including a:
(1) board of school commissioners;
(2) metropolitan board of education;
(3) board of school trustees; or
(4) board of trustees.
Sec. 3. "Member" means a member of a governing body.
Sec. 4. "School corporation" means a local public school corporation established under Indiana law, including a:
(1) school city;
(2) school town;
(3) metropolitan school district;
(4) consolidated school corporation;
(5) county school corporation;
(6) community school corporation; and
(7) united school corporation.
The term does not include a school township.
Sec. 5. "School purposes" means the general purposes and powers specified in IC 20-26-5-1 and IC 20-26-5-4. However, the delineation of a specific power in IC 20-26-5-4 is not a limitation on the general powers and purposes set out in IC 20-26-5-1.

Chapter 3. Home Rule
Sec. 1. Notwithstanding any other law and subject to section 7 of this chapter, the policy of the state is to grant to each school corporation all the powers needed for the effective operation of the school corporation.
Sec. 2. (a) The rule of law that any doubt as to the existence of a power of a school corporation must be resolved against the existence of the power is abrogated.
(b) Any doubt as to the existence of a power of a school corporation must be resolved in favor of the existence of the power. This rule
applies when a statute granting the power has been repealed.

Sec. 3. (a) The rule of law that a school corporation has only:
   (1) powers expressly granted by statute;
   (2) powers necessarily or fairly implied in or incident to powers
      expressly granted through rules adopted by the state board
      under IC 4-22-2 or otherwise; and
   (3) powers indispensable to the declared purposes of the school
      corporation;

   is abrogated.
   (b) A school corporation has:
      (1) all powers granted to the school corporation by statute or
          through rules adopted by the state board; and
      (2) all other powers necessary or desirable in the conduct of the
          school corporation’s affairs, even if the power is not granted by
          statute or rule.
   (c) The powers that school corporations have under subsection
      (b)(1) are listed in various statutes. However, these statutes do not list
      the powers that school corporations have under subsection (b)(2). The
      omission of a power from a list does not imply that school
      corporations lack that power.

Sec. 4. A school corporation may exercise any power the school
    corporation possesses to the extent that the power:
   (1) is not expressly denied by the Constitution of the State of
       Indiana, by statute, or by rule of the state board; and
   (2) is not expressly granted to another entity.

Sec. 5. (a) If there is a constitutional or statutory provision
    requiring a specific manner for exercising a power, a school
    corporation that exercises the power shall exercise the power in the
    specified manner as a minimum requirement.
   (b) If there is not a constitutional or statutory provision requiring
    a specific manner for exercising a power, a school corporation that
    exercises the power shall:
      (1) adopt a written policy prescribing a specific manner for
          exercising the power; or
      (2) comply with a statutory provision permitting a specific
          manner for exercising the power.
   (c) A written policy under subsection (b)(1) must be adopted by the
       governing body of the school corporation.

Sec. 6. A state agency and other agencies may review or regulate
    the exercise of powers by a school corporation only to the extent
prescribed by statute.

Sec. 7. A school corporation does not have any of the following powers:

(1) Powers expressly prohibited of a unit under IC 36-1-3-8.
(2) Power for eminent domain, unless specifically authorized by statute.
(3) Power to prescribe a civil penalty or a fine.
(4) Power to adopt ordinances.
(5) Power to require the attendance of witnesses and the production of documents relative to matters being considered, unless specifically authorized by statute.
(6) Power to exercise powers outside the boundaries of the school corporation, unless authorized by statute through a joint agreement or otherwise.

Chapter 4. Organization and Operation of Governing Body

Sec. 1. (a) As used in this section, "electronic funds transfer" means a transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape to order, instruct, or authorize a financial institution to debit or credit an account.

(b) The governing body of each school corporation shall organize by electing:

(1) a president;
(2) a vice president; and
(3) a secretary;

each of whom is a different member, not more than fifteen (15) days after the commencement date of the members’ terms of office, as provided in section 4 of this chapter.

(c) A governing body shall, at the time that officers are elected under subsection (b), appoint a treasurer of the governing body and of the school corporation who is a person, other than the superintendent of schools, who is not a member of the governing body. The treasurer may, with the approval of the governing body, appoint a deputy who must be a person, other than the superintendent of schools, who is not a member of the governing body and who has the same powers and duties as the treasurer, or lesser duties as provided by the governing body by rule.

(d) The treasurer is the official custodian of all funds of the school corporation and is responsible for the proper safeguarding and
accounting for the funds. The treasurer shall:

(1) issue a receipt for money received by the treasurer;
(2) deposit money described in subdivision (1) in accordance with the laws governing the deposit of public funds; and
(3) issue all warrants in payment of expenses lawfully incurred on behalf of the school corporation. However, except as otherwise provided by law, warrants described in this subdivision must be issued only after proper allowance or approval by the governing body. The governing body may not require an allowance or approval for amounts lawfully due in payment of indebtedness or payments due the state, the United States government, or agencies and instrumentalities of the state or the United States government.

A verification, other than a properly itemized invoice, may not be required for any claim of one hundred dollars ($100) or less. A claim that exceeds one hundred dollars ($100) is sufficient as to form if the bill or statement for the claim has printed or stamped on the face of the bill or statement a verification of the bill or statement in language approved by the state board of accounts.

(e) Notwithstanding subsection (d), a treasurer may transact school corporation financial business with a financial institution or a public retirement fund through the use of electronic funds transfer. The treasurer must provide adequate documentation to the governing body of transfers made under this subsection. This subsection applies only to agreements for joint investment of money under IC 5-13-9 and to payments to:

(1) the Indiana state teachers’ retirement fund; or
(2) the public employees’ retirement fund;

from participating employers.

(f) A treasurer is not personally liable for an act or omission occurring in connection with the performance of the duties set forth in this section, unless the act or omission constitutes gross negligence or an intentional disregard of the treasurer’s duties.

(g) A governing body may establish the position of executive secretary to the governing body. The executive secretary:

(1) must be an employee of the school corporation;
(2) may not be a member of the governing body; and
(3) must be appointed by the governing body upon the recommendation of the superintendent of the school corporation.

The governing body shall determine the duties of the executive
Sec. 1. The governing body shall designate a secretary, which may include all or part of the duties of the secretary of the board.

Sec. 2. A person elected or selected to be a member of a governing body shall take the following oath before taking office:

"I solemnly swear (or affirm) that I will support the Constitution of the United States of America, the Constitution of the State of Indiana, and the laws of the United States and the State of Indiana. I will faithfully execute the duties of my office as a member of this governing body, so help me God."

However, the governing body may provide for additional provisions to the oath that the governing body considers appropriate for the office.

Sec. 3. (a) Regular meetings must be held by each governing body at a time and place established by resolution of the board or may be incorporated in the rules provided in IC 20-26-5-4. A notice need not be given a member for holding or taking any action at a regular meeting.

(b) If a meeting is held according to a procedure set forth by statute or rule and if publication of notice of the meeting is required, notice of the meeting is not required and need not be given a member for holding or taking any action at the meeting contemplated by the notice. The meeting must be held at the time and place specified in the published notice.

(c) Special meetings of a governing body must be held on call by the governing body's president or by the superintendent of the school corporation. The call must be evidenced by a written notice specifying the date, time, and place of the meeting, delivered to each member personally or sent by mail or telegram so that each member has at least seventy-two (72) hours notice of the special meeting. Special meetings must be held at the regular meeting place of the board.

(d) All meetings of a governing body must be open to the public to the extent required by IC 5-14-1.5. The governing body shall comply with IC 5-14-1.5.

(e) If notice of a meeting is required and each member of a governing body has waived notice of the meeting, as provided in this subsection, notice of the meeting is not necessary. Waiver of notice of a meeting by a member consists of the following:

(1) The member's presence at the meeting.

(2) The member's execution of a written notice waiving the date, time, and place of the meeting, executed either before or after the
meeting. However, if notice is executed after the meeting, the waiver must also state in general terms the purpose of the meeting. If a waiver specifies that the waiver was executed before the meeting, third persons are entitled to rely on the statement.

(f) At a meeting of the governing body, a majority of the members constitutes a quorum. Action may not be taken unless a quorum is present. Except where a larger vote is required by statute or rule with respect to any matter, a majority of the members present may adopt a resolution or take any action.

(g) All meetings of the governing body for the conduct of business must be held within the school corporation, except as follows:

1. Meetings may be held at the administrative offices of the school corporation if the offices are outside the geographic limits of the school corporation but are within a county where all or a part of the school corporation is located.
2. Meetings may be held at a place where the statute or rule according to which a statutory meeting is held permits meeting outside the school corporation, as may occur when the meeting is held jointly with another governing body.

Sec. 4. (a) This section does not apply to a school city of the first class or to a school corporation succeeding to all or the major part in area of a school city of the first class.

(b) The commencement and termination of terms of members of a governing body are as follows:

1. Except as provided in subdivision (2), the governing body of each school corporation shall determine whether the term of office for the governing body's members extends from January 1 to December 31 or from July 1 to June 30. A governing body that makes a change in the commencement date of the governing body's members' terms shall report the change to the state board before August 1 preceding the year in which the change takes place. An ex officio member of a governing body shall take office at the time the ex officio member takes the oath of the office by virtue of which the ex officio member is entitled to become an ex officio member.
2. In a county having a population of more than four hundred thousand (400,000), the terms of office for the members of a governing body, whether elected or appointed, commence on July 1 of the year in which the members are to take office under the plan, resolution, or law under which the school corporation
is established, and terminate on the June 30 of the final year of
the term for which the members are to serve under the plan,
resolution, or law.

(c) If a vacancy in the membership of a governing body occurs for
any reason (including the failure of a sufficient number of petitions for
candidates for governing body membership being filed for an election
and whether the vacancy was of an elected or appointed member), the
remaining members of the governing body shall by majority vote fill
the vacancy by appointing a person from within the boundaries of the
school corporation, with the residence and other qualifications
provided for a regularly elected or appointed board member filling
the membership, to serve for the term or the balance of the term.
However, this subsection does not apply to a vacancy:

1) of a member who serves on a governing body in an ex officio
capacity; or

2) a vacancy in an appointed board membership if a plan,
resolution, or law under which the school corporation operates
specifically provides for filling vacancies by the appointing
authority.

Sec. 5. For each school year commencing July 1, the treasurer of
each governing body and the governing body's school corporation and
a deputy treasurer, if so appointed, shall give a bond for the faithful
performance of the treasurer's and deputy treasurer's duties written
by an insurance company licensed to do business in Indiana, in an
amount determined by the governing body. The treasurer shall be
responsible under the treasurer's bond for the acts of a deputy
treasurer appointed as provided in section 1 of this chapter.

Sec. 6. (a) The governing body of any school corporation may
designate a committee of at least two (2) of the governing body's
members, or a committee of not less than two (2) employees of the
school corporation, to open and tabulate bids:

1) in connection with the purchase of supplies, material, or
equipment;

2) for the construction or alteration of a building or facility; or

3) for any similar purpose.

(b) Bids described in subsection (a):

1) may be opened by the committee at the time and place fixed
by the advertisement for bids;

2) must be read aloud and tabulated publicly, to the extent
required by law for governing bodies; and
(3) must be available for inspection.
(c) The bids described in subsection (a) must be reported to and the tabulation entered upon the records of the governing body at the governing body's next meeting following the bid opening.
(d) A bid described in subsection (a) may not be accepted or rejected by the committee, but the bid must be accepted or rejected solely by the governing body in a board meeting open to the public as provided in section 3 of this chapter.

Sec. 7. (a) Except as provided in IC 20-25-3-3, the governing body of a school corporation by resolution has the power to pay each member of the governing body a reasonable amount for service as a member, not to exceed:
   (1) two thousand dollars ($2,000) per year; and
   (2) a per diem not to exceed the rate approved for members of the board of school commissioners under IC 20-25-3-3(d).
(b) If the members of the governing body are totally comprised of appointed members, the appointive authority under IC 20-23-4-28(e) shall approve the per diem rate allowable under subsection (a)(2) before the governing body may make the payments.
(c) To make a valid approval under subsection (b), the appointive authority must approve the per diem rate with the same endorsement required under IC 20-23-4-28(f) to make the appointment of the member.

Sec. 8. Notwithstanding any other law, the president and secretary of the governing body of a school corporation are entitled, on behalf of the school corporation, to sign any contract, including employment contracts and contracts for goods and services. However, each contract must be approved by a majority of all members of the governing body. In the absence of either the president or secretary of the governing body, the vice president is entitled to sign the contracts with the officer who is present.

Sec. 9. An individual who is at least twenty-one (21) years of age and is otherwise eligible to assume office as a member of a governing body may not be disqualified on the basis of age.

Sec. 10. Property ownership is not a qualification for serving as a member of a governing body.

Sec. 11. In addition to any other eligibility requirements for members of the governing body of a school corporation as set forth in law, an individual who is employed as a teacher or as a noncertificated employee (as defined in IC 20-29-2-11) of the school corporation may
not be a member of the governing body of the school corporation.

Chapter 5. General Powers and Duties

Sec. 1. (a) A school corporation shall:

(1) conduct an educational program for all children who reside within the school corporation in kindergarten and in grades 1 through 12; and

(2) provide each preschool child with a disability with an appropriate special education as required under IC 20-35-4-9 only if the general assembly appropriates state funds for preschool special education.

(b) A school corporation may:

(1) conduct an educational program for adults and children at least fourteen (14) years of age who do not attend a program described in subsection (a);

(2) provide instruction in vocational, industrial, or manual training;

(3) provide libraries for the schools of the school corporation;

(4) provide public libraries open and free for the use and benefit of the residents and taxpayers of the school corporation where permitted by law;

(5) provide vacation school and recreational programs;

(6) conduct other educational or other activities as are permitted or required to be performed by law by any school corporation; and

(7) provide a school age child care program that operates during periods when school is in session for students who are enrolled in a half-day kindergarten program.

(c) A school corporation shall develop a written policy that provides for:

(1) the implementation of a school age child care program for children who attend kindergarten through grade 6 that, at a minimum, operates after the school day and may include periods before school is in session or periods when school is not otherwise in session (commonly referred to as a latch key program) and is offered by the school corporation; or

(2) the availability of the school corporation's buildings or parts of the school corporation's buildings to conduct the type of program described in subdivision (1) by a nonprofit organization or a for-profit organization.

(d) The written policy required under subsection (c) must address
compliance with certain standards of reasonable care for children served by a child care program offered under subsection (c), including:

(1) requiring the offering entity to acquire a particular amount of liability insurance; and
(2) establishing maximum adult to child ratios governing the overall supervision of the children served.

If a school corporation implements a child care program as described in subsection (c)(1) or enters into a contract with an entity described in subsection (c)(2) to provide a child care program, the school corporation may not assess a fee for the use of the building, and the contract between the school corporation and the entity providing the program must be in writing. However, the school corporation may assess a fee to reimburse the school corporation for providing security, maintenance, utilities, school personnel, or other costs directly attributable to the use of the building for the program. In addition, if a school corporation offers a child care program as described in subsection (c)(1), the school corporation may assess a fee to cover costs attributable to implementing the program.

(e) The powers under this section are purposes as well as powers.

Sec. 2. (a) Notwithstanding section 1 of this chapter, except as provided in subsection (c), a school corporation shall do one (1) of the following:

(1) Conduct a school age child care program (commonly referred to as a latch key program) for children who attend kindergarten through grade 6 that, at a minimum:
(A) operates after the school day and may include periods before school is in session or periods when school is not otherwise in session and is offered by the school corporation; and
(B) is available to all children in the applicable grade levels within the school corporation.
(2) Contract with a nonprofit or for-profit organization to:
(A) conduct the type of program described in subdivision (1); and
(B) use school buildings or parts of school buildings in conducting the program.

A contract entered into under this subdivision must be in writing. However, a school corporation is not required to conduct the school corporation’s child care program or to contract for a child care
program for kindergarten students at times when grades 1 through 6 are in session.

(b) A school corporation shall develop a written policy that addresses compliance with certain standards of reasonable care for children served by a child care program required under subsection (a), including the following:

(1) Requiring the offering entity to acquire a particular amount of liability insurance.

(2) Establishing maximum adult to child ratios governing the overall supervision of the children served.

A school corporation may not assess a fee for the use of a building for a child care program required under subsection (a). However, the school corporation may assess a fee to reimburse the school corporation for providing security, maintenance, utilities, school personnel, or other costs directly attributable to the use of a building for a child care program. If a school corporation conducts a child care program under subsection (a)(1), the school corporation may assess a fee to cover costs attributable to implementing the program.

(c) A school corporation shall receive a waiver from the state board of the requirement under subsection (a) if the school corporation believes that the school corporation would experience an undue hardship due to a low number of eligible children intending to use a child care program, regardless of whether the child care program is conducted by the school corporation or under a contractual agreement. To receive a waiver, the school corporation must include a detailed description of the school corporation's attempt to implement a child care program, including the following:

(1) A description of the steps taken to:

   (A) conduct a child care program described in subsection (a)(1); or
   (B) actively solicit nonprofit organizations or for-profit organizations to implement a child care program as provided in subsection (a)(2).

(2) Evidence that a request in writing was made to each parent to contact the school corporation to indicate the parent's willingness to use a child care program and documentation of the results received from parents.

Sec. 3. (a) This section applies to a school age child care program (commonly referred to as a latch key program) operated by a nonprofit or for-profit organization under section 1 or 2 of this
chapter.

(b) Before awarding a contract to operate a child care program described in subsection (a), a school corporation must comply with IC 5-22-9.

(c) In a request for proposals prepared under subsection (b), a school corporation must require each responding organization to specify the fee schedule the organization proposes to charge parents for the use of the child care program.

(d) An organization that operates a child care program described in subsection (a) must comply with the guidelines developed by the department and the school corporation for child care programs described in subsection (a).

Sec. 4. In carrying out the school purposes of a school corporation, the governing body acting on the school corporation's behalf has the following specific powers:

(1) In the name of the school corporation, to sue and be sued and to enter into contracts in matters permitted by applicable law.

(2) To take charge of, manage, and conduct the educational affairs of the school corporation and to establish, locate, and provide the necessary schools, school libraries, other libraries where permitted by law, other buildings, facilities, property, and equipment.

(3) To appropriate from the school corporation's general fund an amount, not to exceed the greater of three thousand dollars ($3,000) per budget year or one dollar ($1) per pupil, not to exceed twelve thousand five hundred dollars ($12,500), based on the school corporation's previous year's average daily membership (as defined in IC 21-3-1.6-1.1) to promote the best interests of the school corporation through:

(A) the purchase of meals, decorations, memorabilia, or awards;

(B) provision for expenses incurred in interviewing job applicants; or

(C) developing relations with other governmental units.

(4) To:

(A) Acquire, construct, erect, maintain, hold, and contract for construction, erection, or maintenance of real estate, real estate improvements, or an interest in real estate or real estate improvements, as the governing body considers necessary for school purposes, including buildings, parts of buildings,
additions to buildings, rooms, gymnasiums, auditoriums, playgrounds, playing and athletic fields, facilities for physical training, buildings for administrative, office, warehouse, repair activities, or housing school owned buses, landscaping, walks, drives, parking areas, roadways, easements and facilities for power, sewer, water, roadway, access, storm and surface water, drinking water, gas, electricity, other utilities and similar purposes, by purchase, either outright for cash (or under conditional sales or purchase money contracts providing for a retention of a security interest by the seller until payment is made or by notes where the contract, security retention, or note is permitted by applicable law), by exchange, by gift, by devise, by eminent domain, by lease with or without option to purchase, or by lease under IC 21-5-10, IC 21-5-11, or IC 21-5-12.

(B) Repair, remodel, remove, or demolish, or to contract for the repair, remodeling, removal, or demolition of the real estate, real estate improvements, or interest in the real estate or real estate improvements, as the governing body considers necessary for school purposes.

(C) Provide for energy conservation measures through utility energy efficiency programs or under a guaranteed energy savings contract as described in IC 36-1-12.5.

(5) To acquire personal property or an interest in personal property as the governing body considers necessary for school purposes, including buses, motor vehicles, equipment, apparatus, appliances, books, furniture, and supplies, either by cash purchase or under conditional sales or purchase money contracts providing for a security interest by the seller until payment is made or by notes where the contract, security, retention, or note is permitted by applicable law, by gift, by devise, by loan, or by lease with or without option to purchase and to repair, remodel, remove, relocate, and demolish the personal property. All purchases and contracts delineated under the powers given under subdivision (4) and this subdivision are subject solely to applicable law relating to purchases and contracting by municipal corporations in general and to the supervisory control of state agencies as provided in section 6 of this chapter.

(6) To sell or exchange real or personal property or interest in real or personal property that, in the opinion of the governing
body, is not necessary for school purposes, in accordance with IC 20-26-7, to demolish or otherwise dispose of the property if, in the opinion of the governing body, the property is not necessary for school purposes and is worthless, and to pay the expenses for the demolition or disposition.

(7) To lease any school property for a rental that the governing body considers reasonable or to permit the free use of school property for:

(A) civic or public purposes; or

(B) the operation of a school age child care program for children five (5) years of age through fourteen (14) years of age that operates before or after the school day, or both, and during periods when school is not in session;

if the property is not needed for school purposes. Under this subdivision, the governing body may enter into a long term lease with a nonprofit corporation, community service organization, or other governmental entity, if the corporation, organization, or other governmental entity will use the property to be leased for civic or public purposes or for a school age child care program. However, if payment for the property subject to a long term lease is made from money in the school corporation's debt service fund, all proceeds from the long term lease must be deposited in the school corporation's debt service fund so long as payment for the property has not been made. The governing body may, at the governing body's option, use the procedure specified in IC 36-1-11-10 in leasing property under this subdivision.

(8) To:

(A) Employ, contract for, and discharge superintendents, supervisors, principals, teachers, librarians, athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-28-5), business managers, superintendents of buildings and grounds, janitors, engineers, architects, physicians, dentists, nurses, accountants, teacher aides performing noninstructional duties, educational and other professional consultants, data processing and computer service for school purposes, including the making of schedules, the keeping and analyzing of grades and other student data, the keeping and preparing of warrants, payroll, and similar data where approved by the state board of accounts as provided below,
and other personnel or services as the governing body considers necessary for school purposes.
(B) Fix and pay the salaries and compensation of persons and services described in this subdivision.
(C) Classify persons or services described in this subdivision and to adopt schedules of salaries or compensation.
(D) Determine the number of the persons or the amount of the services employed or contracted for as provided in this subdivision.
(E) Determine the nature and extent of the duties of the persons.

The compensation, terms of employment, and discharge of teachers are, however, subject to and governed by the laws relating to employment, contracting, compensation, and discharge of teachers. The compensation, terms of employment, and discharge of bus drivers is subject to and governed by laws relating to employment, contracting, compensation, and discharge of bus drivers. The forms and procedures relating to the use of computer and data processing equipment in handling the financial affairs of the school corporation must be submitted to the state board of accounts for approval to the end that the services are used by the school corporation when the governing body determines that it is in the best interest of the school corporation while at the same time providing reasonable accountability for the funds expended.
(9) Notwithstanding the appropriation limitation in subdivision (3), when the governing body by resolution considers a trip by an employee of the school corporation or by a member of the governing body to be in the interest of the school corporation, including attending meetings, conferences, or examining equipment, buildings, and installation in other areas, to permit the employee to be absent in connection with the trip without any loss in pay and to refund to the employee or to the member the employee's or member's reasonable hotel and board bills and necessary transportation expenses. To pay teaching personnel for time spent in sponsoring and working with school related trips or activities.
(10) To transport children to and from school, when in the opinion of the governing body the transportation is necessary, including considerations for the safety of the children and
without regard to the distance the children live from the school, the transportation to be otherwise in accordance with applicable law.

(11) To provide a lunch program for a part or all of the students attending the schools of the school corporation, including the establishment of kitchens, kitchen facilities, kitchen equipment, lunch rooms, the hiring of the necessary personnel to operate the lunch program, and the purchase of material and supplies for the lunch program, charging students for the operational costs of the lunch program, fixing the price per meal or per food item. To operate the lunch program as an extracurricular activity, subject to the supervision of the governing body. To participate in a surplus commodity or lunch aid program.

(12) To purchase textbooks, to furnish textbooks without cost or to rent textbooks to students, to participate in a textbook aid program, all in accordance with applicable law.

(13) To accept students transferred from other school corporations and to transfer students to other school corporations in accordance with applicable law.

(14) To levy taxes, to make budgets, to appropriate funds, and to disburse the money of the school corporation in accordance with applicable law. To borrow money against current tax collections and otherwise to borrow money, in accordance with IC 21-2-21.

(15) To purchase insurance or to establish and maintain a program of self-insurance relating to the liability of the school corporation or the school corporation's employees in connection with motor vehicles or property and for additional coverage to the extent permitted and in accordance with IC 34-13-3-20. To purchase additional insurance or to establish and maintain a program of self-insurance protecting the school corporation and members of the governing body, employees, contractors, or agents of the school corporation from liability, risk, accident, or loss related to school property, school contract, school or school related activity, including the purchase of insurance or the establishment and maintenance of a self-insurance program protecting persons described in this subdivision against false imprisonment, false arrest, libel, or slander for acts committed in the course of the persons' employment, protecting the school corporation for fire and extended coverage and other casualty risks to the extent of replacement cost, loss of use, and other
insurable risks relating to property owned, leased, or held by the school corporation. To:

(A) participate in a state employee health plan under IC 5-10-8-6.6;
(B) purchase insurance; or
(C) establish and maintain a program of self-insurance;

to benefit school corporation employees, including accident, sickness, health, or dental coverage, provided that a plan of self-insurance must include an aggregate stop-loss provision.

(16) To make all applications, to enter into all contracts, and to sign all documents necessary for the receipt of aid, money, or property from the state government, the federal government, or from any other source.

(17) To defend any member of the governing body or any employee of the school corporation in any suit arising out of the performance of the member's or employee's duties for or employment with, the school corporation, if the governing body by resolution determined that the action was taken in good faith. To save any member or employee harmless from any liability, cost, or damage in connection with the performance, including the payment of legal fees, except where the liability, cost, or damage is predicated on or arises out of the bad faith of the member or employee, or is a claim or judgment based on the member's or employee's malfeasance in office or employment.

(18) To prepare, make, enforce, amend, or repeal rules, regulations, and procedures for the government and management of the schools, property, facilities, and activities of the school corporation, the school corporation's agents, employees, and pupils and for the operation of the governing body, which rules, regulations, and procedures may be designated by an appropriate title such as "policy handbook", "bylaws", or "rules and regulations".

(19) To ratify and approve any action taken by a member of the governing body, an officer of the governing body, or an employee of the school corporation after the action is taken, if the action could have been approved in advance, and in connection with the action to pay the expense or compensation permitted under IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 or any other law.

(20) To exercise any other power and make any expenditure in
carrying out the governing body's general powers and purposes provided in this chapter or in carrying out the powers delineated in this section which is reasonable from a business or educational standpoint in carrying out school purposes of the school corporation, including the acquisition of property or the employment or contracting for services, even though the power or expenditure is not specifically set out in this chapter. The specific powers set out in this section do not limit the general grant of powers provided in this chapter except where a limitation is set out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 by specific language or by reference to other law.

Sec. 5. A governing body of a school corporation may establish a policy regarding the allocation of tickets to the school corporation's interscholastic athletic events or other school related programs and activities at no charge or at a reduced rate to groups or individuals designated by the governing body.

Sec. 6. All powers delegated to the governing body of a school corporation under section 1 or 4 of this chapter are subject to all laws subjecting the school corporation to regulation by a state agency, including the state superintendent, state board of accounts, state police department, fire prevention and building safety commission, department of local government finance, water pollution control board, state school bus committee, state department of health, and any local governmental agency to which the state has been delegated a specific authority in matters other than educational matters and other than finance, including plan commissions, zoning boards, and boards concerned with health and safety.

Sec. 7. Notwithstanding any other statute, the governing body of a school corporation may, by resolution, appoint:

(1) the school corporation's superintendent of schools; or

(2) a person residing within the school corporation's boundaries; to serve on a public board, commission, or public body, including park boards, library boards, tax adjustment boards, or city or county plan commissions, if legislation requires or allows representation on the public board, commission, or body by a member of the governing body, the school corporation's superintendent, or a designated educator.

Sec. 8. (a) The governing body of a school corporation may appropriate necessary funds to provide for membership of the school
corporation in state and national associations of an educational nature that have as the associations' purpose the improvement of school governmental operations.

(b) A school corporation may participate through designated representatives in the meetings and activities of the associations. The governing body of the school corporation may appropriate the necessary funds to defray the expenses of the representatives in connection with the meetings and activities.

Sec. 9. (a) A school corporation may provide programs, classes, or services to a state educational institution.

(b) A state educational institution may provide programs, classes, or services to a school corporation.

(c) The terms and conditions under which programs, classes, or services are to be provided must be specified in a contract between the state educational institution and the governing body of the school corporation.

Sec. 10. (a) A school corporation, including a school township, shall adopt a policy concerning criminal history information for individuals who:

(1) apply for:
   (A) employment with the school corporation; or
   (B) employment with an entity with which the school corporation contracts for services;
(2) seek to enter into a contract to provide services to the school corporation; or
(3) are employed by an entity that seeks to enter into a contract to provide services to the school corporation;
if the individuals are likely to have direct, ongoing contact with children within the scope of the individuals' employment.

(b) A school corporation, including a school township, shall administer a policy adopted under this section uniformly for all individuals to whom the policy applies. A policy adopted under this section may require any of the following:

(1) The school corporation, including a school township, may request limited criminal history information concerning each applicant for noncertificated employment or certificated employment from a local or state law enforcement agency before or not later than three (3) months after the applicant's employment by the school corporation.
(2) Each individual hired for noncertificated employment or
certificated employment may be required to provide a written consent for the school corporation to request under IC 10-13-3 limited criminal history information or a national criminal history background check concerning the individual before or not later than three (3) months after the individual's employment by the school corporation. The school corporation may require the individual to provide a set of fingerprints and pay any fees required for a national criminal history background check.

(3) Each individual hired for noncertificated employment may be required at the time the individual is hired to submit a certified copy of the individual's limited criminal history (as defined in IC 10-13-3-11) to the school corporation.

(4) Each individual hired for noncertificated employment may be required at the time the individual is hired to:

   (A) submit a request to the Indiana central repository for limited criminal history information under IC 10-13-3;
   (B) obtain a copy of the individual's limited criminal history; and
   (C) submit to the school corporation the individual's limited criminal history and a document verifying a disposition (as defined in IC 10-13-3-7) that does not appear on the limited criminal history.

(5) Each applicant for noncertificated employment or certificated employment may be required at the time the individual applies to answer questions concerning the individual's limited criminal history. The failure to answer honestly questions asked under this subdivision is grounds for termination of the employee's employment.

(6) Each individual that:

   (A) seeks to enter into a contract to provide services to a school corporation; or
   (B) is employed by an entity that seeks to enter into a contract with a school corporation;

may be required at the time the contract is formed to comply with the procedures described in subdivisions (2), (4), and (5). An individual who is employed by an entity that seeks to enter into a contract with a school corporation to provide student services in which the entity's employees have direct contact with students in a school based program may be required to provide the consent described in subdivision (2) or the information described
in subdivisions (4) and (5) to either the individual's employer or
the school corporation. Failure to comply with subdivisions (2),
(4), and (5), as required by the school corporation, is grounds for
termination of the contract. An entity that enters into a contract
with a school corporation to provide student services in which
the entity's employees have direct contact with students in a
school based program is allowed to obtain limited criminal
history information or a national criminal history background
check regarding the entity's applicants or employees in the same
manner that a school corporation may obtain the information.
(c) If an individual is required to obtain a limited criminal history
under this section, the individual is responsible for all costs associated
with obtaining the limited criminal history.
(d) Information obtained under this section must be used in
accordance with IC 10-13-3-29.
Sec. 11. (a) This section applies to:
(1) a school corporation; and
(2) an entity:
   (A) with which the school corporation contracts for services;
   and
   (B) that has employees who are likely to have direct, ongoing
   contact with children within the scope of the employees'
   employment.
(b) A school corporation or entity may use information obtained
under section 10 of this chapter concerning an individual's conviction
for one (1) of the following offenses as grounds to not employ or
contract with the individual:
   (1) Murder (IC 35-42-1-1).
   (2) Causing suicide (IC 35-42-1-2).
   (3) Assisting suicide (IC 35-42-1-2.5).
   (4) Voluntary manslaughter (IC 35-42-1-3).
   (5) Reckless homicide (IC 35-42-1-5).
   (6) Battery (IC 35-42-2-1) unless ten (10) years have elapsed from
   the date the individual was discharged from probation,
   imprisonment, or parole, whichever is later.
   (7) Aggravated battery (IC 35-42-2-1.5).
   (8) Kidnapping (IC 35-42-3-2).
   (9) Criminal confinement (IC 35-42-3-3).
   (10) A sex offense under IC 35-42-4.
   (11) Carjacking (IC 35-42-5-2).
(12) Arson (IC 35-43-1-1), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(13) Incest (IC 35-46-1-3).

(14) Neglect of a dependent as a Class B felony (IC 35-46-1-4(b)(2)), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(15) Child selling (IC 35-46-1-4(d)).

(16) Contributing to the delinquency of a minor (IC 35-46-1-8), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(17) An offense involving a weapon under IC 35-47 or IC 35-47.5, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(18) An offense relating to controlled substances under IC 35-48-4, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(19) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(20) An offense relating to operating a motor vehicle while intoxicated under IC 9-30-5, unless five (5) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(21) An offense that is substantially equivalent to any of the offenses listed in this subsection in which the judgment of conviction was entered under the law of any other jurisdiction.

(c) An individual employed by a school corporation or an entity described in subsection (a) shall notify the governing body of the school corporation, if during the course of the individual's employment, the individual is convicted in Indiana or another jurisdiction of an offense described in subsection (b).

Sec. 12. Except for IC 20-26-4-1, IC 20-26-4-4, and IC 20-26-4-5, the powers given each school corporation in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 and the limitations
on those powers set out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 may not be construed to limit the authority of the governing body given by any other statute or rule.

Sec. 13. Except as provided in section 12 of this chapter, IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 is supplemental to all other statutes and rules. The powers given to any school corporation under IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 are in addition to those given by any other statute or rule and are not subject to any limitations set out in those statutes or to comply with those statutes, except to the extent provided in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 by specific reference to a designated statute or the statute or rule relating to a given subject. All statutes in conflict with IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 are repealed to the extent of the conflict.

Sec. 14. IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 shall be liberally construed to permit the governing body of a school corporation to conduct its affairs in a manner consistent with sound business practice to the ends that the authority of the governing body is clarified and that it is permitted to operate with the maximum efficiency consistent with accountability.

Sec. 15. A governing body in operating a school lunch program under section 4(11) of this chapter may use either of the following accounting methods:

(1) It may supervise and control the program through the school corporation account, establishing a school lunch fund.

(2) It may cause the program to be operated by the individual schools of the school corporation through the school corporation's extracurricular account or accounts in accordance with IC 20-26-6.

Sec. 16. (a) A governing body in operating a textbook rental program under IC 20-26-5-4(12) may use either of the following accounting methods:

(1) The governing body may supervise and control the program through the school corporation account, establishing a textbook rental fund.

(2) If textbooks have not been purchased and financial commitments or guarantees for the purchases have not been made by the school corporation, the governing body may cause the program to be operated by the individual schools of the
school corporation through the school corporation’s extracurricular account or accounts in accordance with IC 20-26-6.

(b) If the governing body determines that a hardship exists due to the inability of a student’s family to purchase or rent textbooks taking into consideration the income of the family and the demands on the family, it may furnish textbooks to such students without charge, without reference to the application of any other statute or rule except IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21.

Sec. 17. (a) If a school lunch fund is established under section 15 of this chapter and a textbook rental fund is established under section 16 of this chapter, the receipts and expenditures from a fund for the program to which the fund relates shall be made to and from the fund without appropriation or the application of other statutes and rules relating to the budgets of municipal corporations.

(b) If either the lunch program or textbook rental program is handled through the extracurricular account, the governing body of the school corporation shall approve the amount of the bond of the treasurer of the extracurricular account in an amount considered by it sufficient to protect the account for all funds coming into the hands of the treasurer of the account.

Sec. 18. For purposes of IC 20-26-5-1 and under the powers of IC 20-26-5-4(20), the governing body of any school corporation may join and associate with groups of other school corporations within Indiana in regional school study councils to examine common school problems and exchange educational information of mutual benefit, and dues to the study councils shall be paid by the school corporation from the general fund.

Sec. 19. A governing body under its powers to fix and pay the salaries and compensation of employees of the school corporation and to contract for services under IC 20-26-5-4(8) may distribute payroll based on contractual and salary schedule commitments instead of payroll estimates approved in advance by the governing body.

Sec. 20. The governing body of any school corporation may permit any of its facilities to be used by any person in situations and at times that do not interfere with use of the facility for school purposes, as for example:

(1) use of a swimming pool or other athletic facility; or
(2) use of classrooms or other space in a school for purposes of
school age childcare;
and may incur any necessary expense in the use or operation of the
facility. The governing body may set up and charge a schedule of fees
for admission to or use of any facility outside the school corporation's
regular school program. Fees shall be deposited in the general fund or
the special school fund of the school corporation.

Sec. 21. (a) As used in this section, "public school endowment
corporation" means a corporation that is:

1) organized under the Indiana Nonprofit Corporation Act of
1991 (IC 23-17);
2) organized exclusively for educational, charitable, and
scientific purposes; and
3) formed to provide educational resources to:
   A) a particular school corporation or school corporations; or
   B) the schools in a particular geographic area.

(b) As used in this section, "proceeds from riverboat gaming"
means tax revenue received by a political subdivision under
IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's
part of the tax revenue.

(c) As used in this section, "political subdivision" has the meaning

(d) A political subdivision may donate proceeds from riverboat
gaming to a public school endowment corporation under the following
conditions:
1) The public school endowment corporation retains all rights
to the donation, including investment powers.
2) The public school endowment corporation agrees to return
the donation to the political subdivision if the corporation:
   A) loses the corporation's status as a public charitable
organization;
   B) is liquidated; or
   C) violates any condition of the endowment set by the fiscal
body of the political subdivision.

(e) A public school endowment corporation may distribute both
principal and income.

Sec. 22. (a) The governing body of a school corporation may donate
the proceeds of a grant, a gift, a donation, an endowment, a bequest,
a trust, or an agreement to share tax revenue received by a city or
county under IC 4-33-12-6 or IC 4-33-13, or other funds not generated
from taxes levied by the school corporation, to a foundation under the
following conditions:
(1) The foundation is a charitable nonprofit community foundation.
(2) The foundation retains all rights to the donation, including investment powers, except as provided in subdivision (3).
(3) The foundation agrees to do the following:
   (A) Hold the donation as a permanent endowment.
   (B) Distribute the income from the donation only to the school corporation as directed by resolution of the governing body of the school corporation.
   (C) Return the donation to the general fund of the school corporation if the foundation:
      (i) loses the foundation’s status as a public charitable organization;
      (ii) is liquidated; or
      (iii) violates any condition of the endowment set by the governing body of the school corporation.
(b) A school corporation may use income received under this section from a community foundation only for purposes of the school corporation.

Sec. 23. Public school corporations may enter into agreements with institutions of higher education to provide teaching experience for students of the institutions preparing for the educational profession and for the services of persons working jointly for the school corporation and an institution.

Sec. 24. (a) An agreement under section 23 of this chapter must set out the responsibilities and rights of the public school corporations, the institutions, and the students or persons who supervise the students and who are working jointly for a school corporation and an institution.
(b) An agreement must contain:
   (1) a provision for the payment of an honorarium for consulting services by the institution of higher education directly to the supervisor; and
   (2) a provision that, if the sum paid by the institution to the supervisor should ever be lawfully determined to be a wage rather than an honorarium by an instrumentality of the United States, then the institution of higher education shall be considered under the agreement to be the supervisor’s part-time employer.
(c) The provisions required by subsection (b) must be included in an agreement entered into or renewed under this chapter after June 30, 1981. Public school corporations and institutions of higher education shall revise agreements in effect on July 1, 1981, to include the provisions required by subsection (b).

Sec. 25. In cities and incorporated towns, a governing body may establish a free public library in connection with the common schools for:

(1) the care, protection, and operation of the library;
(2) the care of books and other materials; and
(3) borrowing and returning books and other materials and penalties for any violations.

However, in any city or incorporated town where there is established a library open to all the people, a tax may not be levied.

Sec. 26. The governing body may levy a tax of not more than one tenth cent ($0.001) on each one dollar ($1) of taxable property assessed for taxation in a city or incorporated town in each year. The tax shall be placed on the tax duplicate of the city or incorporated town and collected in the same manner as other taxes. The taxes shall be paid to the governing body for the support and maintenance of the public library. The governing body may use tax revenues received under this section and gifts, devises, and grants to:

(1) provide suitable facilities for the library;
(2) purchase books and other materials; and
(3) hire necessary personnel.

Sec. 27. A city or incorporated town in which a free public library is established under this chapter may acquire by purchase or take and hold by gift, grant, or devise any real estate necessary for, or that is donated or devised for, the library. Any revenue derived from the real property shall be used for the library.

Sec. 28. A governing body may establish and maintain nursery schools for the instruction of children less than six (6) years of age. Expenses of operating the nursery schools shall be paid in the same manner as other expenses of the school corporation.

Sec. 29. A school corporation may establish and maintain nursery schools from the same revenue in the same manner as other grades and departments in the common schools of the school corporation are provided for and may apply for and receive from any state or federal governmental agency any funds as may be made available through the agencies for that purpose.
Sec. 30. A school corporation may use funds under section 27 of this chapter for the aid, maintenance, and support of nursery schools conducted by an association incorporated to operate a nursery school.

Chapter 6. Treasurer and Accounting

Sec. 1. As used in this chapter, "treasurer" includes an assistant treasurer or a deputy treasurer.

Sec. 2. All public school governing bodies in Indiana shall adopt and fully and accurately implement a single, unified accounting system as prescribed by the state board and the state board of accounts.

Sec. 3. (a) A public school must have a treasurer for purposes of this chapter. The superintendent or principal of the particular school or a clerk of the school corporation or member of the faculty appointed by the superintendent or principal shall be the treasurer. This designation must be made immediately upon the opening of the school term or the vacating of the treasurership. Claims shall be filed and paid under section 4 of this chapter. The employing or appointing officials of a school may appoint and engage a school treasurer or clerk.

(b) A school corporation may appoint one (1) or more assistant or deputy treasurers.

Sec. 4. (a) The treasurer has charge of the custody and disbursement of any funds collected by a collecting authority and expended to pay expenses:

1. approved by the principal or teacher in charge of the school;
2. incurred in conducting any athletic, social, or other school function (other than functions conducted solely by any organization of parents and teachers);
3. that cost more than twenty-five dollars ($25) during the school year; and
4. that are not paid from public funds.

The principal or teacher in charge of the school shall designate a collecting authority to be in charge of the collection of any funds described in this subsection. Upon collection of any funds, the collecting authority shall deliver the funds, together with an accounting of the funds, to the custody of the school treasurer. The principal may designate different collecting authorities for each separate account of funds described in this subsection.

(b) The treasurer shall keep an accurate account of all money received by the collecting authority and expended, showing the sources of all receipts and the purposes for which the money was
expended and the balance on hand. A copy of the report shall be filed with the township trustee, board of school trustees, or board of school commissioners, not more than two (2) weeks after the close of each school year, together with all records and files of extracurricular activities.

(c) However, in a school that has two (2) or more semesters in any one (1) school year, the treasurer of the school shall file a copy of the treasurer's financial report of receipts and disbursements with the township trustee, board of school trustees, or board of school commissioners, not more than two (2) weeks after the close of each semester. Records and files of extracurricular activities for the entire school year shall be filed with the last financial semester report of any one (1) school year.

(d) A copy of the report shall be filed with and kept by the city superintendent having jurisdiction and the county superintendent where the superintendent has jurisdiction. These records are permanent records for five (5) years, after which time they may be destroyed.

(e) A treasurer is not personally liable for an act or omission occurring in connection with the performance of the duties set forth in this section, unless the act or omission constitutes gross negligence or an intentional disregard of the treasurer's duties.

Sec. 5. (a) The treasurer shall give a bond in an amount fixed by the superintendent and principal of the school approximating the total amount of the anticipated funds that will come into the hands of the treasurer at any one (1) time during the regular school year. Bonds shall be filed with the trustee or board of school trustees. The surety on the bonds must be a surety company authorized to do business in Indiana. However, the requirement for giving the bond and the requirement to deposit the receipts in a separate bank account, as required in section 6 of this chapter do not apply in any school for which the funds, as estimated by the principal, will not exceed three hundred dollars ($300) during a school year.

(b) The requirements of this chapter may be fulfilled by the providing of a comprehensive bonding instrument, including a single blanket position bond, for all extracurricular treasurers. A comprehensive bonding instrument shall be acceptable instead of individual separate personal position bonds.

Sec. 6. (a) The treasurer shall deposit all receipts in one (1) bank account. The receipts shall be deposited without unreasonable delay.
The account is known as the school extracurricular account. The records of each organization, class, or activity shall be kept separate so that the balance in each fund may be known at all times.

(b) The money in the school extracurricular account may be invested under the conditions specified in IC 5-13-10 and IC 5-13-10.5 for investment of state money. However, investments under this section are at the discretion of the principal. The interest earned from any investment may be credited to the school extracurricular account and need not be credited proportionately to each separate extracurricular fund. The interest earned from the investment may be used for any of the following:

(1) A school purpose approved by the principal.
(2) An extracurricular purpose approved by the principal.

(c) Amounts expended under this section for the purposes described in this section are in addition to the appropriation under IC 20-26-5-4(3).

Sec. 7. All forms and records for keeping the accounts of the extracurricular activities in school corporations shall be prescribed or approved by the state board of accounts. The records and affairs of the extracurricular activities may be examined by the state board of accounts when in the judgment of the state examiner an examination is necessary. The forms prescribed or approved for keeping these accounts must achieve a simplified system of bookkeeping and shall be paid for, along with the bond required in this chapter, from the special school fund. The funds of all accounts of any organizations, class, or activity shall be accounted separately from all others. Funds may not be transferred from the accounts of any organization, class, or activity except by a majority vote of its members, if any, and by the approval of the principal, sponsor, and treasurer of the organization, class, or activity. However, in the case of athletic funds:

(1) approval of the transfer must be made by the athletic director, who is regarded as the sponsor; and
(2) participating students are not considered members.

All expenditures shall be subject to review by the local school board.

Chapter 7. Property and Eminent Domain

Sec. 1. (a) If a governing body of a school corporation determines that any real or personal property:

(1) is no longer needed for school purposes; or
(2) should, in the interests of the school corporation, be exchanged for other property;
the governing body may sell or exchange the property in accordance with IC 36-1-11.

(b) Money derived from the sale or exchange of property under this section shall be placed in any school fund:

1. established under applicable law; and
2. that the governing body considers appropriate.

Sec. 2. A governing body of a school corporation may deposit insurance proceeds received as a result of damage to real or personal property in any school fund:

1. established under applicable law; and
2. that the governing body considers appropriate.

Sec. 3. Any building or other property owned by a civil township may be conveyed to the corresponding school township in the manner prescribed in section 4 of this chapter.

Sec. 4. (a) To transfer or convey a building or other property from a civil township to the corresponding school township, a petition may be filed with the board of commissioners of the county in which the civil township is located that:

1. asks for the conveyance or transfer of the building or other property;
2. describes the nature of the building or other property to be conveyed or transferred; and
3. contains the reasons for the conveyance or transfer.

(b) A petition must be:

1. signed by a majority of the legal voters residing in the civil township; and
2. filed in the office of the county auditor.

When the petition is filed, the petitioners shall give a bond, with good and sufficient freehold sureties, that is payable to the state, approved by the board of county commissioners, and conditioned to pay all expenses if the board of county commissioners does not authorize the proposed conveyance or transfer.

(c) After a petition is filed, the county auditor shall give notice of the filing of the petition by publication once a week for two (2) consecutive weeks in one (1) newspaper printed and published in the county and of general circulation in the county in which the civil township is located.

(d) The board of commissioners shall:

1. hear the petition at the next regular meeting and on the day designated in the notice; and
(2) determine all matters concerning the petition. If the board is satisfied as to the propriety of granting the petitioners' request, the board shall make a finding to that effect and the trustee of the civil township shall convey the building or other property belonging to the civil township to the corresponding school township. The school township shall hold, control, and manage the building or other property. Expenses incurred in the conveyance of the property, if the conveyance is authorized, shall be paid out of the general funds of the civil township.

Sec. 5. A school corporation (as defined in IC 36-1-2-17) may convey property owned by the school corporation to a civil city or other political subdivision for civic purposes if:

(1) the governing body adopts a resolution recommending the transfer and conveyance of the school property;
(2) the civil city or political subdivision agrees to accept the school property;
(3) the governing body executes a deed for the school property; and
(4) the conveyance is not for payment or other consideration.

Sec. 6. A school corporation that acquires any real property by gift, devise, or bequest shall hold, use, and dispose of the real property under the terms and conditions imposed by the donor or testator.

Sec. 7. (a) If a common school corporation has acquired or acquires any personal property or real estate by gift, devise, or bequest concerning which the donor or testator, at the time of making the gift, bequest, or devise, does not include conditions or directions concerning the gift, bequest, or devise inconsistent with this section, the principal of the gifts, devises, and bequests is inviolate, but the interest, rents, incomes, issues, and profits thereof may be expended by the school corporation. The interest, rent, incomes, issues, and profits may not be devoted:

(1) to the payment of any obligation of the corporation incurred before the property was acquired;
(2) to the payment of the salaries or wages of:
   (A) teachers of the branches commonly and generally taught in the public schools; or
   (B) school or library officers or employees; or
(3) to purchase ordinary school furniture or supplies of the character required by the corporation to be paid for from the current income or revenue coming to it from taxes or by
However, the interest, rents, incomes, issues, and profits may be devoted to any public educational or public library or similar purpose for which the managing board or trustee of the corporation believes adequate financial provision has not been made by law.

(b) If:

(1) the board or trustee desires to invest the principal of the gift, devise, or bequest in the erection or equipping, or both, of a building to be devoted to a special use of a public educational or library character; and

(2) the expressed will of the donor or testator will not be violated; the principal may be used for that purpose, notwithstanding any other provision of this chapter. This subsection may not be construed to permit its use for the building or equipping of buildings for ordinary graded or high schools.

Sec. 8. (a) If the board of trustees or school commissioners of a corporation governed by sections 6 through 9 of this chapter desires:

(1) to appoint one (1) or more trustees to hold the title to any property, real or personal, acquired by the board or commissioners in the manner mentioned in sections 6 through 9 of this chapter, unless the wish and will of the donor or testator would be violated; and

(2) to invest the principal and pay over only the net interest, rents, issues, incomes, and profits of the fund to the school corporation for use as provided in sections 6 through 9 of this chapter;

the school corporation may name and appoint one (1) or more trustees and to vest in the trustees the title to the property, subject to trust and powers as the school corporation may impose, not inconsistent with the expressed wish or will of the donor or testator or this chapter applicable to the property if a transfer to a trustee has not been made.

(b) However, if:

(1) the managing board of the school corporation consists of less than three (3) persons; and

(2) the school corporation elects to have the property held and managed by trustees;

the corporation shall establish the terms of the trust and make the conveyance, and the judge of the circuit court of the county in which the school corporation is domiciled shall appoint at least three (3) trustees.
Sec. 9. (a) It is the main purpose of this chapter that the identity of the principal of gifts, bequests, and devises to the state's public schools may not be lost and that the income from investment of the gifts, bequests, and devises shall be used in giving students the public education and library advantages that could not be enjoyed if only the school and library revenue and income provided by law were available.

(b) Sections 6 through 9 of this chapter may not be construed as a limitation against the investment and reinvestment either by the school corporation itself or the trustees appointed under section 8 of this chapter, as the safety of the fund or the best interests of the recipient school corporation require.

Sec. 10. (a) If a person gives or bequeathes to trustees an amount of money that exceeds five thousand dollars ($5,000) to erect a public school building or seminary in any unincorporated town, and upon the express or implied condition contained in the gift or bequest that an equal amount shall be raised by the citizens of the town or township for a like purpose, the township trustee of the township in which the town is located shall, upon the petition of a majority of the legal voters of the township, prepare, issue, and sell the bonds of the township to secure a loan of not more than fifteen thousand dollars ($15,000), in anticipation of the revenue for special school purposes, to comply with the condition attached to the gift or devise. The bonds must bear a rate of interest of not more than seven percent (7%) per annum, payable at such time, within seven (7) years after the date, as the trustee determines.

(b) Notwithstanding subsection (a), until all the bonds of any one (1) issue have been redeemed:

1. the township trustee may not make another issue; and
2. bonds may not be sold at a less rate than ninety-five cents ($0.95) on the dollar.

Sec. 11. The whole number of votes cast for candidates for Congress at the last preceding congressional election in the township is considered to be the whole number of legal voters of the township. A majority of the names of these legal voters must be signed to the petition presented to the township trustee, to which petition shall be attached the affidavit or affidavits, as the trustee considers necessary, of a competent and credible person or persons that the signatures of all the names to the petition are genuine and that the persons who signed the petition are, as the trustee believes, legal voters of the
section 12. (a) The township trustee shall:
(1) record the petition and the attached names in the record book of the township; and
(2) file and preserve the petition, entering into the record the date and time the petition was filed.
(b) If the township trustee is satisfied that the petition contains the names of a majority of the legal voters of the township, the township trustee shall prepare, issue, and sell bonds of the amount listed in the petition, as provided in section 10 of this chapter.
(c) The township trustee shall accurately keep a record of all proceedings concerning:
(1) the issue and sale of the bonds;
(2) to whom and for what amount the bonds are sold;
(3) the rate of interest; and
(4) the time when the bonds become due.

section 13. If:
(1) the trustees of school corporations of a city or town believe;
or
(2) the township trustee of a township believes;
it is necessary to purchase any real estate on which to build a schoolhouse, or for any other purpose connected with the real estate, the township trustee or school trustees, or a majority of them, may file a petition in the circuit court of the county asking for the appointment of appraisers to appraise and assess the value of the real estate.

section 14. Ten (10) days after a petition is filed under section 13 of this chapter, the court shall appoint three (3) freeholders who reside in the school corporation or township where the real estate is located to appraise and assess the value of the real estate.

section 15. (a) Before making the appraisement and assessment, the appraisers shall take an oath before the clerk of the court to make a fair, true, and honest appraisement of the real estate.
(b) After taking the oath under subsection (a), the appraisers shall examine the real estate, hear evidence they consider necessary, and make a report of their appraisement to the court not more than five (5) days after their appointment.
(c) After the examination under subsection (b), the township trustee or school trustees of the school corporation, or a majority of them, may pay to the clerk of the court, for the use of the owner or owners of the real estate, the amount assessed.
(d) When the payment is made under subsection (c) and the payment is shown to the court hearing the cause:
   (1) the title to the real estate vests immediately in the school corporation or school township for school purposes;
   (2) the court shall cause the real estate to be conveyed to the school corporation or school township by a commissioner appointed for that purpose; and
   (3) the school corporation or school township may immediately take possession of the real estate for the purpose.

(e) When the report of the appraisers is filed, any party to the action, not later than ten (10) days, may except to the amount of the appraisement and valuation of the real estate and a trial may be had on the exception before the court as other civil causes are tried. The court shall fix the amount of the appraisement and assessment, and any party to the action may appeal the judgment of the court as other civil cases are appealed.

(f) If the township trustee or school trustees, or a majority of them, except to the amount of the appraisement and assessment:
   (1) the court shall convey the real estate to the school corporation or school township;
   (2) the title to the real estate vests immediately in the school corporation or school township for the purposes; and
   (3) subsequent proceedings upon the exceptions affect only the amount of the appraisement and assessments.

Sec. 16. Before the filing of the petition, the township trustee or school trustees, or a majority of them, may offer or tender to the owner or owners of the real estate an amount considered a reasonable value for the real estate. If the amount fixed by the appraisers or by the court later becomes the same or less than the amount tendered:
   (1) the cause shall be prosecuted at the cost of the owner or owners of the real estate; and
   (2) upon exception to the amount fixed by the appraisers, if the exceptor does not increase the amount of the appraisement and assessment, the action on the exception shall be at the cost of the exceptor.

If an amount has not been tendered by the township trustee or school trustees, or a majority of them, and an exception is not taken, the action shall be prosecuted at the cost of the petitioners.

Sec. 17. (a) A school corporation may:
   (1) purchase buildings or lands, or both, for school purposes; and
(2) improve the buildings or lands, or both.

(b) An existing building, other than a building obtained under IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of suitable surplus government buildings, may not be purchased for use as a school building unless the building was originally constructed for use by the school corporation and used for that purpose for at least five (5) years preceding the acquisition as provided in this section through section 19 of this chapter.

(c) Notwithstanding this section through section 19 of this chapter limiting the purchase of school buildings, a school corporation may:

(1) purchase suitable buildings or lands, or both, adjacent to school property for school purposes; and

(2) improve the buildings or lands, or both, after giving notice to the taxpayers of the intention of the school corporation to purchase.

The taxpayers of the school corporation have the same right of appeal to the department of local government finance under the same procedure as provided for in IC 6-1.1-20-5 through IC 6-1.1-20-6.

Sec. 18. A school corporation may issue and sell bonds under the general statutes governing the issuance of bonds to purchase and improve buildings or lands, or both. All laws relating to the filing of petitions, remonstrances, and objecting petitions, giving notices of the filing of petitions, the determination to issue bonds, and the appropriation of the proceeds of the bonds are applicable to the issuance of bonds under sections 17 through 19 of this chapter.

Sec. 19. (a) If:

(1) a school township whose boundaries are coterminous with the boundaries of the corresponding civil township has occupied as lessee for at least five (5) years a building constructed for its use as a school building;

(2) the township board finds that it would be in the best interests of the school township and its taxpayers for the school township to purchase the building; and

(3) the entire amount required to pay the cost of acquisition cannot be provided by the school township on account of the constitutional debt limitation;

the township board, with the approval of the township trustee, may authorize the issuance of bonds by each of the school township and the civil township to provide funds to pay the cost of acquisition of the building.
(b) The amount of the civil township bonds may not exceed the amount required to pay the cost of acquisition over and above the amount that can validly be financed by the school township for that purpose. The issuance of bonds must be authorized by separate resolutions specifying the amount, terms, and conditions of the bonds to be issued by each of the corporations. The bonds issued are the separate obligations of the corporations, respectively. The bonds must be payable at times and in amounts not later than twenty (20) years after the date of issuance as the township board may determine and shall otherwise be authorized, issued, and sold in accordance with the applicable general laws.

(c) As used in this section, "building" includes the land occupied by the school township for school purposes.

Sec. 20. (a) It is the policy of the state to promote the acquisition, construction, and erection of school facilities by the off-site construction method so school corporations might obtain needed school facilities that, in many cases, would be denied by the higher cost of conventional construction.

(b) As used in this section through section 26 of this chapter, "off-site construction" means the fabrication and assembly of the component parts of various materials at a point other than the construction site where the parts are normally fabricated or assembled.

Sec. 21. (a) If the governing body or officer of a school corporation determines to erect or build a school building or buildings in which off-site construction techniques are to be used, the governing body or officer shall advertise for plans and specifications and for bids covering the plans and specifications.

(b) A bidder must file the bidder's plans or specifications with its bid.

(c) The advertisement shall be published once each week for two (2) consecutive weeks in two (2) newspapers published in the school corporation. If only one (1) newspaper is published in the boundaries of the school corporation, the advertisement shall be published in that newspaper and in a newspaper of general circulation published in the county where the school corporation is located. If a newspaper is not published in the boundaries of the school corporation, the advertisement shall be published in any two (2) newspapers of general circulation published in the county where the school corporation is located. If only one (1) newspaper is published in the county where the
school corporation is located, publication in one (1) newspaper is sufficient.

(d) The advertisement:
   (1) must contain a description of the building or buildings to be erected and the estimated cost; and
   (2) may not require plans and specifications or bids to be filed for at least four (4) weeks after the date of the last publication of the advertisement.

(e) Subject to other applicable provisions of sections 20 through 25 of this chapter, the school corporation may accept the bid of the lowest bidder submitting plans and specifications considered satisfactory by the school corporation for a building or buildings.

Sec. 22. A school corporation may issue and sell bonds to construct a building or buildings under the general statutes governing the issuance and sale of bonds by school corporations if not in conflict with sections 20 through 25 of this chapter.

Sec. 23. (a) Before the execution of a contract under sections 20 through 25 of this chapter, the plans and specifications for a building or buildings, which must be prepared by an architect or engineer registered to practice in Indiana, must be submitted to:
   (1) the state department of health;
   (2) the state fire marshal;
   (3) the state building commissioner; and
   (4) any other agencies designated by law to pass on plans and specifications for school buildings.

(b) The plans and specifications must be approved by each agency in writing before the execution of the contract.

Sec. 24. (a) After the completion of a school building or buildings erected or constructed under this chapter and before acceptance by the school corporation, the state building commissioner shall examine and inspect the building or buildings to determine if the requirements of the contract and the plans and specifications have been met.

(b) The state building commissioner shall immediately report to the school corporation any deviation from any requirements.

(c) Before final payment and settlement is made, the state building commissioner must file with the governing body or officer an affidavit that all requirements of the contract and of the plans and specifications have been fully and faithfully met.

Sec. 25. Sections 20 through 24 of this chapter may not be considered to alter, amend, or repeal any other Indiana statute.
However, the provisions of any other statute may not apply to proceedings under sections 20 through 24 of this chapter to the extent that the statute is inconsistent with sections 20 through 24 of this chapter.

Sec. 26. (a) A common school corporation:
(1) has the same powers; and
(2) is subject to the same duties and liabilities;
concerning municipal assessments for the cost of public improvements affecting the common school corporation's real estate that private owners of real estate possess or to which private owners of real estate are subject.
(b) The real estate of a common school corporation is subject to liens for municipal assessments for public improvements if the real estate:
(1) had been owned by a private owner; and
(2) would have been subject to a lien at the time the lien was attached.
(c) A penalty or an attorney’s fee concerning a municipal assessment may not be collected from a school corporation.

Sec. 27. The superintendent of a school corporation shall cause an annual inspection to be conducted of all heating systems and supporting gas, oil, propane, or any other fuel lines used for school purposes.

Sec. 28. A report of the inspection described in section 27 of this chapter shall be made to the office of the state fire marshal before September 1 of each year. The report shall be made on forms prescribed and approved by the office of the state fire marshal.

Sec. 29. A school building may not be condemned and declared unfit for use for school purposes except as provided in sections 30 through 34 of this chapter.

Sec. 30. A petition signed by:
(1) the state department of health;
(2) the state fire marshal; or
(3) at least twenty-five (25) legal residents of the school corporation in which a school building is located, at least fifteen (15) of whom are resident freeholders;
may be filed with the auditor of the county in which the school corporation is located, alleging that the school building designated in the petition is insanitary or otherwise unfit for use for school purposes and should be condemned.
Sec. 31. If a petition is filed under section 30 of this chapter, the auditor of the county shall do the following:

(1) Mail one (1) copy of the petition to:
   (A) the county superintendent of schools; and
   (B) the township trustee or the president of the board of school trustees or board of school commissioners of the school corporation in which the school building is located.

(2) Give notice by one (1) publication in each of two (2) newspapers circulating in the school corporation in which the school building is located that a hearing will be held:
   (A) at a place and at a time designated in the notice;
   (B) not less than ten (10) days after the date on which the notice is published;
   (C) before the board of county commissioners and the county council of the county, acting jointly; and
   (D) at which an interested person may appear in person or by attorney and be heard.

Sec. 32. (a) The auditor shall call a special session of the board of county commissioners and the county council to:

(1) conduct the hearing described in section 31 of this chapter; and

(2) determine the matter submitted.

(b) The chairman of the county council shall preside at the hearing.

Sec. 33. (a) The hearing described in section 32 of this chapter may be adjourned from day to day.

(b) When the hearing has concluded, the board of county commissioners and county council, acting jointly, shall determine from:

(1) the evidence submitted;
(2) an inspection of the building; or
(3) both the evidence and an inspection;

if the building should be condemned.

(c) If the board of county commissioners and county council, acting jointly, determine that the building should be condemned, the board and council shall fix a date when the order of the board and council becomes effective. An appeal from the finding and determination of the board of county commissioners may be made to the circuit or superior court of the county in the same manner as appeals are taken from the board of county commissioners.

Sec. 34. (a) The state board may not:
(1) revoke the commission of a high school; or
(2) refuse to grant a commission to a high school when properly applied for;
because of the physical condition of any of the buildings in which the high school is conducted or maintained.

(b) The credits or the academic standing of a person who is a pupil in or a graduate of a high school may not be affected or determined by the physical condition of the building in which the pupil attended high school.

Sec. 35. (a) A decision of the state department of health to build, change, or condemn a school building may be appealed by:

(1) a township trustee;
(2) a board of school trustees or board of school commissioners;
(3) a member of a township board; or
(4) at least ten (10) residents and taxpayers;
of a township, town, or city in which the matter involving the building, changing, or condemnation of a school building occurred. The appeal may be made to a circuit or superior court of the county in which the township is located. A final appeal may be made to any court of last resort in Indiana.

(b) The appeal must:

(1) be made in the name of the person making the appeal or in the name of the officer making the appeal; and
(2) be perfected by filing a complaint or petition:
   (A) in the office of the clerk of the court to which the appeal is taken;
   (B) not more than thirty (30) days after the date of final decision by the state department of health that ordered the changing, condemnation, or building of the school building was made; and
   (C) that sets forth the facts being appealed.

(c) The:

(1) state department of health; and
(2) township trustee, board of school commissioners, or board of school trustees if the appeal is made by the residents and taxpayers or by a member of the township board;
shall be named as defendants in the cause of action.

(d) Notice of the filing and pendency of the appeal shall be made by serving a summons, regularly issued by the court where cause of action is pending, on the state health commissioner at least ten (10)
days before the hearing of the cause.

(e) The appeal shall be tried as other civil causes are tried in Indiana. If the appeal is made by private citizens, bond approved by the court shall be given to cover costs and reasonable attorney’s fees if the appeal is not sustained.

Sec. 36. Before the governing body exercises power granted by any law to spend more than one million dollars ($1,000,000) to build, repair, or alter school buildings that would be financed by:

1. entering into a lease agreement under IC 21-5-11-7 or IC 21-5-12-7;
2. issuing bonds under IC 21-2-21; or
3. any other available method;

the governing body may order the preparation and pay the costs of a feasibility study.

Sec. 37. (a) If the governing body proposes to construct, repair, or alter a school building at a cost of more than one million dollars ($1,000,000) that would be financed by:

1. entering into a lease agreement under IC 21-5-11-7 or IC 21-5-12-7;
2. issuing bonds under IC 21-2-21; or
3. any other available method;

the governing body must hold a public hearing at which explanations of the potential value of the proposed project to the school corporation and to the community shall be given and at which interested parties may present testimony and questions.

(b) Notice of the hearing shall be given in accordance with IC 5-3-1. The notice must state that on a given day, at an hour, and place, the governing body will meet to discuss and hear objections and support to the proposed construction.

Sec. 38. At the public hearing and before bids for construction of the project are invited, the governing body shall adopt a resolution that specifies the following:

1. The educational purpose the building will serve.
2. The estimated cost of construction, including the cost of land.
3. Any other pertinent information, including the estimated impact on the tax rate and the proposed sources of funding.

Sec. 39. (a) If:

1. a school corporation; and
2. the state, either in the name of the state or in the name of the trustees of an agency of the state;
each own improved or unimproved real estate that lies within the boundaries of the school corporation and that is not needed or required for the purpose for which it was acquired, the school corporation and the state may sell, trade, exchange, or convey to or with each other the unneeded real estate upon such terms and conditions mutually agreed upon and incorporated in an agreement between the trustees or board of trustees of the school corporation and the state or, if the real estate is held in the name of the trustees of an agency of the state, by the trustees.

(b) A value must be assigned to each parcel of real estate involved in the sale, trade, or exchange in the agreement. The assigned value must be the fair market value of the real estate as determined by three appraisers appointed as follows:

1. One (1) to be appointed by the board of trustees of the school corporation.
2. One (1) to be appointed by the state or, if the real estate is held in the name of the trustees of an agency of the state, by the trustees.
3. One (1) to be appointed by the two (2).

(c) The agreement must provide for payment by the party owning the real estate of the smaller value to the other party of the difference of value of the properties.

Sec. 40. Whenever:

1. an agreement described in section 39 of this chapter is executed; and
2. the payment of any money is made;
deeds of conveyance shall be executed by the trustees or board of trustees of the school corporation and by the state for the transfer of state owned real estate.

Chapter 8. Community Use of School Property
Sec. 1. A board of school trustees in a second or third class city, a board of school trustees of a town, or the school trustees of a school township:

1. may, on their own initiative, and shall, upon petition as provided in section 2 of this chapter, establish and maintain for children and adults in the school buildings and on the school grounds under the custody and management of the boards or school trustees of school townships:
   A) evening schools;
   B) vacation schools;
(C) debating clubs;
(D) community centers;
(E) gymnasiums;
(F) public playgrounds;
(G) public baths; and
(H) similar activities and accommodations as determined by
the boards or school trustees of school townships;
without charge to the residents of the cities, towns, or townships;
and
(2) may:
(A) cooperate, by agreement, with other commissioners or
boards or school trustees of school townships that have
custody and management of public parks, libraries, museums,
and other public buildings and grounds to provide the:
   (i) equipment;
   (ii) supervision;
   (iii) instruction; and
   (iv) oversight;
necessary to conduct public educational and recreational
activities in and upon the other buildings and grounds; and
(B) pay all expenses associated with the activities from the
general fund.

Sec. 2. (a) If:
(1) a petition is filed with:
   (A) the clerk of a municipality; or
   (B) the trustee of any township;
that is signed by at least ten percent (10%) of the number of
voters voting at the last general election held in the city; or
(2) a petition is presented that contains the signatures of at least
one hundred (100) freeholders living in a town or township;
that sets forth a question in the form prescribed by IC 3-10-9-4 and a
date for an election on the question, the question of exercising the
powers granted for any of the purposes enumerated in section 1 of this
chapter shall be submitted to the electors of the municipalities or
townships.

(b) The clerk or trustee shall certify the public question to the
county election board of each county in which the school corporation
is located. The county election board shall place the public question on
the ballot at the first primary or general election conducted after
certification under IC 3-10-9-3. If the first primary or general election
will be conducted more than six (6) months after certification, the county election board shall conduct the election not later than thirty (30) days after certification.

(c) If a majority of the votes cast upon the question are affirmative:

(1) the board of school trustees of the municipality; or

(2) the school trustee of the school township;

shall exercise the powers in accordance with the petition under this chapter.

Sec. 3. (a) The board or school trustee of any school township may receive and expend for purposes of this chapter money received as gifts or appropriations made by individuals, business establishments, or organizations.

(b) The board or school trustee of a school township may also receive property that donors transfer to the board or school trustee of a school township. The property may be used only in conformity with the purposes of this chapter.

Sec. 4. (a) The board of school trustees in a third class city may establish, maintain, and equip public playgrounds to be used by children during the summer vacation period. The board may use the public school buildings and grounds in the cities as is necessary to carry out this section. The board may levy a tax not exceeding sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed valuation of the property in the city to create a fund to carry out this section. The board may lease or purchase grounds in addition to the school grounds, either adjacent to the school grounds or elsewhere in the city. The board may also, under eminent domain statutes, condemn ground to be used for these purposes and pay for condemned ground out of the school revenues of the city not otherwise appropriated.

(b) The board:

(1) has full control of all playgrounds, including the preservation of order on playgrounds; and

(2) may adopt suitable rules, regulations, and bylaws for the control of playgrounds. The board may enforce the rules by suitable penalties.

(c) The board may select and pay for directors and assistants. The directors and assistants, while on duty and to preserve order and the observance of the rules, regulations, and bylaws of the board, have all the powers of police officers of the city. The compensation for the directors and assistants shall be:
(1) fixed by the board; and
(2) paid for out of the school revenues not otherwise appropriated.

Sec. 5. If a district public school has been abandoned and the schoolhouse and school grounds in the district are no longer used or needed for public school purposes, the township trustee in charge of the school building and school grounds:
(1) shall, upon application of at least fifty-one percent (51%) of the freehold residents of the school district, allow the use of the abandoned schoolhouse and school grounds as a community center for nonpartisan gatherings of citizens of the school district for civic, social, and recreational purposes; and
(2) may not sell or offer for sale any building or grounds:
   (A) while the building or grounds are used as a community center; or
   (B) for at least one (1) year after the discontinuance of the use of any abandoned schoolhouse and school grounds for a community center.

Sec. 6. (a) The operation and management of a community center shall be vested in a nonprofit corporation organized for that purpose under the general laws regulating the formation of nonprofit corporations.

(b) The membership of a nonprofit corporation described in subsection (a) must be composed of resident freeholders of the school district.

(c) The expenses of improvement of the school grounds and reconstruction or repairs of the abandoned schoolhouse shall be paid for by the corporation in charge of the community center while the school grounds or schoolhouse is operated and managed as a community center.

Sec. 7. An established community center in a school district shall cease its operation in the schoolhouse and upon the school grounds not more than one (1) month following the receipt of a written notice:
(1) submitted to the proper officers of the corporation of the community center; and
(2) by the township trustee of the township where the community center is being operated;
that indicates the school building and school grounds are needed for school purposes.

Sec. 8. If:
(1) a third class city in which a school corporation of the city has purchased, in the name of the school corporation, real estate to be used for school purposes; and

(2) the real estate is subsequently abandoned for school purposes; the school trustees of the school corporations may authorize the use of the real estate for park purposes as provided by this chapter.

Sec. 9. (a) Money may not be expended out of a school corporation treasury for the maintenance of abandoned school grounds for park purposes.

(b) However, the board of school trustees of a school corporation in a third class city that owns abandoned school grounds may, by an order entered and properly recorded, allow the use of abandoned school grounds by a third class city for park purposes. The order must contain the conditions, restrictions, and limitations within which the third class city may take and use the abandoned school grounds for park purposes.

Sec. 10. (a) A third class city may, by an ordinance of the common council, accept from a school corporation located within the city the use of abandoned school grounds as provided by this chapter.

(b) A third class city may, by an ordinance of the common council, accept from a person for a definite time of at least five (5) years the use of any real estate in the city formerly used as a cemetery if:

(1) the cemetery has been abandoned; and

(2) the bodies have been removed from the cemetery.

(c) A third class city may, through its common council, use and maintain real estate described in subsections (a) and (b) for park purposes for the use of the general public under the same conditions and restrictions provided by law for the use and control and maintenance of park properties by third class cities as if the city owned the real estate.

(d) A third class city may accept by city ordinance real estate for park purposes under the order of the school trustees of the school corporation as provided by this chapter or from another person.

Sec. 11. The:

(1) title to the real estate remains in the school corporation; and

(2) use by third class cities continues;

while the cities continue to maintain the real estate as a public park.

Sec. 12. If:

(1) real estate has been accepted for park purposes; and

(2) a city abandons the use of the real estate for park purposes;
the school trustees of the school corporation that owns the real estate may take possession of the real estate and sell or otherwise convey the real estate.

Sec. 13. (a) In a school township located in a county having a population of:

1. more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
2. more than two hundred thousand (200,000) but less than three hundred thousand (300,000);

the township trustee, in administering the recreation program under this chapter, may supplement the funds by making a reasonable charge for admission to any outdoor swimming pool located on the school township property and owned by the school township.

(b) With the approval of the township board, the township trustee shall establish the admission fee or a schedule of admission fees to be collected for the use of the swimming pool. Fees collected shall be deposited in a recreation fund established under this chapter. Disbursements for personal services, operation, maintenance, and repairs of the swimming pool shall be paid from the recreation fund.

Chapter 9. School Breakfast and Lunch Programs

Sec. 1. As used in this chapter, "participating school corporation" refers to a school corporation that includes at least one (1) qualifying school building.

Sec. 2. As used in this chapter, "qualifying school building" refers to a public school building in which:

1. at least twenty-five percent (25%) of the students who were enrolled at that school building during the prior school year qualified for free or reduced price lunches under guidelines established under 42 U.S.C. 1758(b); and
2. lunches are served to students.

Sec. 3. As used in this chapter, "school" means the following:

1. An Indiana public school in which any grade from kindergarten through grade 12 is taught.
2. A nonpublic school in which any grade from kindergarten through grade 12 is taught that is not operated for profit in whole or in part.

Sec. 4. As used in this chapter, "school board" means:

1. when applicable to a public school of Indiana, the board of school trustees, board of school commissioners, school board of incorporated towns and cities, and township school trustees; or
(2) when applicable to a school other than a public school, a person or agency in active charge and management of the school.

Sec. 5. As used in this chapter, "school breakfast program" refers to a program under which breakfast is served at a qualifying school building on a nonprofit basis to students enrolled at the qualifying school building.

Sec. 6. As used in this chapter, "school lunch program" means a program under which lunches are served by a school in Indiana on a nonprofit basis to children in attendance, including any program under which a school receives assistance out of funds appropriated by the Congress of the United States.

Sec. 7. (a) The state superintendent may accept and direct the disbursement of funds appropriated by any act of the United States Congress and apportioned to the state for use in connection with school lunch programs.

(b) The state superintendent shall deposit all funds received from the federal government with the treasurer of state in a special account or accounts to facilitate the administration of the program. The treasurer of state shall make disbursements from the account or accounts upon direction of the state superintendent.

Sec. 8. (a) The state superintendent may enter into agreements with a school board or with any other agency or person, prescribe regulations, employ personnel, and take any action that the state superintendent may consider necessary to provide for the establishment, maintenance, operation, and expansion of a school lunch program and to direct the disbursement of federal and state funds under any federal or state law.

(b) The state superintendent may give technical advice and assistance to a school corporation in connection with the establishment and operation of a school lunch program and may assist in training personnel engaged in the operation of the program. The state superintendent and any school corporation or sponsoring agency may accept any gift for use in connection with a school lunch program.

Sec. 9. A governing body may:

(1) operate or, by the appointment of a sponsoring agency, provide for the operation of school lunch programs in schools under the governing body’s jurisdiction;

(2) contract with respect to food, services, supplies, equipment, and facilities for the operation of the programs; and

(3) use funds disbursed under this chapter and gifts and other
funds received from the sale of school lunches under the programs.

Sec. 10. (a) The state superintendent shall prescribe rules for keeping accounts and records and making reports by or under the supervision of a governing body.

(b) The accounts and records shall:

(1) be available for inspection and audit at all times by authorized officials; and

(2) be preserved for at least five (5) years, as the state superintendent may prescribe.

(c) The state superintendent shall conduct or cause to be conducted any audits, inspections, and administrative reviews of acts, records, and operations of a school lunch program necessary to do the following:

(1) Determine whether agreements with the governing body and rules under this chapter are being complied with.

(2) Ensure that a school lunch program is effectively administered.

Sec. 11. The state superintendent may, to the extent that funds are available and in cooperation with other appropriate agencies and organizations, do the following:

(1) Conduct studies of methods of improving and expending school lunch programs and promoting nutritional education in the schools.

(2) Conduct appraisals of the nutritive benefits of school lunch programs.

(3) Report the findings and recommendations periodically to the governor.

Sec. 12. (a) School cities, school townships, school towns, and joint districts may:

(1) establish, equip, operate, and maintain school kitchens and school lunchrooms for the improvement of the health of students and for the advancement of the educational work of their respective schools;

(2) employ all necessary directors, assistants, and agents; and

(3) appropriate funds for the school lunch program.

Participation in a school lunch program under this chapter is discretionary with the governing board of a school corporation.

(b) If federal funds are not available to operate a school lunch program:
(1) the state may not participate in a school lunch program; and
(2) money appropriated by the state for that purpose and not
expended shall immediately revert to the state general fund.
(c) Failure on the part of the state to participate in the school lunch
program does not invalidate any appropriation made or school lunch
program carried on by a school corporation by means of gifts or
money raised by tax levy under this chapter.
Sec. 13. The governing body of a participating school corporation
shall implement or contract for the implementation of a school
breakfast program at each qualifying school building within the
school corporation's boundaries.
Sec. 14. A governing body shall implement the governing body's
breakfast program in compliance with the requirements for
participation in the national school breakfast program under 42
U.S.C. 1773 et seq.
Sec. 15. The department shall assist each participating school
corporation in implementing the school's breakfast program and in
making all appropriate applications to the federal government for
available financial assistance on behalf of the participating school
corporation.
Sec. 16. The department shall monitor the school breakfast
programs required under this chapter and maintain complete and
accurate records of the programs.
Sec. 17. (a) The department shall establish guidelines to implement
this chapter.
(b) The state board may adopt rules under IC 4-22-2 to implement
this chapter.
Chapter 10. Joint Programs and Personnel
Sec. 1. As used in sections 2 through 9 of this chapter, "joint
program" means the joint employment of personnel, joint purchase of
supplies or other material, or joint purchase or lease of equipment,
joint lease of land or buildings, or both, or joint construction of,
remodeling of, or additions to school buildings, by two (2) or more
school corporations, for a particular program or purpose. The term
includes the joint investment of money under IC 5-13, data processing
operations, vocational education, psychological services, audiovisual
services, guidance services, special education, and joint purchasing
related to the acquisition of supplies or equipment that are not to be
used jointly.
Sec. 2. As used in sections 3 through 9 of this chapter,
"participating school corporations" means all school corporations engaging in a joint program.

Sec. 3. (a) Two (2) or more school corporations acting through their respective governing bodies may engage in joint programs under a written agreement executed by all participating school corporations.

(b) The agreement shall do the following:
   (1) Designate the type of purchases, leases, or investments to be made.
   (2) Prescribe the manner of approving persons employed under the joint program.
   (3) Designate the type of construction, remodeling, or additions to be made on the school buildings.
   (4) Provide for the organization, administration, support, funding, and termination of the program, subject to the provisions of this chapter.

Sec. 4. An agreement shall designate one (1) of the participating school corporations to administer and supervise the joint program, including receiving and disbursing funds, executing documents, and maintaining records under this chapter and the agreement between the participating school corporations.

Sec. 5. (a) A teacher employed in a joint program who does not have existing years of service in one (1) of the member corporations of the joint program is considered to have been employed as a teacher by the governing body that is administering the joint program at the time that the teacher is first employed by the joint program.

(b) The teacher is entitled to the same rights and privileges as set forth in IC 20-28-6 through IC 20-28-10 as if employed as a regular teacher by the governing body that is administering the joint program at the time that the teacher is first employed by the joint program.

Sec. 6. A teacher who has existing years of service in one (1) of the member school corporations of the joint program shall retain the same rights and privileges as set forth in IC 20-28-6 through IC 20-28-10 as if still employed as a teacher in the school corporation in which the teacher has already acquired years of service.

Sec. 7. (a) A teacher who loses the teacher's job in a joint program because of:
   (1) a reduction in services;
   (2) a reorganization;
   (3) the discontinuance of the joint program; or
   (4) a withdrawal in whole or in part of a participating school
from the joint program; shall be accorded the same rights that are provided under IC 20-35-5-11 for teachers from special education cooperatives.

(b) A teacher who:

   (1) is employed in a joint program under this chapter;
   (2) loses the teacher’s job in the joint program as described in subsection (a); and
   (3) subsequently is employed by a participating school corporation as described in subsection (a);

retains the rights and privileges under IC 20-28-6 through IC 20-28-10 that the teacher held at the time the teacher lost the job in the joint program as described in subdivision (2).

Sec. 8. (a) The governing bodies of participating school corporations may pay into a joint fund, to be known as the joint services, leasing, construction, and supply fund, an amount set forth in the written agreement under section 3 of this chapter. A governing body shall budget and appropriate funds for the joint program from a special school fund or tuition fund of their respective school corporations in accordance with laws governing the use of those funds.

(b) The joint services, leasing, construction, and supply fund shall be held by the governing body of the school corporation designated in the written agreement to administer and supervise the joint program. The designated governing body shall receive, disburse, and maintain an account for the fund in the same manner as prescribed for other funds of the governing body and under the written agreement but without any further or additional appropriation of the funds. The designated governing body shall make a complete and detailed financial report of all receipts and disbursements not later than thirty (30) days after the end of each school year and shall furnish copies of the report to the governing bodies of all other participating school corporations. The reports required under this chapter are supplementary to and do not supersede or repeal the requirements for publication of annual reports of certain school corporations as provided by IC 5-3-1.

Sec. 9. (a) The governing bodies of participating school corporations may pay into a joint fund, to be known as the joint investment fund, all or part of the money the governing bodies may otherwise invest under IC 5-13-9. The fund shall be administered by the governing body of the school corporation designated in the written agreement under section 3 of this chapter. The designated governing
body shall receive, invest, maintain an account for, and disburse the fund in the same manner as prescribed for other funds for the governing body representing money available for investment and in accordance with the written agreement.

(b) With respect to an investment described in IC 5-13-9, quotes may be solicited and received orally, and the investment shall be made with the designated depository that submitted the highest quote. If two (2) or more designated depositories submit the highest quote, the investment shall be made either:

(1) by dividing the investment among the depositories so as not to lose the benefits of the quotes received; or
(2) if division is not practicable, by lot.

(c) The designated depository holding the investment shall remit to the governing body administering the joint program any money due under the investment on the date the investment matures and in the manner directed by the governing body. A designated depository participating in an agreement for joint investment of money under IC 5-13 shall provide a detailed accounting of the transactions as required for audit purposes by the state board of accounts.

Sec. 10. Two (2) or more school corporations within a county may through their respective school trustees and boards engage in any of the following:

(1) Joint employment of professional personnel.
(2) Joint purchases of necessary supplies, equipment, and other materials that the participating school officers consider proper to the operation of their respective schools.

The cost of these services and purchases to participating corporations shall be determined by their proportionate use in the schools of participating corporations. The county superintendent of schools is the administrator of these joint activities.

Sec. 11. (a) A county board of education may authorize the county superintendent of schools to establish a joint service and supply fund, into which fund the participating school corporations shall pay their proportionate share under an agreement for the joint services and supplies in which the school corporations are interested. The county superintendent of schools may disburse from the service and supply fund proper expenditures to pay salaries of jointly employed personnel and other joint service expenditures.

(b) The county superintendent of schools shall keep a complete written accounting of all receipts and disbursements related to the
joint service and supply fund in a form approved by the state board of accounts. The accounting shall be audited by the state board of accounts. The county superintendent of schools shall make a complete and detailed financial report of all receipts and disbursements in the joint service and supply fund at the end of each fiscal year and shall furnish copies of the report to all participating school corporations.

Sec. 12. The purchasing of equipment, supplies, and materials shall be under the same laws and regulations as the purchasing would be if it were by a single school corporation. However, the bids shall be submitted by the superintendent of county schools to the participating corporations for approval.

Chapter 11. Legal Settlement and Transfer of Students; Transfer Tuition

Sec. 1. As used in this chapter with respect to legal settlement, transfers, and the payment of tuition, the words "residence", "resides", or other comparable language means a permanent and principal habitation that an individual uses for a home for a fixed or indefinite period, at which the individual remains when not called elsewhere for work, studies, recreation, or other temporary or special purpose. These terms are not synonymous with legal domicile. Where a court order grants an individual custody of a student, the residence of the student is where that individual resides.

Sec. 2. The legal settlement of a student is governed by the following provisions:

1) If the student:
   (A) is less than eighteen (18) years of age; or
   (B) is at least eighteen (18) years of age but is not emancipated;
   the legal settlement of the student is in the attendance area of the school corporation where the student's parents reside.

2) If the student’s mother and father, in a situation to which subdivision (1) otherwise applies, are divorced or separated, the legal settlement of the student is the school corporation whose attendance area contains the residence of the parent with whom the student is living, in the following situations:
   (A) If a court order has not been made establishing the custody of the student.
   (B) If both parents have agreed on the parent or person with whom the student will live.
   (C) If the parent granted custody of the student has
abandoned the student. In the event of a dispute between the parents of the student, or between the parents and a student at least eighteen (18) years of age, the legal settlement of the student shall be determined as otherwise provided in this section.

(3) If the legal settlement of a student, in a situation to which subdivision (1) otherwise applies, cannot reasonably be determined and the student is being supported by, cared for by, and living with some other individual, the legal settlement of the student is in the attendance area of that individual’s residence, except where the parents of the student are able to support the student but have placed the student in the home of another individual, or allowed the student to live with another individual, primarily for the purpose of attending school in the attendance area where the other individual resides. The school may, if the facts are in dispute, condition acceptance of the student’s legal settlement on the appointment of that individual as legal guardian or custodian of the student, and the date of legal settlement will be fixed to coincide with the commencement of the proceedings for the appointment of a guardian or custodian. However, if a student does not reside with the student’s parents because the student’s parents are unable to support the child and the child is not residing with an individual other than a parent primarily to attend a particular school, the student's legal settlement is where the student resides, and the establishment of a legal guardianship may not be required by the school. In addition, a legal guardianship or custodianship established solely to attend school in a particular school corporation does not affect the determination of the legal settlement of the student under this chapter.

(4) If a student, to whom subdivision (1) would otherwise apply, is married and living with a spouse, the legal settlement of that student is in the attendance area of the school corporation where the student and the student’s spouse reside.

(5) If the student’s parents:
   (A) are living outside the United States due to educational pursuits or a job assignment;
   (B) do not maintain a permanent home in any school corporation in the United States; and
   (C) have placed the student in the home of another individual;
the legal settlement of the student is in the attendance area where the other individual resides.

(6) If the student is emancipated, the legal settlement is the attendance area of the school corporation of the student's residence.

(7) If a student's legal settlement is changed after the student has begun attending school in a school corporation in any school year, the effective date of change may:
   (A) at the election of:
       (i) the parent;
       (ii) the student if the student is at least eighteen (18) years of age; or
       (iii) a juvenile court conducting a proceeding under IC 31-34-20-5, IC 31-34-21-10, IC 31-37-19-26, or IC 31-37-20-6 (or IC 31-6-4-18.5 before its repeal);
       be extended until the end of that semester; or
   (B) at the discretion of the school, until the end of that school year.

However, that election, where a student has completed grade 11 in any school year, shall extend to the end of the following school year in grade 12.

(8) If a juvenile court has:
   (A) made findings of fact concerning the legal settlement of a student under IC 31-34-20-5, IC 31-34-21-10, IC 31-37-19-26, or IC 31-37-20-6 (or IC 31-6-4-18.5 before its repeal); and
   (B) jurisdiction over the student under IC 31-34 or IC 31-37;
   the legal settlement of the student is the attendance area specified as the legal settlement in the latest findings of fact issued by the juvenile court.

Sec. 3. The state superintendent shall prepare the form of agreement to be used under section 2(2) of this chapter and a form to be executed by any individual with whom the student is living under section 2(2), 2(3), or 2(5) of this chapter. The execution of the form by the individual and its continuance in force is a condition to the application of section 2(2), 2(3), or 2(5) of this chapter. The form must contain an agreement of the individual that the individual shall, with respect to dealing with the school corporation and for all other purposes under this article, assume all the duties and be subject to all the liabilities of a parent of the student in the same manner as if the individual were the student's parent. On the execution of that form.
and for as long as it remains in force, the individual has these duties
and liabilities.

Sec. 4. A student is emancipated when the student:
(1) furnishes the student's support from the student's own
resources;
(2) is not dependent in any material way on the student's parents
for support;
(3) files or is required by applicable law to file a separate tax
return; and
(4) maintains a residence separate from that of the student's
parents.

Sec. 5. (a) The parents of any student, regardless of the student's
age, or the student after the student has become eighteen (18) years of
age may request a transfer from a school corporation in which the
student has a legal settlement to a transferee school corporation in
Indiana or another state if the student may be better accommodated
in the public schools of the transferee corporation. Whether the
student can be better accommodated depends on such matters as:
(1) crowded conditions of the transferee or transferor
corporation; and
(2) curriculum offerings at the high school level that are
important to the vocational or academic aspirations of the
student.

(b) The request for transfer must be made in writing to the
transferor corporation, which shall immediately mail a copy to the
transferee corporation. The request for transfer must be made at the
times provided under rules adopted by the state board. The transfer
is effected if both the transferee and the transferor corporations
approve the transfer not more than thirty (30) days after that mailing.
The transfer is denied when either school corporation:
(1) mails a written denial by certified mail to the requesting
parents or student at their last known address; or
(2) fails to act on the request not more than thirty (30) days after
the mailing.

(c) If a request for transfer is denied, an appeal may be taken to the
state board by the requesting parents or student, if commenced not
more than ten (10) days after the denial. An appeal is commenced by
mailing a notice of appeal by certified mail to the superintendent of
each school corporation and the state board. The state superintendent
shall develop forms for this purpose, and the transferor corporation
shall assist the parents or student in the mechanics of commencing the appeal. An appeal hearing must comply with section 15 of this chapter.

Sec. 6. (a) A school corporation may accept a transferring student without approval of the transferor corporation under section 5 of this chapter.

(b) A transfer may not be accepted unless the requesting parents or student pays transfer tuition in an amount determined under the formula established in section 13 of this chapter for the payment of transfer tuition by a transferor school corporation. However, the transferee school may not offset the amounts described in section 13(b) STEP TWO (B) through section 13(b) STEP TWO (D) of this chapter from the amount charged to the requesting parents or student.

(c) The tuition determined under subsection (b) must be paid by the parents or the student before the end of the school year in installments as determined by the transferee corporation.

(d) Failure to pay a tuition installment is a ground for exclusion from school.

Sec. 7. (a) A school corporation may transfer a student with a physical, emotional, or mental disability to a transferee corporation that maintains special programs or facilities for children with the disability of the transferred student.

(b) A transferee corporation may refuse the transfer under subsection (a) by mailing a notice by certified mail to:

1. the transferor corporation;
2. the parents of the student; and
3. the state board.

(c) If a transferee corporation refuses transfer under subsection (b), the state board shall determine the question of granting a transfer under the procedures set out in section 15 of this chapter.

Sec. 8. (a) A student who is placed in a state licensed private or public health care facility, child care facility, or foster family home:

1. by or with the consent of the division of family and children;
2. by a court order; or
3. by a child placing agency licensed by the division of family and children;

may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal
settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public health care or child care facility by a parent may attend school in the school corporation in which the facility is located if:

(1) the placement is necessary for the student's physical or emotional health and well-being and, if the placement is in a health care facility, is recommended by a physician; and
(2) the placement is projected to be for not less than fourteen (14) consecutive calendar days or a total of twenty (20) calendar days.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. Not later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department. The acceptance or notice of appeal by the school corporation must be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-35, the state board shall make a determination on transfer tuition according to the procedures in section 15 of this chapter. In the case of a student who has been identified as disabled under IC 20-35, the determination on transfer tuition shall be made under this subsection and the procedures adopted by the state board under IC 20-35-2-1(c)(5).

(c) A student who is placed in:

(1) an institution operated by the division of disability, aging, and rehabilitative services or the division of mental health and addiction; or
(2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of mental health and addiction;

may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

Sec. 9. (a) This section applies to each student:

(1) described in section 8(a) of this chapter;
(2) who is placed in a home or facility in Indiana that is outside the school corporation where the student has legal settlement; and

(3) for which the state is not obligated to pay transfer tuition.

(b) Not later than ten (10) days after a county places or changes the placement of a student, the county that placed the student shall notify the school corporation where the student has legal settlement and the school corporation where the student will attend school of the placement or change of placement. Before June 30 of each year, a county that places a student in a home or facility shall notify the school corporation where a student has legal settlement and the school corporation in which a student will attend school if a student's placement will continue for the ensuing school year. The notifications required under this subsection must be made by:

(1) the county office (as defined in IC 12-7-2-45) if the county office or the division of family and children placed or consented to the placement of the student; or

(2) if subdivision (1) does not apply, the court or other agency making the placement.

Sec. 10. (a) A student who is the child of a state employee who resides on state owned property, resides on state owned property, or is the child of a full-time employee of a state supported postsecondary institution, who resides on property owned or operated by the state supported postsecondary institution and used for educational, research, or public service programs is considered a transferred student if:

(1) the student attends a public school in the school corporation located nearest to the student’s residence within the county in which all or a part of either the state owned property, or the property owned or operated by the state supported postsecondary institution, is located; or

(2) the state owned property is the Soldiers' and Sailors' Children's Home and the student attends a public school in the county in which the home is located or in an adjacent county.

Transfer tuition for a student transferred under this subsection shall be paid by the state. However, this subsection does not apply to children of state employees residing in student housing on property owned by any state supported postsecondary school institution.

(b) A foreign student visiting in Indiana under any student exchange program approved by the state board is considered a
resident student with legal settlement in the school corporation where the foreign exchange student resides. The student may attend a school in the school corporation in which the family with whom the student is living resides. A school corporation that receives a foreign student may not be paid any transfer tuition. The school corporation shall include the foreign student in computations to determine the amount of state aid that it is entitled to receive.

Sec. 11. (a) A school corporation may enter into an agreement with:
   (1) a nonprofit corporation that operates a federally approved education program; or
   (2) a nonprofit corporation that:
      (A) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;
      (B) for its classroom instruction, employs teachers who are certified by the professional standards board;
      (C) employs other professionally and state licensed staff as appropriate; and
      (D) educates children who:
         (i) have been suspended, expelled, or excluded from a public school in that school corporation and have been found to be emotionally disturbed;
         (ii) have been placed with the nonprofit corporation by court order;
         (iii) have been referred by a local health department; or
         (iv) have been placed in a state licensed private or public health care or child care facility as described in section 8(b) of this chapter;

in order to provide a student with an individualized education program that is the most suitable educational program available.

(b) If a school corporation that is a transferee corporation enters into an agreement as described in subsection (a), the school corporation shall pay to the nonprofit corporation an amount agreed upon from the transfer tuition of the student. The amount agreed upon may not exceed the transfer tuition costs that otherwise would be payable to the transferee corporation.

(c) If a school corporation that is a transferor corporation enters into an agreement as described in subsection (a), the school corporation shall pay to the nonprofit corporation an amount agreed upon, which may not exceed the transfer tuition costs that otherwise would be payable to a transferee school corporation.
Sec. 12. (a) If a student is transferred under section 5 of this chapter from a school corporation in Indiana to a public school corporation in another state, the transferor corporation shall pay the transferee corporation the full tuition fee charged by the transferee corporation. However, the amount of the full tuition fee may not exceed the amount charged by the transferor corporation for the same class of school, or if the school does not have the same classification, the amount may not exceed the amount charged by the geographically nearest school corporation in Indiana that has the same classification.

(b) If a child is:
   (1) placed by a court order in an out-of-state institution or other facility; and
   (2) provided all educational programs and services by a public school corporation in the state where the child is placed, whether at the facility, the public school, or another location;
the county office of family and children for the county placing the child shall pay from the county family and children’s fund to the public school corporation in which the child is enrolled the amount of transfer tuition specified in subsection (c).

(c) The transfer tuition for which a county office is obligated under subsection (b) is equal to the following:
   (1) The amount under a written agreement among the county office, the institution or other facility, and the governing body of the public school corporation in the other state that specifies the amount and method of computing transfer tuition.
   (2) The full tuition fee charged by the transferee corporation, if subdivision (1) does not apply. However, the amount of the full tuition fee must not exceed the amount charged by the transferor corporation for the same class of school, or if the school does not have the same classification, the amount must not exceed the amount charged by the geographically nearest school corporation in Indiana that has the same classification.

(d) If a child is:
   (1) placed by a court order in an out-of-state institution or other facility; and
   (2) provided:
      (A) onsite educational programs and services either through the facility’s employees or by contract with another person or organization that is not a public school corporation; or
      (B) educational programs and services by a nonpublic school;
the county office of family and children for the county placing the child shall pay from the county family and children's fund in an amount and in the manner specified in a written agreement between the county office and the institution or other facility.

(e) An agreement described in subsection (c) or (d) is subject to the approval of the director of the division of family and children. However, for purposes of IC 4-13-2, the agreement shall not be treated as a contract.

Sec. 13. (a) As used in this section, the following terms have the following meanings:

(1) "ADM" means the following:
   (A) For purposes of allocating to a transfer student state distributions under IC 21-1-30 (primetime), "ADM" as computed under IC 21-1-30-2.
   (B) For all other purposes, "ADM" as set forth in IC 21-3-1.6-1.1.

(2) "Class of school" refers to a classification of each school or program in the transferee corporation by the grades or special programs taught at the school. Generally, these classifications are denominated as kindergarten, elementary school, middle school or junior high school, high school, and special schools or classes, such as schools or classes for special education, vocational training, or career education.

(3) "Special equipment" means equipment that during a school year:
   (A) is used only when a child with disabilities is attending school;
   (B) is not used to transport a child to or from a place where the child is attending school;
   (C) is necessary for the education of each child with disabilities that uses the equipment, as determined under the individualized education program for the child; and
   (D) is not used for or by any child who is not a child with disabilities.

(4) "Student enrollment" means the following:
   (A) The total number of students in kindergarten through grade 12 who are enrolled in a transferee school corporation on a date determined by the state board.
   (B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by
the state board. However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (1/2) student. The state board may select a different date for counts under this subdivision. However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 6 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other student count in which the student is included:
   (i) Primetime grant under IC 21-1-30.
   (ii) Tuition support for basic programs.
   (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
   (iv) At-risk grant under IC 21-3-1.7-9.7.
   (v) Academic honors diploma award under IC 21-3-1.7-9.8.
   (vi) Vocational education grant under IC 21-3-12.
   (vii) Special education grant under IC 21-3-2.1.
   (viii) The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).

(B) Property tax levies.

(C) Excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.
(D) Allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:
(A) zero (0); or
(B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the county office of the county of the student's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

1. capital outlay;
2. debt service;
3. costs of transportation;
4. salaries of board members;
5. contracted service for legal expenses; and
6. any expenditure that is made out of the general fund from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

1. the cost of the special equipment; divided by
2. the product of:
   (A) the useful life of the special equipment, as determined under the rules adopted by the state board; multiplied by
   (B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the student enrollment of each class in the transferee corporation compared with the total student enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:
(1) the transferee school corporation’s operating costs for the class of school in which the transfer student is enrolled; by
(2) the student enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of student attendance, the transfer tuition shall be calculated by the part of the school year for which the transferred student is enrolled. A school year of student attendance consists of the number of days school is in session for student attendance. A student, regardless of the student’s attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. If an agreement cannot be reached, the amount shall be determined by the state board, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:
(1) the total amount of revenues received; by
(2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30, IC 21-3-2.1, IC 21-3-12, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the student count used to compute the state distribution.

(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may:
(1) be entered into for a period of not more than five (5) years with an option to renew;
(2) specify a maximum number of students to be transferred; and
(3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that
provided in section 14 of this chapter.

(i) If the school corporation can meet the requirements of IC 21-1-30-5, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may:

1) be for one (1) year or longer; and
2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of this chapter.

A school corporation may not transfer a student under this section without the prior approval of the child's parent.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 6-1.1-19-5.1, the school corporation may appeal for an excessive levy as provided under IC 6-1.1-19-5.1.

Sec. 14. (a) Not later than March 1, a school corporation shall estimate the:

1) transfer tuition payments that the school corporation is required to pay for students transferring from the school corporation; and
2) transfer tuition payments that the school corporation is entitled to receive on behalf of students transferring to the school corporation.

A school corporation shall send a preliminary statement of the amount of transfer tuition due to the state agency and to any school corporation that owes transfer tuition to the school corporation.

(b) Not later than October 1 following the end of a school year, a school corporation shall send a final statement of the amount of transfer tuition due to the state agency and to any school corporation that owes transfer tuition to the school corporation.

(c) A statement sent under subsection (a) or (b) must include the following:

1) A statement, to the extent known, of all transfer tuition costs chargeable to the state or school corporation for the school year ending in the current calendar year.
2) A statement of any transfer tuition costs chargeable to the state or school corporation and not previously billed for the school year ending in the immediately preceding calendar year.
3) A statement of any transfer tuition costs previously billed to
the state or school corporation and not yet paid.
(d) Transfer tuition for each school year shall be paid by the
transferor corporation or state, if the entity is obligated to pay the
tuition, in not more than four (4) installments. These installments must
be paid not later than October 30, January 10, April 10, and July 10
following the school year in which the obligation is incurred, unless
another schedule is mutually agreed upon.
(e) Payment of operating costs shall be paid from and receipted to
the respective general funds of the transferor and transferee
corporations. Payment of capital costs shall be made by the transferor
corporation at its discretion from any fund or source and shall be
receipted by the transferee corporation at its discretion either to the
capital projects fund or to the debt service fund, or if the transferee
corporation has neither of these two (2) funds, to its general fund.

Sec. 15. (a) The state board shall hear the following:
(1) All appeals from an order expelling a child under
IC 20-33-8-17.
(2) All appeals provided in this chapter.
(3) All disputes on the following:
   (A) Legal settlement.
   (B) Right to transfer.
   (C) Right to attend school in any school corporation.
   (D) Amount of transfer tuition.
   (E) Any other matter arising under this chapter.
The board shall hold a hearing on the timely written application of
any interested party.
(b) The state board shall make its determination under the
following procedure:
(1) A hearing shall be held on each matter presented.
(2) Each interested party, including where appropriate, the
parents, the student, the transferor corporation, the transferee
corporation, or the state, shall be given at least ten (10) days
notice of the hearing by certified mail or by personal delivery.
(3) The date of giving the notice is the date of mailing or delivery.
(4) Any interested party may appear at the hearing in person or
by counsel, present evidence, cross-examine witnesses, and
present in writing or orally summary statements of position.
(5) A written or recorded transcript of the hearing shall be made.
(6) The hearing may be held by the state board or by a hearing
examiner appointed by it who must be a state employee.
(7) The hearing, at the option of the state board or hearing examiner, may be held at any place in Indiana.
(8) The hearing examiner shall make written findings of fact and recommendations.
(9) The determination of the state board must be made on the basis of the record, summaries, and findings, but it is required to examine only those parts of the entire record as it considers necessary.
(c) The hearing and proceedings are not governed by IC 4-21.5.
(d) The determination of the state board is final and binding on the parties to the proceeding.
(e) A notice of the state board’s determination shall be mailed to each party by certified mail. An action to contest the validity of the decision may not be instituted more than thirty (30) days after the mailing of the notice.
Sec. 16. (a) The provisions to implement this chapter, including:
(1) the calculation of transfer tuition;
(2) the credits for state distribution; and
(3) the time in the year when requests for transfer must be filed;
shall be implemented by rules adopted by the state board.
(b) The state board shall adopt rules for the enforcement of the payment of transfer tuition. The enforcement may include withholding state support from the transferor corporation for the benefit of the transferee corporation, charging interest, penalties for late payment, and the costs of collection.
(c) If a school corporation prevails at the final adjudication of:
(1) an administrative proceeding under this chapter; or
(2) a lawsuit against a school corporation;
to compel payment of transfer tuition owed by the school corporation under this chapter, the administrative body or the court shall award to the prevailing party the transfer tuition owed, if any, plus reasonable attorney’s fees and interest as provided by law.
Sec. 17. (a) Each year before the date specified in the rules adopted by the state board, a school corporation shall report the information specified in subsection (b) for each student:
(1) for whom tuition support is paid by another school corporation;
(2) for whom tuition support is paid by the state; and
(3) who is enrolled in the school corporation but has the equivalent of a legal settlement in another state or country;
to the county office (as defined in IC 12-7-2-45) for the county in which the principal office of the school corporation is located and to the department.

(b) Each school corporation shall provide the following information for each school year for each category of student described in subsection (a):

1. The amount of tuition support and other support received for the students described in subsection (a).
2. The operating expenses, as determined under section 13 of this chapter, incurred for the students described in subsection (a).
3. Special equipment expenditures that are directly related to educating students described in subsection (a).
4. The number of transfer students described in subsection (a).
5. Any other information required under the rules adopted by the state board after consultation with the office of the secretary of family and social services.

(c) The information required under this section shall be reported in the format and on the forms specified by the state board.

(d) Not later than November 30 of each year the department shall compile the information required from school corporations under this section and submit the compiled information in the form specified by the office of the secretary of family and social services to the office of the secretary of family and social services.

(e) Not later than November 30 of each year each county office shall submit the following information to the office of the secretary of family and social services for each child who is described in IC 12-19-7-1(1) and is placed in another state or is a student in a school outside the school corporation where the child has legal settlement:

1. The name of the child.
2. The name of the school corporation where the child has legal settlement.
3. The last known address of the custodial parent or guardian of the child.
4. Any other information required by the office of the secretary of family and social services.

(f) Not later than December 31 of each year, the office of the secretary of family and social services shall submit a report to the members of the budget committee and the executive director of the
legislative services agency that compiles and analyzes the information required from school corporations under this section. The report must identify the types of state and local funding changes that are needed to provide adequate state and local money to educate transfer students. A report submitted under this subsection to the executive director of the legislative services agency must be in an electronic format under IC 5-14-6.

Sec. 18. (a) If a student:
(1) has legal settlement in the attendance area of a school corporation in another state, when legal settlement is determined without regard to the appointment of a guardian in Indiana solely to facilitate the placement of the student in a facility described in subdivision (2);
(2) is placed in a state licensed private or public health care facility, private or public child care institution, or treatment center in Indiana by:
   (A) the parent of the student; or
   (B) a governmental entity in another state; and
(3) is enrolled in a school corporation in Indiana;
the state licensed private or public health care facility, private or public child care institution, or treatment center where the student is placed, regardless of when the student is placed, is jointly liable with the person placing the student for transfer tuition under this chapter.

(b) Notwithstanding subsection (a), a sole proprietorship, a partnership, an association, a corporation, a limited liability company, a fiduciary, an individual who is not the student's parent, or another entity in Indiana that accepts the placement of a student who:
(1) has legal settlement in the attendance area of a school corporation in another state; and
(2) is enrolled in a school corporation in Indiana;
is the guarantor for the student's transfer tuition under this chapter unless there is another guarantor. The state board shall hear all appeals under this subsection in accordance with section 15 of this chapter.

Sec. 19. (a) This section through section 29 of this chapter concern the transfer of students for education from one (1) school corporation (transferor corporation) to another school corporation (transferee corporation) in compliance with a court order as described in this section. This chapter applies solely in a situation where a court of the United States or of Indiana in a suit to which the transferor or
transferee corporation or corporations are parties has found the following:

(1) A transferor corporation has violated the equal protection clause of the Fourteenth Amendment to the Constitution of the United States by practicing de jure racial segregation of the students within its borders.

(2) A unitary school system within the meaning of the Fourteenth Amendment cannot be implemented within the boundaries of the transferor corporation.

(3) The Fourteenth Amendment compels the court to order a transferor corporation to transfer its students for education to one (1) or more transferee corporations to effect a plan of desegregation in the transferor corporation that is acceptable within the meaning of the Fourteenth Amendment.

(b) This chapter does not apply until all appeals from the order, whether taken by the transferor corporation, any transferee corporation or any party to the action, have been exhausted or the time for taking the appeals has expired, except where all stays of a transfer order pending appeal or further court action have been denied.

Sec. 20. (a) As used in sections 19 through 29 of this chapter, "ADM" refers to ADM as defined in IC 21-3-1.6-1.1.

(b) As used in sections 19 through 29 of this chapter, "capital projects fund" refers to the school corporation fund set up under IC 21-2-15.

(c) As used in sections 19 through 29 of this chapter, "class of school" refers to a classification of each school in the transferee corporation by the grades taught therein (generally denominated as elementary schools, middle schools or junior high schools, high schools, and special schools such as schools for special education, vocational training or career education). Elementary schools include schools containing kindergarten, but for purposes of this chapter, a kindergarten student shall be counted as one-half (1/2) student.

(d) As used in sections 19 through 29 of this chapter, "debt service fund" refers to the school corporation fund set up under IC 21-2-4.

(e) As used in sections 19 through 29 of this chapter, "general fund" refers to the school corporation funds set up under IC 21-2-11.

(f) As used in sections 19 through 29 of this chapter, "transferee corporation" means the school corporation receiving students under a court order described in section 19 of this chapter.
(g) As used in sections 19 through 29 of this chapter, "transferor corporation" means the school corporation transferring students under a court order described in section 19 of this chapter.

(h) As used in sections 19 through 29 of this chapter, "transferred student" means any student transferred under a court order described in section 19 of this chapter.

Sec. 21. (a) The governing body of a transferee corporation may add two (2) members, one (1) of whom must be a resident of the contributing geographic area within the transferor corporation from which students are being bused, to the transferee corporation's governing body for each transferor corporation that the transferee corporation serves. These members are in addition to the number of members of the governing body who are residents of the transferee corporation.

(b) Each member who is a resident of a contributing transferor corporation added to the governing body of a transferee corporation by this section:

(1) shall be elected by a majority of all registered and eligible voters who vote in each applicable school board election in the school corporation;

(2) must have the same qualifications, other than residency or property ownership, that are required for a member of the governing body who is a resident of the transferee corporation; and

(3) serves for the same number of years as members of the governing body who are residents of the transferee corporation.

(c) The members of the governing body of the transferee corporation shall appoint by majority vote the first additional members of a governing body under this section. The members appointed under this subsection serve until replacement members are elected under subsections (d) and (e).

(d) The first elected members of a governing body from a transferor corporation shall be elected at the first election after the members are added under subsection (a):

(1) that occurs in the transferor corporation; and

(2) where one (1) or more members of the governing body of the transferor corporation are elected.

The election shall be conducted in the manner required by law for the conduct of elections of governing bodies of school corporations.

(e) This subsection applies to an additional member of a governing
body appointed under subsection (c) to whom subsection (d) does not apply. The first additional elected member of a governing body must be elected at the first election after the members are added under subsection (a) where one (1) or more members of the governing body of the transferee corporation are elected. The election must be conducted in the manner required by law for the conduct of elections of governing bodies of school corporations.

Sec. 22. (a) The transferee corporation is entitled to receive from the transferor corporation transfer tuition for each transferred student for each school year calculated in two (2) parts:

(1) operating cost; and

(2) capital cost.

These costs must be allocated on a per student basis separately for each class of school.

(b) The operating cost for each class of school must be based on the total expenditures of the transferee corporation for the class from its general fund expenditures as set out on the classified budget forms prescribed by the state board of accounts, excluding from the calculation capital outlay, debt service, costs of transportation, salaries of board members, contracted service for legal expenses and any expenditure that is made out of the general fund from extracurricular account receipts, for the school year.

(c) The capital cost for each class of school must consist of the lesser of the following alternatives:

(1) The capital cost must be based on an amount equal to five percent (5%) of the cost of transferee corporation's physical plant, equipment, and all items connected to the physical plant or equipment, including:

(A) buildings, additions, and remodeling to the buildings, excluding ordinary maintenance; and

(B) on-site and off-site improvements such as walks, sewers, waterlines, drives, and playgrounds;

that have been paid or are obligated to be paid in the future out of the general fund, capital projects fund, or debt service fund, including principal and interest, lease rental payments, and funds that were legal predecessors to these funds. If an item of the physical plant, equipment, appurtenances, or part of the item is more than twenty (20) years old at the beginning of the school year, the capital cost of the item shall be disregarded in making the capital cost computation.
(2) The capital cost must be based on the amount budgeted from the general fund for capital outlay for physical plant, equipment, and appurtenances and the amounts levied for the debt service fund and the capital projects fund for the calendar year in which the school year ends.

(d) If an item of expense or cost cannot be allocated to a class of school, the item shall be prorated to all classes of schools on the basis of the ADM of each class in the transferee corporation compared to the total ADM therein.

(e) The transfer tuition for each student transferred for each school year shall be calculated by dividing the transferee school corporation’s total operating costs and the total capital costs for the class of school in which the student is enrolled by the ADM of students therein. If a transferred student is enrolled in a transferee corporation for less than the full school year, the transfer tuition shall be calculated by the proportion of such school year for which the transferred student is enrolled. A school year for this purpose consists of the number of days school is in session for student attendance. A student shall be enrolled in a transferee school, whether or not the student is in attendance, unless the:

(1) student’s residence is outside the area of students transferred to the transferee corporation;
(2) student has been excluded or expelled from school; or
(3) student has been confirmed as a school dropout.

The transferor and transferee corporations may enter into written agreements concerning the amount of transfer tuition. If an agreement cannot be reached, the amount shall be determined by the state superintendent, with costs to be established, where in dispute, by the state board of accounts.

(f) The transferor corporation shall pay the transferee corporation, when billed, the amount of book rental due from transferred students who are unable to pay the book rental amount. The transferor corporation is entitled to collect the amount of the book rental from the appropriate township trustee, from its own funds, or from any other source, in the amounts and manner provided by law.

Sec. 23. (a) If a transfer is ordered to commence in a school year, where the transferor corporation has net additional costs over savings (on account of any transfer ordered) allocable to the calendar year in which the school year begins, and where the transferee corporation does not have budgeted funds for the net additional costs, the net
additional costs may be recovered by one (1) or more of the following methods in addition to any other methods provided by applicable law:

(1) An emergency loan made under IC 21-2-21-6 to be paid, out of the debt service levy and fund, or a loan from any state fund made available for the net additional costs.

(2) An advance in the calendar year of state funds, which would otherwise become payable to the transferee corporation after such calendar year under law.

(3) A grant or grants in the calendar year from any funds of the state made available for the net additional costs.

(b) The net additional costs must be certified by the department of local government finance, and any grant shall be made solely after affirmative recommendation of the school property tax control board established by IC 6-1.1-19-4.1. Repayment of any advance or loan from the state shall be made in accordance with IC 6-1.1-19-4.5(d). The use of any of the methods in this section does not subject the transferor corporation to IC 6-1.1-19-4.7.

Sec. 24. Transfer tuition for each school year shall be paid by the transferor corporation during the term of the year and following the end of term in four (4) installments within ten (10) days after the first day of November, February, May and August, respectively. The first three (3) payments shall be calculated on the basis of estimates based on the previous year's cost per student and the enrollment for the day schools are open in the transferee corporation next preceding the applicable payment date.

Sec. 25. (a) Payment of the operating cost must be paid from and receipted to the respective general funds of the transferor and transferee corporations.

(b) Payment of capital costs must be made by the transferor corporation, at its discretion, from any fund or source and be receipted by the transferee corporation, at its discretion, either to the cumulative building fund or to the debt service fund.

Sec. 26. The transferor corporation shall provide each transferred student transportation to and from the school in the transferee corporation to which the student is assigned. However, the transferor corporation may require the transferred student to walk a reasonable distance from the student's home to school or to a transportation pickup point.

Sec. 27. Transportation must be provided by the transferor corporation to each transferred student under IC 20-27. However, the
transferor corporation may contract with the transeree corporation to provide transportation to the transferred students (the transferor corporation paying the costs of transportation) and that the transferor corporation, in addition to the other means of financing the purchase of transportation equipment, may make the purchases out of its cumulative building fund.

Sec. 28. Transportation costs for transferred students for each calendar year or for capital outlay and for operations shall be reimbursed by the state to the transferor corporation in the same percent of the total outlay that the distributions to the transferor corporation under IC 21-3-1.5-3, or from the state flat grant distribution account where it is credited to the general fund, constitute its total annual general fund appropriations for such year. In this calculation, there shall be excluded from general fund appropriations capital outlay, debt service, and any expenditure that is made out of the general fund from extracurricular accounts. Any amount not reimbursed and raised as part of the transferor corporation’s general fund levy constitutes an increase in its base tax levy for that budget year, as otherwise defined and as applied in IC 6-1.1-1-16 and IC 6-1.1-19. The state reimbursement for transportation operating expense to the transferor corporation may not be less than it would receive under applicable law without regard to this section.

Sec. 29. (a) The provisions of sections 19 through 29 of this chapter concerning the calculation of transfer tuition, the credits for state distribution, state reimbursement of transportation costs, or other state reimbursement may be implemented by rules adopted by the state board.

(b) The state board shall adopt rules for the enforcement of the payment of transfer tuition. The payment enforcement may include the withholding of state support from the transferor corporation for the benefit of the transeree corporation.

(c) A transferor or the transeree corporation may dispute the amount of transfer tuition or state reimbursement by petitioning the state superintendent. Any dispute in the amount of transfer tuition or state reimbursement shall be determined by the state superintendent.

Chapter 12. Textbooks

Sec. 1. (a) Except as provided in subsections (b) and (c) and notwithstanding any other law, each governing body shall purchase from a contracting publisher, at a price equal to or less than the net contract price, the textbooks adopted by the state board and selected
by the proper local officials, and shall rent these textbooks to each
student enrolled in a public school that is:
   (1) in compliance with the minimum certification standards of
       the board; and
   (2) located within the attendance unit served by the governing
       body.
   (b) This section does not prohibit the purchase of textbooks at the
       option of a student or the providing of free textbooks by the governing
       body under sections 6 through 21 of this chapter.
   (c) This section does not prohibit a governing body from
       suspending the operation of this section under a contract entered into
       under IC 20-26-15.
Sec. 2. (a) A governing body may purchase from a contracting
publisher, at a price equal to or less than the net contract price, any
textbook adopted by the state board and selected by the proper local
officials. The governing body may rent these textbooks to students
enrolled in any public or nonpublic school that is:
   (1) in compliance with the minimum certification standards of
       the state board; and
   (2) located within the attendance unit served by the governing
       body.
The annual rental rate may not exceed twenty-five percent (25%) of
the retail price of the textbooks.
   (b) Notwithstanding subsection (a), the governing body may not
       assess a rental fee of more than fifteen percent (15%) of the retail
       price of a textbook that has been:
       (1) adopted for usage by students under IC 20-20-5;
       (2) extended for usage by students under IC 20-20-5-2; and
       (3) paid for through rental fees previously collected.
   (c) This section does not limit other laws.
Sec. 3. (a) Upon a written determination by the governing body of
a school corporation that a textbook is no longer scheduled for use in
the school corporation, the governing body may sell, exchange,
transfer, or otherwise convey the textbook. However, before a
governing body may mutilate or otherwise destroy a textbook, the
governing body must first comply with the following provisions:
   (1) Subsection (b).
   (2) Subsection (c).
   (3) Section 4 of this chapter.
   (4) Section 5 of this chapter.
(b) Before a governing body may mutilate or otherwise destroy a textbook, the governing body shall provide at no cost and subject to availability one (1) copy of each textbook that is no longer scheduled for use in the school corporation to:

(1) the parent of each student who is enrolled in the school corporation and who wishes to receive a copy of the textbook; and

(2) if any textbooks remain after distribution under subdivision (1), to any resident of the school corporation who wishes to receive a copy of the textbook.

(c) If a governing body does not sell, exchange, transfer, or otherwise convey unused textbooks under subsection (a) or (b), each public elementary and secondary school in the governing body's school corporation shall provide storage for at least three (3) months for the textbooks in the school corporation. A school corporation may sell or otherwise convey the textbooks to another school corporation at any time during the period of storage.

Sec. 4. (a) A school corporation shall compile a list of textbooks in storage under section 3 of this chapter. The list must include the names of the publishers and the number of volumes being stored. The list must be mailed to the department. The department shall maintain a master list of all textbooks being stored by school corporations.

(b) Upon request, the state superintendent shall mail to a nonprofit corporation or institution located in Indiana a list of textbooks available for access. A nonprofit corporation or institution may acquire the textbooks from the appropriate school corporation by paying only the cost of shipping and mailing.

Sec. 5. Textbooks stored for at least three (3) months under section 3 of this chapter may not be mutilated or destroyed and must be maintained and stored according to regulations prescribed by local and state health authorities. Textbooks that have not been requested after at least three (3) months may be mutilated, destroyed, or otherwise disposed of by the school corporation.

Sec. 6. (a) Sections 7 through 21 of this chapter apply to elementary and high school libraries that contain free textbooks. The textbooks must be adopted by the board and selected by the proper local officials.

(b) As used in sections 6 through 21 of this chapter, "resident student" means a student enrolled in any of the grades in any school located in a school corporation, whether the student resides there or
Sec. 7. (a) If a petition requesting the establishment of an elementary school library is filed with a governing body, the governing body shall provide a library containing textbooks in sufficient numbers to meet the needs of every resident student in each of the eight (8) grades of each elementary school. The petition must be signed by at least fifty-one percent (51%) of the registered voters of the governing body's school corporation.

(b) This subsection applies to a governing body that has established an elementary school library under subsection (a). If a petition requesting establishment of a high school library is filed with the governing body, the governing body shall provide a library containing textbooks in sufficient numbers to meet the needs of every resident student in each of the four (4) grades of each high school. The petition must be signed by at least twenty percent (20%) of the voters of the school corporation as determined by the total vote cast at the last general election for the trustee of the township, clerk of the town, or mayor of the city.

Sec. 8. A petition for an elementary or a high school library under section 7 of this chapter must be in substantially the following form:

To the governing body of the school corporation of ___________

We, the undersigned voters of the school corporation of _______ respectfully petition the governing body of the school corporation of _______ to establish an elementary school (or high school, as appropriate) library and to lend its school textbooks free of charge to the resident students of the school corporation of _______________, under IC 20-26-12.

NAME ADDRESS DATE

_________________ __________________ _________

STATE OF INDIANA ) SS:

_________________ COUNTY )

____________ being duly sworn, deposes and says that he or she is the circulator of this petition paper and that the appended signatures were made in his or her presence and are the genuine signatures of the persons whose names they purport to be.

Signed ______________

Subscribed and sworn to before me this ____ day of ___________, 20 __.
Sec. 9. The signatures to each petition may be appended to one (1) petition paper. An affidavit of the circulator must be attached to each petition paper. The affidavit must state that each signature was made in the circulator's presence and is the genuine signature of the person whose name it purports to be. Each signature must be made in ink or indelible pencil. Each signer shall state the signer's name, the signer's residence by street and number, or any other description sufficient to identify the place and the date of the signing.

Sec. 10. A person who signs a petition under this chapter must be registered to vote in the precinct in which the person resides to be qualified to sign and to have the signature count.

Sec. 11. All petition papers requesting the establishment of a library under this chapter must be assembled and filed as one (1) instrument before July 2.

Sec. 12. (a) A governing body shall examine petition papers filed under section 11 of this chapter and shall have the names checked against the voter registration records in the county in which the governing body's school corporation is located.

(b) A governing body may employ clerks to check voter registration records under this section. The governing body may pay these expenses from the school corporation's general fund without a specific appropriation.

(c) A clerk employed under subsection (b) shall take an oath to perform honestly and faithfully. The clerk is entitled to daily compensation of not more than three dollars ($3) for this work.

Sec. 13. If a sufficient petition is filed under section 11 of this chapter, a governing body shall note on the records of the governing body's school corporation that by filing the petition the school corporation must maintain:

(1) an elementary school library containing textbooks in sufficient numbers to meet the needs of every resident student in each of the first eight (8) grades of each elementary school located within the school corporation; or
(2) a high school library containing textbooks in sufficient numbers to meet the needs of every resident student in each of the four (4) grades of each high school located within the school corporation;

as applicable.
Sec. 14. (a) This subsection applies to a school corporation described in section 13(1) of this chapter. The governing body shall make the first appropriation from the school corporation’s general fund in August following the petition's filing. Not later than the school term following the first appropriation, the library must be established and textbooks must be loaned to resident students enrolled in the first five (5) grades of the elementary school. Not later than the second school term following the first appropriation, textbooks must be procured and loaned to resident students enrolled in the eight (8) grades of the elementary school.

(b) This subsection applies to a school corporation described in section 13(2) of this chapter. The governing body shall make the first appropriation from the school corporation’s general fund in September following the petition's filing. Not later than the second school term following the first appropriation, the library must be established and textbooks of the library must be loaned to resident students enrolled in grade nine of the high school. During each following school term, textbooks must be procured and loaned to resident students for an additional high school grade, in addition to the earlier high school grades.

Sec. 15. (a) A governing body shall requisition the necessary textbooks from the contracting publishers approved by the state board. The contracting publisher shall ship the textbooks to the governing body not more than ninety (90) days after the requisition. On receipt of the textbooks, the governing body’s school corporation has custody of the textbooks. The governing body shall provide a receipt to the contracting publisher and reimburse the contracting publisher the amount owed by the school corporation from the school corporation’s general fund.

(b) A governing body shall purchase textbooks:
   (1) from a resident student who presents the textbooks for sale on or before the beginning of the school term in which the books are to be used;
   (2) with money from the school corporation’s general fund; and
   (3) at a price based on the original price to the school corporation minus a reasonable reduction for damage from usage.

(c) The proper school authorities shall purchase any textbooks that are to be used during any school year from any dealer:
   (1) whose business is located in the county in which the school
corporation is located; and
(2) who was authorized to sell textbooks before March 1, 1935.
The purchase price may not exceed the price paid by the dealer to the contracting publisher.

Sec. 16. Upon receipt of the textbooks, a governing body shall loan the textbooks at no charge to each resident student. Library textbooks are available to each resident student under this chapter and under regulations prescribed by the superintendent and governing body of the school corporation.

Sec. 17. (a) If a student transfers to a school corporation other than the one in which the student resides under IC 20-26-11, the governing body of the school corporation to which the student transfers shall purchase a sufficient supply of books for the transferred student.

(b) In the annual settlement between the school corporations for tuition of transferred students, the amounts must include rental of the books furnished to the transferred students. The state board shall determine the rental rate.

Sec. 18. A governing body may provide a sufficient number of textbooks for sale to resident students at the price stipulated in the contracts under which the textbooks are supplied to the governing body’s school corporation. Proceeds from sales under this section must be paid into the school corporation’s general fund.

Sec. 19. A governing body shall provide sufficient library facilities for the textbooks to best accommodate the resident students.

Sec. 20. A governing body shall prescribe reasonable rules and regulations for the care, custody, and return of library textbooks. A resident student using library textbooks is responsible for the loss, mutilation, or defacement of the library textbooks, other than reasonable wear.

Sec. 21. A governing body shall provide for the fumigation or destruction of library textbooks at the times and under regulations prescribed by local and state health authorities. Before a governing body may mutilate or otherwise destroy a textbook, the governing body shall provide at no cost and subject to availability one (1) copy of each textbook that is no longer scheduled for use in the school corporation to:

(1) the parent of each child who is enrolled in the school corporation and who wishes to receive a copy of the textbook; and

(2) if any textbooks remain after distribution under subdivision
Sec. 22. If a school corporation purchases textbooks on a time basis:

(1) the schedule for payments shall coincide with student payments to the school corporation for textbook rental; and

(2) the schedule must not require the school corporation to assume a greater burden than payment of twenty-five percent (25%) within thirty (30) days after the beginning of the school year immediately following delivery by the contracting publisher with the school corporation’s promissory note evidencing the unpaid balance.

Sec. 23. (a) A school corporation may:

(1) borrow money to buy textbooks; and

(2) issue notes, maturing serially in not more than six (6) years and payable from its general fund, to secure the loan.

However, when an adoption is made by the state board for less than six (6) years, the period for which the notes may be issued is limited to the period for which that adoption is effective.

(b) Notwithstanding subsection (a), a school township may not borrow money to purchase textbooks unless a petition requesting such an action and bearing the signatures of twenty-five percent (25%) of the resident taxpayers of the school township has been presented to and approved by the township trustee and township board.

Sec. 24. (a) The superintendent shall establish procedures for textbook adoption. The procedures must include the involvement of teachers and parents on an advisory committee for the preparation of recommendations for textbook adoptions. The majority of the members of the advisory committee must be teachers, and at least forty percent (40%) of the committee must be parents. These recommendations shall be submitted to the superintendent in accordance with the established procedures in the local school corporation.

(b) The governing body, upon receiving these recommendations from the superintendent, shall adopt from the state textbook adoption lists a textbook for use in teaching each subject in the school corporation.

(c) A special committee of teachers and parents may also be appointed to review books, magazines, and audiovisual material used or proposed for use in the classroom to supplement state adopted
textbooks and may make recommendations to the superintendent and
the governing body concerning the use of this material.

(d) A textbook selected shall be used for the lesser of:
   (1) six (6) years; or
   (2) the effective period of the state board's adoption of that
textbook.

(e) A selection may be extended beyond that period for up to six (6)
years if the governing body is granted a waiver under section 28 of
this chapter.

Sec. 25. (a) After a local superintendent has selected textbooks
under this chapter, and not later than July 1, when new contracts
become effective, the superintendent shall forward to the state board
a list of those selections for all subjects and grades.

(b) The state board shall:
   (1) examine the lists forwarded under subsection (a); and
   (2) if the state board finds a deviation from the state adopted list
and a waiver has not been granted under section 28 of this
chapter, notify the local superintendent of the deviation.

If the school corporation does not comply with this chapter within
thirty (30) days after receiving the notification, the state board shall
cancel the accreditation of the offending schools.

Sec. 26. If a family moves during the school term from one (1)
school corporation to another within the state, the corporation from
which they move shall:
   (1) evaluate the affected children's textbooks; and
   (2) offer to purchase the textbooks at a reasonable price for
resale to any family that moves into that corporation during a
school term.

Sec. 27. It is unlawful for a person, firm, or school corporation to
sell selected textbooks at a price exceeding one hundred twenty
percent (120%) of the net price submitted to the state board. The
person, firm, or school corporation shall pay all transportation
charges.

Sec. 28. (a) After giving the advisory committee under section 24 of
this chapter an opportunity to give its recommendation, the governing
body may request a waiver from the adoption requirements of this
chapter if the governing body believes that the educational needs of
the students attending the school corporation can best be served by:
   (1) not adopting a textbook; or
   (2) adopting a textbook that has not been adopted by the state
board under this chapter.

(b) A request for a waiver must be submitted on a form approved by the state board before June 1 of the year preceding the first school year for which the waiver is to apply.

(c) The state board shall grant the waiver if it determines that the request is reasonable.

Chapter 13. Graduation Rate Determination
Sec. 1. This chapter applies to:
(1) a public high school; and
(2) an accredited nonpublic high school.

Sec. 2. As used in this chapter, "cohort" refers to a class of students who:
(1) attend the same high school; and
(2) are expected to graduate from high school in the same graduation year.

Sec. 3. As used in this chapter, "enrollment" means the total number of students within a grade that is reported to the department annually on:
(1) October 1; or
(2) a date specified by the department.

Sec. 4. As used in this chapter, "expected graduation year" means the reporting year beginning three (3) years after the reporting year in which a student is first considered by a school corporation to have entered grade nine.

Sec. 5. (a) As used in this chapter, "graduation" means the successful completion by a student of:
(1) a sufficient number of academic credits, or the equivalent of academic credits; and
(2) the graduation examination or waiver process required under IC 20-32-3 through IC 20-32-6;
resulting in the awarding of a high school diploma or an academic honors diploma.

(b) The term does not include the granting of a general educational development diploma under IC 20-20-6.

Sec. 6. As used in this chapter, "graduation rate" means the percentage of students within a cohort who graduate during their expected graduation year.

Sec. 7. As used in this chapter, "reporting year" refers to the period beginning October 1 of a year and ending September 30 of the following year.
Sec. 8. As used in this chapter, "retention" refers to the reclassification by a school corporation of a student that places the student into a cohort that has an expected graduation year after the expected graduation year of the student's initial cohort.

Sec. 9. Beginning with the class of students who are expected to graduate in the 2005-2006 school year, the department shall determine the graduation rate of high school students under this chapter.

Sec. 10. The graduation rate for a cohort in a high school is the percentage determined under STEP SEVEN of the following formula:

STEP ONE: Determine the grade 9 enrollment at the beginning of the reporting year three (3) years before the reporting year for which the graduation rate is being determined.

STEP TWO: Add:
(A) the number determined under STEP ONE; and
(B) the number of students who:
   (i) have enrolled in the high school after the date on which the number determined under STEP ONE was determined; and
   (ii) have the same expected graduation year as the cohort.

STEP THREE: Add:
(A) the sum determined under STEP TWO; and
(B) the number of retained students from earlier cohorts who became members of the cohort for whom the graduation rate is being determined.

STEP FOUR: Add:
(A) the sum determined under STEP THREE; and
(B) the number of students who:
   (i) began the reporting year in a cohort that expects to graduate during a future reporting year; and
   (ii) graduate during the current reporting year.

STEP FIVE: Subtract from the sum determined under STEP FOUR the number of students who have left the cohort for any of the following reasons:
(A) Transfer to another public or nonpublic school.
(B) Removal by the student's parents under IC 20-33-2-28 to provide instruction equivalent to that given in the public schools.
(C) Withdrawal because of a long term medical condition or death.
(D) Detention by a law enforcement agency or the department
of correction.

(E) Placement by a court order or the division of family and children.

(F) Enrollment in a virtual school.

(G) Graduation before the beginning of the reporting year.

(H) Leaving school, if the location of the student cannot be determined.

STEP SIX: Determine the total number of students who have graduated during the current reporting year.

STEP SEVEN: Divide:

(A) the number determined under STEP SIX; by

(B) the remainder determined under STEP FIVE.

Chapter 14. Interscholastic Athletic Associations

Sec. 1. As used in this chapter, "association" means an organization that conducts, organizes, sanctions, or sponsors interscholastic high school athletic events as the organization's primary purpose.

Sec. 2. As used in this chapter, "case" refers to a decision of the association:

(1) that concerns the application or interpretation of a rule of the association to an individual student; and

(2) with which the student's parent disagrees.

Sec. 3. As used in this chapter, "panel" refers to the case review panel established under section 6 of this chapter.

Sec. 4. As used in this chapter, "state superintendent" refers to the state superintendent of public instruction.

Sec. 5. A school corporation may participate in:

(1) an association; or

(2) an athletic event conducted, organized, sanctioned, or sponsored by an association;

if the association complies with this chapter.

Sec. 6. (a) The association must establish a case review panel that meets the following requirements:

(1) The panel has nine (9) members.

(2) The state superintendent or the state superintendent's designee is a member of the panel and is the chairperson of the panel.

(3) The state superintendent appoints as members of the panel persons having the following qualifications:

(A) Four (4) parents of high school students.

(B) Two (2) high school principals.
(C) Two (2) high school athletic directors.

(4) A member of the panel serves for a four (4) year term, subject to the following:
   (A) An appointee who ceases to meet the member's qualification under subdivision (3) ceases to be a member of the panel.
   (B) The state superintendent shall appoint fifty percent (50%) of the initial appointees under each clause in subdivision (3) for terms of two (2) years, so that terms of the panel are staggered.

(5) The panel must meet monthly, unless there are no cases before the panel. The panel may meet more frequently at the call of the chairperson. However, the chairperson must call a meeting within five (5) business days after the panel receives a case in which time is a factor in relation to the scheduling of an athletic competition.

(6) A quorum of the panel is five (5) members. The affirmative vote of five (5) members of the panel is required for the panel to take action.

(b) A student's parent who disagrees with a decision of the association concerning the application or interpretation of a rule of the association to the student shall have the right to do one (1) of the following:
   (1) Accept the decision.
   (2) Take legal action without first referring the case to the panel.
   (3) Refer the case to the panel.

(c) Upon receipt of a case, the panel must do the following:
   (1) Collect testimony and information on the case, including testimony and information from both the association and the parent.
   (2) Place the case on the panel's agenda and consider the case at a meeting of the panel.
   (3) Make one (1) of the following decisions:
      (A) Uphold the association's decision on the case.
      (B) Modify the association's decision on the case.
      (C) Nullify the association's decision on the case.

(d) The association must implement the decision of the panel on each case. However, a decision of the panel:
   (1) applies only to the case before the panel; and
   (2) does not affect any rule of the association or decision under
any rule concerning any student other than the student whose parent referred the case to the panel.

(e) The association shall pay all costs attributable to the operation of the panel, including travel and per diem for panel members.

Chapter 15. Freeway School Corporation and Freeway School Program

Sec. 1. As used in this chapter, "contract" refers to a contract entered into under this chapter for the establishment of:

(1) a freeway school corporation; or
(2) a freeway school.

Sec. 2. As used in this chapter, "freeway school" refers to:

(1) a school for which a contract has been entered into under this chapter; or
(2) a nonpublic school that enters into a contract under section 13 of this chapter.

Sec. 3. As used in this chapter, "freeway school corporation" refers to a school corporation that enters into a contract under this chapter.

Sec. 4. (a) The state board and the governing body of a school corporation must enter into a contract that complies with this chapter to designate a school corporation as a freeway school corporation or a school within a school corporation as a freeway school if a school corporation:

(1) petitions the state board for designation as a freeway school corporation or to have a school within the school corporation designated as a freeway school; and
(2) agrees to comply with this chapter.

(b) A school corporation becomes a freeway school corporation and a school becomes a freeway school when the contract is signed by:

(1) the state superintendent, acting for the state board after a majority of the members of the state board have voted in a public session to enter into the contract; and
(2) the president of the governing body of the school corporation, acting for the governing body of the school corporation after a majority of the members of the governing body have voted in a public session to enter into the contract.

Sec. 5. Notwithstanding any other law, the operation of the following is suspended for a freeway school corporation or a freeway school if the governing body of the school corporation elects to have the specific statute or rule suspended in the contract:

(1) The following statutes and rules concerning curriculum and
(2) The following rule concerning pupil/teacher ratios:
511 IAC 6.1-4-1.

(3) The following statutes and rules concerning textbooks:
IC 20-20-5-1 through IC 20-20-5-4
IC 20-20-5-23
IC 20-26-12-24
IC 20-26-12-26
IC 20-26-12-28
IC 20-26-12-1
IC 20-26-12-2
511 IAC 6.1-5-5.

(4) 511 IAC 6-7, concerning graduation requirements.

(5) IC 20-31-4, concerning the performance based accreditation system.

(6) IC 20-32-5, concerning the ISTEP program established under IC 20-32-5-15, if an alternative locally adopted assessment program is adopted under section 6(7) of this chapter.

Sec. 6. Except as provided in this chapter and notwithstanding any other law, a freeway school corporation or a freeway school may do the following during the contract period:

(1) Disregard the observance of any statute or rule that is listed in the contract.

(2) Lease school transportation equipment to others for nonschool use when the equipment is not in use for a school corporation purpose, if the lessee has not received a bid from a private entity to provide transportation equipment or services for the same purpose.

(3) Replace the budget and accounting system that is required by
law with a budget or accounting system that is frequently used in the private business community. The state board of accounts may not go beyond the requirements imposed upon the state board of accounts by statute in reviewing the budget and accounting system used by a freeway school corporation or a freeway school.

(4) Establish a professional development and technology fund to be used for:
   (A) professional development; or
   (B) technology, including video distance learning.

However, any money deposited in the professional development and technology fund for technology purposes must be transferred to the school technology fund established under IC 21-2-18.

(5) Subject to subdivision (4), transfer funds obtained from sources other than state or local government taxation among any accounts of the school corporation, including a professional development and technology fund established under subdivision (4).

(6) Transfer funds obtained from property taxation and from state distributions among the general fund (established under IC 21-2-11) and the school transportation fund (established under IC 21-2-11.5), subject to the following:
   (A) The sum of the property tax rates for the general fund and the school transportation fund after a transfer occurs under this subdivision may not exceed the sum of the property tax rates for the general fund and the school transportation fund before a transfer occurs under this subdivision.
   (B) This subdivision does not allow a school corporation to transfer to any other fund money from the:
      (i) capital projects fund (established under IC 21-2-15); or
      (ii) debt service fund (established under IC 21-2-4).

(7) Establish a locally adopted assessment program to replace the assessment of students under the ISTEP program established under IC 20-32-5-15, subject to the following:
   (A) A locally adopted assessment program must be established by the governing body and approved by the department.
   (B) A locally adopted assessment program may use a locally developed test or a nationally developed test.
   (C) Results of assessments under a locally adopted assessment
program are subject to the same reporting requirements as results under the ISTEP program.
(D) Each student who completes a locally adopted assessment program and the student’s parent have the same rights to inspection and rescoring as set forth in IC 20-32-5-9.

Sec. 7. The minimum educational benefits that a freeway school corporation or a freeway school must produce under this chapter are the following:

(1) An average attendance rate that increases:
   (A) not less than two percent (2%) each school year until the average attendance rate is eighty-five percent (85%); and
   (B) one percent (1%) each school year until the average attendance rate is ninety percent (90%).

(2) A successful completion rate of the assessment program by meeting essential standards under the ISTEP program (IC 20-32-5) or a locally adopted assessment program established under section 6(7) of this chapter that increases:
   (A) not less than two percent (2%) each school year until the successful completion rate is not less than eighty-five percent (85%); and
   (B) one percent (1%) each school year until the successful completion rate is not less than ninety percent (90%);

of the students in the designated grade levels under the ISTEP assessment program (IC 20-32-5) or the locally adopted assessment program that are grades contained in the freeway school corporation or freeway school.

(3) Beginning with the class of students who expect to graduate four (4) years after a freeway school corporation or a freeway school that is a high school obtains freeway status, a graduation rate as determined under 511 IAC 6.1-1-2(k) that increases:
   (A) not less than two percent (2%) each school year until the graduation rate is not less than eighty-five percent (85%); and
   (B) one percent (1%) each school year until the graduation rate is ninety percent (90%).

After a freeway school corporation or a freeway school has achieved the minimum rates required under subdivisions (1) through (3), the freeway school corporation or freeway school must either maintain the minimum required rates or show continued improvement of those rates.

Sec. 8. (a) The contract must contain the following provisions:
(1) A list of the statutes and rules that are suspended from operation in a freeway school corporation or freeway school, as listed in section 5 of this chapter.

(2) A description of the privileges of a freeway school corporation or freeway school, as listed in section 6 of this chapter.

(3) A description of the educational benefits listed in section 7 of this chapter that a freeway school corporation or freeway school agrees to:
   
   (A) achieve by the end of five (5) complete school years after the contract is signed; and
   
   (B) maintain at the end of:
       
       (i) the sixth; and
       
       (ii) any subsequent;
       
       complete school year after the contract is signed.

(4) A plan and a schedule for the freeway school corporation or freeway school to achieve the educational benefits listed in section 7 of this chapter by the end of five (5) complete school years after the contract is signed. The schedule must show some percentage of improvement by the end of the second, third, and fourth complete school years after the contract is signed.

(5) A school by school strategy, including curriculum, in which character education is demonstrated to be a priority. The strategy required under this subdivision must include the following subjects as integral parts of each school's character education:
   
   (A) Hygiene.
   
   (B) Alcohol and drugs.
   
   (C) Diseases transmitted sexually or through drug use, including AIDS.
   
   (D) Honesty.
   
   (E) Respect.
   
   (F) Abstinence and restraint.

(6) A plan under which the freeway school corporation or freeway school will offer courses that will allow a student to become eligible to receive an academic honors diploma.

(7) A plan under which the freeway school corporation or freeway school will maintain a safe and disciplined learning environment for students and teachers.

(b) In the contract:
(1) the quantitative measures of benefits may be higher, but not lower, than the minimum educational benefits listed in section 7 of this chapter; and
(2) educational benefits may be included in addition to the minimum educational benefits listed in section 7 of this chapter.

Sec. 9. The governing body of a freeway school corporation and the state board acting jointly may amend a contract entered into under this chapter:
(1) to comply with any law enacted subsequent to the formation of the contract;
(2) to alter the educational benefits to a level that is not below the minimum educational benefits listed in section 7 of this chapter; or
(3) for a purpose jointly agreed to by the parties.

Sec. 10. On July 1 of each year, the state board shall determine whether a freeway school corporation or freeway school that has completed:
(1) a second, third, or fourth complete school year under a contract entered under this chapter has achieved the scheduled improvement in educational benefits that the freeway school corporation or freeway school has agreed to achieve;
(2) a fifth complete school year under a contract entered under this chapter has achieved the educational benefits that the freeway school corporation or freeway school has agreed to achieve; or
(3) more than five (5) full school years under a contract entered under this chapter has maintained the educational benefits that the freeway school corporation or freeway school has agreed to maintain.

Sec. 11. (a) A school corporation that enters into a contract under this chapter to:
(1) be a freeway school corporation; or
(2) operate a freeway school;
must achieve the educational benefits that the school corporation agrees in the contract to achieve.

(b) If a school corporation that enters into a contract under this chapter to be a freeway school corporation or to operate a freeway school fails to achieve any of the educational benefits agreed upon in the contract at the end of a school year:
(1) the state board shall review the school corporation’s plan and
schedule for achieving the educational benefits, and, if necessary, modify the plan; and
(2) the year in which the educational benefits are not achieved is not included in the five (5) year contract period.

(c) A contract is void and a school corporation ceases immediately to be a freeway school corporation or to be eligible to operate a freeway school if:

(1) the school corporation or school has previously undergone a plan and schedule review under subsection (b); and
(2) the state board determines that the school corporation or school failed to achieve the following that the school corporation agreed to achieve in the contract:
   (A) at the end of the second, third, or fourth complete school year after a contract is signed under this chapter, two (2) of the three (3) scheduled improvements in educational benefits that are listed in section 7 of this chapter; or
   (B) at the end of the fifth complete school year after a contract is signed under this chapter, the educational benefits stated in the contract.

Sec. 12. (a) A school corporation that enters into a contract under this chapter to be a freeway school corporation or to operate a freeway school must maintain the educational benefits that the school corporation agrees to achieve in the contract.

(b) If the state board determines that a freeway school corporation or freeway school has failed to maintain the educational benefits described in subsection (a) for two (2) consecutive or nonconsecutive school years beginning with the end of the sixth school year after a contract is signed under this chapter:
   (1) the contract is void; and
   (2) the school corporation ceases to be:
      (A) a freeway school corporation; or
      (B) eligible to operate a freeway school;
   on July 1 following the second school year in which the freeway school corporation or freeway school failed to maintain the required educational benefits.

Sec. 13. (a) A nonpublic school may enter into a contract with the state board to become a freeway school.

(b) The state board and the governing body of a nonpublic school must enter into a contract that complies with this chapter to designate the nonpublic school as a freeway school if the nonpublic school:
(1) petitions the state board for designation as a freeway school; and
(2) agrees to comply with this chapter.

(c) A nonpublic school becomes a freeway school when the contract is signed by:
   (1) the state superintendent, acting for the state board after a majority of the members of the board have voted in a public session to enter into the contract; and
   (2) the president of the governing body of the nonpublic school, acting for the governing body of the nonpublic school after a majority of the members of the governing body have voted to enter into the contract.

(d) The state board shall accredit a nonpublic school that:
   (1) becomes a freeway school under this chapter; and
   (2) complies with the terms of the contract.

Sec. 14. (a) This section applies to:
   (1) a school corporation that has ceased to be a freeway school corporation; and
   (2) a school that has ceased to be a freeway school.

(b) If an action taken by a school corporation or school described in subsection (a) while a contract was in effect was legal at the time the action was taken because of the waiver of a statute or rule in the contract, the action remains legal after the contract becomes void.

(c) An action taken by a school corporation or school described in subsection (a) after the date on which a contract becomes void must be in compliance with existing statutes and rules.

SECTION 11. IC 20-27 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 27. SCHOOL TRANSPORTATION
Chapter 1. Applicability
Sec. 1. Except as otherwise provided, this article applies to the following:
   (1) School corporations.
   (2) Nonpublic schools.

Chapter 2. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Committee" refers to the state school bus committee established by IC 20-27-3-1.
Sec. 3. "Common carrier contract" means a contract for the
transportation of students between a school corporation and a regular route common carrier of passengers that operates under the jurisdiction of the department of state revenue.

Sec. 4. "Employment contract" means a contract:
   (1) between:
      (A) a school corporation that owns all necessary school bus equipment; and
      (B) a school bus driver; and
   (2) that provides that the school bus driver is employed in the same manner as other noninstructional personnel are employed by the school corporation.

Sec. 5. "Fleet contract" means a contract between a school corporation and a fleet contractor in which the contractor promises to provide two (2) or more school buses and school bus drivers for student transportation.

Sec. 6. "Fleet contractor" means a person who contracts with a school corporation to provide two (2) or more school buses and school bus drivers for student transportation.

Sec. 7. "Parents supplemental transportation contract" means a contract between parents of students enrolled in a public school and a school bus driver in which the school bus driver promises to provide a school bus and driving services.

Sec. 8. "School bus" means a motor vehicle, other than a special purpose bus, that is:
   (1) designed and constructed for the accommodation of more than ten (10) passengers; and
   (2) used for the transportation of Indiana students.
The term includes the chassis or the body, or both.

Sec. 9. "School bus driver" means an individual charged with the responsibility of operating a school bus.

Sec. 10. "Special purpose bus" means a motor vehicle:
   (1) that is designed and constructed
      for the accommodation of more than ten (10) passengers;
   (2) that:
      (A) meets the federal school bus safety requirements under 49 U.S.C. 30125 except the:
           (i) stop signal arm required under federal motor vehicle safety standard (FMVSS) no. 131; and
           (ii) flashing lamps required under federal motor vehicle safety standard (FMVSS) no. 108;
(B) when owned by a school corporation and used to transport students, complies with the Federal Motor Carrier Safety Regulations as prescribed by the United States Department of Transportation Federal Motor Carrier Safety Administration as set forth in 49 CFR Chapter III Subchapter B; or

(C) when owned by a school corporation and used to transport students, is a motor coach type bus with a capacity of at least thirty (30) passengers and a gross vehicle weight rating greater than twenty-six thousand (26,000) pounds; and

(3) that is used by a school corporation for transportation purposes appropriate under IC 20-27-9-5.

Sec. 11. "Student" means a child enrolled in a public or nonpublic school at any grade between kindergarten and grade 12.

Sec. 12. "Transportation contract" means a contract between a school corporation and a school bus driver in which the school bus driver promises to provide, in addition to driving services, a school bus, school bus chassis, or school bus body.

Chapter 3. State School Bus Committee

Sec. 1. (a) The state school bus committee is established. The committee has the following voting members:

(1) The state superintendent or the state superintendent's authorized representative, who serves as chairperson of the committee.

(2) The commissioner of the bureau of motor vehicles, or the commissioner's authorized representative.

(3) The administrator of the motor carrier services division of the department of state revenue.

(4) The director of the governor's council on impaired and dangerous driving.

(5) A school bus driver appointed by the state superintendent upon the recommendation of the Indiana State Association of School Bus Drivers, Inc.

(6) A superintendent of a school corporation appointed by the state superintendent upon the recommendation of the Indiana Association of Public School Superintendents.

(7) A member of the governing body of a school corporation appointed by the state superintendent upon the recommendation of the Indiana School Boards Association.

(8) A representative of the Indiana School for the Blind or the
Indiana School for the Deaf appointed by the state superintendent.

(9) A member of the School Transportation Association of Indiana appointed by the state superintendent upon the recommendation of the School Transportation Association of Indiana.

(b) The state superintendent shall designate a secretary from the department who shall keep the official record of the meetings and of official transactions of the committee.

Sec. 2. (a) The following nonvoting members shall advise the voting members of the committee:

(1) A member of the Indiana Association of School Bus Distributors selected by the executive committee of that association.

(2) A member of the state police department selected by the state police superintendent.

(3) A member of the Indiana Transportation Association selected by the executive committee of that association.

(4) A member of the Indiana Township Association selected by the executive committee of that association.

(5) A school business official appointed by the state superintendent upon the recommendation of the Indiana Association of School Business Officials.

(b) An individual is not qualified to serve as a nonvoting member of the committee until proper credentials of the individual's appointment have been filed with the chairperson of the committee. Each nonvoting member shall be notified of all committee meetings and may attend each meeting and offer advice to the voting members of the committee.

Sec. 3. (a) The committee:

(1) shall hold one (1) regular meeting each month; and

(2) may hold special meetings as the chairperson considers necessary.

(b) Four (4) voting members of the committee constitute a quorum for the transaction of official business.

Sec. 4. (a) The committee has the following powers:

(1) The committee may adopt rules under IC 4-22-2 establishing standards for the construction of school buses, including minimum standards for the construction of school buses necessary to be issued a:
(A) valid certificate of inspection decal; and
(B) temporary certificate of inspection decal described in IC 20-27-7-10.

(2) The committee may adopt rules under IC 4-22-2 establishing standards for the equipment of school buses, including minimum standards for the equipment of school buses necessary to be issued a:
   (A) valid certificate of inspection decal; and
   (B) temporary certificate of inspection decal described in IC 20-27-7-10.

(3) The committee may adopt rules under IC 4-22-2 specifying the minimum standards that must be met to avoid the issuance of an out-of-service certificate of inspection decal.

(4) The committee may provide for the inspection of all school buses, new or old, that are offered for sale, lease, or contract.

(5) The committee may provide for the annual inspection of all school buses and the issuance of certificate of inspection decals.

(6) The committee may maintain an approved list of school buses that have passed inspection tests under subdivision (4) or (5).

(7) The committee may, subject to approval by the state board of accounts, prescribe standard forms for school bus contracts.

(8) The committee may hear appeals brought under IC 20-27-7-15.

(b) The committee shall adopt rules under IC 4-22-2 to set performance standards and measurements for determining the physical ability necessary for an individual to be a school bus driver.

(c) The certificate of inspection decals shall be issued to correspond with each school year. Each certificate of inspection decal expires on September 30 following the school year in which the certificate of inspection decal is effective. However, for buses that are described in IC 20-27-7-7, the certificate of inspection decal expires on a date that is not later than seven (7) months after the date of the first inspection for the particular school year.

Sec. 5. The committee shall adopt and enforce rules under IC 4-22-2 to require that each new school bus operated by or on behalf of a school corporation bear the number of the school district on the back of the school bus in black letters that are at least four (4) inches and not more than six (6) inches high.

Sec. 6. The committee shall adopt and enforce rules under IC 4-22-2 that allow the display of the United States flag on a school
bus operated by or on behalf of a school corporation. The rules must
provide that a flag displayed on a school bus may not be placed in a
manner that:

(1) obstructs the school bus driver's vision through the
windshield or any other window;

(2) impedes the school bus driver's operation of any equipment;
or

(3) distracts the attention of other motorists from the school bus's
warning lamps or stop signal arm when the school bus is loading
or unloading students.

Sec. 7. (a) A school bus sold or delivered in Indiana must meet the
standards of construction and equipment set forth in the rules of the
committee.

(b) A school bus may not be originally licensed in Indiana until the
school bus has been inspected by the state police department and
found to comply with these standards.

Sec. 8. A person who violates this chapter commits a Class C
misdemeanor.

Chapter 4. Purchase of School Buses

Sec. 1. A school corporation may purchase a school bus or special
purpose bus to furnish transportation for students. The school
corporation may purchase:

(1) both the body and the chassis of a school bus; or

(2) either the body or the chassis.

A purchase may be made for cash or under the terms of a security
agreement.

Sec. 2. A security agreement under this chapter may not run for
more than six (6) years. The agreement must be amortized in equal or
approximately equal installments, payable on the first day of January
and July each year. The first installment of principal and interest must
be due and payable on the first day of July next following the
collection of a tax that was levied after execution of the security
agreement.

Sec. 3. Before a security agreement is executed, an appropriation
for the amount of the purchase price must be made. The
appropriation is made in the same manner as any other appropriation,
except that the amount of the appropriation is not limited by the
amount of funds available at the time of the execution or the amount
of funds to be raised by a tax levy effective at the time of the execution.
A petition to borrow, a notice to taxpayers, or other formality is not
necessary, except:

(1) as specifically provided in this chapter; and
(2) as may be required by law for the issuance of general obligation bonds.

Sec. 4. If a school corporation requires funds to purchase a school bus for cash, the school corporation may borrow the necessary funds by issuing general obligation bonds. The bonds shall be issued in the same manner as other general obligation bonds. However, the bonds may not extend for more than six (6) years.

Sec. 5. (a) If a school corporation requires funds to purchase a school bus for cash, the school corporation may, instead of issuing general obligation bonds, negotiate for and borrow funds or purchase the school bus on an installment conditional sales contract or a promissory note secured by the school bus.

(b) To effect a loan, the school corporation shall execute a negotiable note or notes to the lender. The notes may not extend for more than six (6) years and are payable at the same times and in the same manner as provided for security agreements in section 2 of this chapter.

(c) Before a note described in this section is executed, an appropriation for the amount of the purchase price of the school bus and any incidental expenses connected with the purchase or the loan, must be made in the same manner as other appropriations are made, except that the amount of the appropriation is not limited by the amount of funds available at the time of the loan or purchase or by the amount of funds to be raised by a tax levy effective at the time of the loan.

(d) A petition to borrow, a notice to taxpayers, or other formality is not necessary to borrow funds under this section except as specifically provided in this chapter.

Sec. 6. (a) The purchase of a school bus shall be made in the same manner as provided by law for the purchase of school supplies by a school corporation.

(b) If a school bus is purchased under a security agreement, the required notice to bidders or solicitation of bids must set:

(1) the length of time the security agreement shall run; and
(2) the terms of the security agreement, including the security agreement price and interest rate.

(c) The low bid for a security agreement shall be determined by adding to each bidding price the net interest cost and then comparing
the totals of the price and interest on each bid. Any difference between
the cash and the security agreement prices may not be considered a
charge under section 2 of this chapter. Instead, a separate statement
of each price shall be made to enable the governing body to determine
the advisability of purchasing a school bus under a security
agreement.

Sec. 7. Notwithstanding any other provision of this chapter, a
school corporation may negotiate and enter into loans, security
agreements, or leases with the Indiana bond bank for the acquisition
and financing of a school bus.

Sec. 8. This chapter does not affect the validity or legality of a
negotiable instrument, conditional sales contract, purchase money
mortgage contract, or promissory note executed and delivered before
July 1, 1965, by a school corporation and given for the purchase of a
school bus in accordance with Indiana law that was specifically
repealed or repealed by implication by Acts 1965, c.259.

Chapter 5. Transportation Contracts

Sec. 1. This chapter does not apply to a nonpublic school or to a
school bus driver contract executed for a nonpublic school.

Sec. 2. The governing body of a school corporation may provide
transportation for students to and from school.

Sec. 3. If a school corporation provides transportation for students,
the governing body of the school corporation is responsible for
obtaining the necessary school buses and school bus drivers.

Sec. 4. (a) If a school corporation owns the school bus equipment
in its entirety, the school corporation may employ a school bus driver
on a school year basis in the same manner as other noninstructional
employees are employed.

(b) If a school corporation employs a school bus driver under
subsection (a), the employment contract between the school
corporation and the school bus driver must be in writing.

(c) A school corporation that hires a school bus driver under this
section shall purchase and carry public liability and property damage
insurance covering the operation of school bus equipment in
compliance with IC 9-25.

(d) Sections 5 through 32 of this chapter do not apply to the
employment of a school bus driver hired under this section.

Sec. 5. (a) If a school bus driver is required to furnish the school
bus body or the school bus chassis, or both, the governing body of the
school corporation shall enter into a written transportation contract
with the school bus driver.

(b) The transportation contract may include a provision allowing the school bus driver to be eligible for the life and health insurance benefits and other fringe benefits available to other school personnel.

Sec. 6. (a) When a fleet contractor is required to provide two (2) or more school buses and school bus drivers, the governing body of the school corporation shall enter into a written fleet contract with the fleet contractor.

(b) The fleet contract may include a provision allowing the school bus drivers to be eligible for the life and health insurance benefits and other fringe benefits available to other school personnel.

Sec. 7. Transportation or fleet contracts may either be:

1. negotiated and let after receiving bids on the basis of specifications, as provided for in section 10 of this chapter; or
2. negotiated on the basis of proposals by a bidder in which the bidder suggests additional or altered specifications.

A school corporation negotiating and executing a transportation contract shall comply with section 5 and sections 9 through 16 of this chapter. A school corporation negotiating and executing a fleet contract shall comply with sections 8 through 16 of this chapter.

Sec. 8. (a) The governing body of a school corporation shall adopt specifications for transportation and fleet contracts before entering into a transportation or fleet contract under section 5 or 6 of this chapter.

(b) The specifications shall be prepared and placed on file in the office of the governing body at least fifteen (15) days before the advertised date for beginning negotiations or receiving proposals or bids. However, if a school corporation is under the jurisdiction of a county superintendent of schools, the specifications shall be placed on file in the office of the county superintendent.

(c) All specifications are public records and are open, during regular office hours, for inspection by the public.

Sec. 9. The specifications for contracts adopted under section 8 of this chapter must include the following:

1. A description of the route for which the contract is to be let.
2. The approximate number of students to be transported on the route.
3. The approximate number of miles to be traveled each school day on the route.
4. The type of school bus equipment required to be furnished by
the school bus driver or fleet contractor, including the seating capacity of the equipment required.
(5) The amount of public liability and property damage insurance coverage, if any, required to be furnished by the school bus driver or fleet contractor. If a school corporation owns either the chassis or the body of the school bus equipment, the specifications must recite the amount and kind of insurance coverage required to be furnished by a bidding school bus driver. In addition to the amount and kind of insurance set forth in the specifications, the governing body, the school bus driver, or the fleet contractor may, at their own election and at their own expense, carry additional insurance, including health, accident, and medical payments insurance.
(6) The amount of surety bond required to be furnished by the school bus driver.
(7) The length of the term for which the contract may be let. However, a township trustee may not enter into a school bus contract that has a term extending beyond the June 30 following the expiration date of the trustee’s term of office.
(8) Any other relevant information necessary to advise a prospective bidder of the terms and conditions of the transportation contract or fleet contract.

Sec. 10. (a) The governing body shall give notice to the public at least ten (10) days before beginning negotiations or receiving proposals or bids for transportation or fleet contracts. Notice shall be given in the manner provided by IC 5-3-1. The notice must include the following information:
(1) That the governing body will negotiate, receive proposals, or receive bids for transportation contracts and fleet contracts on a specified date.
(2) That the governing body will execute contracts for the school bus routes of the school corporation.
(3) That the specifications for the routes and related information are on file in the office of the governing body or in the office of the county superintendent.
(b) A transportation or fleet contract may not be negotiated until notice has been given under this section.

Sec. 11. (a) Except as provided in subsection (b), if the duration of a transportation or fleet contract is for more than one (1) full school year, the contract must be let before the May 1 preceding the
(b) A contract described in subsection (a) that is let after the May 1 preceding the beginning of the first school year covered by the contract is valid if the contract was let after May 1 due to an emergency situation.

Sec. 12. (a) If a transportation or fleet contract is let under sections 5 through 11 of this chapter, or let after renegotiation under section 16 of this chapter, the contract shall be awarded to the lowest responsible bidder, subject to the limitations in this section and in sections 14 and 15 of this chapter.

(b) The governing body may refuse to award the bid to the lowest responsible bidder if the amount of the bid is not satisfactory to the school corporation.

Sec. 13. Before a bidder may be awarded a transportation contract, the bidder must meet the following conditions:

1. The bidder must meet the physical requirements prescribed in IC 20-27-8-1 as evidenced by a certificate signed by an Indiana physician who has examined the bidder.

2. The bidder must hold a valid public passenger chauffeur's license or commercial driver's license issued by the bureau of motor vehicles.

Sec. 14. A governing body may reject any or all bids. If a bid is not received for a specified route, the governing body may either readvertise for bids or negotiate a contract for the route without further advertising.

Sec. 15. The governing body may alter a school bus route at any time. If the altered route is longer than the route in the original contract, the school bus driver or fleet contractor shall be paid additional compensation for each additional mile or fraction of a mile. The additional compensation shall be based on the average rate per mile in the original contract.

Sec. 16. The governing body may require the school bus driver or fleet contractor to furnish equipment with greater seating capacity at any time. When a school bus driver or fleet contractor is required to furnish different equipment during the term of the contract, the contracting parties may mutually agree to the cancellation of the existing contract and renegotiate a new contract for the balance of the term of the original contract. Action taken by a governing body under section 15 of this chapter does not preclude simultaneous action under this section.
Sec. 17. Notwithstanding any other provision in this chapter, the governing body may, with the consent of the other party or parties to the contract, amend an existing transportation or fleet contract to make any necessary adjustments caused by a fluctuation in the cost of fuel that occurs during the term of the contract.

Sec. 18. If highway or road conditions require a school bus driver to drive a greater distance than provided by the contract, additional compensation shall be paid to the school bus driver or fleet contractor. The additional compensation shall be computed as if the governing body had lengthened the route under section 15 of this chapter.

Sec. 19. A transportation or fleet contract entered into under this chapter may not be sold or assigned except by written agreement of both parties to the original contract and by the assignee or purchaser of the contract.

Sec. 20. After notice to the governing body or its authorized agent, a school bus driver may provide a substitute driver for any of the following reasons:

(1) Illness of the school bus driver.
(2) Illness or death of a member of the school bus driver's family.
(3) Compulsory absence of a school bus driver because of jury duty.
(4) Performance of services and duties related to the Indiana State Association of School Bus Drivers, Inc.
(5) Performance of services and duties required by service in the general assembly.
(6) Attendance at meetings of the committee.
(7) Management by a school bus driver of the school bus driver's personal business affairs. However, a school bus driver may not be absent for management of personal business affairs for more than ten (10) days in any one (1) school year without the approval of the governing body.

Sec. 21. A substitute school bus driver may not operate a school bus unless the substitute school bus driver meets the standards required by IC 20-27-8-1 and has been approved by the governing body or its authorized agent.

Sec. 22. (a) A school bus driver's transportation contract may be terminated for:

(1) incompetency;
(2) physical disability;
(3) negligence; or
(4) failure to faithfully perform the school bus driver's duties under the contract; only after the school bus driver has received notice and a hearing.

(b) Notice under subsection (a) must:
   (1) be in writing; and
   (2) allow a reasonable time before the hearing.

(c) The school bus driver may appear at a hearing under subsection (a) either in person or by counsel.

Sec. 23. A school bus driver may not consume an alcoholic beverage during school hours or while operating a school bus. A transportation contract may be terminated without hearing upon presentation of reliable evidence that a school bus driver has consumed an alcoholic beverage:
   (1) during school hours;
   (2) while operating a school bus; or
   (3) while performing the school bus driver's duties.

Sec. 24. When a physical examination reveals that a school bus driver is physically unfit to perform the transportation contract, the school bus driver shall:
   (1) furnish a substitute school bus driver who is qualified under section 21 of this chapter; or
   (2) assign the school bus driver's transportation contract, if the governing body approves, to a person qualified under this chapter.

Sec. 25. (a) If a school bus driver is found physically unfit and fails to perform the duty required by section 24 of this chapter, the governing body may terminate the school bus driver's contract after the school bus driver has been given notice and an opportunity for a hearing.

(b) Notice under subsection (a) must:
   (1) be in writing; and
   (2) allow a reasonable time before the hearing.

(c) The school bus driver may appear at a hearing under subsection (a) either in person or by counsel.

Sec. 26. A fleet contract entered into under this chapter must provide the following:
   (1) The fleet contractor is responsible for the employment, physical condition, and conduct of every school bus driver employed by the fleet contractor.
   (2) The fleet contractor shall submit to the governing body a list
of the names, addresses, telephone numbers, and route assignments of all regular and substitute school bus drivers employed by the fleet contractor.

(3) All school bus drivers employed by the fleet contractor must meet the physical, moral, and license standards prescribed in IC 20-27-8.

(4) School bus drivers employed by a fleet contractor shall attend the annual safety meeting for school bus drivers sponsored by the committee and the state police department in accordance with IC 20-27-8-9.

(5) Failure to employ school bus drivers who meet and maintain the physical, moral, and license standards of IC 20-27-8, or failure to compel attendance of a school bus driver at the annual safety meeting, is a breach of contract and may result in termination of the fleet contract and in forfeiture of the surety bond.

Sec. 27. If a transportation or fleet contract is canceled by a governing body under this chapter, the governing body may purchase the school bus equipment owned by the school bus driver or fleet contractor and used under the transportation contract. The purchase price is the fair market value of the equipment as determined by agreement of the governing body and the school bus driver or fleet contractor.

Sec. 28. A school bus driver or fleet contractor operating a transportation or fleet contract shall furnish a surety bond conditioned on faithful performance of the contract. The governing body shall specify the amount of bond required.

Sec. 29. A governing body may enter into a contract for student transportation with a regular route common carrier that operates under the jurisdiction of the department of state revenue.

Sec. 30. Each common carrier contract made under section 29 of this chapter must provide the following:

(1) The common carrier is solely responsible for the employment, physical condition, and conduct of every school bus driver employed by the carrier.

(2) The carrier must submit a certificate to the governing body showing that any school bus driver used in performing the contract meets the physical standards required by IC 20-27-8-1(7).

Sec. 31. When a school bus driver is employed by a common carrier
to assist in performing a common carrier contract made under section 29 of this chapter, the school bus driver is exempt from mandatory physical examinations required under this article, except to the extent that examination may be necessary for a common carrier to comply with section 30(2) of this chapter.

Sec. 32. A bus operated under a common carrier contract is not required to be constructed, equipped, or painted as specified under this article or the rules of the committee unless the bus:

(1) is operated exclusively for the transportation of students to and from school; or
(2) must be operated more than three (3) miles outside the corporation limit of a city or town in order to perform the contract.

Sec. 33. A person who violates this chapter commits a Class C misdemeanor.

Chapter 6. Parents' Supplemental Transportation Contracts

Sec. 1. This chapter does not apply to a nonpublic school or to a nonpublic school bus driver contract executed for a nonpublic school.

Sec. 2. Parents may provide bus transportation for students enrolled in a public school who are not provided transportation by the school corporation.

Sec. 3. (a) The parents of public school students not provided bus transportation by the school corporation may contract jointly with a school bus driver to provide transportation under a parents' supplemental transportation contract.

(b) A parents' supplemental transportation contract is subject to the approval of the governing body of the school corporation where the students transported under the contract reside, and a school bus operated under the contract is under the supervision and direction of the governing body.

Sec. 4. A parents' supplemental transportation contract must include the following:

(1) The type of school bus equipment to be furnished by the school bus driver, including a provision that the contract incorporate by reference any equipment requirements prescribed by the committee.
(2) Incorporation by reference of the safety, training, and inspection requirements of the committee and the state.
(3) The amount of liability and property damage insurance required to be furnished by the school bus driver. The amount of
insurance must be commensurate with insurance furnished by a school bus driver operating under a transportation contract with a school corporation.

(4) Any other relevant information necessary to advise the parties of the terms and conditions of the contract.

Sec. 5. Before a school bus driver may enter into a parents' supplemental transportation contract, the school bus driver must meet the following prerequisites:

(1) The school bus driver must meet all physical requirements required of school bus drivers by the committee, including the requirements under IC 20-27-8-1.

(2) The school bus driver must obtain the physical fitness certificate required of all school bus drivers by IC 20-27-8-4.

(3) The school bus driver must have a valid public passenger chauffeur's license issued by the bureau of motor vehicles.

(4) The school bus driver must meet any additional requirements required by the contracting parents.

Sec. 6. A substitute school bus driver may not operate a school bus unless the substitute school bus driver meets the standards required by IC 20-27-8-1 or any other committee requirements for substitute school bus drivers.

Sec. 7. (a) Except as provided in subsections (b) and (d), a school bus operating under a parents' supplemental transportation contract may only be used for the following purposes:

(1) Transportation of eligible students to and from school.

(2) Transportation of eligible students and necessary adult chaperones to and from an activity that is sponsored, controlled, supervised, or participated in by the governing body of the school corporation.

(3) Transportation of students to and from a:
   (A) youth baseball activity;
   (B) 4-H club activity;
   (C) junior achievement activity;
   (D) Boy Scout activity;
   (E) Girl Scout activity;
   (F) Campfire activity; or
   (G) recreational activity approved or sponsored by a political subdivision.

(b) Except as provided in subsection (c), the following conditions apply to a school bus operating under a parents' supplemental
transportation contract that is used for a purpose described in subsection (a):

(1) Students may not be accompanied by more than four (4) adult sponsors or chaperones per school bus.

(2) Transportation must originate from a point within the geographical limits of the school district served by the affected school bus driver.

(3) The group to be transported shall be residents of the affected school district.

(4) Transportation may not exceed one hundred (100) highway miles from point of origin.

(c) Subsection (b) does not apply if transportation can be furnished by a common carrier of passengers that operates under the jurisdiction of the department of state revenue. If transportation is furnished by a common carrier of passengers that operates under the jurisdiction of the department of state revenue, IC 20-27-9-3(b) applies.

(d) A school bus operating under a parents' supplemental transportation contract may be used for the following purposes:

(1) Travel to and from a garage or repair area for maintenance or repair.

(2) Transportation requested by a governmental authority during a local, state, or national emergency.

(3) Transportation of an agricultural worker engaged in cultivating, producing, or harvesting crops under IC 20-27-9-10.

(4) Travel to a school bus driver's residence or parking facility following an authorized use described in this section.


Sec. 8. A person who violates this chapter commits a Class C misdemeanor.

Chapter 7. School Bus Inspection and Registration

Sec. 1. The state police department shall annually inspect all special purpose buses and school buses, including those operated by a nonpublic school to transport students. The inspection of a school bus must determine whether the school bus complies with the safety requirements prescribed for school bus construction and equipment in the rules of the committee.

Sec. 2. The owner of a school bus or special purpose bus shall present the school bus or special purpose bus for the inspection required under section 1 of this chapter at the date, time, and place
Sec. 3. If the inspection required under section 1 of this chapter reveals that a school bus meets all safety requirements, the inspecting officer shall issue to the owner of the school bus a certificate that the school bus has been inspected and that it complies with the safety requirements. Except as provided in sections 5 through 7 of this chapter, a certificate of inspection issued under this section is valid until September 30 of the school year following the school year for which the certificate is issued.

Sec. 4. A school bus may not be used to transport passengers unless a valid certificate of inspection issued under section 3 of this chapter is displayed as viewed from the outside on the lower left corner of the windshield of the school bus. However, if the left corner position obstructs the school bus driver’s view, the inspection sticker may be positioned on the bottom of the windshield so as to minimize the obstruction to the school bus driver’s view.

Sec. 5. A school bus that is sold or has the ownership transferred to a new owner must be presented for an inspection under section 2 of this chapter before the school bus may be used to transport passengers. If the school bus meets the requirements specified under section 3 of this chapter, the state police department shall issue a new certificate of inspection for the school bus. A certificate of inspection issued under this section is valid until September 30 of the school year following the school year for which the certificate is issued.

Sec. 6. In addition to the inspection required under section 1 of this chapter, a school bus that was manufactured at least twelve (12) years before the year for which a certificate of inspection is being sought must be presented for inspection not less than five (5) months nor more than seven (7) months after the inspection required under section 1 of this chapter is completed. If the school bus meets the requirements specified in section 3 of this chapter, the state police department shall issue a new certificate of inspection for the school bus. A certificate of inspection issued for a school bus described in this section is valid for seven (7) months after the date the certificate is issued.

Sec. 7. If a school bus has received damage in an accident that has put the school bus out of service because of passenger safety concerns, the school bus must be presented for an inspection under section 2 of this chapter before the school bus may be used to transport passengers. If the school bus meets the requirements specified in
section 3 of this chapter, the state police department shall issue a new certificate of inspection for the school bus. A certificate of inspection issued under this section is valid until September 30 of the school year following the school year for which the certificate is issued.

Sec. 8. The inspection of a special purpose bus shall consist of an inspection to determine the existence and condition of the vehicle's:

1. brakes;
2. lights (headlamps, tail lamps, brake lights, clearance lights, and turn signals);
3. steering and suspension;
4. exhaust systems;
5. general body condition; and
6. tires.

Sec. 9. A school bus or special purpose bus must be maintained to meet the minimum standards set forth by the committee when transporting passengers.

Sec. 10. If the inspection of a special purpose bus or a school bus performed under this chapter reveals any material defect that renders the school bus unsafe and in noncompliance with any safety requirements established by the committee or with the safety requirements of this chapter, the inspecting officer shall issue a temporary certificate of inspection for the special purpose bus or school bus. The following apply to a temporary certificate of inspection issued under this section:

1. The certificate shall be displayed as viewed from the outside in the lower left corner of the windshield of the special purpose bus or school bus. However, if the left corner position obstructs the driver's view, the temporary certificate of inspection may be positioned on the bottom of the windshield so as to minimize the obstruction to the driver's view.
2. The certificate is valid for thirty (30) days.

Sec. 11. Upon being issued a temporary certificate of inspection under section 10 of this chapter, the owner of a special purpose bus or school bus shall have the special purpose bus or school bus repaired to meet the minimum standards under this chapter. After having the special purpose bus or school bus repaired to meet the minimum standards under this chapter, the owner of the special purpose bus or school bus shall present the special purpose bus or school bus for an inspection under section 2 of this chapter.

Sec. 12. If after being repaired under section 11 of this chapter a
special purpose bus or school bus meets the minimum standards under this chapter, the state police department shall issue a certificate of inspection under section 3 of this chapter.

Sec. 13. If:

(1) after being repaired under section 11 of this chapter a special purpose bus or school bus does not meet the minimum standards under this chapter; or

(2) a special purpose bus or school bus is not repaired to meet the minimum standards under this chapter;

the state police department shall issue an out-of-service order and certificate for the special purpose bus or school bus. Each out-of-service order and certificate shall be served personally on the driver of the special purpose bus or school bus and a copy shall be forwarded to the governing body of the school corporation that controls the operation of the special purpose bus or school bus. After an out-of-service order and certificate have been issued, the affected special purpose bus or school bus may not be used to transport passengers until all defects have been corrected.

Sec. 14. An out-of-service certificate issued under section 13 of this chapter shall be displayed as viewed from the outside in the lower left corner of the windshield of the special purpose bus or school bus for which the certificate is issued. However, if the left corner position obstructs the driver's view, the out-of-service certificate may be positioned on the bottom of the windshield so as to minimize the obstruction to the driver's view. The out-of-service certificate may be removed only by the state police department following an inspection that verifies that the special purpose bus or school bus meets the minimum standards under this chapter.

Sec. 15. (a) An out-of-service order may be appealed to the committee not more than five (5) days after service of the order.

(b) Not more than ten (10) days after an appeal, the committee shall review the order and decide the matter.

(c) The committee may:

(1) uphold;

(2) modify; or

(3) set aside;

the order.

(d) While an out-of-service order is appealed, the order remains in full force until set aside or modified by the committee.

Sec. 16. When the owner of a school bus applies for a registration
plate, the owner shall submit with the application a certificate of inspection and safety issued under this chapter. If the certificate does not accompany an owner's application, the bureau of motor vehicles may not issue a registration plate.

Sec. 17. A school bus driver shall be charged the same annual registration fee for a school bus that is operated under:

(1) a transportation contract with a school corporation; or
(2) a parents' supplemental transportation contract.

Sec. 18. (a) A school corporation that owns a school bus or a special purpose bus and uses the school bus or special purpose bus to transport students is exempt from the payment of the annual registration fee for the school bus or special purpose bus. On application by a school corporation, the commissioner of motor vehicles shall furnish registration number plates for exempted vehicles without charge. Application for registration of exempted vehicles shall be:

(1) made whenever a newly acquired school bus or special purpose bus requires a registration number plate;
(2) made whenever a registration number plate is transferred from one (1) school bus or special purpose bus owned by the school corporation to another school bus or special purpose bus owned by the school corporation;
(3) made in the name of the school corporation that owns the school bus or special purpose bus to be registered; and
(4) signed by the proper official of the school corporation.

(b) An owner other than a school corporation that owns a school bus or a special purpose bus and uses the school bus or special purpose bus to transport students is not exempt from annual registration or payment of the annual registration fee for school buses.

Sec. 19. A person who violates this chapter commits a Class C misdemeanor.

Chapter 8. School Bus Drivers

Sec. 1. (a) An individual may not drive a school bus for the transportation of students or be employed as a school bus monitor unless the individual satisfies the following requirements:

(1) Is of good moral character.
(2) Does not use intoxicating liquor during school hours.
(3) Does not use intoxicating liquor to excess at any time.
(4) Is not addicted to any narcotic drug.
(5) Is at least:
(A) twenty-one (21) years of age for driving a school bus; or
(B) eighteen (18) years of age for employment as a school bus monitor.

(6) In the case of a school bus driver, holds a valid public passenger chauffeur's license or commercial driver's license issued by the state or any other state.

(7) Possesses the following required physical characteristics:
   (A) Sufficient physical ability to be a school bus driver, as determined by the committee.
   (B) The full normal use of both hands, both arms, both feet, both legs, both eyes, and both ears.
   (C) Freedom from any communicable disease that:
       (i) may be transmitted through airborne or droplet means; or
       (ii) requires isolation of the infected person under 410 IAC 1-2.3.
   (D) Freedom from any mental, nervous, organic, or functional disease that might impair the person's ability to properly operate a school bus.
   (E) Visual acuity, with or without glasses, of at least 20/40 in each eye and a field of vision with one hundred fifty (150) degree minimum and with depth perception of at least eighty percent (80%).

(b) This subsection applies to a school bus monitor. Notwithstanding subsection (a)(5)(B), a school corporation or school bus driver may not employ an individual who is less than twenty-one (21) years of age as a school bus monitor unless the school corporation or school bus driver does not receive a sufficient number of qualified applicants for employment as a school bus monitor who are at least twenty-one (21) years of age. A school corporation or school bus driver shall maintain a record of applicants, their ages, and their qualifications to show compliance with this subsection.

Sec. 2. (a) Before a school corporation enters into a:
   (1) contract with a school bus driver; or
   (2) fleet contract under IC 20-27-5;
the school corporation shall obtain, at no fee from the bureau of motor vehicles, a copy of the school bus driver's driving summary for the last seven (7) years as maintained by the bureau of motor vehicles or the equivalent agency in another state.

(b) To obtain a copy of the school bus driver's driving summary as
required under subsection (a), the school corporation shall provide the bureau of motor vehicles with the following information:

- (1) The school bus driver's name.
- (2) The school bus driver's Social Security number.
- (3) Any other information required by the bureau of motor vehicles.

Sec. 3. (a) As used in this section, "controlled substance" has the meaning set forth in IC 35-48-1.

(b) An individual who is a school bus driver and who knowingly and intentionally:

- (1) consumes a controlled substance or an intoxicating liquor within six (6) hours before:
  - (A) going on duty; or
  - (B) operating a school bus; or
- (2) consumes or possesses a controlled substance or an intoxicating liquor while on duty or while operating a school bus; commits a Class A misdemeanor.

(c) It is a defense in a prosecution under this section if a controlled substance is consumed or possessed in accordance with a medical prescription issued by an Indiana physician to the individual who consumes or possesses the controlled substance.

Sec. 4. An individual who is or intends to become a school bus driver must obtain a physical examination certificate stating that the individual possesses the physical characteristics required by section 1(a)(7) of this chapter. The certificate shall be made by an Indiana physician after the physician has conducted a physical examination of the school bus driver or prospective school bus driver. The physician shall be chosen by the school bus driver or prospective driver, who shall pay for the examination.

Sec. 5. (a) When an individual holds a contract to serve or is serving as a school bus driver at the time the individual obtains a public passenger chauffeur's license, the individual shall undergo the physical examination required by section 4 of this chapter at about the same time as the individual acquires the chauffeur's license. The certificate of examination and qualification shall be filed not more than seven (7) days after the examination.

(b) When an individual executes a contract to drive a school bus or begins serving as a school bus driver after obtaining a public passenger chauffeur's license, the individual may not drive a school bus unless:
(1) the individual files a certificate of a physical examination made at the time the individual last secured a public passenger chauffeur's license; or
(2) if a certificate was not made at the time of the prior examination or is unobtainable, the individual undergoes a new physical examination and files a certificate from that examination.

Sec. 6. A governing body may, at any time, require a school bus driver operating a school bus for the school corporation to submit to a physical examination by an Indiana physician selected by the corporation. The school corporation shall pay the cost of an examination under this section.

Sec. 7. When a school bus driver operates under a transportation or fleet contract, the compensation for the school bus driver or fleet contractor is determined and fixed by the contract on a per diem basis for the number of days on which:
(1) the calendar of the school corporation provides that students are to attend school;
(2) the driver is required by the school corporation to operate the bus on school related activities; and
(3) inservice training is required by statute or authorized by the school corporation, including the safety meeting workshops required under section 9 of this chapter.

Sec. 8. The compensation of a school bus driver who is employed by a school corporation on a school year basis under an employment contract shall be fixed in the employment contract.

Sec. 9. A school bus driver, including a school bus driver who drives a bus for a nonpublic school, shall attend an annual safety meeting or workshop. A safety meeting or workshop may not exceed two (2) days in any one (1) calendar year.

Sec. 10. (a) An individual who does not have at least thirty (30) days experience in driving a school bus during the three (3) year period immediately preceding the effective date of the individual's assignment as a school bus driver for a public or nonpublic school that is accredited by the state board within Indiana shall satisfactorily complete a preservice school bus driver safety education training course. The course may not exceed forty (40) hours.

(b) Course attendance must be completed:
(1) before the assignment of an individual required to take the course as a school bus driver; or
(2) if immediate assignment is necessary, upon the completion of the next scheduled course following the assignment.

(c) The state superintendent shall provide instructors, adequate meeting facilities, registration forms, a uniform course of instruction, and all other necessary materials for the preservice school bus driver safety education meetings.

Sec. 11. The committee shall fix the date, time, and place for the annual safety meetings or workshops.

Sec. 12. The committee and the superintendent of the state police department shall provide instructors, adequate meeting facilities, and all other necessary facilities for the annual school bus driver safety meetings or workshops. The committee and the state police superintendent shall also prepare and furnish a uniform course of instruction to be used in the meetings or workshops.

Sec. 13. (a) The committee shall provide a uniform system for the registration of school bus drivers who are required to attend the annual safety meetings or workshops. This registration system must do the following:

(1) Accurately reflect the attendance of each school bus driver at each session of the annual meeting or workshop.

(2) Provide a registration form indicating the school bus driver's name and legal address, and the name of the school the school bus driver represents.

(b) The state superintendent shall supervise registration of school bus drivers at the annual safety meetings or workshops.

(c) The principal of each school shall prepare and collect the attendance records of school bus drivers who attend any safety meeting or workshops and shall make a written report of the attendance records to the state superintendent not more than ten (10) days after the meeting or workshop.

(d) Records of attendance shall be filed in the office of the state superintendent and maintained there as public records for at least three (3) years.

Sec. 14. If a school bus driver for a school corporation fails or refuses to attend a school bus driver meeting or workshop, the governing body of the school corporation shall deduct one (1) day's compensation for each day of absence.

Sec. 15. (a) The driver of a school bus for a public or nonpublic school that is accredited by the state board shall have in the school bus driver's possession, while transporting passengers, a certificate that
states the school bus driver has:

(1) enrolled in or completed a course in school bus driver safety education as required under sections 9 and 10 of this chapter; or
(2) operated a school bus at least thirty (30) days during the three year period preceding the effective date of the school bus driver's employment.

(b) A certificate of enrollment in or completion of the course or courses in school bus driver safety education shall be prescribed by the committee and completed by the designated representative of the committee.

(c) A driver of a school bus who fails to complete the school bus driver safety education course or courses, as required, shall be reported by the person who conducted the course to the committee and to the school corporation where the school bus driver is employed or under contract.

(d) A driver of a school bus who fails to complete the school bus driver safety education course or courses, as required, may not drive a school bus within Indiana while transporting a student.

Sec. 16. A person who violates this chapter commits a Class C misdemeanor.

Chapter 9. Use of School Buses

Sec. 1. (a) This section does not apply to the use of school buses owned and operated by:

(1) a nonpublic school; or
(2) a nonprofit agency with primary responsibility for the habilitation or rehabilitation of developmentally or physically disabled individuals.

(b) Except as provided under sections 2 through 15 of this chapter, a person may not operate or permit the operation of a school bus on a highway in Indiana for a private purpose or a purpose other than transportation of eligible students to and from school.

Sec. 2. The governing body of a school corporation may allow, by written authorization, the use of a school bus for the transportation of adults at least sixty-five (65) years of age.

Sec. 3. (a) The governing body of a school corporation may allow, by written authorization, the use of a school bus for transportation of eligible students and necessary adult chaperones or of adults to and from an activity that is sponsored, controlled, supervised, or participated in by the governing body. The number and qualifications of adult chaperones under this section may be determined by the
P.L. 1—2005

Sec. 3. (b) The governing body may allow, by written authorization, the use of a school bus for transportation of students and necessary adult chaperones to and from an educational or recreational activity approved or sponsored by a political subdivision if:

1. the transportation originates from a place within the geographical limits of the school corporation served by the affected bus;
2. the persons transported are Indiana residents; and
3. the trip does not involve more than two hundred (200) miles of travel out of state.

Sec. 4. (a) The governing body of a school corporation may, by written authorization, allow the use of a school bus for transportation:

1. of preschool children who attend preschool offered by the school corporation or under a contract entered into by the school corporation to and from the preschool facility site; and
2. subject to the geographic and residency requirements set forth in section 3(b) of this chapter, of preschool children and necessary adult chaperones to and from an educational or recreational activity approved or sponsored by the governing body for the preschool children.

(b) The number and qualifications of adult chaperones under subsection (a)(2) may be determined by the governing body.

Sec. 5. (a) A special purpose bus may be used:

1. by a school corporation to provide regular transportation of a student between one (1) school and another school but not between the student’s residence and the school;
2. to transport students and their supervisors, including coaches, managers, and sponsors to athletic or other extracurricular school activities and field trips; and
3. by a school corporation to provide transportation between an individual’s residence and the school for an individual enrolled in a special program for the habilitation or rehabilitation of developmentally disabled or physically disabled persons.

(b) The mileage limitation of section 3 of this chapter does not apply to special purpose buses.

(c) The operator of a special purpose bus must be at least twenty-one (21) years of age, be authorized by the school corporation, and meet the following requirements:

1. If the special purpose bus has a capacity of less than sixteen
(16) passengers, the operator must hold a valid operator's, chauffeur's, or public passenger chauffeur's license.
(2) If the special purpose bus has a capacity of more than fifteen (15) passengers, the operator must meet the requirements for a school bus driver set out in IC 20-27-8.
(d) A special purpose bus is not required to be constructed, equipped, or painted as specified for school buses under this article or by the rules of the committee.
(e) An owner or operator of a special purpose bus, other than a special purpose bus owned or operated by a school corporation or a nonpublic school, is subject to IC 8-2.1.
Sec. 6. (a) In addition to the exemptions granted in this chapter and notwithstanding section 16 of this chapter, a school corporation may allow a school bus operated under a fleet or transportation contract and not owned in whole or in part by a public agency to be used for the transportation of a group or an organization for any distance, if that group or organization agrees to maintain the condition of the school bus and to maintain order on the school bus while in use.
(b) When authorizing transportation described in subsection (a), the school corporation shall require the owner of the school bus to:
(1) obtain written authorization of the superintendent of the contracting school corporation;
(2) clearly identify the school bus with the name of the sponsoring group; and
(3) provide proof to the superintendent and the sponsoring group of financial responsibility, as required by IC 9-25 and IC 20-27-5-9 for the transportation.
(c) The governing body of a school corporation may allow, by written authorization, the use of a school bus owned in whole or in part by the school corporation for the transportation needs of a fair or festival operated by or affiliated with a nonprofit organization exempt from federal taxation under Section 501(c)(3) through 501(c)(7) of the Internal Revenue Code.
Sec. 7. (a) As used in this section, "developmentally disabled person" means a person who has a developmental disability (as defined in IC 12-7-2-61).
(b) A special education cooperative operating under IC 36-1-7, IC 20-35-5, or IC 20-26-10 or a school corporation may enter into an agreement with a state supported agency serving developmentally disabled persons in which a school bus or special purpose bus used by
the special education cooperative or school corporation may be used to transport developmentally disabled persons who:

(1) are at least two (2) years of age; and

(2) live within the boundaries of the special education cooperative or school corporation;

to and from programs for the developmentally disabled.

(c) An increased cost of transportation for developmentally disabled persons not reimbursed under IC 21-3-3.1 shall be borne by the persons transported or the state supported agency serving the developmentally disabled. However, a developmentally disabled person may not be required to pay for transportation provided under this section if the required payment is contrary to law.

Sec. 8. The governing body of a school corporation may use a school bus to transport school employees to and from a meeting that is authorized or required for the employees either locally or by the state. This includes a meeting conducted by the school corporation.

Sec. 9. The governing body of a school corporation may allow the use of a school bus during a local, state, or national emergency when requested by any governmental authority.

Sec. 10. (a) The governing body of a school corporation may allow the use of a school bus for the transportation of agricultural workers engaged in cultivating, producing, or harvesting crops.

(b) A school bus used under this section may transport only the school bus driver, a supervisor or foreman, students, and enrolled college or university students.

(c) When a school bus is used to transport agricultural workers, a sign shall be displayed on the front and on the rear of the school bus. The sign must carry the words "Agricultural Workers" in letters at least four (4) inches in height. These signs may be removed or covered whenever the school bus is not being used to transport agricultural workers.

(d) Notwithstanding any other provision of this article or IC 9, if a school bus:

(1) is:

   (A) registered as a school bus; and
   (B) in compliance with all safety and equipment related requirements for a school bus;

   in a state other than Indiana;

(2) while in Indiana is used solely to transport agricultural workers employed to detassel corn; and
(3) is operated in accordance with subsection (e);
the out-of-state school bus may be operated for not more than sixty (60) days in a calendar year in Indiana without meeting the inspection and safety requirements of this article.

(e) Before operating a school bus described in subsection (d), an individual must:

(1) be licensed to operate a school bus in:
   (A) the state in which the school bus is registered; or
   (B) Indiana; and

(2) annually give written notice to the committee at least ten (10) days before the school bus is operated in Indiana of the:
   (A) jurisdiction in which the school bus has been registered and inspected for safety and equipment related requirements;
   (B) approximate dates that the school bus will be operated in Indiana; and
   (C) license plate number of the school bus.

Sec. 11. (a) As used in this section, "day care center" means an institution operated primarily for the purpose of providing:

(1) care;
(2) maintenance; or
(3) supervision and instruction;
to children who are less than six (6) years of age and are separated from their parent for more than four (4) hours but less than twenty-four (24) hours a day for at least ten (10) consecutive workdays.

(b) A:

(1) day care center; or
(2) nonprofit agency with primary responsibility for the habilitation or rehabilitation of developmentally disabled or physically disabled persons;

may own, operate, lease, or contract for a school bus that meets the color, equipment, and other requirements of the committee.

(c) The school bus must be used only for the purpose of transporting:

(1) persons in the care of the day care center or agency; and
(2) supervisors of those persons;
to and from educational, social, recreational, or occupational functions.

(d) If an entity described in subsection (b) acquires:

(1) a school bus; or
(2) the use of a school bus; authorized under subsection (b), each driver of the school bus authorized by the entity must comply with the requirements imposed upon persons transporting students under IC 20-27-8 in order to be certified by the department as a school bus driver.

Sec. 12. (a) As used in this section, "child care center" means a nonresidential building where at least one (1) child receives child care from a provider licensed under IC 12-17.2-4:

(1) while unattended by a parent;
(2) for regular compensation; and
(3) for more than four (4) hours but less than twenty-four (24) hours in each of ten (10) consecutive days per year, excluding intervening Saturdays, Sundays, and holidays.

(b) This subsection does not apply to a developmentally disabled or physically disabled person who is provided transportation by a school corporation by means of a special purpose bus as provided in section 5(a)(3) of this chapter. An individual or entity who transports children in the care of a:

(1) preschool operated by a school corporation;
(2) public elementary school; or
(3) public secondary school;

on a public highway (as defined in IC 9-25-2-4) within or outside Indiana shall transport the children only in a school bus. However, a special purpose bus may be used for transportation of the children to activities other than regular transportation between the residences of the children and the school.

(c) An individual or entity that transports children in the care of a child care center on a public highway (as defined in IC 9-25-2-4) within or outside Indiana in a vehicle designed and constructed for the accommodation of more than ten (10) passengers shall transport the children only in a school bus or special purpose bus.

(d) The operator of a:

(1) school bus that transports children as required under subsection (b) or (c) must meet the requirements of IC 20-27-8; and

(2) special purpose bus that transports children as required under subsection (b) or (c) must meet the requirements of section 5(c) of this chapter.

(e) This section does not prohibit the use of a public transportation system for the transportation of children if the motor carriage used is
designed to carry at least twenty (20) passengers.

(f) This section does not prohibit a:
   (1) preschool operated by a school corporation;
   (2) public elementary school;
   (3) public secondary school; or
   (4) child care center;
from contracting with a common carrier for incidental charter bus service for nonregular transportation if the carrier and the carrier's motor coach comply with the Federal Motor Carrier Safety Regulations as prescribed by the United States Department of Transportation Federal Highway Administration.

(g) Notwithstanding section 17 of this chapter, a person who violates this section commits a Class B infraction.

Sec. 13. The governing body of a school corporation may allow its school buses to travel to and from a garage or repair area for maintenance or repair.

Sec. 14. The governing body of a school corporation that authorizes the operation of a school bus under sections 1 through 13 of this chapter shall file proof of financial responsibility as required by IC 9-25.

Sec. 15. The governing body of a school corporation shall have sole control of and shall account for all funds received for the transportation of students and the transportation of other groups authorized by sections 1 through 14 of this chapter.

Sec. 16. Whenever a school bus is purchased for and is being used for any purpose except to transport students, the purchaser shall:
   (1) remove the flasher lights;
   (2) remove the stop arm; and
   (3) paint the bus any color except the national standard school bus chrome yellow.

Sec. 17. Except as provided in this article, a person who violates this chapter commits a Class C misdemeanor.

Chapter 10. School Bus Safety

Sec. 1. To promote safety in school bus operations, school corporations shall cooperate with the civil divisions of local and state government to provide necessary loading and unloading conveniences as an accessory to public streets and highways. The cost of providing these conveniences shall be paid by the civil divisions of government.

Sec. 2. When students are being transported on a school bus, the students are under the supervision, direction, and control of the school
bus driver and are subject to disciplinary measures by the school bus driver and the governing body of the school corporation.

Sec. 3. A governing body may not require a school bus driver to transport students for whom a regular seat is not available in the school bus.

Sec. 4. A person who violates this chapter commits a Class C misdemeanor.

Chapter 11. Transportation Costs

Sec. 1. (a) If a student who attends a nonpublic school in a school corporation resides on or along the highway constituting the regular route of a public school bus, the governing body of the school corporation shall provide transportation for the nonpublic school student on the school bus.

(b) The transportation provided under this section must be from the home of the nonpublic school student or from a point on the regular route nearest or most easily accessible to the home of the nonpublic school student to and from the nonpublic school or to and from the point on the regular route that is nearest or most easily accessible to the nonpublic school.

Sec. 2. (a) Except as provided in subsection (b), a student who resides on state owned property and attends a public school away from the student's residence shall be furnished transportation in a public school bus to and from the student's residence and the public school the student attends. Expenses for the transportation shall be paid out of the state general fund, without further appropriation, on allowance by the state superintendent.

(b) This section does not apply to students who reside on property owned by Indiana University, Purdue University, Ball State University, or Indiana State University.

Sec. 3. (a) If a school corporation does not maintain or operate a high school and a high school student who resides in the school corporation is transferred to attend a high school in a contiguous school corporation, the governing bodies of the school corporations may enter into an agreement for the transportation of the student.

(b) The agreement under subsection (a) must specify that the transportation shall be provided by the receiving school corporation and that the costs of transportation shall be paid by the transferring school corporation out of the school corporation's special school funds. The costs of transportation shall be calculated from the per capita cost for each student transported and shall be mutually agreed upon by
both governing bodies. Payment of transportation charges shall be made at the same time and in the same manner as payments of transfer tuition are made for transferred students.

Sec. 4. The governing body of a school corporation that transfers a student to another school corporation may contract with the receiving corporation for the provision of transportation costs for the transferred student.

SECTION 12. IC 20-28 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 28. SCHOOL TEACHERS
Chapter 1. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Applicant" refers to an applicant for:
   (1) a new license;
   (2) a renewal license; or
   (3) a substitute teacher certificate;
issued by the board.
Sec. 3. "Assistant superintendent" means an assistant to the superintendent of schools. The term includes a deputy superintendent or an associate superintendent.
Sec. 4. "Board" refers to the professional standards board established by IC 20-28-2-1.
Sec. 5. "Defense service" refers to the United States military service, the United States naval service, and the allied or auxiliary war service, including the Red Cross, Salvation Army, and other similar services connected with the armed forces of the United States.
Sec. 6. "Disposition" has the meaning set forth in IC 10-13-3-7.
Sec. 7. "License" refers to a document issued by the board that grants permission to serve as a particular kind of teacher. The term includes any certificate or permit issued by the board.
Sec. 8. "Limited criminal history" has the meaning set forth in IC 10-13-3-11.
Sec. 9. "Local director" means an individual who is:
   (1) licensed as a director of special education by the department; and
   (2) employed as a director of special education by a managing body.
Sec. 10. "Managing body" refers to:
   (1) the governing body;
(2) the board of managers (as defined in IC 20-35-5-1(a)(3)); or
(3) any other governing entity;
that has the responsibility for administering the school corporation's
special education program or a special education cooperative
organized under IC 20-35-5, IC 20-26-10, or IC 36-1-7.

Sec. 11. “School psychology” means the following:
(1) Administering, scoring, and interpreting educational,
cognitive, career, vocational, behavioral, and affective tests and
procedures that address a student’s:
   (A) education;
   (B) developmental status;
   (C) attention skills; and
   (D) social, emotional, and behavioral functioning;
as they relate to the student’s learning or training in the
academic or vocational environment.
(2) Providing consultation, collaboration, and intervention
services (not including psychotherapy) and providing referral to
community resources to:
   (A) students;
   (B) parents of students;
   (C) teachers;
   (D) school administrators; and
   (E) school staff;
concerning learning and performance in the educational process.
(3) Participating in or conducting research relating to a student’s
learning and performance in the educational process:
   (A) regarding the educational, developmental, career,
vocational, or attention functioning of the student; or
   (B) screening social, affective, and behavioral functioning of
the student.
(4) Providing inservice or continuing education services relating
to learning and performance in the educational process to
schools, parents, or others.
(5) Supervising school psychology services.
The term does not include the diagnosis or treatment of mental and
nervous disorders, except for conditions and interventions provided
for in state and federal mandates affecting special education and
vocational evaluations as the evaluations relate to the assessment of
handicapping conditions and special education decisions or as the
evaluations pertain to the placement of children and developmentally
disabled adults.

Sec. 12. "Type of license" refers to the various types and grades of licenses issued by the board.

Chapter 2. Professional Standards Board

Sec. 1. (a) The professional standards board is established to govern teacher training and licensing programs.

(b) Notwithstanding any other law, the board and the board’s staff have the sole authority and responsibility for making recommendations concerning and governing teacher training and teacher licensing matters.

Sec. 2. (a) The board consists of nineteen (19) voting members.

(b) Except as otherwise provided, each voting member of the board described in this subsection must be actively employed by a school corporation. Eighteen (18) members shall be appointed by the governor as follows:

1. One (1) member must hold a license and be actively employed in a public school as an Indiana school superintendent.

2. Two (2) members must:
   (A) hold licenses as public school principals;
   (B) be actively employed as public school principals; and
   (C) be employed at schools having dissimilar grade level configurations.

3. One (1) member must:
   (A) hold a license as a special education director; and
   (B) be actively employed as a special education director in:
      (i) a school corporation; or
      (ii) a public school special education cooperative.

4. One (1) member must be a member of the governing body of a school corporation but is not required to be actively employed by a school corporation or to hold an Indiana teacher's license.

5. Three (3) members must meet the following conditions:
   (A) Represent Indiana teacher training units within Indiana public and private institutions of higher education.
   (B) Hold a teacher’s license but not necessarily an Indiana teacher's license.
   (C) Be actively employed by the respective teacher training units.

The members described in this subdivision are not required to be employed by a school corporation.

6. Nine (9) members must be licensed and actively employed as
Indiana public school teachers in the following categories:
(A) At least one (1) member must hold an Indiana standard early childhood education license.
(B) At least one (1) member must hold an Indiana teacher's license in elementary education.
(C) At least one (1) member must hold an Indiana teacher's license for middle/junior high school education.
(D) At least one (1) member must hold an Indiana teacher's license in high school education.
(7) One (1) member must be a member of the business community in Indiana but is not required to be actively employed by a school corporation or to hold an Indiana teacher's license.
(c) Each member described in subsection (b)(6) must be licensed and actively employed as a practicing teacher in at least one (1) of the following areas to be appointed:
(1) At least one (1) member must be licensed in special education.
(2) At least one (1) member must be licensed in vocational education.
(3) At least one (1) member must be employed and licensed in student services, which may include school librarians or psychometric evaluators.
(4) At least one (1) member must be licensed in social science education.
(5) At least one (1) member must be licensed in fine arts education.
(6) At least one (1) member must be licensed in English or language arts education.
(7) At least one (1) member must be licensed in mathematics education.
(8) At least one (1) member must be licensed in science education.
(d) At least one (1) member described in subsection (b) must be a parent of a student enrolled in a public preschool or public school within a school corporation in either kindergarten or any of grades 1 through 12.
(e) The state superintendent shall serve as an ex officio voting member of the board. The state superintendent may make recommendations to the governor as to the appointment of members on the board.
Sec. 3. The term of office for the appointed members of the board
is four (4) years.

Sec. 4. The chairperson of the board shall be elected by a majority of the members of the board from among the members of the board for a term of one (1) year. A member may be reelected to serve as a chairperson for subsequent terms.

Sec. 5. (a) Each member of the board who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

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

Sec. 6. (a) In addition to the powers and duties set forth in IC 20-20-22 or this article, the board shall adopt rules under IC 4-22-2 to do the following:

1. Set standards for teacher licensing and administer a professional licensing and certification process.
2. Approve or disapprove teacher preparation programs.
3. Set fees to be charged in connection with teacher licensing.
4. Suspend, revoke, or reinstate teacher licenses.
5. Enter into agreements with other states to acquire reciprocal approval of teacher preparation programs.
7. Evaluate work experience and military service concerning higher education and experience equivalency.
8. Perform any other action that:
   A. relates to the improvement of instruction in the public schools through teacher education and professional development through continuing education; and
   B. attracts qualified candidates for teacher training from among the high school graduates of Indiana.
9. Set standards for endorsement of school psychologists as independent practice school psychologists under IC 20-28-12.

(b) Notwithstanding subsection (a)(1), an individual is entitled to
one (1) year of occupational experience for purposes of obtaining an occupational specialist certificate under this article for each year the individual holds a license under IC 25-8-6.

Sec. 7. (a) The board may recommend to the general assembly for consideration measures relating to the board’s powers and duties that improve the quality of teacher preparation or teacher licensing standards.

(b) The board shall submit to the general assembly before November 1 of each year a report detailing the findings and activities of the board and including any recommendations developed by the board. A report under this subsection must in an electronic format under IC 5-14-6.

Sec. 8. (a) The board may, subject to approval by the budget agency, do the following:

(1) Establish advisory committees the board determines necessary.

(2) Expend funds made available to the board according to policies established by the budget agency.

(b) The board shall comply with the requirements for submitting a budget request to the budget agency as set forth in IC 4-12-1.

Sec. 9. IC 4-21.5 applies to orders issued by the board.

Chapter 3. Teacher Education and Continuing Education

Sec. 1. The board shall:

(1) arrange a statewide system of professional instruction for teacher training;

(2) accredit and inspect teacher training schools and departments that comply with the rules of the board;

(3) recommend and approve courses for the training of particular kinds of teachers in accredited schools and departments; and

(4) specify the types of licenses for graduates of approved courses.

Sec. 2. (a) An accredited school or department may use the word "accredited" in advertising approved courses and the types of teachers the school or department is accredited to prepare. An accredited school or department may enter into the student teaching agreements specified in IC 20-26-5.

(b) The board shall revoke the right to use the word "accredited" when an accredited school or department refuses to abide by the board's rules.
Sec. 3. (a) The board, in consultation with the department, shall develop guidelines for use by accredited teacher training institutions and departments in preparing individuals to teach in various environments.

(b) The guidelines developed under subsection (a) must include courses and methods that assist individuals in developing cultural competency (as defined in IC 20-31-2-5).

Sec. 4. A governing body may adjourn the governing body’s schools for not more than three (3) days in a school year to allow teachers to participate in:

(1) a session concerning agricultural instruction conducted in the county;
(2) a meeting of a teachers’ association; or
(3) a visitation of model schools under a governing body’s direction.

A governing body shall pay a teacher the teacher's per diem salary for the teacher’s participation.

Chapter 4. Transition to Teaching Program
Sec. 1. As used in this chapter, "program" refers to the transition to teaching program established by section 2 of this chapter.

Sec. 2. The transition to teaching program is established to accomplish the following:

(1) Facilitate the transition into the teaching profession of competent professionals in fields other than teaching.
(2) Allow competent professionals who do not hold a teaching license to earn and be issued a teaching license through participation in and satisfactory completion of the program.

Sec. 3. Subject to the requirements of this chapter, the board shall develop and administer the program. The board shall determine the details of the program that are not included in this chapter.

Sec. 4. Each accredited teacher training school and department in Indiana shall establish a course of study that constitutes the higher education component of the program. The higher education component required under this section must comply with the following requirements:

(1) Include the following study requirements:

(A) For a program participant who seeks to obtain a license to teach in grades 6 through 12, up to eighteen (18) credit hours of study or the equivalent that prepare a program participant to meet Indiana standards for teaching in the
subject areas corresponding to the area in which the program participant has met the education requirements under section 5 of this chapter, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.

(B) For a program participant who seeks to obtain a license to teach in kindergarten through grade 5, twenty-four (24) credit hours of study or the equivalent, which must include at least six (6) credit hours in teaching reading, that prepare a program participant to meet Indiana standards for teaching, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.

(2) Focus on the communication of knowledge to students.

(3) Include suitable field or classroom experiences if the program participant does not have teaching experience.

Sec. 5. An individual who wishes to participate in the program must have one (1) of the following qualifications:

(1) For a program participant who seeks to obtain a license to teach in grades 6 through 12, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education in the subject area that the individual intends to teach.

(B) A graduate degree from an accredited institution of higher education in the subject area that the individual intends to teach.

(C) Both:

(i) a bachelor's degree from an accredited institution of higher education with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and

(ii) five (5) years professional experience; in the subject area that the individual intends to teach.

(2) For a program participant who seeks to obtain a license to teach in kindergarten through grade 5, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education.

(B) Both:

(i) a bachelor's degree from an accredited institution of
higher education with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and
(ii) five (5) years professional experience in an education related field.

Sec. 6. The board shall grant an initial standard license to a program participant who does the following:

(1) Successfully completes the higher education component of the program.
(2) Demonstrates proficiency through a written examination in:
   (A) basic reading, writing, and mathematics;
   (B) pedagogy; and
   (C) knowledge of the areas in which the program participant is required to have a license to teach;
   under IC 20-28-5-12(b).
(3) Participates successfully in a beginning teacher internship program under IC 20-6.1-8 (repealed) that includes implementation in a classroom of the teaching skills learned in the higher education component of the program.
(4) Receives a successful assessment of teaching skills upon completion of the beginning teacher internship program under subdivision (3) from the administrator of the school where the beginning teacher internship program takes place, or, if the program participant does not receive a successful assessment, participates in the beginning teacher internship program for a second year as provided under IC 20-6.1-8-13 (repealed). The appeals provisions of IC 20-6.1-8-14 (repealed) apply to an assessment under this subdivision.

Sec. 7. This section applies to a program participant who has a degree described in section 5 of this chapter that does not include all the content areas of a standard license issued by the board. The board shall issue an initial standard license that is restricted to only the content areas in which the program participant has a degree unless the program participant demonstrates sufficient knowledge in other content areas of the license.

Sec. 8. A school corporation may hire a program participant to teach only in the subject area in which the participant meets the qualifications set forth under section 5 of this chapter.

Sec. 9. After receiving an initial standard license under section 6 or 7 of this chapter, a program participant who seeks to renew the participant's initial standard license must meet the same requirements
as other candidates for license renewal.

Sec. 10. (a) The board may adopt rules under IC 4-22-2 to administer this chapter.

(b) Rules adopted under this section must include a requirement that accredited teacher training schools and departments in Indiana submit an annual report to the board of the number of individuals who:

(1) enroll in; and
(2) complete;
the program.

Chapter 5. Licenses

Sec. 1. The board is responsible for the licensing of teachers.

Sec. 2. The board may adopt rules for:

(1) the issuance of a substitute teacher’s license; and
(2) the employment of substitute teacher licensees.

An individual may not serve as a substitute teacher without a license issued by the board.

Sec. 3. (a) The board shall designate:

(1) the grade point average required for each type of license; and
(2) the types of licenses to which the teachers’ minimum salary laws apply, including nonrenewable one (1) year limited licenses.

(b) The board shall determine details of licensing not provided in this chapter, including requirements regarding the following:

(1) The conversion of one (1) type of license into another.
(2) The accreditation of teacher training schools and departments.
(3) The exchange and renewal of licenses.
(4) The endorsement of another state’s license.
(5) The acceptance of credentials from teacher training institutions of another state.
(6) The academic and professional preparation for each type of license.
(7) The granting of permission to teach a high school subject area related to the subject area for which the teacher holds a license.
(8) The issuance of licenses on credentials.
(9) The type of license required for each school position.
(10) The size requirements for an elementary school requiring a licensed principal.
(11) Any other related matters.

The board shall establish at least one (1) system for renewing a
teaching license that does not require a graduate degree.

(c) The board shall periodically publish bulletins regarding:
   (1) the details described in subsection (b);
   (2) information on the types of licenses issued;
   (3) the rules governing the issuance of each type of license; and
   (4) other similar matters.

Sec. 4. (a) An individual who applies for a license or a license renewal to teach in a public school shall subscribe to the following oath or affirmation, which may be administered by the governing body:

"I solemnly swear (or affirm) that I will support the Constitution of the United States of America and the Constitution of the State of Indiana."

(b) Two (2) copies of the oath or affirmation shall be executed as follows:

   (1) One (1) copy shall be filed with the state superintendent when the license application is made.
   (2) The individual who subscribes to the oath or affirmation shall retain the other copy.
   (c) The oath or affirmation must be filed with the state superintendent before a license may be issued.

Sec. 5. If a teacher who is a graduate of an accredited institution outside Indiana does not meet certain technical requirements for a license, the teacher may be granted a particular type of license and a reasonable amount of time to fulfill the requirements of the license granted.

Sec. 6. (a) The following fees remain in effect and shall be collected by the board until the fees are replaced by new fees adopted by rule under this section:

   (1) Five dollars ($5) for evaluation of the qualifications of applicants for licenses to practice as a teacher.
   (2) Five dollars ($5) for licensure to practice as a teacher.
   (3) Five dollars ($5) for the issuance of a duplicate license to practice as a teacher.

(b) The board shall adopt by rule and cause to be collected fees sufficient to pay all the costs of the services described in subsection (a)(1), (a)(2), and (a)(3).

   (c) All fees collected under this section shall be deposited in the state general fund for use by the board in complying with the duties of the board.
Sec. 7. On the written recommendation of the state superintendent, the board may suspend or revoke a license for:

1. immorality;
2. misconduct in office;
3. incompetency; or
4. willful neglect of duty.

For each suspension or revocation, the board shall comply with IC 4-21.5-3.

Sec. 8. (a) This section applies when a prosecuting attorney knows that a licensed employee of a public school or a nonpublic school has been convicted of an offense listed in subsection (c). The prosecuting attorney shall immediately give written notice of the conviction to the following:

1. The state superintendent.
2. Except as provided in subdivision (3), the superintendent of the school corporation that employs the licensed employee or the equivalent authority if a nonpublic school employs the licensed employee.
3. The presiding officer of the governing body of the school corporation that employs the licensed employee, if the convicted licensed employee is the superintendent of the school corporation.

(b) The superintendent of a school corporation, presiding officer of the governing body, or equivalent authority for a nonpublic school shall immediately notify the state superintendent when the individual knows that a current or former licensed employee of the public school or nonpublic school has been convicted of an offense listed in subsection (c).

(c) The board, after holding a hearing on the matter, shall permanently revoke the license of a person who is known by the board to have been convicted of any of the following felonies:

1. Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.
2. Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age.
3. Rape (IC 35-42-4-1), if the victim is less than eighteen (18) years of age.
4. Criminal deviate conduct (IC 35-42-4-2), if the victim is less than eighteen (18) years of age.
5. Child molesting (IC 35-42-4-3).
(6) Child exploitation (IC 35-42-4-4(b)).
(7) Vicarious sexual gratification (IC 35-42-4-5).
(8) Child solicitation (IC 35-42-4-6).
(9) Child seduction (IC 35-42-4-7).
(10) Sexual misconduct with a minor (IC 35-42-4-9).
(11) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age.
(12) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
(13) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
(14) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(15) Dealing in a schedule V controlled substance (IC 35-48-4-4).
(16) Dealing in a counterfeit substance (IC 35-48-4-5).
(17) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10(b)).

(d) A license may be suspended by the state superintendent as specified in IC 20-28-7-7.

Sec. 9. (a) An applicant must do the following:
   (1) Submit a request to the Indiana central repository for limited criminal history information under IC 10-13-3.
   (2) Obtain a copy of the limited criminal history for the applicant from the repository's records.
   (3) Submit to the board the limited criminal history for the applicant.
   (4) Submit to the board a document verifying a disposition that does not appear on the limited criminal history for the applicant.

(b) The board may deny the issuance of a license or certificate to an applicant who is convicted of an offense for which the individual's license may be revoked or suspended under this chapter.

(c) The board must use the information obtained under this section in accordance with IC 10-13-3-29.

(d) An applicant is responsible for all costs associated with meeting the requirements of this section.

Sec. 10. (a) The board shall keep a record of:
   (1) all licenses issued;
   (2) all licenses in force; and
   (3) the academic preparation, professional preparation, and teaching experience of each applicant for a license or a license renewal.
(b) A superintendent of a school corporation shall register and keep a record of the following for each licensed teacher employed by the school corporation:
   (1) The type of license held by the teacher.
   (2) The teacher's date of first employment.
   (3) The teacher's annual or monthly salary.

Sec. 11. (a) This section does not apply to an individual who, on September 1, 1985, has earned more than the equivalent of twelve (12) semester hours of graduate credit.

(b) The board may not renew the junior high/middle school or secondary education license of a teacher on the basis of the teacher obtaining a graduate degree unless the teacher completes at least the equivalent of eighteen (18) semester hours beyond the teacher's undergraduate degree in any combination of courses in the teacher's major, minor, primary, supporting, or endorsement areas. The semester hours may include graduate hours or undergraduate hours, or both, as determined by the board.

(c) The board may:
   (1) adopt rules under IC 4-22-2 to create exceptions to the requirements under subsection (b); and
   (2) waive the requirements under subsection (b) on an individual basis.

Sec. 12. (a) Subsection (b) does not apply to an individual who held an Indiana limited, reciprocal, or standard teaching license on June 30, 1985.

(b) The board may not grant an initial standard license to an individual unless the individual has demonstrated proficiency in the following areas on a written examination or through other procedures prescribed by the board:
   (1) Basic reading, writing, and mathematics.
   (2) Pedagogy.
   (3) Knowledge of the areas in which the individual is required to have a license to teach.
   (4) If the individual is seeking to be licensed as an elementary school teacher, comprehensive reading instruction skills, including:
      (A) phonemic awareness; and
      (B) phonics instruction.
   (c) An individual's license examination score may not be disclosed by the board without the individual's consent unless specifically
required by state or federal statute or court order.
(d) The board shall adopt rules under IC 4-22-2 to do the following:
   (1) Adopt, validate, and implement the examination or other procedures required by subsection (b).
   (2) Establish examination scores indicating proficiency.
   (3) Otherwise carry out the purposes of this section.
(e) The board shall adopt rules under IC 4-22-2 establishing the conditions under which the requirements of this section may be waived for individuals holding valid teachers' licenses issued by another state.
Sec. 13. (a) This section applies to an examination required for teacher licensure under this chapter.
   (b) If an individual does not demonstrate the level of proficiency required to receive a license on all or a part of an examination, the examination's scorer must provide the individual with the individual's test scores, including subscores for each area tested.
Sec. 14. If the board is notified by the department of state revenue that an individual is on the most recent tax warrant list, the board may not grant an initial standard license to the individual until:
   (1) the individual provides the board with a statement from the department of state revenue indicating that the individual's delinquent tax liability has been satisfied; or
   (2) the board receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).
Chapter 6. Contracts
Sec. 1. (a) Not later than ten (10) days after a request from the governing body, the superintendent of a school corporation shall make a report on an individual being considered by the school corporation for either a teaching appointment or an indefinite contract as described in section 8 of this chapter. The report must contain information on the individual's teaching preparation, experience, and license.
   (b) The governing body of a school corporation may not employ an individual who receives an initial standard or reciprocal license after March 31, 1988, for a teaching appointment under this chapter unless the individual:
   (1) has successfully completed a beginning teacher internship program, under IC 20-6.1-8 (repealed); or
   (2) has at least two (2) years teaching experience outside Indiana.
(c) This section does not prevent the granting of additional
authority in the selection or employment of teachers to a superintendent of a school corporation by the rules of the school corporation.

Sec. 2. (a) A contract entered into by a teacher and a school corporation must:
   (1) be in writing;
   (2) be signed by both parties; and
   (3) contain the:
      (A) beginning date of the school term as determined annually by the school corporation;
      (B) number of days in the school term as determined annually by the school corporation;
      (C) total salary to be paid to the teacher during the school year; and
      (D) number of salary payments to be made to the teacher during the school year.
   (b) The contract may provide for the annual determination of the teacher's annual compensation by a local salary schedule, which is part of the contract. The salary schedule may be changed by the school corporation on or before May 1 of a year, with the changes effective the next school year. A teacher affected by the changes shall be furnished with printed copies of the changed schedule not later than thirty (30) days after the schedule's adoption.
   (c) A contract under this section is also governed by the following statutes:
      (1) IC 20-28-9-1 through IC 20-28-9-6.
      (2) IC 20-28-9-9 through IC 20-28-9-11.
      (4) IC 20-28-9-14.
   (d) A governing body shall provide the blank contract forms, carefully worded by the state superintendent, and have them signed. The contracts are public records open to inspection by the residents of each school corporation.
   (e) An action may be brought on a contract that conforms with subsections (a)(1), (a)(2), and (d).

Sec. 3. The state superintendent shall do the following:
   (1) Prescribe the following forms:
      (A) The uniform teacher's contract in the following alternate forms:
         (i) The regular teacher's contract.
(ii) The temporary teacher's contract.
(B) The supplemental service teacher's contract.
(2) Furnish each school corporation with the forms.
(3) Require each school corporation to include in the school corporation's semiannual report on average daily attendance a statement that the school corporation is in compliance with IC 20-28-5-2, sections 4 through 7 of this chapter, IC 20-28-9-7, and IC 20-28-9-8.

Sec. 4. (a) This section does not apply to a teacher employed as a substitute teacher.
   (b) A teacher employed in a public school must be employed on a uniform teacher's contract or a supplemental service teacher's contract.

Sec. 5. The regular teacher's contract must be used statewide without amendment and must contain, in addition to the items in section 2(a)(3) of this chapter:
   (1) the manner of salary payment; and
   (2) any provisions relating to the government of the school that the state superintendent includes.

Sec. 6. (a) A temporary teacher's contract shall be used only for employing a teacher to serve in the absence of a teacher who has been granted a leave of absence by the school corporation for:
   (1) engaging in defense service or in service auxiliary to defense service;
   (2) professional study or advancement;
   (3) exchange teaching;
   (4) extended disability to which a licensed physician has attested; or
   (5) serving in the general assembly.
   (b) The temporary teacher's contract must contain:
      (1) the provisions of the regular teacher's contract except those providing for continued tenure of position;
      (2) a blank space for the name of the teacher granted the leave, which may not be used on another temporary teacher's contract for the same leave of absence; and
      (3) an expiration date that:
         (A) is the date of the return of the teacher on leave; and
         (B) is not later than the end of the school year.
   (c) If a teacher is employed on the temporary teacher's contract for at least sixty (60) days in a school year, the teacher may, on request,
receive the service credit that the teacher would otherwise receive with regard to the Indiana state teachers' retirement fund. Additionally, the salary of that teacher may not be less than the state minimum salary under IC 20-28-9-1 and IC 20-28-9-2, or by a local salary schedule not less remunerative than the state minimum salary under IC 20-28-9-1 and IC 20-28-9-2.

Sec. 7. (a) As used in this section, "teacher" includes an individual who:

(1) holds a substitute teacher's license; and
(2) provides instruction in a joint summer school program under IC 20-30-7-5.

(b) The supplemental service teacher’s contract shall be used when a teacher provides professional service in evening school or summer school employment, except when a teacher or other individual is employed to supervise or conduct noncredit courses or activities.

(c) If a teacher serves more than one hundred twenty (120) days on a supplemental service teacher's contract in a school year, the following apply:

(1) Sections 1, 2, 3, and 8 of this chapter.
(2) IC 20-28-10-1 through IC 20-28-10-2.
(3) IC 20-28-7-3 through IC 20-28-7-5.
(4) IC 20-28-7-7 through IC 20-28-7-12.
(5) IC 20-28-7-14.
(6) IC 20-28-10-1 through IC 20-28-10-5.

(d) The salary of a teacher on a supplemental service contract must equal the salary of a teacher on the regular salary schedule of the school corporation where the teacher will serve. Part-time service on the supplemental service contract is computed on the basis of six (6) hours as a full day of service.

Sec. 8. (a) An individual who:

(1) serves under contract as a teacher in a public school corporation for at least five (5) successive years; and
(2) at any time enters into a teacher's contract for further service with the school corporation;

becomes, by entering into the contract described in subdivision (2), a permanent teacher of the school corporation. When a contract between the school corporation and a permanent teacher expires by the contract's terms, the contract is considered to continue indefinitely as an indefinite contract.

(b) An indefinite contract remains in force until the permanent
teacher becomes seventy-one (71) years of age, unless the indefinite contract is:
   (1) replaced by a new contract signed by both parties; or
   (2) canceled as provided in IC 20-28-7.
Sec. 9. (a) A teacher serving under a regular contract at a laboratory school operated under IC 20-12-14 who is offered and accepts a position in the local school corporation that is a party to the agreement with the university operating the laboratory school is entitled to:
   (1) transfer to the local school corporation any years served as a regular teacher at the laboratory school; and
   (2) receive credit for the years in meeting the five (5) year requirement for an indefinite contract contained in section 8 of this chapter.
(b) If the teacher accepting a position with the local school corporation has served as a regular teacher at the laboratory school for at least five (5) successive years, the teacher's contract with the local school corporation is an indefinite contract under section 8 of this chapter.
Sec. 10. (a) An individual who:
   (1) serves under contract as a teacher in a public school corporation for two (2) successive years;
   (2) at any time after serving two (2) successive years in the public school corporation enters into a teacher's contract for further service with the school corporation; and
   (3) is not a permanent teacher under section 8 of this chapter; is a semipermanent teacher of the school corporation. When a contract between the school corporation and a semipermanent teacher expires by the contract's terms, the contract continues indefinitely as an indefinite contract for a semipermanent teacher.
(b) An indefinite contract for a semipermanent teacher remains in force until:
   (1) the contract is replaced by a new contract signed by both parties;
   (2) the contract is canceled as provided in IC 20-28-7; or
   (3) the teacher becomes a permanent teacher under section 8 of this chapter.
Chapter 7. Cancellation of Teacher Contracts
Sec. 1. (a) An indefinite contract with a permanent teacher may be canceled in the manner specified in sections 3 through 5 of this chapter.
only for one (1) or more of the following grounds:

(1) Immorality.

(2) Insubordination, which means a willful refusal to obey the state school laws or reasonable rules prescribed for the government of the school corporation.

(3) Neglect of duty.

(4) Incompetence.

(5) Justifiable decrease in the number of teaching positions.

(6) A conviction for an offense listed in IC 20-28-5-8(c).

(7) Other good and just cause.

When the cause of cancellation is a ground set forth in subdivision (1), (2), or (6), the cancellation is effective immediately. When the cause of cancellation is a ground set forth in subdivision (3), (4), (5), or (7), the cancellation is effective at the end of the school term following the cancellation.

(b) An indefinite contract may not be canceled for political or personal reasons.

Sec. 2. (a) An indefinite contract with a semipermanent teacher may be canceled in the manner specified in sections 3 through 5 of this chapter only for one (1) or more of the following grounds:

(1) Immorality.

(2) Insubordination, which means a willful refusal to obey the state school laws or reasonable rules prescribed for the government of the school corporation.

(3) Neglect of duty.

(4) Substantial inability to perform teaching duties.

(5) Justifiable decrease in the number of teaching positions.

(6) Good and just cause.

(7) The cancellation is in the best interest of the school corporation.

(8) A conviction for an offense listed in IC 20-28-5-8(c).

(b) An indefinite contract with a semipermanent teacher may not be canceled for political or personal reasons.

(c) Before the cancellation of a semipermanent teacher’s indefinite contract, the principal of the school at which the teacher teaches must provide the teacher with a written evaluation of the teacher’s performance before January 1 of each year. Upon the request of a semipermanent teacher, delivered in writing to the principal not later than thirty (30) days after the teacher receives the evaluation required by this section, the principal must provide the teacher with an
additional written evaluation.

Sec. 3. An indefinite contract with a permanent or semipermanent teacher may be canceled only in the following manner:

(1) The teacher must be notified in writing of the date, time, and place for the consideration by the school corporation of the cancellation of the contract. Notification under this subdivision must occur not more than forty (40) days nor less than thirty (30) days before the consideration.
(2) The teacher must be furnished, not later than five (5) days after a written request, a written statement of the reasons for the consideration.
(3) The teacher may file a written request for a hearing not later than fifteen (15) days after receiving notice under subdivision (1).
(4) If a request for a hearing is filed, the teacher must be given a hearing before the governing body on a day not earlier than five (5) days after the filing of the request.
(5) The teacher must be given not less than five (5) days notice of the date, time, and place of the hearing.
(6) At the hearing, the teacher is entitled:
   (A) to a full statement of the reasons for the proposed cancellation of the contract; and
   (B) to be heard and to present the testimony of witnesses and other evidence bearing on the reasons for the proposed cancellation of the contract.
(7) A contract may not be canceled before the date set for consideration of the cancellation of the contract and until the following have occurred:
   (A) A hearing is held, if a hearing is requested by the teacher.
   (B) The superintendent of the school corporation has given the superintendent's recommendations on the contract. On five (5) days written notice to the superintendent by the school corporation, the superintendent shall present a recommendation on the contract, except if the contract is a superintendent's contract.
(8) Pending a decision on the cancellation of a teacher's contract, the teacher may be suspended from duty.
(9) After complying with:
   (A) section 1 of this chapter, in the case of permanent teachers; or
   (B) section 2 of this chapter, in the case of semipermanent
teachers; and
with this section, the governing body of the school corporation
may cancel an indefinite contract with a teacher by a majority
vote evidenced by a signed statement in the minutes of the board.
The decision of the governing board is final.
The vote to cancel a contract under subdivision (9) must be taken by
the governing body on the date and at the time and place specified in
subdivision (1).
Sec. 4. If a permanent or semipermanent teacher is suspended
under section 3(8) of this chapter, and except as provided in
IC 20-28-9-18, the governing body may not, while the teacher is
suspended, withhold from the teacher any salary payments or other
employment related benefits that before the suspension the teacher
was entitled to receive.
Sec. 5. (a) The governing body may appoint an agent, who:
(1) is not an employee of the school corporation; and
(2) may be a member of the governing body or an attorney
retained to administer the hearing proceedings under this
chapter;
to issue subpoenas for the attendance of witnesses for either party at
the hearing.
(b) A subpoena issued under this section must be:
(1) served by the party who seeks to compel the attendance of a
witness; and
(2) upon application to the court by the party, enforced in the
manner provided by law for the service and enforcement of
subpoenas in a civil action.
Sec. 6. (a) A permanent teacher who holds an indefinite contract
under IC 20-28-6-8 may not be discharged or have the teacher's
contract canceled except as provided in sections 1, 3, 4, and 5 of this
chapter.
(b) A semipermanent teacher who holds an indefinite contract
under IC 20-28-6-10 may not be discharged or have the teacher's
contract canceled except as provided in sections 2 through 5 of this
chapter.
(c) A school corporation and the school corporation's proper
officers shall retain a permanent or semipermanent teacher until the
teacher's indefinite contract is properly terminated.
(d) If subsection (a), (b), or (c) is violated, the permanent or
semipermanent teacher may bring an action for mandate as provided
by law against the proper officers of the school corporation for an
order requiring the officers to reinstate the teacher and restore the
teacher to full rights as a permanent or semipermanent teacher.

Sec. 7. (a) A permanent or semipermanent teacher may not cancel
an indefinite contract during the school term of the contract or during
the thirty (30) days before the beginning date of the school term unless
the cancellation is mutually agreed upon. A permanent or
semipermanent teacher may cancel the teacher's indefinite contract at
any other time by giving five (5) days notice to the school corporation.

(b) A permanent or semipermanent teacher who cancels the
teacher's indefinite contract in any manner other than as provided in
subsection (a) is guilty of unprofessional conduct, for which the state
superintendent may suspend the teacher's license for not more than
one (1) year.

Sec. 8. A contract entered into by a nonpermanent teacher and a
school corporation continues in force on the same terms and for the
same wages, unless increased under IC 20-28-9-1 and IC 20-28-9-2, for
the next school term following the date of termination set in the
contract. However, the contract does not continue if any of the
following occur:

(1) The school corporation refuses continuation of the contract
under sections 9 and 10(b) of this chapter.
(2) The teacher delivers or mails by registered or certified mail
to the school corporation the teacher's written resignation.
(3) The contract is replaced by another contract agreed to by the
parties.

Sec. 9. Before a teacher is refused continuation of the contract
under section 8 of this chapter, the teacher has the following rights,
which shall be strictly construed:

(1) The principal of the school at which the teacher teaches must
provide the teacher with an annual written evaluation of the
teacher's performance before January 1 of each year. Upon the
request of a nonpermanent teacher, delivered in writing to the
principal not later than thirty (30) days after the teacher receives
the evaluation required by this section, the principal shall
provide the teacher with an additional written evaluation.
(2) On or before May 1, the school corporation shall notify the
teacher that the governing body will consider nonrenewal of the
contract for the next school term. The notification must be:

(A) written; and
(B) delivered in person or mailed by registered or certified mail to the teacher at the teacher's last known address.

(3) Upon the request of the teacher, and not later than fifteen (15) days after the teacher's receipt of the notice of the consideration of contract nonrenewal, the governing body or the superintendent of the school corporation shall provide the teacher with a written statement, which:

(A) may be developed in an executive session; and

(B) is not a public document;

 giving the reasons for the nonrenewal of the teacher's contract.

Sec. 10. (a) A teacher who receives notice of the nonrenewal of the teacher's contract under section 9 of this chapter may request a conference under this section.

(b) A conference shall be held:

(1) with the governing body; or

(2) at the direction of the governing body, with the superintendent of the school corporation or the superintendent's designee;

not more than ten (10) days after the day the governing body receives a teacher's request for a conference. If the first conference is not with the governing body, the teacher may request a second conference, which must be held with the governing body at a time mutually agreeable to both parties and not more than twenty (20) days after the day the governing body receives the request for a second conference, or before the end of the school year, whichever is earlier.

(c) The governing body may, in addition to a conference under this section, require that the superintendent of the school corporation or the superintendent's designee and the teacher summarize in writing the position of each party with respect to the continuation of the contract.

(d) At a conference under this section:

(1) the governing body, the superintendent of the school corporation, or the superintendent's designee shall provide full and complete information supporting the reasons given for noncontinuance; and

(2) the teacher shall provide any information demonstrating that noncontinuance of the contract is improper.

(e) A conference under this section with the governing body shall be in executive session unless the teacher requests a public conference. The teacher may have a representative at any conference.
(f) The governing body shall vote on the continuation of the teacher's contract not more than ten (10) days after a conference under this section.

Sec. 11. The periods set out in section 10(b) of this chapter shall be extended for a reasonable period:

1. when a teacher or school official is ill or absent from the school corporation;
2. when the teacher requests a public conference, but a public conference held within the periods of section 10(b) of this chapter violates IC 5-14-1.5-5; or
3. for other reasonable cause.

Sec. 12. The governing body of a school corporation may decide not to continue a teacher's contract under sections 8 through 11 of this chapter:

1. for any reason considered relevant to the school corporation's interest; or
2. because of a teacher's inability to perform the teacher's teaching duties.

Sec. 13. (a) This chapter may not be construed to limit the provisions of a collective bargaining agreement negotiated under IC 20-29.

(b) This chapter does not prohibit a school employer and an exclusive representative from collectively bargaining contracts that alter the requirements of sections 1 through 6 and sections 8 through 12 of this chapter and IC 20-28-9-21 through IC 20-28-9-23.

(c) This chapter may not be construed to limit the rights of a school employer and an exclusive representative (as defined in IC 20-29-2-9) to mutually agree to binding arbitration concerning teacher dismissals.

(d) If the school employer and the exclusive representative mutually agree to binding arbitration of teacher dismissals:

1. the arbitrator shall determine whether the hearing will be open to the public; and
2. the written decision of the arbitrator must be:
   (A) presented to the governing body in an open meeting; and
   (B) made available to the public for inspection and copying.

Sec. 14. (a) This section does not apply to an individual who works at a conversion charter school (as defined in IC 20-24-1-5) for purposes of the individual's employment with the school corporation that sponsored the conversion charter school.
(b) A contract entered into after August 15 between a school corporation and a teacher is void if the teacher, at the time of signing the contract, is bound by a previous contract to teach in a public school. However, another contract may be signed by the teacher that will be effective if the teacher:

(1) furnishes the governing body a release by the employers under the previous contract; or
(2) shows proof that twenty-one (21) days written notice was delivered by the teacher to the first employer.

(c) A governing body may request from a teacher, at the time of contracting, a written statement as to whether the teacher has signed another teaching contract. However, the teacher's failure to provide the statement is not a cause for subsequently voiding the contract.

Sec. 15. (a) A township trustee may not contract with a teacher if the teacher’s term of service under the contract begins after the expiration of the trustee’s term of office.

(b) A contract that violates subsection (a) is void as to the trustee's township and school fund. However, the trustee is personally liable to the teacher for all services rendered under the contract and all damages sustained by reason of the contract.

Chapter 8. Contracts with School Administrators

Sec. 1. A school corporation may provide in the contract of a principal or of any of the principal's administrative assistants compensation for services performed for a time, either before or after the school term, as considered necessary by the governing body.

Sec. 2. A contract of employment shall be entered into between the governing body of the school corporation and a principal or assistant principal subject to the following conditions:

(1) The basic contract must be the regular teacher's contract as prescribed by the state superintendent.
(2) The term of the initial contract must be the equivalent of at least two (2) school years.
(3) The contract may be altered, modified, or rescinded in favor of a new contract at any time by mutual consent of the governing body of the school corporation and the principal or assistant principal, if the contract, when reduced to writing, is consistent with this chapter.

Sec. 3. (a) Before February 1 of the year during which the contract of an assistant superintendent, a principal, or an assistant principal is due to expire, the governing body of the school corporation, or an
employee at the direction of the governing body, shall give written notice of renewal or refusal to renew the individual's contract for the ensuing school year.

(b) If notice is not given before February 1 of the year during which the contract is due to expire, the contract then in force shall be reinstated only for the ensuing school year.

(c) This section does not prevent the modification or termination of a contract by mutual agreement of the assistant superintendent, the principal, or the assistant principal and the governing body.

Sec. 4. (a) At least thirty (30) days before giving written notice of refusal to renew a contract under section 3 of this chapter, the governing body, or an employee at the direction of the governing body, shall inform the assistant superintendent, the principal, or the assistant principal by written preliminary notice that:

(1) the governing body is considering a decision not to renew the contract; and

(2) if the individual files a request with the school corporation for a private conference not later than five (5) days after receiving the preliminary notice, the individual is entitled to a private conference with the superintendent of the school corporation.

(b) If the individual files a request with the school corporation for an additional private conference not later than five (5) days after the initial private conference with the superintendent of the school corporation, the individual is entitled to an additional private conference with the governing body of the school corporation before being given written notice of refusal to renew the contract.

(c) The preliminary notice required under this section must include the governing body's reasons for considering a decision not to renew.

Sec. 5. The evaluation of a principal's performance may not be based wholly on the ISTEP program test scores under IC 20-32-5 of the students enrolled at the principal's school. However, the ISTEP program test scores under IC 20-32-5 of the students enrolled at a principal's school may be considered as one (1) of the factors in the evaluation of the principal's overall performance at the school.

Sec. 6. A contract entered into by a governing body and its superintendent is subject to the following conditions:

(1) The basic contract must be in the form of the regular teacher's contract.

(2) The contract must be for a term of at least thirty-six (36) months.
(3) The contract may be altered or rescinded for a new one at any time by mutual consent of the governing body and the superintendent. The consent of both parties must be in writing and must be expressed in a manner consistent with this section and sections 7 through 8 of this chapter.

(4) The rights of a superintendent as a teacher under any other law are not affected by the contract.

Sec. 7. A superintendent's contract terminates on the following dates and under the following conditions only:

(1) On any date, if the governing body and the superintendent mutually consent.

(2) Before the expiration date set forth in the contract, if the governing body terminates the contract for cause under a statute that sets forth causes for dismissal of teachers. However, the governing body must give the superintendent proper notice and, if the superintendent requests a hearing at least ten (10) days before the termination, must grant the superintendent a hearing at an official meeting of the governing body.

(3) On the expiration date set forth in the contract, if the governing body not later than January 1 of the year in which the contract expires gives notice to the superintendent in writing, delivered in person or by registered mail.

(4) On the expiration date set forth in the contract, if the superintendent not later than January 1 of the year in which the contract expires gives proper notice in writing to the governing body.

Sec. 8. If the governing body fails to give a termination notice under section 7(3) of this chapter, the superintendent's contract is extended for twelve (12) months following the expiration date of the contract.

Sec. 9. A managing body may provide in the contract of a local director compensation for services performed for a time, either before or after the school term, as considered necessary by the managing body.

Sec. 10. A contract of employment shall be entered into between the managing body and a local director subject to the following conditions:

(1) The basic contract must be the regular teacher's contract as prescribed by the state superintendent.

(2) The minimum term of the initial contract must be the
equivalent of two (2) school years.

(3) The contract may be altered, modified, or rescinded in favor of a new contract at any time by mutual consent of the managing body and the local director if the written contract is consistent with this chapter.

Sec. 11. (a) Before February 1 of the year during which the contract of a local director is due to expire, the managing body, or an employee at the direction of the managing body, shall give written notice of renewal or refusal to renew the local director's contract for the ensuing school year.

(b) If notice is not given before February 1 of the year during which the contract is due to expire, the contract then in force is reinstated only for the ensuing school year.

(c) This section does not prevent the modification or termination of a contract by mutual agreement of the local director and the managing body.

Sec. 12. (a) At least thirty (30) days before giving written notice of refusal to renew a contract under section 11 of this chapter, the managing body, or an employee at the direction of the managing body, shall inform the local director by written preliminary notice that:

(1) the managing body is considering a decision not to renew the contract; and

(2) if the local director files a request with the managing body for a private conference not later than five (5) days after receiving the preliminary notice, the local director is entitled to a private conference with the superintendent, president, trustee, or other head of the managing body.

(b) If the local director files a request with the managing body for an additional private conference not more than five (5) days after the initial private conference with the superintendent, president, trustee, or other head of the managing body, the local director is entitled to an additional private conference with the managing body before being given written notice of refusal to renew the contract.

(c) The preliminary notice required under this section must include the managing body's reasons for considering a decision not to renew.

Chapter 9. Salary and Related Payments

Sec. 1. (a) A teacher’s minimum salary each school year must be computed based on the teacher's training, experience, and degree completed as of the teacher's first day of service.

(b) If a teacher is licensed by the board on:
(1) the first day of service in the current school year; or
(2) another date as agreed by the school employer and the exclusive representative under IC 20-29;
the teacher's minimum salary is computed under section 2 of this chapter.

Sec. 2. A teacher's minimum salary for service during a nine (9) month school term is computed as follows:
(1) For a teacher who has completed four (4) years or one hundred forty-four (144) weeks of professional training, five thousand two hundred dollars ($5,200), plus:
   (A) an additional increment of one hundred fifty dollars ($150) after each of the first ten (10) years of experience; and
   (B) an additional increment of two hundred fifty dollars ($250) after each of the following years of experience:
      (i) The fifteenth.
      (ii) The twentieth.
(2) For a teacher who has completed five (5) years or one hundred eighty (180) weeks of professional training, five thousand five hundred dollars ($5,500), plus:
   (A) an additional increment of one hundred fifty dollars ($150) after each of the first eighteen (18) years of experience; and
   (B) an additional increment of three hundred dollars ($300) after each of the following years of experience:
      (i) The nineteenth.
      (ii) The twentieth.
      (iii) The twenty-second.
      (iv) The twenty-fourth.
      (v) The twenty-sixth.
      (vi) The thirtieth.
(3) For a teacher who has completed less than four (4) years of professional training, four thousand seven hundred dollars ($4,700), plus an additional increment of one hundred twenty dollars ($120) after each of the first ten (10) years of experience.

Sec. 3. If:
(1) the school term of;
(2) a teacher's contract with;
a school corporation is longer or shorter than nine (9) months, the minimum salary as computed under section 2 of this chapter must be proportionately increased or decreased.
Sec. 4. (a) The board shall require each teacher to hold:
   (1) a bachelor's degree from an accredited teacher training
   institution to qualify for the first time for classification under
   section 2(1) of this chapter; and
   (2) a master's degree to qualify for the first time for classification
   under section 2(2) of this chapter.
   (b) A teacher may not receive credit for five (5) years of training
   under section 2(2) of this chapter unless the teacher has completed at
   least a bachelor's degree.

Sec. 5. In computing the annual salary of a teacher or when
    distributing state funds, an amount of less than fifty cents ($0.50) is
    dropped while an amount of fifty cents ($0.50) or more is rounded up
    to the next whole dollar.

Sec. 6. (a) The governing body shall fix wages for substitute
    teachers.
    (b) A substitute teacher may be engaged without a written contract.

Sec. 7. (a) An individual who:
   (1) holds:
       (A) a professional license;
       (B) a provisional license;
       (C) a limited license; or
       (D) an equivalent license issued by the board; and
   (2) serves as an occasional substitute teacher;
    shall be compensated on the pay schedule for substitutes of the school
    corporation the individual serves.
    (b) An individual who:
        (1) holds a:
            (A) professional license; or
            (B) provisional license; and
        (2) serves as a substitute teacher in the same teaching position for
            more than fifteen (15) consecutive school days;
    shall be compensated on the regular pay schedule for teachers of the
    school corporation the individual serves.

Sec. 8 An individual who holds a substitute license shall be
    compensated on the pay schedule for substitutes of the school
    corporation the individual serves.

Sec. 9. (a) Each teacher may be absent from work with pay:
    (1) on account of illness or quarantine for ten (10) days the first
        year and seven (7) days in each succeeding year (referred to as
        "sick days" in this chapter); and
(2) for death in the teacher’s immediate family for a period extending not more than five (5) days beyond the death.

(b) If the teacher does not use all the teacher's sick days in a school year, the unused days accumulate up to a total of ninety (90) days. However, each teacher shall be credited with the accumulative days accrued to the teacher on January 1, 1966.

Sec. 10. (a) This section applies whenever a teacher accumulates at least one (1) sick day and then is employed in another school corporation.

(b) Beginning in the teacher's second year, the teacher's employer shall add up to three (3) sick days each year to the number of sick days to which the teacher is entitled under section 9(a) of this chapter until the accumulated sick days to which the teacher was entitled in the teacher's last employment are exhausted.

Sec. 11. Absences that are not described in sections 9 through 10 of this chapter may be taken with pay when agreed on by the school employer and the exclusive representative under IC 20-29.

Sec. 12. A school corporation may adopt regulations governing the payment or part payment of teachers and then make payments in accordance with those regulations to teachers who are absent because of:

(1) sickness;
(2) attending school conventions or meetings;
(3) visiting other schools; or
(4) a death in the immediate family.

Sec. 13. A school corporation may establish a voluntary sick day bank:

(1) to which a teacher may contribute unused sick days; and
(2) from which a contributing teacher may draw sick days when the contributing teacher's accumulated sick days are exhausted.

Sec. 14. Each teacher may have at least two (2) days each year with pay for the transaction of personal business or the conduct of personal or civic affairs. The teacher shall submit to the superintendent a written statement describing the reason and necessity for the absence.

Sec. 15. If during the term of the teacher's contract:

(1) the school is closed by order of the:
   (A) school corporation; or
   (B) health authorities; or
(2) school cannot be conducted through no fault of the teacher; the teacher shall receive regular payments during that time. If a
canceled student instructional day (as defined in IC 20-30-2-2) is rescheduled to comply with IC 20-30-2, each teacher and (notwithstanding IC 20-27-8-7) each school bus driver shall work on that rescheduled day without additional compensation.

Sec. 16. A school may be closed for up to two (2) weeks for Christmas holidays without payment of teachers' salaries. Closing the school for Christmas holidays does not shorten the length of the school term.

Sec. 17. The governing body of a school city may pay the salary of teachers for Saturdays in addition to the other days that school is in session.

Sec. 18. (a) Upon a teacher's written request, a governing body shall withhold the requested amount of money from the salary of the teacher for a purpose described in subsection (c).

(b) Upon a written request from a beneficiary of the Indiana state teachers' retirement fund, a governing body may receive a given amount of money for a purpose described in subsection (c).

(c) The governing body shall hold the amounts described in subsections (a) and (b) and pay the amounts, as requested by the teacher or the beneficiary, to an insurance company or other agency or organization in Indiana that provides, extends, supervises, or pays for:

(1) insurance or other protection; or
(2) the establishment of or payment on an annuity account; for the teacher. If a dividend accrues on a policy, the dividend shall be paid or credited to the teacher.

(d) If less than twenty percent (20%) of the teachers employed by a governing body request payment of the amounts described in subsection (c) to a single recipient, withholding the amounts of money for insurance, dues, or other purposes is discretionary with the governing body.

Sec. 19. (a) If a governing body of a school corporation agrees to a retirement, savings, or severance pay plan with a teacher or with an exclusive representative under IC 20-29, the benefits may be paid to:

(1) the teacher who is eligible under a negotiated retirement, savings, or severance pay plan; or
(2) in the case of the teacher's death:
   (A) the teacher's designated beneficiary; or
   (B) the teacher's estate, if there is no designated beneficiary. Payments may be made in a lump sum or in installments as agreed
upon by the parties or to a savings plan established under IC 5-10-1.1-1(2).

(b) Notwithstanding IC 6-1.1-20, the payments under this section shall be made from the general fund of the school corporation and may be made for a period exceeding one (1) year.

Sec. 20. A teacher who is employed by a school corporation that provides a health insurance plan for its employees may participate in the health insurance plan upon retirement under IC 5-10-8.

Sec. 21. (a) This section and sections 22 through 23 of this chapter apply to the suspension of a teacher without pay when the procedure for the cancellation of the teacher’s contract under IC 20-28-7-3 through IC 20-28-7-5 do not apply.

(b) A teacher may be suspended from duty without pay only for the following reasons:

(1) Immorality.
(2) Insubordination, which means the willful refusal to obey the state school laws or reasonable rules prescribed for the government of the school corporation.
(3) Neglect of duty.
(4) Substantial inability to perform teaching duties.
(5) Good and just cause.

Sec. 22. A teacher may be suspended without pay only under the following procedure:

(1) The teacher must be notified in writing not more than forty (40) days and not less than thirty (30) days before the date of the consideration of the date, time, and place for the consideration by the school corporation of the suspension of the teacher without pay.

(2) The teacher shall be furnished, not later than five (5) days after a written request, a written statement of the reasons for the consideration.

(3) The teacher may file a written request for a hearing not later than fifteen (15) days after receipt of the notice of this consideration.

(4) If a request for a hearing is filed, the teacher must be given a hearing before the governing body on a day not earlier than five (5) days after filing the request.

(5) The teacher must be given at least five (5) days notice of the date, time, and place of the hearing.

(6) At the hearing, the teacher is entitled:
(A) to a full statement of the reasons for the proposed suspension without pay; and
(B) to be heard and to present the testimony of witnesses and other evidence bearing on the reasons for the proposed suspension without pay.

(7) A teacher may not be suspended without pay until:
(A) the date is set for consideration of the suspension without pay;
(B) after a hearing is held, if a hearing is requested by the teacher; and
(C) except on the suspension of a superintendent's contract, the superintendent has given recommendations on the suspension not later than five (5) days after the school corporation makes the request for recommendations.

(8) After complying with this section, the governing body of the school corporation may suspend a teacher without pay for a reasonable time by a majority vote evidenced by a signed statement in the minutes of the board.

The vote to suspend a teacher without pay described in subdivision (8) must be taken by the governing body on the date and at the time and place specified in subdivision (1).

Sec. 23. The governing body may appoint an agent (who is not an employee of the school corporation but who may be a member of the governing body or an attorney retained to administer the hearing proceedings under this section) to issue subpoenas for the attendance of witnesses for either party at the hearing under section 22 of this chapter. A subpoena issued under this section shall be:
(1) served by the party who seeks to compel the attendance of a witness; and
(2) upon application to the court by the party, enforced in the manner provided by law for the service and enforcement of subpoenas in a civil action.

Sec. 24. (a) This section applies to an examination that is required for teacher licensure under this chapter.
(b) If an individual does not demonstrate the level of proficiency required to receive a license on all or a part of an examination, the examination's scorer must provide the individual with the individual's test scores, including subscores for each area tested.

Chapter 10. Conditions of Employment

Sec. 1. (a) A school corporation may grant a teacher a leave of
absence not to exceed one (1) year for:

(1) a sabbatical;
(2) a disability leave; or
(3) a sick leave.

(b) The school corporation may grant consecutive leaves to a teacher.

c) A school corporation may grant partial compensation for a leave in an amount the school corporation determines. However, if a teacher on a sabbatical serves an employer that agrees to reimburse the school corporation in whole or in part of the amount of the teacher's regular salary, the school corporation may grant full or partial compensation.

d) A teacher who is pregnant shall be granted a leave of absence for the period provided in and subject to section 5 of this chapter.

e) Except where a contract is not required under IC 20-28-7 in a situation that occurs before or after the commencement of leave, the teacher and the school corporation shall execute a regular teacher's contract for each school year in which any part of the teacher's leave is granted.

(f) The teacher has the right to return to a teaching position for which the teacher is certified or otherwise qualified under the rules of the state board.

Sec. 2. (a) Except as provided in section 1 of this chapter, rights existing at the time a leave commences that arise from a teacher's:

(1) status as a permanent teacher;
(2) accumulation of successive years of service;
(3) service performed under a teacher's contract under IC 20-28-6-8; or
(4) status or rights negotiated under IC 20-29;
remain intact.

(b) During a leave the teacher may maintain coverage in a group insurance program by paying the total premium including the school corporation's share, if any, attributable to the leave period. The school corporation may elect to pay all or part of the cost of the premium as an adopted or negotiated fringe benefit to teachers on leave.

(c) During a leave extending into a part of a school year, a teacher accumulates sick leave under IC 20-28-9-9 through IC 20-28-9-12, or a salary schedule of the school corporation that provides greater sick leave, in the same proportion that the number of days the teacher is paid during the year for work or leave bears to the total number of
days for which teachers are paid in the school corporation.

(d) Except as provided in section 1 of this chapter, during a leave of a nonpermanent teacher, the period of probationary successive years of service under a teacher's contract that is a condition precedent to becoming a permanent teacher under IC 20-28-6-8 is uninterrupted for that teacher. However, this probationary period may not include an entire school year spent on leave.

(e) All or part of a leave granted for sickness or disability, including pregnancy related disability, may be charged at the teacher's discretion to the teacher's available sick days. However, the teacher is not entitled to take accumulated sick days when the teacher's physician certifies that the teacher is capable of performing the teacher's regular teaching duties. The teacher is entitled to complete the remaining leave without pay.

Sec. 3. (a) A school corporation may grant a teacher, on written request, a sabbatical for improvement of professional skills through:

(1) advanced study;

(2) work experience;

(3) teacher exchange programs; or

(4) approved educational travel.

(b) After taking a sabbatical, the teacher shall return for a length of time equal to that of the sabbatical leave.

Sec. 4. (a) A school corporation may place a teacher, with or without written request, on a disability or sick leave not to exceed one (1) year.

(b) A teacher placed on a disability or sick leave without a written request is entitled to a hearing on that action under IC 20-28-7-1 and IC 20-28-7-3 through IC 20-28-7-5.

Sec. 5. (a) A teacher who is pregnant may continue in active employment as late into pregnancy as the teacher wishes, if the teacher can fulfill the requirements of the teacher's position.

(b) Temporary disability caused by pregnancy is governed by the following:

(1) A teacher who is pregnant shall be granted a leave of absence any time between the commencement of the teacher's pregnancy and one (1) year following the birth of the child, if the teacher notifies the superintendent at least thirty (30) days before the date on which the teacher wishes to start the leave. The teacher shall notify the superintendent of the expected length of this leave, including with this notice either:
(A) a physician’s statement certifying the teacher's pregnancy; or
(B) a copy of the birth certificate of the newborn;
whichever is applicable. However, in the case of a medical emergency caused by pregnancy, the teacher shall be granted a leave, as otherwise provided in this section, immediately on the teacher's request and the certification of the emergency from an attending physician.

(2) All or part of a leave taken by a teacher because of a temporary disability caused by pregnancy may be charged, at the teacher's discretion, to the teacher’s available sick days. However, the teacher is not entitled to take accumulated sick days when the teacher's physician certifies that the teacher is capable of performing the teacher's regular teaching duties. The teacher is entitled to complete the remaining leave without pay. However, the teacher may receive compensation for the pregnancy leave under a collective bargaining agreement or, if the teacher is not represented by an exclusive representative, by governing body policy.

Sec. 6. (a) This section and sections 7 through 11 of this chapter apply to a teacher who through:
(1) volunteering; or
(2) statutory selection;
enters defense service on a full-time basis.

(b) Because the United States Congress has decreed that it is imperative to increase and train United States armed forces personnel, this section and sections 7 through 11 of this chapter:
(1) provide protection for teachers who have been called to leave their positions to defend the nation due to the necessity of war or a state of emergency;
(2) preserve the status and contract rights under the laws to any teacher who enters the defense service; and
(3) place those teachers in a position that the defense service does not operate as an interruption of teaching service because the contract rights that each teacher had when entering the defense service are preserved during that service the same as if the teacher had not entered the service.

Sec. 7. A permanent teacher:
(1) with an indefinite contract under IC 20-28-6-8; and
(2) who is described in section 6(a) of this chapter;
is granted a leave of absence during the defense service.

Sec. 8. (a) If a nonpermanent teacher who is described in section 6(a) of this chapter enters the defense service, the teacher's contract as a teacher and the teacher's rights to probationary successive years under contract are preserved with the school corporation as the teacher had them when entering the defense service.

(b) The period of probationary successive years of service under a teacher's contract that is a condition precedent to becoming a permanent teacher under IC 20-28-6-8 is considered uninterrupted for a teacher to whom this section applies. However, this probationary period may not include the time spent in defense service. The teacher is granted a leave of absence during the defense service.

Sec. 9. On reinstatement, the status of the teacher described in section 6(a) of this chapter is the same as when the teacher entered the defense service. All rights to changes of salary or position, except as specified in section 8 of this chapter, accrue to the teacher as if no interruption had occurred.

Sec. 10. (a) A teacher described in section 6(a) of this chapter retains the teacher's contractual rights in the Indiana state teachers' retirement fund.

(b) Contributions and payments into the retirement fund shall be made in the same manner as they are made for a member of the fund who is granted a leave of absence under the law pertaining to that fund.

(c) The teacher is granted a leave of absence during the defense service.

Sec. 11. (a) Not later than sixty (60) days after:

(1) an honorable or medical discharge; or

(2) release from active participation in the defense service;
a teacher who has received a leave of absence for defense service shall return to the school corporation for reinstatement. The school corporation shall then reinstate the teacher.

(b) If the teacher is unable to return for reinstatement within the sixty (60) day period for any reason arising from mental or physical disability, the teacher has sixty (60) days after the date of removal of the disability to apply for reinstatement.

(c) On reinstatement or on written resignation submitted to the school corporation, the teacher's leave of absence and defense service is considered terminated.

Sec. 12. A governing body or the governing body's agent may not
make or enforce a rule or regulation concerning the employment of teachers that discriminates because of marital status.

Sec. 13. (a) A governing body may not adopt residence requirements for teachers or other school employees in the governing body's employment, assignment, or reassignment for services in a prescribed area.

(b) A school corporation that violates subsection (a) is ineligible for state funds under all enactments regarding that subject. The state superintendent and other state officials shall administer the funds accordingly on the submission of sworn proof of the existence of the discriminatory residence requirements.

Sec. 14. (a) A school corporation may not dismiss or suspend any employee because of affiliation with or activity in an organization unless that organization advocates:

(1) the overthrow of the United States government by:
    (A) force; or
    (B) the use of violence; or
(2) the violation of law;

(b) A rule or regulation contrary to subsection (a) is void.

Sec. 15. A governing body may not dismiss, suspend, or enforce a mandatory leave of absence on a teacher who is a candidate for public office unless evidence is submitted to the governing body that would substantiate a finding that the teacher's activity has:

(1) impaired the teacher's effectiveness in the teacher's service; or
(2) interfered with the performance of the teacher's contractual obligations.

A suspension is valid only during the period of the impairing activity.

Sec. 16. (a) If a teacher serves in the general assembly, the teacher shall be given credit for the time spent in this service, including the time spent for council or committee meetings. The leave for this service does not diminish the teacher's rights under the Indiana state teachers' retirement fund or the teacher's advancement on the state or a local salary schedule. For these purposes, the teacher is, despite the leave, considered teaching for the school during that time.

(b) The compensation received while serving in the general assembly shall be included for teachers retiring after June 30, 1980, in the determination of the teacher's annual compensation to compute the teacher's retirement benefit under IC 5-10.2-4. A teacher serving...
in the general assembly may choose to have deductions made from the
teacher’s salary as a legislator for contributions under either
IC 21-6.1-4-9 or IC 5-10.3-7-9.

Sec. 17. (a) Except as provided in IC 31-32-11-1, a school counselor
is immune from disclosing privileged or confidential communication
made to the counselor as a counselor by a student.

(b) Except as provided in IC 31-32-11-1, the matters communicated
are privileged and protected against disclosure.

Sec. 18. A teacher whose rights and privileges under sections 14
through 17 of this chapter are or are about to be infringed by a rule
or regulation may, in accord with the law governing injunctions, seek
to enjoin the school corporation from the infringement. A circuit or
superior court shall issue the injunction if the court finds an
infringement.

Sec. 19. (a) Each governing body and its administrators shall
arrange each teacher's daily working schedule to provide at least
thirty (30) minutes between 10 a.m. and 2 p.m. for a period free of
duties.

(b) The state superintendent shall report each failure to comply
with subsection (a) to the state board, which shall immediately inform
the governing body of each alleged violation.

(c) If the school corporation persistently fails or refuses to comply
with subsection (a) for one (1) year, the state board shall:

(1) lower the grade of accreditation of the school corporation;
and

(2) publish notice of that action in at least one (1) newspaper
published in the county.

Chapter 11. Staff Performance Evaluation

Sec. 1. As used in this chapter, "plan" refers to a staff performance
evaluation plan developed under this chapter.

Sec. 2. Each:

(1) school corporation;
(2) school created by an interlocal agreement under IC 36-1-7;
(3) special education cooperative under IC 20-35-5; and
(4) cooperating school corporation for vocational education
under IC 20-37-1;

shall develop and implement a plan to evaluate the performance of
each certificated employee (as defined in IC 20-29-2-4).

Sec. 3. Each plan:

(1) must provide for the improvement of the performance of the
individuals evaluated;
(2) must provide for the growth and development of the individuals evaluated;
(3) must require periodic assessment of the effectiveness of the plan;
(4) must provide that nonpermanent and semipermanent teachers receive:
   (A) an evaluation on or before December 31 each year; and
   (B) if requested by that teacher, an additional evaluation on or before March 1 of the following year; and
(5) may provide a basis for making employment decisions.
However, the plan may not provide for an evaluation that is based in whole or in part on the ISTEP program test scores of the students in the school corporation.

Sec. 4. Development and implementation of a plan is a condition of accreditation under IC 20-19-2-8(a)(5).

Sec. 5. Each plan must be approved by the department. However, if an entity listed in section 2 of this chapter submits a plan to the department that complies with the requirements set out in section 3 of this chapter, the department must approve that plan.

Sec. 6. The department shall do the following:
(1) Establish guidelines for the development and implementation of the plan, including guidelines:
   (A) for the evaluation of employees within each professional licensing category;
   (B) providing for periodic review of the performance of each certificated employee by the appropriate supervisor using a wide range of indicators that deal with the substance and process of the employee's duties; and
   (C) requiring the preparation of a developmental plan for each certificated employee addressing that employee's job related strengths and weaknesses and methods of improving those strengths and eliminating those weaknesses.
(2) Provide technical assistance to each school corporation in the development and implementation of the plan.
(3) Collect and disseminate information concerning local, state, and national staff performance evaluation plans.
(4) Assist each school corporation in training staff evaluators.

Sec. 7. The state board shall adopt rules under IC 4-22-2 to carry out this chapter.
Sec. 8. This chapter does not limit the rights of a school corporation and the exclusive representative who:

(1) before July 1, 1987; and

(2) through bargaining under IC 20-7.5 (before its repeal); included in the employment contracts of certificated employees a system for the periodic evaluation of certificated employees.

Chapter 12. Endorsement for Independent Practice School Psychologists

Sec. 1. This chapter does not apply to a psychologist who is licensed under IC 25-33.

Sec. 2. In order to:

(1) practice school psychology; and

(2) receive an endorsement as an independent practice school psychologist;

a school psychologist must comply with this chapter.

Sec. 3. An individual who applies for an endorsement as an independent practice school psychologist must meet the following requirements:

(1) Be licensed as a school psychologist by the board.

(2) Be employed by a:

(A) developmental center;

(B) state hospital;

(C) public or private hospital;

(D) mental health center;

(E) rehabilitation center;

(F) private school; or

(G) public school;

at least thirty (30) hours per week during the contract period unless the individual is retired from full-time or part-time employment as a school psychologist or the individual has a medical condition or physical disability that restricts the mobility required for employment in a school setting.

(3) Furnish satisfactory evidence to the board that the applicant has received at least a sixty (60) semester hour master's or specialist degree in school psychology from:

(A) a recognized institution of higher learning; or

(B) an educational institution not located in the United States that has a program of study that meets the standards of the board.

(4) Furnish satisfactory evidence to the board that the applicant
has demonstrated graduate level competency through the successful completion of course work and a practicum in the areas of assessment and counseling.

(5) Furnish satisfactory evidence to the board that the applicant has at least one thousand two hundred (1,200) hours of school psychology experience beyond the master’s degree level. At least six hundred (600) hours must be in a school setting under the supervision of any of the following:

(A) A physician licensed under IC 25-22.5.
(B) A psychologist licensed under IC 25-33.
(C) A school psychologist endorsed under this chapter.

(6) Furnish satisfactory evidence to the board that the applicant has completed, in addition to the requirements in subdivision (5), at least four hundred (400) hours of supervised experience in identification and referral of mental and behavioral disorders, including at least one (1) hour each week of direct personal supervision by a:

(A) physician licensed under IC 25-22.5;
(B) psychologist licensed under IC 25-33; or
(C) school psychologist endorsed under this chapter;

with at least ten (10) hours of direct personal supervision.

(7) Furnish satisfactory evidence to the board that the applicant has completed, in addition to the requirements of subdivisions (5) and (6), fifty-two (52) hours of supervision with a physician licensed under IC 25-22.5, a psychologist licensed under IC 25-33, or a school psychologist endorsed under this chapter that meets the following requirements:

(A) The fifty-two (52) hours must be completed within at least twenty-four (24) consecutive months but not less than twelve (12) months.
(B) Not more than one (1) hour of supervision may be included in the total for each week.
(C) At least nine hundred (900) hours of direct client contact must take place during the total period under clause (A).

(8) Furnish satisfactory evidence to the board that the applicant does not have a conviction for a crime that has a direct bearing on the applicant's ability to practice competently.

(9) Furnish satisfactory evidence to the board that the applicant has not been the subject of a disciplinary action by a licensing or certification agency of any jurisdiction on the grounds that the
applicant was not able to practice as a school psychologist without endangering the public.
(10) Pass the examination provided by the board.
Sec. 4. (a) A school psychologist who is not employed or excused from employment as described in section 3(2) of this chapter may not provide services on a private basis to an individual unless the school psychologist receives a referral from one (1) of the following:
(1) A developmental center.
(2) A public school or private school.
(3) A physician licensed under IC 25-22.5.
(4) A health service professional in psychology licensed under IC 25-33-1.
(b) A school psychologist who is endorsed under this chapter may not provide services on a private basis to a student:
(1) who attends a school (including a nonpublic school) to which the school psychologist is assigned; or
(2) whom the school psychologist would normally be expected to serve.
Sec. 5. A school psychologist who is endorsed under this chapter may not disclose any information acquired from persons with whom the school psychologist has dealt in a professional capacity, except under the following circumstances:
(1) Trials for homicide when the disclosure relates directly to the fact or immediate circumstances of the homicide.
(2) Proceedings:
   (A) to determine mental competency; or
   (B) in which a defense of mental incompetency is raised.
(3) Civil or criminal actions against a school psychologist for malpractice.
(4) Upon an issue as to the validity of a document.
(5) If the school psychologist has the express consent of the client or, in the case of a client's death or disability, the express consent of the client's legal representative.
(6) Circumstances under which privileged communication is lawfully invalidated.

SECTION 13. IC 20-29 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 29. COLLECTIVE BARGAINING FOR TEACHERS
Chapter 1. Findings and Intent
Sec. 1. The general assembly declares the following:
(1) The citizens of Indiana have a fundamental interest in the development of harmonious and cooperative relationships between school corporations and their certificated employees.
(2) Recognition by school employers of the right of school employees to organize and acceptance of the principle and procedure of collective bargaining between school employers and school employee organizations can alleviate various forms of strife and unrest.
(3) The state has a basic obligation to protect the public by attempting to prevent any material interference with the normal public school educational process.
(4) The relationship between school corporation employers and certificated school employees is not comparable to the relationship between private employers and employees for the following reasons:
   (A) A public school corporation is not operated for profit but to ensure the citizens of Indiana rights guaranteed them by the Constitution of the State of Indiana.
   (B) The obligation to educate children and the methods by which the education is effected will change rapidly with:
      (i) increasing technology;
      (ii) the needs of an advancing civilization; and
      (iii) requirements for substantial educational innovation.
   (C) The general assembly has delegated the discretion to carry out this changing and innovative educational function to the governing bodies of school corporations, composed of citizens elected or appointed under applicable law, a delegation that these bodies may not and should not bargain away.
   (D) Public school corporations have different obligations concerning certificated school employees under constitutional and statutory requirements than private employers have to their employees.

Chapter 2. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Bargain collectively" means the performance of the mutual obligation of the school employer and the exclusive representative to:
(1) meet at reasonable times to negotiate in good faith concerning the items enumerated in IC 20-29-6-4; and
(2) execute a written contract incorporating any agreement relating to the matters described in subdivision (1).

Sec. 3. "Board" refers to the Indiana education employment relations board established by IC 20-29-3-1.

Sec. 4. "Certificated employee" means a person:
(1) whose contract with the school corporation requires that the person hold a license or permit from the professional standards board under IC 20-28; or
(2) who is employed as a teacher by a charter school established under IC 20-24.

Sec. 5. "Confidential employee" means a school employee whose:
(1) unrestricted access to confidential personnel files; or
(2) functional responsibilities or knowledge in connection with the issues involved in dealings between the school corporation and its employees;

makes the school employee's membership in a school employee organization incompatible with the school employee's official duties.

Sec. 6. "Deficit financing" for a budget year means expenditures exceeding the money legally available to the employer.

Sec. 7. "Discuss" means the performance of the mutual obligation of the school corporation through its superintendent and the exclusive representative to meet at reasonable times to:
(1) discuss;
(2) provide meaningful input; or
(3) exchange points of view;

with respect to items enumerated in IC 20-29-6-7.

Sec. 8. "Employees performing security work" means a school employee:
(1) whose primary responsibility is the protection of personal and real property owned or leased by the school corporation; or
(2) who performs police or quasi-police powers.

Sec. 9. "Exclusive representative" means the:
(1) school employee organization that has been:
   (A) certified for purposes of this article by the board; or
   (B) recognized by a school employer as the exclusive representative of the employees in an appropriate unit;
under IC 20-29-5-1 through IC 20-29-5-5; or
(2) person or persons authorized to act on behalf of a representative described in subdivision (1).

Sec. 10. "Governing body" means:
(1) a township trustee and the township board of a school township;
(2) a county board of education;
(3) a board of school commissioners;
(4) a metropolitan board of education;
(5) a board of trustees;
(6) any other board or commission charged by law with the responsibility of administering the affairs of a school corporation; or
(7) the body that administers a charter school established under IC 20-24.

Sec. 11. "Noncertificated employee" means a school employee whose employment is not dependent on the holding of a license or permit under IC 20-28.

Sec. 12. "School corporation" means a local public school corporation established under Indiana law. The term includes any:
(1) school city;
(2) school town;
(3) school township;
(4) consolidated school corporation;
(5) metropolitan school district;
(6) township school corporation;
(7) county school corporation;
(8) united school corporation;
(9) community school corporation; and
(10) public vocational school or school for children with disabilities established or maintained by two (2) or more school corporations.

Sec. 13. "School employee" means a full-time certificated person in the employment of the school employer. A school employee is considered full time even though the employee does not work during school vacation periods and accordingly works less than a full year. The term does not include:
(1) supervisors;
(2) confidential employees;
(3) employees performing security work; and
(4) noncertificated employees.

Sec. 14. "School employee organization" means an organization that:
(1) has school employees as members; and
(2) as one (1) of its primary purposes, represents school employees in dealing with their school employer. The term includes a person or persons authorized to act on behalf of the organization.

Sec. 15. "School employer" means:
(1) the governing body of each:
   (A) school corporation; or
   (B) charter school established under IC 20-24; and
(2) a person or persons authorized to act for the governing body of the school employer in dealing with its employees.

Sec. 16. "Strike" means:
(1) concerted failure to report for duty;
(2) willful absence from one's position;
(3) stoppage of work; or
(4) abstinence in whole or in part from the full, faithful, and proper performance of the duties of employment; without the lawful approval of the school employer or in any concerted manner interfering with the operation of the school employer for any purpose.

Sec. 17. "Submission date" means the first date for the legal notice and publication of the budget of a school corporation under IC 6-1.1-17-3.

Sec. 18. "Superintendent" means:
(1) the chief administrative officer of a:
   (A) school corporation; or
   (B) charter school established under IC 20-24; or
(2) a person or persons designated by the officer or by the governing body to act in the officer's behalf in dealing with school employees.

Sec. 19. "Supervisor" means an individual who has:
(1) authority, acting for the school corporation, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline school employees;
(2) responsibility to direct school employees and adjust their grievances; or
(3) responsibility to effectively recommend the action described in subdivisions (1) through (2); that is not of a merely routine or clerical nature but requires the use of independent judgment. The term includes superintendents, assistant superintendents, business managers and supervisors, directors with
school corporationwide responsibilities, principals and vice principals, and department heads who have responsibility for evaluating teachers.

Chapter 3. Indiana Education Employment Relations Board

Sec. 1. The Indiana education employment relations board is established.

Sec. 2. The board consists of three (3) members appointed by the governor to serve at the governor’s pleasure.

Sec. 3. The governor shall designate one (1) member of the board to serve as chairperson.

Sec. 4. Not more than two (2) members of the board may be members of the same political party.

Sec. 5. Each member of the board is appointed for a term of four (4) years. A member appointed to fill a vacancy is appointed for the unexpired term of the member whom the appointed member is to succeed.

Sec. 6. Members may not:

1. hold:
   (A) another public office; or
   (B) employment by the state, a public agency, or a public employer;
2. be an officer or employee of a school employee organization or any affiliate of an organization; or
3. represent a:
   (A) school employer; or
   (B) school employee organization, or an organization's affiliates.

Sec. 7. Section 6 of this chapter does not apply to an individual on the teaching staff of a university who is knowledgeable in public administration or labor law if the individual is not actively engaged, other than as a member, with any labor or employee organization. This section shall be construed liberally to effectuate the intent of the general assembly.

Sec. 8. The chairperson of the board shall give full time to the chairperson's duties and may not engage in any other business, vocation, or employment.

Sec. 9. The members of the board (other than the chairperson) receive as compensation payment equal to that of the chairperson, computed on a daily rate and paid for every day actually spent serving on the board.

Sec. 10. Two (2) members of the board constitute a quorum.
Sec. 11. The board has the following powers:
   (1) To adopt an official seal and prescribe the purposes for which the seal may be used.
   (2) To hold hearings and make inquiries as the board considers necessary to carry out properly the board’s functions and powers.
   (3) To establish a principal office in Indianapolis.
   (4) To meet and exercise the board’s powers at any other place in Indiana.
   (5) To conduct in any part of Indiana a proceeding, a hearing, an investigation, an inquiry, or an election necessary to the performance of the board’s functions. For this purpose, the board may designate one (1) member, or an agent or agents, as hearing examiners. The board may use voluntary and uncompensated services as needed.
   (6) To appoint staff and attorneys as the board finds necessary for the proper performance of its duties. The attorneys appointed under this section may, at the direction of the board, appear for and represent the board in court.
   (7) To pay the reasonable and necessary traveling and other expenses of an employee, a member, or an agent of the board.
   (8) To subpoena witnesses and issue subpoenas requiring the production of books, papers, records, and documents that may be needed as evidence in any matter under inquiry, and to administer oaths and affirmations. In cases of neglect or refusal to obey a subpoena issued to a person, the circuit or superior court of the county in which the investigations or the public hearings are taking place, upon application by the board, shall issue an order requiring the person to:
      (A) appear before the board; and
      (B) produce evidence about the matter under investigation.
A failure to obey the order may be punished by the court as a contempt. A subpoena, notice of hearing, or other process of the board issued under this chapter shall be served in the manner prescribed by the Indiana Rules of Trial Procedure.
   (9) To adopt, amend, or rescind rules the board considers necessary and administratively feasible to carry out this chapter under IC 4-22-2.
   (10) To request from any public agency the assistance, services, and data that will enable the board properly to carry out the
board's functions and powers.

(11) To publish and report in full an opinion in every case decided by the board.

Sec. 12. The board shall organize the board's staff to provide for the functions of:

(1) unit determination;
(2) unfair labor practice processing;
(3) conciliation and mediation;
(4) factfinding; and
(5) research.

Sec. 13. In connection with conciliation and mediation or factfinding, the board may:

(1) use full-time employees; or
(2) appoint employees for specific cases from a panel the board establishes.

Sec. 14. The board's research division must be organized to provide:

(1) statistical data on the resources of each school corporation;
(2) the substance of any agreements reached by each school corporation; and
(3) other relevant data.

Chapter 4. Rights and Responsibilities of School Employees and Employers

Sec. 1. School employees may:

(1) form, join, or assist school employee organizations;
(2) participate in collective bargaining with school employers through representatives of their own choosing; and
(3) engage in other activities, individually or in concert; to establish, maintain, or improve salaries, wages, hours, salary and wage related fringe benefits, and other matters set forth in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.

Sec. 2. (a) A school employee may not be required to join or financially support through the payment of:

(1) fair share fees;
(2) representation fees;
(3) professional fees; or
(4) other fees; a school employee organization.

(b) A rule, regulation, or contract provision requiring financial support from a school employee to a school employee organization is
void.

Sec. 3. School employers have the responsibility and authority to manage and direct on behalf of the public the operations and activities of the school corporation to the full extent authorized by law, including but not limited to the following:

(1) Direct the work of the school employer's employees.
(2) Establish policy through procedures established in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.
(3) Hire, promote, demote, transfer, assign, and retain employees through procedures established in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.
(4) Suspend or discharge employees in accordance with applicable law through procedures established in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.
(5) Maintain the efficiency of school operations.
(6) Relieve employees from duties because of lack of work or other legitimate reason through procedures established in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.
(7) Take actions necessary to carry out the mission of the public schools as provided by law.

Chapter 5. Units and Exclusive Representatives

Sec. 1. (a) The exclusive representative shall serve for school employees within certain groups referred to in this chapter as units or bargaining units. A bargaining unit may not contain both certificated and noncertificated employees. Subject to this limitation, the units for which an exclusive representative serves are determined in accordance with subsections (b) through (d).

(b) The parties may agree on the appropriate unit. For this purpose, the parties consist of the school employer and a school employee organization representing at least twenty percent (20%) of the school employees in a proposed unit.

(c) If the parties do not reach an agreement on the appropriate unit, or if a school employee in the proposed unit files a complaint about the unit with the board, the board shall determine the proper unit after a hearing. The board's decision must be based on but not limited to the following considerations:

(1) Efficient administration of school operations.
(2) The existence of a community of interest among school employees.
(3) The effects on the school corporation and school employees of
fragmentation of units.

(4) Recommendations of the parties involved.

(d) In making a determination under subsection (c), the board shall give notice to all interested parties in accordance with the rules of the board. In giving notice under this subsection, the board is not required to follow IC 4-21.5.

Sec. 2. (a) A school employer may recognize as the exclusive representative of the school employer's employees within an appropriate unit a school employee organization that presents to the employer evidence of the school employee organization's representation of a majority of the school employees within the unit, unless:

1. another school employee organization representing twenty percent (20%) of the school employees within the unit files written objections to the recognition; or
2. a school employee files a complaint to the composition of the unit with the school employer or the board within the notice period set forth in this section.

(b) Before recognizing an exclusive representative under this section, the school employer shall post a written public notice of the school employer's intention to recognize the school employee organization as exclusive representative of the school employees within the unit. The notice must be posted, for thirty (30) calendar days immediately preceding recognition, in each of the buildings where the school employees in any unit principally work.

Sec. 3. (a) If an exclusive school employee organization is not determined under section 2 of this chapter, the determination of whether a school employee organization shall be the exclusive representative shall be determined under this section.

(b) A school employee organization may file a petition asserting that:

1. twenty percent (20%) of the employees in an appropriate unit wish to be represented for collective bargaining by the school employee organization as exclusive representative; or
2. the designated exclusive representative is no longer the representative of the majority of school employees in the unit.

(c) The school employer may file a petition asserting that:

1. that one (1) or more school employee organizations have presented to the school employer a claim to be recognized as the exclusive representative in an appropriate unit; or
(2) that the school employer has good faith doubt that the previously certified school employee organization represents a majority of employees in the bargaining unit.

(d) Twenty percent (20%) of the school employees in a unit may file a petition asserting that the designated exclusive representative is no longer the representative of the majority of school employees in the unit.

(e) The board shall investigate a petition filed under subsection (b), (c), or (d). If the board has reasonable cause to believe that a question exists as to whether the designated exclusive representative or any school employee organization represents a majority of the school employees in a unit, the board shall provide for an appropriate hearing within thirty (30) days. In holding a hearing, the board is not required to comply with IC 4-21.5.

(f) If the board finds, based on the record of a hearing held under subsection (e), that a question of representation exists, the board shall direct an election by secret ballot in a unit the board determines to be appropriate.

(g) Certification as the exclusive representative may be granted only to a school employee organization that has been selected in a secret ballot election under subsection (f), by a majority of all the employees in an appropriate unit as their representative.

(h) An election described in subsection (f) may not be held in a bargaining unit if a valid election has been held in the preceding twenty-four (24) month period.

Sec. 4. In any election under this chapter, the board shall:

(1) determine who is eligible to vote in the election; and
(2) establish rules governing the election.

Sec. 5. The ballot in an election under this chapter must contain the following:

(1) The name of the petitioning school employee organization.
(2) The names of any other school employee organization showing written evidence satisfactory to the board of at least twenty percent (20%) representation of the school employees within the unit.
(3) A provision for choosing "No representation by a school employee organization."

Sec. 6. (a) The school employer shall, on receipt of the written authorization of a school employee:

(1) deduct from the pay of the employee any dues designated or
certified by the appropriate officer of a school employee organization that is an exclusive representative of any employees of the school employer; and
(2) remit the dues described in subdivision (1) to the school employee organization.

(b) Deductions under this section must be consistent with:
(1) IC 22-2-6;
(2) IC 22-2-7; and
(3) IC 20-28-9-18.

Chapter 6. Collective Bargaining
Sec. 1. School employers and school employees shall:
(1) have the obligation and the right to bargain collectively the items set forth in section 4 of this chapter;
(2) have the right and obligation to discuss any item set forth in section 7 of this chapter; and
(3) enter into a contract embodying any of the matters on which they have bargained collectively.

Sec. 2. A contract entered into under this chapter may not include provisions that conflict with:
(1) any right or benefit established by federal or state law;
(2) school employee rights set forth in IC 20-29-4-1 and IC 20-29-4-2; or
(3) school employer rights set forth in IC 20-29-4-3.

Sec. 3. (a) It is unlawful for a school employer to enter into any agreement that would place the employer in a position of deficit financing.

(b) A contract that provides for deficit financing is void to that extent, and an individual teacher’s contract executed under the contract is void to that extent.

Sec. 4. A school employer shall bargain collectively with the exclusive representative on the following:

(1) Salary.
(2) Wages.
(3) Hours.
(4) Salary and wage related fringe benefits, including accident, sickness, health, dental, or other benefits under IC 20-26-5-4 that were subjects of bargaining on July 1, 2001.

Sec. 5. A contract entered into under this chapter may contain a grievance procedure culminating in final and binding arbitration of unresolved grievances. However, the binding arbitration has no power
to amend, add to, subtract from, or supplement provisions of the contract.

Sec. 6. The obligation to bargain collectively does not include the final approval of a contract concerning any items. Agreements reached through collective bargaining are binding as a contract only if ratified by the governing body of the school corporation and the exclusive representative. The obligation to bargain collectively does not require the school employer or the exclusive representative to agree to a proposal of the other or to make a concession to the other.

Sec. 7. (a) A school employer shall discuss with the exclusive representative of certificated employees the items listed in subsection (b).

(b) A school employer may but is not required to bargain collectively, negotiate, or enter into a written contract concerning, be subject to, or enter into impasse procedures on the following matters:

1. Working conditions, other than those provided in section 4 of this chapter.
2. Curriculum development and revision.
4. Teaching methods.
5. Hiring, promotion, demotion, transfer, assignment, and retention of certificated employees, and changes to any of the requirements set forth in IC 20-28-6 through IC 20-28-8.
6. Student discipline.
7. Expulsion or supervision of students.
8. Pupil/teacher ratio.
9. Class size or budget appropriations.

(c) Items included in the 1972-1973 agreements between an employer school corporation and the school employee organization continue to be bargainable.

Sec. 8. The obligation to discuss does not require either party to enter into a contract, agree to a proposal, or make a concession. A failure to reach an agreement on a matter of discussion does not require the use of any part of the impasse procedure under IC 20-29-8.

Sec. 9. The obligation to bargain collectively or discuss a matter does not prevent:

1. a school employee from petitioning the school employer, governing body, or superintendent for a redress of the employee's grievances, either individually or through the exclusive representative; or
(2) the school employer or superintendent from conferring with a citizen, taxpayer, student, school employee, or other person considering the operation of the schools and the school corporation.

Sec. 10. Nothing shall prevent a superintendent or the superintendent's designee from making recommendations to the school employer.

Sec. 11. This chapter may not be construed to limit the rights of the school employer and the exclusive representative to mutually agree to the matters authorized under IC 20-28-7-13.

Sec. 12. Collective bargaining between a school corporation and the exclusive representative shall begin not later than one hundred eighty (180) days before the submission date of a budget by a school employer.

Sec. 13. At any time after the one hundred eighty (180) days described in section 12 of this chapter has begun, the board shall appoint a mediator if either party declares an impasse either:

(1) in the scope of the items that are to be bargained collectively; or

(2) on the substance of any item to be bargained collectively.

If after five (5) days the mediator is unsuccessful in finding a solution to the problems or in causing the parties to reach agreement, either party may request the board to initiate factfinding on the items that the parties are obligated to bargain collectively.

Sec. 14. If an agreement has not been reached on the items to be bargained collectively seventy-five (75) days before the submission date of a budget by a school employer, the board shall initiate mediation.

Sec. 15. If an agreement has not been reached on the items to be bargained collectively forty-five (45) days before the submission date of a budget by a school employer, the board shall initiate factfinding.

Sec. 16. (a) If an agreement has not been reached on the items to be bargained collectively fourteen (14) days before the submission date of a budget by a school employer, the parties shall continue the status quo, and the school employer may issue tentative individual contracts and prepare its budget on that basis. During this status quo period, in order to allow the successful resolution of the dispute, the school employer may not unilaterally change the terms or conditions of employment that are issues in dispute.

(b) This section may not be construed as relieving the school
employer or the school employee organization from the duty to bargain collectively until a mutual agreement has been reached and a contract entered as called for in this chapter.

Sec. 17. At any time after the one hundred eighty (180) days described in section 12 of this chapter has begun:

(1) either party may request mediation or factfinding on items; or
(2) the parties may act together to request mediation or factfinding on any items;

that must be bargained collectively under section 4 of this chapter.

Chapter 7. Unfair Practices
Sec. 1. It is an unfair practice for a school employer to do any of the following:

(1) Interfere with, restrain, or coerce school employees in the exercise of the rights guaranteed in IC 20-29-4.
(2) Dominate, interfere, or assist in the formation or administration of any school employee organization or contribute financial or other support to the organization. Subject to rules adopted by the governing body, a school employer may permit school employees to confer with the school employer or with any school employee organization during working hours without loss of time or pay.
(3) Encourage or discourage membership in any school employee organization through discrimination in regard to:
   (A) hiring;
   (B) tenure of employment; or
   (C) any term or condition of employment.
(4) Discharge or otherwise discriminate against a school employee because the employee has filed a complaint, affidavit, petition, or any information or testimony under this article.
(5) Refuse to:
   (A) bargain collectively; or
   (B) discuss;
with an exclusive representative as required by this article.
(6) Fail or refuse to comply with any provision of this article.

Sec. 2. It is an unfair practice for a school employee organization or the organization's agents to do any of the following:

(1) Interfere with, restrain, or coerce:
   (A) school employees in the exercise of the rights guaranteed by this article; or
(B) a school employer in the selection of its representatives for the purpose of bargaining collectively, discussing, or adjusting grievances.

This subdivision does not impair the right of a school employee organization to adopt its own rules with respect to the acquisition or retention of membership in the school employee organization.

(2) Cause or attempt to cause a school employer to discriminate against an employee in violation of section 1 of this chapter.

(3) Refuse to bargain collectively with a school employer if the school employee organization is the exclusive representative.

(4) Fail or refuse to comply with any provision of this article.

Sec. 3. This chapter does not in any way restrict the right of a:

(1) school employer; or

(2) school employee organization;

to bring suit for specific performance or breach of performance, or both, of a collective bargaining contract in any court having jurisdiction.

Sec. 4. (a) Unfair practices are remediable under this section.

(b) A school employer or a school employee who believes the employer or employee is aggrieved by an unfair practice may file a complaint under oath:

(1) setting out a summary of the facts involved; and

(2) specifying the section or sections of this article alleged to have been violated.

(c) The board shall:

(1) give notice to the person or school employee organization against whom the complaint is directed; and

(2) determine the matter raised in the complaint.

(d) Appeals may be taken under IC 4-21.5-3.

(e) A hearing examiner or agent of the board, who may be a member of the board, may:

(1) take testimony; and

(2) make findings and conclusions.

(f) The board, but not a hearing examiner or agent of the board, may enter the interlocutory orders, after summary hearing, the board considers necessary in carrying out the intent of this chapter.

Chapter 8. Impasse Procedures

Sec. 1. The purposes of mediation of disputes between school employers and exclusive representatives are the following:

(1) To delineate the problems involved in bargaining collectively.
(2) To find solutions that can reasonably be accepted by both parties.
(3) To determine common grounds, if any.

Sec. 2. The board shall establish and hire a:
(1) permanent staff of mediators; and
(2) panel of part-time mediators.

Sec. 3. When a mediator is requested or required under IC 20-29-6, the board shall appoint a mediator from the staff or panel established under section 2 of this chapter.

Sec. 4. The mediation process is confidential in nature. The mediator is not subject to the subpoena power of courts or other administrative agencies of the state regarding the subjects discussed as a part of the mediation process.

Sec. 5. The purpose of factfinding is to give a neutral advisory opinion whenever the parties are unable by themselves, or through a mediator, to resolve a dispute.

Sec. 6. (a) The board shall establish and hire a:
(1) permanent staff of factfinders; and
(2) panel of part-time factfinders.
(b) The persons described in subsection (a) may also be mediators.

Sec. 7. (a) When a factfinder is requested or required under IC 20-29-6, the board shall appoint a factfinder from the staff or panel established under section 6 of this chapter.
(b) The factfinder shall make an investigation and hold hearings as the factfinder considers necessary in connection with a dispute.
(c) The factfinder may restrict the factfinder's findings to those issues that the factfinder determines significant.
(d) The factfinder may use evidence furnished to the factfinder by:
(1) the parties;
(2) the board;
(3) the board's staff; or
(4) any other state agency.
(e) The factfinder shall make a recommendation as to the settlement of the disputes over which the factfinder has jurisdiction.
(f) The factfinder shall:
(1) make the investigation, hearing, and findings as expeditiously as the circumstances permit; and
(2) deliver the findings to the parties and to the board.
(g) The board, after receiving the findings and recommendations, may make additional findings and recommendations to the parties
based on information in:
   (1) the report; or
   (2) the board's own possession.

(h) At any time within five (5) days after the findings and recommendations
are delivered to the board, the board may make the findings and
recommendations of the factfinder and the board's additional findings and
recommendations, if any, available to the public through news media and other
means the board considers effective.

(i) The board shall make the findings and recommendations
described in subsection (h) available to the public not later than ten
(10) days after the findings and recommendations are delivered to the
board.

Sec. 8. In conducting hearings and investigations, the factfinder is
not bound by IC 4-21.5. The factfinder shall, however, consider the
following factors:
   (1) Past memoranda of agreements and contracts between the
parties.
   (2) Comparisons of wages and hours of the employees involved
with wages of other employees working for other public agencies
and private concerns doing comparable work, giving
consideration to factors peculiar to the school corporation.
   (3) The public interest.
   (4) The financial impact on the school corporation and whether
any settlement will cause the school corporation to engage in
deficit financing.

Sec. 9. The school employer and the exclusive representative may
also at any time submit any issue in dispute to final and binding
arbitration to an arbitrator appointed by the board. The award in the
arbitration constitutes the final contract between the parties for the
issue.

Sec. 10. A person who has served as a mediator in a dispute
between a school employer and an exclusive representative may not
serve as a factfinder or an arbitrator in a dispute arising in the same
school corporation within a period of five (5) years except by the
mutual consent of the parties.

Sec. 11. Mediators and factfinders may not be employed on a
full-time or part-time basis by:
   (1) a public school employer that is a school corporation; or
   (2) an organization of:
(A) public employees; or
(B) public employers; or
(3) affiliates of an organization described in subdivision (2)(A) or
(2)(B).

Sec. 12. The board shall pay the following:
(1) The compensation and expenses of any mediator or
factfinder.
(2) The cost of an arbitrator, which shall be reimbursed
equally by the two (2) parties under procedures for
collection and payment established by the board.

Sec. 13. (a) The investigation, hearing, and findings of the
factfinder must be:
(1) made as expeditiously as the circumstances allow; and
(2) delivered to the parties and to the board.
(b) The board, after receiving the findings and recommendations
under subsection (a), may make additional findings and
recommendations to the parties based upon information in the report
or in the board's possession.
(c) The board:
(1) may, at any time within five (5) days; and
(2) shall, within ten (10) days;
after receiving the findings and recommendations delivered under
subsection (a), make the findings and recommendations of the
factfinder and the board's additional findings and recommendations,
if any, available to the public through the news media and any other
means.

Sec. 14. If a school employer issues tentative individual contracts,
the board shall provide for further mediation and factfinding until an
agreement is reached.

Chapter 9. Strikes
Sec. 1. It is unlawful for:
(1) a school employee;
(2) a school employee organization; or
(3) an affiliate, including state or national affiliates, of a school
employee organization;
to take part in or assist in a strike against a school employer or school
corporation.

Sec. 2. A school corporation or school employer may in:
(1) an action at law;
(2) a suit in equity; or
(3) another proper proceeding; take action against a school employee organization, an affiliate of a school employee organization, or any person aiding or abetting in a strike for redress of the unlawful act.

Sec. 3. If an exclusive representative:
(1) engages in; or
(2) aids or abets in; a strike, the exclusive representative shall lose the exclusive representative's dues deduction privilege for one (1) year.

Sec. 4. A regulation, rule, or law concerning the minimum length of a school year may not:
(1) apply; or
(2) require makeup days; if schools in a school corporation are closed as a result of a school employee strike.

Sec. 5. A school corporation shall not pay a school employee for any day when the school employee fails, as a result of a strike, to report for work as required by the school year calendar.

SECTION 14. IC 20-30 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 30. CURRICULUM
Chapter 1. Applicability
Sec. 1. This article applies only to the following:
(1) Public schools.
(2) Nonpublic schools that voluntarily have become accredited under IC 20-19-2-8.

Chapter 2. Calendar
Sec. 1. As used in this chapter, "instructional time" is time during which students are participating in:
(1) an approved course;
(2) a curriculum; or
(3) an educationally related activity; under the direction of a teacher, including a reasonable amount of passing time between classes. Instructional time does not include lunch or recess.

Sec. 2. A student instructional day in grades 1 through 6 consists of at least five (5) hours of instructional time. A student instructional day in grades 7 through 12 consists of at least six (6) hours of instructional time.
Sec. 3. For each school year, a school corporation shall conduct at least one hundred eighty (180) student instructional days. Not later than June 15 of each school year, the superintendent of each school corporation shall certify to the department the number of student instructional days conducted during that school year.

Sec. 4. If a school corporation fails to conduct the minimum number of student instructional days during a school year as required under section 3 of this chapter, the department shall reduce the August tuition support distribution to that school corporation for a school year by an amount determined as follows:

STEP ONE: Determine the remainder of:
(A) the amount of the total tuition support allocated to the school corporation for the particular school year; minus
(B) that part of the total tuition support allocated to the school corporation for that school year with respect to student instructional days one hundred seventy-six (176) through one hundred eighty (180).

STEP TWO: Subtract the number of student instructional days that the school corporation conducted from one hundred eighty (180).

STEP THREE: Determine the lesser of five (5) or the remainder determined under STEP TWO.

STEP FOUR: Divide the amount subtracted under STEP ONE(B) by five (5).

STEP FIVE: Multiply the quotient determined under STEP FOUR by the number determined under STEP THREE.

STEP SIX: Subtract the number determined under STEP THREE from the remainder determined under STEP TWO.

STEP SEVEN: Divide the remainder determined under STEP ONE by one hundred seventy-five (175).

STEP EIGHT: Multiply the quotient determined under STEP SEVEN by the remainder determined under STEP SIX.

STEP NINE: Add the product determined under STEP FIVE to the product determined under STEP EIGHT.

Sec. 5. The department may grant a waiver of the penalty imposed under section 4 of this chapter for a particular number of canceled student instructional days if:

(1) the school corporation applies to the department for a waiver of the penalty imposed under section 4 of this chapter for a specific number of canceled student instructional days; and
Sec. 6. The department shall develop guidelines for school corporations to apply for a waiver under section 5 of this chapter.

Sec. 7. The minimum length for a school term is nine (9) months.

Chapter 3. Annual and Patriotic Observances

Sec. 1. (a) The last Friday of April is designated for general observance as Arbor Day to encourage the planting of shade and forest trees, shrubs, and vines.

(b) Each year the governor shall proclaim Arbor Day at least thirty (30) days before it occurs.

(c) Appropriate exercises giving due honor to:

(1) the conservators of forestry;

(2) the founders of the study and conservation of Indiana forestry; and

(3) a leading spirit of Indiana forestry conservation, Charles Warren Fairbanks;

may be prepared by each superintendent and conducted in each school and by communities throughout Indiana.

Sec. 2. The public schools shall appropriately observe the commemorations designated in IC 1-1-9 through IC 1-1-11.

Sec. 3. The state board shall:

(1) require the singing of the entire national anthem, "The Star Spangled Banner", in each school on all patriotic occasions; and

(2) arrange to supply the words and music in sufficient quantity for these purposes.

Sec. 4. (a) Each governing body shall procure a United States flag that is four (4) feet by six (6) feet for each school under the governing body's supervision.

(b) If weather conditions permit, each governing body shall require that the United States flag be displayed on every school under the governing body's control on every day the school is in session. If the flag is not displayed outdoors for any reason, the flag must be displayed in the principal room or assembly hall. Each governing body shall establish rules and regulations for the proper care, custody, and display of the flag.

(c) A person who violates subsection (b) commits a Class C infraction.

Chapter 4. Student Career Plan
Sec. 1. As used in this chapter, "student" refers to a student who is enrolled in a school corporation in at least grade 9.

Sec. 2. In consultation with the student's guidance counselor, after seeking consultation with each student's parents, and not later than the date on which the student completes grade 9, each student shall develop a career plan in which the student does the following:

1. Indicates the subject and skill areas of interest to the student.
2. Designs a program of study under the college/technology preparation curriculum adopted by the state board under IC 20-30-10-2 for grades 10, 11, and 12 that meets the interests and aptitude of the student.
3. Ensures that upon satisfactory fulfillment of the plan the student:
   A. is entitled to graduate; and
   B. will have taken at least the minimum variety and number of courses necessary to gain admittance to a state educational institution (as defined in IC 20-12-0.5-1).

Sec. 3. Any decisions regarding the requirements under this chapter for a student who is a child with a disability under IC 20-35 shall be made in accordance with the individualized education program for that student and federal law.

Sec. 4. A career plan may be modified after initial development. However, the modifications may not interfere with the assurances described in section 2(3) of this chapter.

Sec. 5. This chapter may not be construed to prevent a student who chooses a particular curriculum under IC 20-30-12 or IC 20-30-10 from including within the student's career plan individual courses or programs that:

1. are not included within the student's chosen curriculum; and
2. the student is otherwise eligible to take.

Chapter 5. Mandatory Curriculum

Sec. 1. (a) In each of grades 6 through 12, every public and nonpublic school shall provide instruction on the constitutions of:

1. Indiana; and
2. the United States.

(b) In public elementary schools, instruction on the constitutions shall be included as a part of American history. In public high schools, instruction on the constitutions shall be included as a part of civics or another course, as the state board may require by rules. Failure of any public school teacher or principal to comply with this requirement
constitutes misconduct in office under IC 20-28-5-7.

(c) Each nonpublic elementary school and high school shall provide instruction under this section as required by the state board.

Sec. 2. (a) Each public and nonpublic high school shall provide a required course that is:
(1) not less than one (1) year of school work; and
(2) in the:
   (A) historical;
   (B) political;
   (C) civic;
   (D) sociological;
   (E) economical; and
   (F) philosophical;

aspects of the constitutions of Indiana and the United States.

(b) The state board shall:
(1) prescribe the course described in this section and the course's appropriate outlines; and
(2) adopt the necessary textbooks for uniform instruction.

(c) A high school student may not receive a diploma unless the student has successfully completed the interdisciplinary course described in this section.

Sec. 3. (a) This section applies to the following writings, documents, and records:
(2) The national motto.
(3) The national anthem.
(4) The Pledge of Allegiance.
(6) The Declaration of Independence.
(7) The Mayflower Compact.
(8) The Federalist Papers.
(9) "Common Sense" by Thomas Paine.
(10) The writings, speeches, documents, and proclamations of the founding fathers and presidents of the United States.
(11) United States Supreme Court decisions.
(12) Executive orders of the presidents of the United States.
(13) Frederick Douglass' Speech at Rochester, New York, on July 5, 1852, entitled "What to a Slave is the Fourth of July?".
(14) Appeal by David Walker.
(15) Chief Seattle's letter to the United States government in 1852
in response to the United States government's inquiry regarding the purchase of tribal lands.

(b) A school corporation may allow a principal or teacher in the school corporation to read or post in a school building or classroom or at a school event any excerpt or part of a writing, document, or record listed in subsection (a).

(c) A school corporation may not permit the content based censorship of American history or heritage based on religious references in a writing, document, or record listed in subsection (a).

(d) A library, a media center, or an equivalent facility that a school corporation maintains for student use must contain in the facility's permanent collection at least one (1) copy of each writing or document listed in subsection (a)(1) through (a)(9).

(e) A school corporation:

(1) shall allow a student to include a reference to a writing, document, or record listed in subsection (a) in a report or other work product; and
(2) may not punish the student in any way, including a reduction in grade, for using the reference.

Sec. 4. (a) Each public school and nonpublic school shall provide within the two (2) weeks preceding a general election for all students in grades 6 through 12 five (5) full recitation periods of class discussion concerning:

(1) the system of government in Indiana and in the United States;
(2) methods of voting;
(3) party structures;
(4) election laws; and
(5) the responsibilities of citizen participation in government and in elections.

(b) A student may not receive a high school diploma unless the student has completed a two (2) semester course in American history.

(c) If a public school superintendent violates this section, the state superintendent shall receive and record reports of the violations. The general assembly may examine these reports.

Sec. 5. (a) Each public school teacher and nonpublic school teacher who is employed to instruct in the regular courses of grades 1 through 12 shall present the teacher's instruction with special emphasis on:

(1) honesty;
(2) morality;
(3) courtesy;
(4) obedience to law;
(5) respect for the national flag and the Constitution of the State of Indiana and the Constitution of the United States;
(6) respect for parents and the home;
(7) the dignity and necessity of honest labor; and
(8) other lessons of a steadying influence that tend to promote and develop an upright and desirable citizenry.

(b) The state superintendent shall prepare outlines or materials for the instruction described in subsection (a) and incorporate the instruction in the regular courses of grades 1 through 12.

Sec. 6. (a) This section applies only to public schools.

(b) As used in this section, "good citizenship instruction" means integrating instruction into the current curriculum that stresses the nature and importance of the following:

(1) Being honest and truthful.
(2) Respecting authority.
(3) Respecting the property of others.
(4) Always doing the student's personal best.
(5) Not stealing.
(6) Possessing the skills (including methods of conflict resolution) necessary to live peaceably in society and not resorting to violence to settle disputes.
(7) Taking personal responsibility for obligations to family and community.
(8) Taking personal responsibility for earning a livelihood.
(9) Treating others the way the student would want to be treated.
(10) Respecting the national flag, the Constitution of the United States, and the Constitution of the State of Indiana.
(11) Respecting the student's parents and home.
(12) Respecting the student's self.
(13) Respecting the rights of others to have their own views and religious beliefs.

(c) The department shall:
(1) identify; and
(2) make available;
models of conflict resolution instruction to school corporations. The instruction may consist of a teacher training program that applies the techniques to the students in the classroom to assist school corporations in complying with this section.

Sec. 7. Each school corporation shall include in the school
corporation's curriculum the following studies:

(1) Language arts, including:
   (A) English;
   (B) grammar;
   (C) composition;
   (D) speech; and
   (E) second languages.

(2) Mathematics.

(3) Social studies and citizenship, including the:
   (A) constitutions;
   (B) governmental systems; and
   (C) histories;

   of Indiana and the United States.

(4) Sciences.

(5) Fine arts, including music and art.

(6) Health education, physical fitness, safety, and the effects of alcohol, tobacco, drugs, and other substances on the human body.

(7) Additional studies selected by each governing body, subject to revision by the state board.

Sec. 8. A course in safety education for at least one (1) full semester shall be taught in grade 8 of each public school and nonpublic school. The state board shall:

(1) prepare a guide for this course that:
   (A) the teacher shall use; and
   (B) may be revised under the direction of the state board; and

(2) adopt textbooks or other materials for the course under IC 20-20-5.

Sec. 9. (a) The principles of hygiene and sanitary science must be taught in grade 5 of each public school and may be taught in other grades. This instruction must explain the ways that dangerous communicable diseases are spread and the sanitary methods for disease prevention and restriction.

(b) The state health commissioner and the state superintendent shall jointly compile a leaflet describing the principles of hygiene, sanitary science, and disease prevention and shall supply the leaflets to each superintendent, who shall:

(1) supply the leaflets to each school; and

(2) require the teachers to comply with this section.

(c) Each prosecuting attorney to whom the state department of
health or the state department of health’s agents report any violation of this section shall commence proceedings against the violator.

(d) Any student who objects in writing, or any student less than eighteen (18) years of age whose parent or guardian objects in writing, to health and hygiene courses because the courses conflict with the student’s religious teachings is entitled to be excused from receiving medical instruction or instruction in hygiene or sanitary science without penalties concerning grades or graduation.

Sec. 10. (a) The governing body shall provide in each public school for the illustrative teaching of:

1. the spread of disease by:
   A. rats;
   B. flies; and
   C. mosquitoes;
   and the effects of disease; and

2. disease prevention by proper food selection and consumption.

(b) A school official who fails to comply with this section commits a Class C infraction.

Sec. 11. (a) For kindergarten through grade 12, the governing body of each school corporation shall provide instruction concerning the effects that:

1. alcoholic beverages;
2. tobacco;
3. prescription drugs; and
4. controlled substances;

have on the human body and society at large.

(b) The state board shall make available to all school corporations a list of appropriate available instructional material on the matters described in subsection (a).

(c) The department shall develop curriculum guides to assist teachers assigned to teach the material described in subsection (a).

(d) The state board shall approve drug education curricula for every grade from kindergarten through grade 12.

(e) The department shall provide assistance to each school corporation to train at least one (1) teacher in the school corporation in drug education.

Sec. 12. (a) Each school corporation shall:

1. include in the school corporation’s curriculum instruction concerning the disease acquired immune deficiency syndrome (AIDS); and
(2) integrate this effort to the extent possible with instruction on other dangerous communicable diseases.

(b) A school corporation shall consider the recommendations of the AIDS advisory council established under IC 20-34-1 concerning community standards on the:
   (1) content of the instruction;
   (2) manner in which the information is presented; and
   (3) grades in which the information is taught.

(c) Literature that is distributed to school children and young adults under this section must include information required by IC 20-34-3-17.

(d) The department, in consultation with the state department of health, shall develop AIDS educational materials. The department shall make the materials developed under this section available to school corporations.

Sec. 13. Throughout instruction on human sexuality or sexually transmitted diseases, an accredited school shall:

   (1) require a teacher to teach abstinence from sexual activity outside of marriage as the expected standard for all school age children;
   (2) include in the instruction that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems; and
   (3) include in the instruction that the best way to avoid sexually transmitted diseases and other associated health problems is to establish a mutually faithful monogamous relationship in the context of marriage.

Sec. 14. (a) To:

   (1) educate students on the importance of their future career choices;
   (2) prepare students for the realities inherent in the work environment; and
   (3) instill in students work values that will enable them to succeed in their respective careers;

   each school within a school corporation shall include in the school's curriculum for all students in grades 1 through 12 instruction concerning employment matters and work values.

(b) Each school shall:

   (1) integrate within the curriculum instruction that is; or
(2) conduct activities or special events periodically that are; designed to foster overall career awareness and career development as described in subsection (a).

(c) The department shall develop career awareness and career development models as described in subsection (d) to assist schools in complying with this section.

(d) The models described in this subsection must be developed in accordance with the following:
   (1) For grades 1 through 5, career awareness models to introduce students to work values and basic employment concepts.
   (2) For grades 6 through 8, initial career information models that focus on career choices as they relate to student interest and skills.
   (3) For grades 9 through 10, career exploration models that offer students insight into future employment options.
   (4) For grades 11 through 12, career preparation models that provide job or further education counseling, including the following:
      (A) Initial job counseling, including the use of job service officers to provide school based assessment, information, and guidance on employment options and the rights of students as employees.
      (B) Workplace orientation visits.
      (C) On-the-job experience exercises.

(e) The department, with assistance from the department of labor and the department of workforce development, shall:
   (1) develop and make available teacher guides; and
   (2) conduct seminars or other teacher training activities; to assist teachers in providing the instruction described in this section.

(f) The department shall, with assistance from the department of workforce development, design and implement innovative career preparation demonstration projects for students in at least grade 9.

Sec. 15. (a) Each school corporation shall include in the school corporation's high school health education curriculum instruction regarding breast cancer and testicular cancer as adopted by the state board, including the significance of early detection of these diseases through:
   (1) monthly self-examinations; and
   (2) regularly scheduled mammographies in the case of breast cancer.
(b) The department shall, in consultation with the state department of health, develop breast cancer and testicular cancer educational materials to be made available to school corporations to assist teachers assigned to teach the material described in this section.

c) The:
   (1) department shall develop guidelines; and
   (2) state board shall adopt rules under IC 4-22-2;
concerning the instruction required under this section to assist teachers assigned to teach the material described in this section.

Sec. 16. (a) Each school corporation shall include in the school corporation's high school health education curriculum instruction regarding the human organ donor program and blood donor program as adopted by the state board, including:
   (1) the purpose of the human organ donor program and blood donor program;
   (2) the statewide and nationwide need for human organ and blood donations; and
   (3) the procedure for participation in the human organ donor program and blood donor program.

(b) The department shall, in consultation with the state department of health or any other appropriate organization, develop human organ donor program and blood donor program educational materials to be made available to school corporations to assist teachers assigned to teach the material described in this section.

c) The:
   (1) department shall develop guidelines; and
   (2) state board shall adopt rules under IC 4-22-2;
concerning the instruction required under this section to assist teachers assigned to teach the material described in this section.

Sec. 17. (a) A school corporation shall make available for inspection by the parent of a student any instructional materials, including:
   (1) teachers' manuals;
   (2) textbooks;
   (3) films or other video materials;
   (4) tapes; and
   (5) other materials;
used in connection with a personal analysis, an evaluation, or a survey described in subsection (b).

(b) A student shall not be required to participate in a personal
analysis, an evaluation, or a survey that is not directly related to academic instruction and that reveals or attempts to affect the student's attitudes, habits, traits, opinions, beliefs, or feelings concerning:

1. political affiliations;
2. religious beliefs or practices;
3. mental or psychological conditions that may embarrass the student or the student's family;
4. sexual behavior or attitudes;
5. illegal, antisocial, self-incriminating, or demeaning behavior;
6. critical appraisals of other individuals with whom the student has a close family relationship;
7. legally recognized privileged or confidential relationships, including a relationship with a lawyer, minister, or physician; or
8. income (except as required by law to determine eligibility for participation in a program or for receiving financial assistance under a program);

without the prior consent of the student if the student is an adult or an emancipated minor or the prior written consent of the student's parent if the student is an unemancipated minor. A parental consent form for a personal analysis, an evaluation, or a survey described in this section shall accurately reflect the contents and nature of the personal analysis, evaluation, or survey.

(c) The department and the governing body shall give parents and students notice of their rights under this section.

(d) The governing body shall enforce this section.

Chapter 6. Optional Curriculum

Sec. 1. (a) The state board and the state superintendent may prescribe a program of adult education. The state board shall adopt rules under IC 4-22-2 to provide for this program and to provide for the state distribution formula for money appropriated by the general assembly for adult education. Money appropriated by the general assembly for adult education may be used only to reimburse a school corporation for adult education that is provided to individuals who:

1. need the education to master a skill that leads to:
   (A) the completion of grade 8; or
   (B) a state of Indiana general educational development (GED) diploma under IC 20-20-6;

2. need the education to receive high school credit to obtain a high school diploma; or
(3) have graduated from high school (or received a high school equivalency certificate or a state of Indiana general educational development (GED) diploma) but who demonstrate basic skill deficiencies in mathematics or English/language arts.

For purposes of reimbursement under this section, the school corporation may not count an individual who is also enrolled in the school corporation's kindergarten through grade 12 educational program. An individual described in subdivision (3) may be counted for reimbursement by the school corporation only for classes taken in mathematics and English/language arts.

(b) The state board shall provide for reimbursement to a school corporation under this section for instructor salaries and administrative and support costs. However, the state board may not allocate more than fifteen percent (15%) of the total appropriation under subsection (a) for administrative and support costs.

(c) A school corporation may conduct a program of adult education.

(d) A school corporation may require an individual who:

(1) is at least sixteen (16) years of age; and

(2) wishes to enroll in a school following the student's expulsion from school under IC 20-33-8 on the grounds that the student was:

(A) disorderly; or

(B) dangerous to persons or property;

to attend evening classes or classes established for students who are at least sixteen (16) years of age. However, the school corporation shall provide a child with a disability (as defined in IC 20-35-1-2) who is at least eighteen (18) years of age and whom the school corporation elects to educate with an appropriate special educational program.

Sec. 2. (a) The department shall, in cooperation with the department of workforce development, implement the Indiana program of adult competency.

(b) The department may, with approval by the department of workforce development, do the following:

(1) Use funds available under the Job Training Partnership Act under 29 U.S.C. 1500 et seq.

(2) Use funds available to the department of workforce development to implement the Indiana program of adult competency.

Sec. 3. If money appropriated in a fiscal year by the general
assembly for adult education is insufficient to fund the state adult education distribution formula provided in the rules adopted by the state board, the budget agency may transfer a sufficient amount of money from any excess in the state appropriation for tuition support for the fiscal year to fund the state adult education distribution formula. Before the budget agency makes a transfer, the budget agency shall refer the matter to the budget committee for an advisory recommendation.

Sec. 4. (a) A school corporation may:
(1) conduct educational television instruction; and
(2) contract with a commercial television station for the use of the station's facilities and staff.
(b) A governing body may budget and appropriate from the school corporation's general fund for expenditures under this section in the same manner as provided by law for other school expenditures.

Sec. 5. (a) Two (2) or more school corporations may jointly exercise the powers described in section 4 of this chapter. The school corporations shall enter into an agreement as to the part of expenses incurred under section 4 of this chapter that each school corporation pays.
(b) A school corporation described in subsection (a) may pay into a joint fund an amount computed annually under an agreement described in subsection (a).
(c) The treasurer of a joint fund described in subsection (b) shall:
(1) deposit money in the fund as provided under IC 5-13; and
(2) make disbursements on claims allowed by an executive committee acting for the participating school corporations. The treasurer shall give bond in an amount established by the executive committee.

Sec. 6. The state board may approve credit in kindergarten through grade 12 for educational television instruction in the same manner as other credit is given under state rules.

Sec. 7. (a) A governing body may institute a system of military instruction in a high school and authorize the high school to receive arms, ammunition, and equipment from the federal government under regulations adopted by the United States Department of Defense.
(b) A governing body described in subsection (a) may pay the following expenses from the school corporation's general fund:
(1) Freight charges on arms, ammunition, and equipment issued by the federal government from the place of issue to the high
school.

(2) Insurance charges on property described in subdivision (1).

(3) Premiums on bonds executed by the governing body to cover the care, safekeeping, and return of property described in subdivision (1).

(4) The cost of constructing arms racks and other facilities for the care and preservation of property described in subdivision (1), scaling walls, indoor targets, and other equipment the governing body considers necessary.

Sec. 8. (a) A governing body may employ suitable and competent persons as military instructors. A military instructor is entitled to compensation as an instructor in a high school if:

(1) a system of military instruction is established and a military instructor is not detailed to the high school by the federal government; or

(2) a system of military instruction is established with detailed military instructors, but additional instructors are necessary.

(b) An individual who holds a certificate of eligibility issued by the state board after an examination conducted by a board of three (3) military officers, at least one (1) of whom is commissioned in the United States regular army, is competent and suitable as a military instructor. A qualified individual may serve as physical education director, military instructor, and teacher in a high school.

(c) A high school may not institute or conduct military instruction unless an instructor detailed by the federal government or a competent and suitable military instructor supervises the military instruction.

Sec. 9. Sections 7 and 8 of this chapter do not authorize compulsory military instruction in a public school and do not abridge the right of school authorities to make proper rules and regulations for the government of the school’s students.

Sec. 10. A school corporation may permit a voluntary religious observance if the school corporation follows sections 11 through 13 of this chapter and any additional procedures that the school corporation adopts to ensure that the observance is voluntary.

Sec. 11. (a) The time used for voluntary religious observance authorized under section 10 of this chapter must be in addition to the regular school day, which for these purposes is six and one-half (6 1/2) hours, excluding time for lunch.

(b) A religious or philosophical group that does not accept
voluntary religious observance at a school is entitled to use of school facilities during the time set for voluntary religious observance.

(c) A school corporation shall provide properly supervised facilities for recreation and study during a voluntary religious observance. The supervised facilities must include the following:

1. The library.
2. If the school has no library, a study room.
3. The gymnasium or playground.

An individual who supervises a facility does not have to be licensed in the activity that the individual supervises.

Sec. 12. (a) The following may not cause or encourage attendance at a voluntary religious observance:

1. A school corporation.
2. A superintendent.
3. A principal.
4. A teacher.
5. A clerical employee.
6. A custodial employee.
7. A school employee or official.

A person described in this subsection who causes or encourages attendance at a voluntary religious observance commits an act of insubordination, and appropriate action shall be taken against the person.

(b) Notwithstanding subsection (a), a school shall provide written notice to all students and the students’ parents of a voluntary religious observance and of any alternative activities provided under section 11(c) of this chapter.

(c) A school corporation shall ensure that:

1. Students do not coerce attendance at a voluntary religious observance; and
2. No opprobrium attaches among the students or faculty for not participating in a voluntary religious observance.

If a school corporation cannot avert the coercion or opprobrium described in this subsection, the school corporation shall discontinue the voluntary religious observances.

Sec. 13. (a) At the opening of each school day, the teacher in charge of a public school classroom may conduct a brief period of silent prayer or meditation with the participation of all students in the classroom. If the governing body of the school corporation directs the
teacher to conduct a brief period of silent prayer or meditation, the teacher shall do so.

(b) A teacher may not conduct a brief period of silent prayer or meditation under this section as a religious service or exercise.

(c) A brief period of silent prayer or meditation conducted under this section is not a religious service or exercise. A brief period of silent prayer or meditation conducted under this section is:

(1) an opportunity for silent prayer or meditation on a religious theme; or

(2) a moment of silent reflection on the anticipated activities of the day.

Sec. 14. The state board shall:

(1) provide school corporations with guides for teaching geography in the public schools;

(2) provide school corporations with a list of textbooks that have been adopted under IC 20-20-5 and are available for geography instruction; and

(3) make available in-service training opportunities to teachers who teach geography.

Sec. 15. (a) A school corporation may offer classes in American Sign Language as a first or second language for hearing, deaf, and hard of hearing students.

(b) If:

(1) classes in American Sign Language are offered at the secondary level by a school corporation; and

(2) a student satisfactorily completes a class in American Sign Language as a second language;

the student is entitled to receive foreign language credit for the class.

(c) A class in American Sign Language offered under this section must be taught by a teacher licensed in Indiana and:

(1) certified by the American Sign Language Teachers Association; or

(2) holding a degree in American Sign Language.

(d) The state board shall establish a curriculum in American Sign Language as a first or second language.

Chapter 7. Summer School Programs

Sec. 1. The state board may prescribe a program of summer school education for public schools. The state board shall adopt rules under IC 4-22-2 to provide for:

(1) summer school programs; and
(2) the state distribution formula for any money appropriated by the general assembly for summer school education.

Sec. 2. A school corporation may conduct a program of summer school education.

Sec. 3. In addition to a program of summer school education described in section 1 of this chapter, a school corporation may conduct a voluntary summer school enrichment program in which educational programs that are not offered during the regular school year are offered to students.

Sec. 4. (a) An educational program described in section 3 of this chapter consists of one-half (1/2) day sessions in which students may:
   (1) receive remediation on a voluntary basis;
   (2) develop further in areas first covered during the school year; or
   (3) experience specific educational programs that are not regularly provided as part of the established curriculum during the school year.

(b) The board shall adopt rules under IC 4-22-2 to implement this section and section 3 of this chapter, including rules governing the distribution of state funds for this purpose.

Sec. 5. A school corporation may enter into an agreement with:
   (1) another school corporation;
   (2) an accredited nonpublic school; or
   (3) both entities described in subdivisions (1) and (2);
   to offer a joint summer school program for high school students.

Sec. 6. An agreement under section 5 of this chapter must:
   (1) designate one (1) participating school corporation as the local education agency for the joint educational program; and
   (2) specify the allocation of costs of the joint summer school program, including teacher compensation, among the parties to the agreement.

Sec. 7. The parties to an agreement under section 5 of this chapter may provide educational programs:
   (1) that are not regularly provided as part of the established curriculum during the school year; and
   (2) for which a student who successfully completes a program may receive high school and college credit under an articulation agreement or dual credit provision under IC 20-32-3-9, IC 20-12-1-9, or IC 20-12-17.1.

Sec. 8. Except as provided in section 9 of this chapter, an instructor
for an educational program described in section 7 of this chapter must be:

(1) licensed under IC 20-28; or
(2) granted a substitute teacher's license by the professional standards board.

Sec. 9. If the superintendent of the school corporation that is the local education agency determines that:

(1) a qualified licensed teacher is not available from the entities entering into an agreement under section 5 of this chapter; and
(2) a qualified postsecondary instructor is available;
to instruct in an educational program described in section 7 of this chapter, the superintendent may request the professional standards board to issue a substitute teacher's license to the instructor of an educational program described in section 7 of this chapter.

Sec. 10. If the professional standards board finds that a qualified licensed teacher is not available from the entities entering into an agreement under section 5 of this chapter to instruct in an educational program described in section 7 of this chapter, the professional standards board may issue a substitute teacher's license to the instructor of an educational program described in section 7 of this chapter.

Sec. 11. An instructor for an educational program described in section 7 of this chapter must be compensated at the same rate as the rate determined for a teacher under IC 20-28-6-7 and the local education agency's contract with certificated employees.

Sec. 12. If the money appropriated in a fiscal year by the general assembly for summer school education is insufficient to fund the state summer school distribution formula provided in the rules adopted by the state board, the budget agency may transfer a sufficient amount of money from any excess in the state appropriation for tuition support for the fiscal year to fund the state summer school distribution formula. Before the budget agency makes the transfer, the budget agency shall refer the matter to the budget committee for the committee's advisory recommendation.

Chapter 8. Alternative Program for Certain Students

Sec. 1. As used in this chapter, "alternative education program" refers to an alternative school or educational program that is described in section 6 of this chapter. The term includes:

(1) an alternative education program described in section 5(a)(1) of this chapter; or
(2) an area alternative education program described in section 5(a)(2) of this chapter.

Sec. 2. As used in this chapter, "disruptive student" means an eligible student who has a documented record of frequent disruptions of the traditional school learning environment despite repeated attempts by the school corporation to modify the student's behavior in conformity with a progressive disciplinary program approved by the department.

Sec. 3. As used in this chapter, "eligible student" refers to a student who qualifies as an eligible student under section 9 of this chapter.

Sec. 4. As used in this chapter, "program organizer" means the following:

(1) The governing body of a school corporation that establishes an alternative education program described in section 5(a)(1) of this chapter.

(2) The governing bodies of each of the school corporations that:
   (A) participate in an area alternative education program described in section 5(a)(2) of this chapter; and
   (B) take an official action under this chapter by adopting substantially identical resolutions.

(3) The governing body or administrative body of an area alternative education program described in section 5(a)(2) of this chapter.

Sec. 5. (a) The governing body may elect to:

(1) establish an alternative program on its own; or
(2) participate in an area alternative program through a joint program under IC 20-26-10.

(b) An alternative program is not required to be located at a site that is different than the site at which the traditional school instruction is offered.

Sec. 6. To qualify as an alternative education program, the program must:

(1) be an educational program for eligible students that instructs the eligible students in a different manner than the manner of instruction available in a traditional school setting; and
(2) comply with the rules that are adopted under IC 4-22-2 by the state board to govern:
   (A) alternative education programs; and
   (B) admission of eligible students to alternative education programs.
Sec. 7. The program organizer may request the approval from the department for the following:
   (1) To receive the grant for alternative education programs under IC 21-3-11.
   (2) To be granted waivers from rules adopted by the state board that may otherwise interfere with the objectives of the alternative education program, including waivers of:
       (A) certain high school graduation requirements;
       (B) the length of the student instructional day as set forth in IC 20-30-2-2;
       (C) required curriculum and textbooks;
       (D) teacher certification requirements; and
       (E) physical facility requirements.

Sec. 8. (a) Before a program organizer is eligible for the funding under IC 21-3-11, a program organizer must have the grant for the program approved by both:
   (1) the department; and
   (2) the budget agency after review by the budget committee.

   (b) A school corporation may initiate the program and waiver approval process under section 7 of this chapter and the grant approval process under this section by submitting an application for the proposed alternative education program, on forms developed by the department, to the department. The application must include the following information:
   (1) The number of eligible students expected to participate in the alternative education program.
   (2) A description of the proposed alternative education program, including a description of the nature of the alternative education program curriculum.
   (3) The extent to which the manner of instruction at the alternative education program differs from the manner of instruction available in the traditional school setting.
   (4) A description of specific progressive disciplinary procedures that:
       (A) are reasonably designed to modify disruptive behavior in the traditional school learning environment without necessitating admission to an alternative education program; and
       (B) will be used before admitting a disruptive student into an alternative education program.
(5) Any other pertinent information required by the department.

(c) The term of a grant may not exceed one (1) school year. If a school corporation fails to conduct an alternative education program in conformity with:

(1) this chapter;
(2) the rules adopted by the state board; or
(3) the terms of the approved grant;
the department or the budget agency, after review by the budget committee, may terminate funding for the alternative education program before the grant expires.

Sec. 9. (a) To qualify as an eligible student, a student must:

(1) be enrolled in or be eligible to be admitted to grades 6 through 12;
(2) meet at least one (1) of the criteria described in section 10 of this chapter;
(3) have a written individual service plan prepared under section 11 of this chapter; and
(4) be likely to benefit:
   (A) academically;
   (B) behaviorally; or
   (C) both academically and behaviorally;
from participation in an alternative education program, as jointly determined by the student's teacher or teachers and principal or principal's designee, and in consultation with the student's parent or guardian.

(b) The governing body of the school corporation shall review the determinations made by the school corporation to place and retain students in an alternative education program in order to ensure that the students in the alternative education program meet the criteria for the program.

Sec. 10. A student placed in an alternative education program must meet at least one (1) of the following criteria:

(1) The student intends to withdraw or has withdrawn from school before graduation.
(2) The student has been identified as a student who:
   (A) has failed to comply academically; and
   (B) would benefit from instruction offered in a manner different from the manner of instruction available in a traditional school.
(3) The student is a parent or an expectant parent and is unable
to regularly attend the traditional school program.

(4) The student is employed and the employment:
   (A) is necessary for the support of the student or the student’s immediate family; and
   (B) interferes with a part of the student's instructional day.

(5) The student is a disruptive student.

Sec. 11. (a) Before placing a student in an alternative education program, the school corporation in which the student is enrolled shall prepare an individual service plan for the student's placement.

(b) The individual service plan for a student must be reviewed and revised:
   (1) as needed; and
   (2) at least annually.

(c) The initial plan and each revised plan must be jointly prepared by the student’s:
   (1) teacher or teachers; and
   (2) principal or the principal's designee.

If a student is enrolled in an alternative education program when an individual service plan is revised, the principal and teacher for the alternative education program may prepare the revised plan. If a student is enrolled in the classes of more than one (1) teacher, a teacher who is designated by the school corporation as the student's principal adviser shall prepare the individual service plan.

(d) The individual service plan for a student must be in writing. In the plan, the student's teacher or teachers and principal or principal's designee must jointly agree that the student is likely to academically benefit from participation in an alternative education program. The plan must include a description of at least the following:
   (1) Educational goals appropriate for the student.
   (2) Behavioral goals appropriate for the student.
   (3) An alternative education program that is appropriate for the student.
   (4) Services required by the student and the student's immediate family to meet the educational goals and behavioral goals specified in the individual service plan.

Sec. 12. A student who:
   (1) is designated as an eligible student or assigned to participate in a particular alternative education program; and
   (2) disagrees with the designation or assignment described in subdivision (1);
may appeal the designation to the governing body for the school corporation in which the student is enrolled.

Sec. 13. (a) The department shall encourage school corporations to assess the need in the school corporation for an alternative education program or an area alternative education program.

(b) Upon request of a school corporation, the department shall assist the school corporation in establishing an alternative education program.

Sec. 14. The state board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 9. Bilingual and Bicultural Instruction

Sec. 1. As used in this chapter, "bilingual-bicultural instruction" means the use of written and spoken English and a non-English language to teach students. It includes instruction in the history and culture of both the United States and the homeland of the non-English language.

Sec. 2. As used in this chapter, "bilingual-bicultural program" means a course of bilingual-bicultural instruction for non-English dominant students, designed to meet the students' language skill needs as soon as possible.

Sec. 3. As used in this chapter, "division" means the division of migrant bilingual-bicultural education of the department.

Sec. 4. As used in this chapter, "non-English dominant students" means students who have difficulty performing in classes conducted solely in English because:

(1) the students' native tongue is not English;
(2) the language most often spoken by the students is not English; or
(3) the language most often spoken in the students' homes is not English.

Sec. 5. It is the policy of the state to provide bilingual-bicultural programs for all qualified students enrolled in Indiana public schools through the establishment of the programs by school corporations. The state recognizes the need for and the desirability of the programs to:

(1) aid students to reach their full academic level of achievement; and
(2) preserve an awareness of cultural and linguistic heritage.

Sec. 6. The state superintendent shall carry out a bilingual-bicultural program for the improvement of educational
opportunities for non-English dominant students by doing the following:

(1) Supporting and planning pilot and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving educational opportunities for non-English dominant students.

(2) Assisting in the establishment and operation of programs that are designed to stimulate:
   (A) the provision of educational services not available to non-English dominant students in sufficient quantity or quality; and
   (B) the development and establishment of exemplary programs to serve as models for regular school programs in which non-English dominant students are educated.

(3) Assisting in the establishment and operation of pre-service and in-service training programs for persons serving non-English dominant students as educational personnel.

(4) Encouraging the dissemination of information and materials relating to and the evaluation of the effectiveness of education programs that may offer educational opportunities to non-English dominant students. For activities described in this section, preference shall be given to the training of non-English dominant students, including innovative programs related to the educational needs of the non-English dominant students.

Sec. 7. The state superintendent may assist and stimulate school corporations in developing and establishing bilingual-bicultural educational services and programs specifically designed to improve educational opportunities for non-English dominant students. Funds may be used for the following:

(1) To provide educational services not available to the non-English dominant students in sufficient quantity or quality, including:
   (A) remedial and compensatory instruction, psychological, and other services designed to assist and encourage non-English dominant students to enter, remain in, or reenter elementary or secondary school;
   (B) comprehensive academic and vocational instruction;
   (C) instructional materials (such as library books, textbooks, and other printed or published or audiovisual materials) and equipment;
(D) comprehensive guidance, counseling, and testing services;
(E) special education programs for persons with disabilities;
(F) preschool programs; and
(G) other services that meet the purposes of this subdivision.

(2) For the establishment and operation of exemplary and innovative educational programs and resource centers that involve new educational approaches, methods, and techniques designed to enrich programs of elementary and secondary education for non-English dominant students.

Sec. 8. (a) Students whose dominant language is English shall be allowed to participate in the bilingual-bicultural program unless their participation will hinder the progress of the non-English dominant students.

(b) Students enrolled in a program of bilingual-bicultural education shall, if graded classes are used, be placed, to the extent practicable, in classes with students of approximately the same age and level of educational attainment, as determined after considering the attainment through the use of all necessary languages.

(c) If students of significantly varying ages or levels of educational attainment are placed in the same class, the program of bilingual-bicultural education must seek to ensure that each student is provided with instruction appropriate for the student's level of educational attainment. The ultimate objective is to place the bilingual-bicultural student in the regular course of study.

Sec. 9. (a) Before placing a student in a bilingual-bicultural program, the governing body of the school corporation in which the student resides shall notify the student's parent of the placement.

(b) The notice required in subsection (a) must be in English and the appropriate non-English language. The notice must state the purposes, methods, and content of the program and must inform the parent of the parent's right to:

(1) visit the program; and

(2) if the student is less than eighteen (18) years old, refuse the student's placement or withdraw the student from the program.

Sec. 10. (a) Before June 1 of each year, the principal of each school operating a bilingual-bicultural program shall appoint a local advisory committee composed of:

(1) teachers of bilingual-bicultural instruction who are proficient in both English and a non-English language and certified to teach a subject, including the history and culture of both the United
States and the homeland of the non-English language;
(2) counselors;
(3) community members; and
(4) parents of students enrolled or eligible for enrollment in the bilingual-bicultural program.
A majority of the committee members must be parents of students enrolled or eligible for enrollment in the bilingual-bicultural program.

(b) Before July 1 of each year, the governing body of each school corporation operating a bilingual-bicultural program shall select at least one (1) representative from each local advisory committee to serve on a corporation advisory committee. A majority of the committee members must be parents of students enrolled or eligible for enrollment in the program.

(c) A member of a local and corporation advisory committee holds the position for one (1) year.

(d) The local and corporation advisory committees shall participate in planning, implementing, and evaluating the bilingual-bicultural programs. All bilingual-bicultural programs must be approved by the appropriate local advisory committee before implementation. If the advisory committee refuses to approve a program, the division shall arbitrate the dispute.

(e) All school corporations wishing to implement a bilingual-bicultural program shall apply to the state superintendent.

(f) All bilingual-bicultural programs must be approved by the state board to qualify for the distribution of state funds to school corporations for the bilingual-bicultural programs.

Sec. 11. School corporations may establish full-time or part-time summer or preschool bilingual-bicultural courses. However, the courses are not substitutes for bilingual-bicultural programs required during the normal school year.

Sec. 12. The division:
(1) shall aid school corporations in developing bilingual-bicultural programs by:
   (A) evaluating instructional materials;
   (B) compiling material on the theory and practice of bilingual-bicultural instruction;
   (C) encouraging innovative programs; and
   (D) otherwise providing technical assistance to the corporations;
(2) shall aid school corporations in developing and administering
in-service training programs for school administrators and personnel involved in bilingual-bicultural programs;
(3) shall monitor and evaluate bilingual-bicultural programs conducted by school corporations;
(4) shall make an annual report on the status of the bilingual-bicultural programs to the governor and the general assembly;
(5) shall establish bilingual-bicultural educational resource centers for the use of the school corporations; and
(6) may establish guidelines to implement this chapter.
A report made under subdivision (4) to the general assembly must be in an electronic format under IC 5-14-6.
Sec. 13. (a) Each school corporation must apply to the division to receive funds under this chapter. The division director shall determine on a competitive basis which bilingual-bicultural programs are to receive the funds under this chapter. The criteria for determining the distribution of funds are as follows:
(1) The extent to which the educational needs identified and addressed in the application for funds are for bilingual-bicultural programs in areas having the greatest need in Indiana.
(2) The extent to which educational needs are clearly identified and realistic objectives are carefully planned to meet the objectives.
(3) The extent to which the application sets forth quantifiable measurement of the success of the proposed bilingual-bicultural program in providing students who do not speak English as a dominant language with language skills necessary for the students' education.
(4) The extent to which the application contains evidence that:
   (A) the costs of bilingual-bicultural program components are reasonable in relation to the expected benefits;
   (B) the proposed bilingual-bicultural program will be coordinated with existing efforts; and
   (C) all possible efforts are being made to minimize the amount of funds requested for purchase of equipment necessary for implementation of the proposed bilingual-bicultural program.
(5) The extent to which the application indicates that the personnel to be employed in the bilingual-bicultural program possess qualifications relevant to the objectives of the
bilingual-bicultural program.

(b) The division director may not award more than three hundred dollars ($300) per student under this chapter.

Sec. 14. The bilingual-bicultural program of a school corporation may be funded for a minimum of five (5) years under this chapter.

Chapter 10. College Preparation Curriculum

Sec. 1. The department shall develop and recommend to the state board for adoption the Core 40 college preparation curriculum models.

Sec. 2. (a) The state board shall adopt the following:

(1) College/technology preparation curriculum models that may include all or part of the following:

(A) The college preparation curriculum models developed by the department under section 1 of this chapter.

(B) The technology preparation curriculum models developed by the technology preparation task force under IC 20-20-10.

(2) Teacher and staff training to implement the college/technology preparation curriculum models.

(b) The college/technology preparation curriculum models that the state board adopts under subsection (a) must meet the conditions listed in:

(1) section 3 of this chapter; and

(2) IC 20-20-10-3.

Sec. 3. The college/technology preparation curriculum models must meet the following conditions:

(1) Be performance based.

(2) Allow for dual credit, advanced study, and cooperative agreements.

(3) Provide a student with:

(A) the subject and skill areas required by a state educational institution to gain admittance into the respective state educational institution; and

(B) the skills necessary to gain employment upon the student's completion of formal education;

upon the satisfactory fulfillment of the curriculum.

(4) Relate to a broad scope of subject areas and include all the subject areas required to be taught under Indiana law.

(5) Be designed to satisfy the graduation requirements established by the state board.

Chapter 11. The Postsecondary Enrollment Program
Sec. 1. As used in this chapter, "eligible institution" means an accredited public or private college or university located in Indiana that grants a baccalaureate or associate degree.

Sec. 2. As used in this chapter, "program" refers to the postsecondary enrollment program established under this chapter.

Sec. 3. As used in this chapter, "secondary credit" means credit toward graduation requirements granted by a student's school corporation upon the successful completion of a course taken under the program.

Sec. 4. (a) The postsecondary enrollment program is established for secondary school students in grades 11 and 12.

(b) A student may, upon approval of the student's school corporation, enroll in courses offered by an eligible institution under the program on a full-time or part-time basis during grade 11 or grade 12, or both.

(c) If a school corporation has approved a course offered by an eligible institution for secondary credit, a student is entitled to credit toward graduation requirements for each course the student successfully completes at the eligible institution.

Sec. 5. Before February 1 each year, each school corporation shall provide each student in grades 10 and 11 with information concerning the program.

Sec. 6. Each student who intends to enroll in an eligible institution under the program shall notify the principal of the school in which the student is enrolled.

Sec. 7. (a) A representative of the school corporation shall meet with each student who intends to participate in the program and discuss the following:

(1) The student's eligibility to participate in the program.
(2) The courses in which the student is authorized to enroll.
(3) The postsecondary credit the student earns upon successful completion of a course.
(4) The consequences of a student's failure to successfully complete a course.
(5) The student's schedule.
(6) The financial obligations of the student and the school under the program.
(7) The responsibilities of the student, the student's parent, and the school under the program.
(8) Other matters concerning the program.
(b) The representative of the school corporation shall make a recommendation to the principal concerning the student's participation in the program.

(c) Based on the recommendation received under subsection (b), the principal shall determine:
   (1) the student's eligibility to participate in the program; and
   (2) the courses approved for secondary credit.

(d) The principal shall notify the student and the superintendent, in writing, of the determination under subsection (c). If the principal determines that:
   (1) the student is not eligible to participate in the program; or
   (2) a course in which the student intends to enroll is not approved for secondary credit;
the principal must state, in writing, the reasons for that determination.

Sec. 8. The governing body of each school corporation shall adopt policies to implement the program, based on guidelines established by the department.

Sec. 9. (a) If a student disputes a determination made by a principal under section 7(c) of this chapter, the student may appeal the determination to the governing body by submitting to the governing body, in writing, the reasons the student objects to the determination. The governing body shall review the determination and render a decision concerning the determination. The governing body shall notify the student and the principal, in writing, of the decision.

(b) If the student or the principal disputes the decision of the governing body under subsection (a), the student or principal may appeal to the state board. The decision of the state board is final.

Sec. 10. (a) A student who is approved for participation in the program may apply for enrollment to an eligible institution. The eligible institution shall accept or reject the student based on the standards ordinarily used to decide student enrollments. However, a student who is approved for participation in the program by the student's school corporation may not be refused admission solely because the student has not graduated from a secondary school.

(b) The eligible institution shall promptly inform the:
   (1) student;
   (2) student's principal; and
   (3) department;
of the decision under subsection (a).

(c) Upon demonstration of financial need, an eligible institution
may grant financial assistance to a student accepted for admission to the eligible institution.

Sec. 11. A student who participates in the program is considered a student enrolled in the school corporation to compute average daily membership.

Sec. 12. A school corporation shall grant secondary credit for a course successfully completed by a student at an eligible institution if the school corporation approved the course for secondary credit. The student’s school records must reflect that the secondary credits were earned at an eligible institution.

Sec. 13. If a student enrolls in an eligible institution after graduation from secondary school, the eligible institution shall award postsecondary credit for a course successfully completed by the student at the eligible institution. If the student enrolls in another eligible institution, that eligible institution may grant credit for courses successfully completed by the student.

Sec. 14. At the end of each school year, each school corporation shall submit to the department the following:

(1) A list of the students in the school corporation who are enrolled in the program.

(2) A list of the courses successfully completed by each student who is enrolled in the program.

Sec. 15. (a) Each school corporation shall make and maintain records for each student enrolled in the program of the following:

(1) The courses and credit hours in which the student enrolls.

(2) The courses that the student successfully completes and fails to complete.

(3) The secondary credit granted to the student.

(4) Other information requested by the department.

(b) The department is entitled to have access to the records made and maintained under subsection (a).

Sec. 16. (a) The postsecondary enrollment program fund is established to provide financial assistance to students participating in the program. The department shall administer the fund.

(b) The postsecondary enrollment program fund consists of:

(1) appropriations made to the fund by the general assembly; and

(2) gifts to the fund.

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

(d) Money in the postsecondary enrollment fund at the end of a fiscal year does not revert to the state general fund. If the fund is abolished, money in the fund shall be deposited in the state general fund.

Sec. 17. (a) The department shall:

(1) establish guidelines to carry out this chapter;

(2) evaluate the program annually and report to the state board concerning the program; and

(3) adopt procedures for the award of grants from the postsecondary enrollment program fund established by section 16 of this chapter.

(b) The guidelines established under subsection (a)(1) must encourage participation by students at all achievement levels and in a variety of academic and vocational subjects.

Sec. 18. The state board shall adopt rules under IC 4-22-2 to carry out this chapter.

Sec. 19. This chapter does not prohibit:

(1) a student from enrolling in or attending an education program when the student is not required to be in attendance at the student's school corporation;

(2) a school corporation from:

(A) providing a supplemental postsecondary education program to students; and

(B) permitting a student to attend an education program during the regular school day or regular school year; or

(3) an eligible institution from permitting a student of a school corporation to enroll in or attend a course offered or sponsored by the eligible institution.

Chapter 12. Technology Preparation Curriculum

Sec. 1. The department shall require all school corporations to make available to the school corporation's high school students the technology preparation curriculum developed under IC 20-20-10.

Sec. 2. The state board shall implement teacher and staff training for the technology preparation curriculum.

Sec. 3. Expenditure for equipment necessary to implement this chapter by a school corporation may be paid:

(1) through technology loans from the common school fund; or
Sec. 4. The state board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 13. Motorcycle Operator Safety Education

Sec. 1. As used in this chapter, "certified chief instructor" means a licensed motorcycle operator who meets standards established by the department that are equivalent to or more stringent than those established by the Motorcycle Safety Foundation for instructors in motorcycle safety and education.

Sec. 2. As used in this chapter, "fund" refers to the motorcycle operator safety education fund established by section 11 of this chapter.

Sec. 3. As used in this chapter, "program" means the motorcycle operator safety education program.

Sec. 4. As used in this section, "program coordinator" refers to the coordinator of the motorcycle operator safety education program.

Sec. 5. As used in this chapter, "training course" means an approved motorcycle operator education course that meets standards established by the department that are equivalent to or more stringent than those established by the Motorcycle Safety Foundation for courses of instruction in motorcycle safety and education.

Sec. 6. As used in this chapter, "training specialist" means the training specialist of the motorcycle operator safety education program.

Sec. 7. The department shall develop and administer a motorcycle operator safety education program that, at a minimum, must:
   (1) provide motorcycle operator education;
   (2) provide instructor training;
   (3) increase public awareness of motorcycle safety; and
   (4) evaluate and recommend improvements to the motorcycle operator licensing system.

Sec. 8. The state superintendent shall appoint:
   (1) a program coordinator who shall administer the program and conduct an annual evaluation; and
   (2) a training specialist who shall:
       (A) establish training courses throughout Indiana;
       (B) set program and funding guidelines; and
       (C) supervise instructors and other personnel as necessary.

The training specialist must be a certified chief instructor and hold a valid license to operate a motorcycle.
Sec. 9. The department may enter into contracts with regional training centers or any other sites approved by the state superintendent for the conduct of motorcycle operator safety education courses. If necessary, course sites may charge a reasonable tuition fee for the courses.

Sec. 10. The state superintendent shall appoint a five (5) member advisory committee consisting of at least three (3) active motorcyclists to serve in an advisory capacity to the program.

Sec. 11. The motorcycle operator safety education fund is established. The fund consists of money received from motorcycle registrations as provided under IC 9-29. The money in the fund is appropriated to the department for the administration of the program and expenses related to the program, including:

1. reimbursement for course sites;
2. instructor training;
3. purchase of equipment and course materials; and
4. technical assistance.

Chapter 14. Community or Volunteer Service Program

Sec. 1. Each school corporation may encourage the development of a community service ethic among high school students in grade 11 or 12 in the school corporation by offering each grade 11 or 12 student:

1. as part of the corporation's elective curriculum;
2. in compliance with rules adopted by the state board under section 9 of this chapter; and
3. upon completion by the student of approved community service or other volunteer service;

the opportunity for the student to earn academic credit toward the student's minimum graduation requirements.

Sec. 2. For each student who wishes to earn academic credit for community service or volunteer service under this chapter, the student, a teacher of the student, or a community or volunteer service organization must submit an application that includes the following information to the principal or the principal's designee of the high school in which the student is enrolled:

1. The name of the community service organization or volunteer service organization the student intends to assist.
2. The name, address, and telephone number of the director or the supervisor of the community service organization or volunteer service organization and, if different from the director or supervisor, the name, address, and telephone number of the
individual assigned by the community or volunteer service organization to supervise the student at the activity site.

(3) The nature of the community service or volunteer service performed by the student with a certification that the service performed by the student is voluntary.

(4) The total number of hours the student intends to serve the community service organization or volunteer service organization during the school year.

(5) A written statement by the director or the supervisor of the community service organization or volunteer service organization certifying that the information included in the application is an accurate reflection of:
   (A) the student’s expectations with regard to the number of hours of service contemplated to be performed; and
   (B) the community service organization's or the volunteer service organization's need to acquire the student's service.

(6) A description of:
   (A) the educational or career exploration benefits the student and the school should expect to gain from the student's community or volunteer service participation; and
   (B) the service and benefit the community or volunteer service organization expects to gain from the student's participation.

(7) A description of how the community or volunteer service activity relates to a course in which the student is enrolled or intends to enroll.

(8) The manner and frequency in which the student and the community or volunteer service activity will be evaluated.

(9) The name of the certificated school employee who will be responsible for monitoring and evaluating the student's activity and performance, including assigning to the student a grade for participation under this section.

(10) Any other information required by the principal.

Sec. 3. For each school year in which a student wishes to earn academic credit under this chapter, the student must submit the application to participate under this chapter before November 1 of the school year. The principal may waive this application deadline if the principal determines that:

(1) the student was unable to meet the application deadline due to extraordinary circumstances; and

(2) the student will reasonably be able to accrue before
graduation at least the minimum number of hours of service required to acquire at least one (1) academic credit toward the student's graduation requirements.

Sec. 4. Upon receipt of the application, the principal or the principal's designee shall determine whether the student is eligible to receive academic credit under this section based on the guidelines established by the department under section 8 of this chapter and rules adopted by the state board under section 9 of this chapter.

Sec. 5. The principal or the principal's designee shall notify the student and the director or the sponsor of the community service organization or the volunteer service organization of the determination made under section 4 of this chapter. If the student's application is approved, the director or sponsor of the community service organization or the volunteer service organization shall periodically report to the principal or the principal's designee on the student's fulfillment of the expectations included in the application.

Sec. 6. Upon the completion of the school year, the principal or the principal's designee shall request the director or the sponsor of the community service organization or the volunteer service organization to submit a report on the student's service during the school year that certifies the total number of hours of service contributed by the student.

Sec. 7. If the student's total number of hours of service is at least equal to the minimum number of hours required to earn academic credit for community service or volunteer service as set forth in rules adopted by the state board, the student shall receive the amount of academic credit available under the state board's rules for the service toward the student's graduation requirements.

Sec. 8. The department shall develop guidelines necessary to implement this section, including guidelines to assist principals or designees in determining whether a particular community service organization or volunteer service organization qualifies as an entity in which a student's volunteer service translates into academic credit under this section.

Sec. 9. The state board shall adopt rules under IC 4-22-2 necessary to implement this section, including rules stipulating the following:

(1) The types of community service organizations or volunteer service organizations that qualify as entities described in section 8 of this chapter.

(2) The types of community services or volunteer services
performed by a student that qualify for approval under this chapter.

(3) That the student must perform at least forty-eight (48) hours of service to earn one (1) academic credit.

(4) That not more than two (2) academic credits toward graduation are available to a student under this chapter.

(5) That the exploitation or endangerment of students participating under this chapter is prohibited.

(6) That each school corporation and community service organization or volunteer service organization participating under this chapter shall monitor student activity under this chapter and compile periodic reports from students and other individuals to ensure:

(A) student health and safety, including assurances that students are not expected to perform duties that are prohibited by law or rule for which students are inadequately prepared or supervised;

(B) an educational benefit to the student is being derived by the student; and

(C) compliance with appropriate statutes and rules.

(7) The minimum acceptable level of certificated school employee staffing required to adequately implement, monitor, and evaluate the program under this chapter.

(8) The method for demonstrating and enforcing the assurances described under subdivision (6).

Chapter 15. Nonsession School Activities
Sec. 1. As used in this chapter, "agricultural education" means the form of vocational education that prepares an individual for the occupations connected with:

(1) the tillage of soil;

(2) the care of domestic animals;

(3) forestry; and

(4) other wage earning or productive work on the farm.

Sec. 2. As used in this chapter, "attendance unit" means the geographical and population area served by a single school that consists of part or all of the school corporation.

Sec. 3. As used in this chapter, "home economics education" means the form of vocational education that prepares an individual for occupations connected with the household.

Sec. 4. As used in this chapter, "industrial education" means the
form of vocational education that prepares an individual for the
trades, crafts, and wage earning pursuits. The term includes the
occupations performed in stores, workshops, and other
establishments.

Sec. 5. As used in this chapter, "vocational education" means any
education that has the major purpose of preparing an individual for
profitable employment.

Sec. 6. (a) When public schools are not in session, a governing body
may employ personnel to supervise the following:

1. Agricultural education club work.
2. Industrial education club work.
3. Home economics education club work.
4. Music activities.
5. Athletics.

(b) Activities described in subsection (a) must be open and free to
all individuals of school age residing in the attendance unit of the
school corporation that is paying all or part of the cost of the activity.

Sec. 7. An individual employed under this chapter shall enter into
a contract with the governing body for the period of employment. The
contract must contain the following terms:

1. The amount of work to be performed.
2. The kind of work to be performed.
3. The length of the period of employment.
4. The rate of compensation agreed on by the employee and the
governing body.
5. The total amount to be paid.

A contract entered into under this section is not a teaching contract or
an extension of a teaching contract. An individual with a teaching
contract during periods when school is not in session may not be
employed under this chapter for any period included in the teaching
contract.

Sec. 8. (a) A governing body shall pay contractual obligations
under this chapter. However, a contract is not valid unless the
governing body has made an appropriation from the school
corporation's general fund for the contractual obligations before
making the contract.

(b) A governing body may appropriate from the school
corporation's general fund for any one (1) year an amount equal to the
total funds raised by school patrons during the year in which the
appropriation is made to purchase band uniforms for high school
bands sponsored by high schools located within and operated by the school corporation.

SECTION 15. IC 20-31 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 31. ACCOUNTABILITY FOR PERFORMANCE AND IMPROVEMENT

Chapter 1. Applicability
Sec. 1. This article applies only to the following:
   (1) Public schools.
   (2) Except as provided in IC 20-31-7 and IC 20-31-9, nonpublic schools that voluntarily become accredited under IC 20-19-2-8.

Chapter 2. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Annual report" refers to the school corporation annual performance report required by IC 20-20-8.
Sec. 3. "Charter school" refers to a public school created and operating under IC 20-24.
Sec. 4. "Committee" refers to the committee that develops the strategic and continuous school improvement and achievement plan under IC 20-31-5.
Sec. 5. "Cultural competency" means a system of congruent behaviors, attitudes, and policies that enables teachers to work effectively in cross-cultural situations. The term includes the use of knowledge concerning individuals and groups to develop specific standards, policies, practices, and attitudes to be used in appropriate cultural settings to increase students' educational performance.
Sec. 6. "Exceptional learner" refers to the following:
   (1) A child with a disability (as defined in IC 20-35-1-2).
   (2) A high ability student (as defined in IC 20-36-1-3).
Sec. 7. "Plan" refers to a strategic and continuous school improvement and achievement plan established under this article for a school or school corporation.
Sec. 8. "School" refers to a public school or an accredited nonpublic school.

Chapter 3. Adoption of Academic Standards
Sec. 1. The state board shall adopt clear, concise, and jargon free state academic standards that are comparable to national and international academic standards. These academic standards must be adopted for each grade level from kindergarten through grade 12 for
the following subjects:
   (1) English/language arts.
   (2) Mathematics.
   (3) Social studies.
   (4) Science.

For grade levels tested under the ISTEP program, the academic standards must be based in part on the results of the ISTEP program.

Sec. 2. The department shall develop academic standards for the following subject areas for each grade level from kindergarten through grade 12:
   (1) English/language arts.
   (2) Mathematics.
   (3) Social studies.
   (4) Science.
   (5) Other subject areas as determined by the department.

Sec. 3. The department shall revise and update academic standards:
   (1) for each grade level from kindergarten through grade 12; and
   (2) in each subject area listed in section 2 of this chapter; at least once every six (6) years. This revision must occur on a cyclical basis that coincides with the textbook adoption cycle established in IC 20-20-5-6.

Sec. 4. The state superintendent shall appoint an academic standards committee composed of subject area teachers during the period when a subject area is undergoing revision.

Sec. 5. An academic standards committee shall submit recommendations on academic standards for a subject area to the education roundtable established by IC 20-19-4-2 for review by the educational roundtable.

Sec. 6. The curriculum program of each grade level from kindergarten through grade 12 in a school in a school corporation must be consistent with the following standards:
   (1) The academic standards developed under this chapter.
   (2) The student competencies developed for the Core 40 college preparation curriculum models established under IC 20-30-10.

Sec. 7. The department shall do the following:
   (1) Distribute the academic standards established under this chapter to each school corporation for distribution by the school corporation to the parent of each student in the school corporation.
(2) Survey parents of students, members of the business community, representatives of higher education, and educators on the importance and applicability of academic standards.

Chapter 4. Performance Based Accreditation

Sec. 1. As used in this chapter, "legal standards" means Indiana statutes and rules adopted by the state board that apply to each school for accreditation.

Sec. 2. (a) A school in Indiana may be accredited:

   (1) under the performance based accreditation system established by this chapter; or
   (2) by implementing a quality focused approach to school improvement such as the criteria for the Malcolm Baldrige National Quality Award for Education or for a national or regional accreditation agency that is recommended by the education roundtable and approved by the state board.

   (b) The state board shall establish the following:

      (1) A performance based accreditation system for accrediting schools in Indiana under this chapter.
      (2) A procedure for determining whether a school is making progress toward meeting the criteria for the Malcolm Baldrige National Quality Award for Education or for a national or regional accreditation agency.

   (c) The department shall establish a schedule for accrediting schools under this chapter.

Sec. 3. (a) The state board shall establish the following accreditation levels:

   (1) Full accreditation status.
   (2) Probationary accreditation status.

   (b) After the review process described in this chapter has been completed, including the review conducted by the onsite review panel assigned under section 9 of this chapter, if applicable, the state board shall assign either full accreditation status or probationary accreditation status to each school and school corporation.

Sec. 4. (a) When all the schools in a school corporation achieve full accreditation status, the department shall provide a certificate of full accreditation to the school corporation.

   (b) If one (1) or more schools in a school corporation are assigned probationary status but the school corporation is in substantial compliance with full accreditation standards, the state board shall assign full accreditation status to that school corporation.
Sec. 5. The state superintendent and the state board shall determine which of the benchmarks and indicators of performance listed in IC 20-20-8-8 are appropriate benchmarks for performance based accreditation under this chapter.

Sec. 6. The department shall determine whether the school has complied with the following legal standards for accreditation:

1. Health and safety requirements.
2. Minimum time requirements for school activity.
3. Staff-student ratio requirements.
5. Development and implementation of a staff evaluation plan under IC 20-28-11.
6. Completion of a school improvement plan that:
   A. analyzes the strengths and weaknesses of the school;
   B. outlines goals of the school community to which school improvement activities will be directed; and
   C. identifies objectives of the school and programs designed to achieve those objectives.

Sec. 7. (a) If the department determines that:
1. a school has complied with all the legal standards under section 6 of this chapter; and
2. the school’s performance has met the expectations for that school in the areas described in section 5 of this chapter;
the state board shall make a determination that the school has acquired full accreditation status.

(b) The department shall conduct the next review under this chapter of a school described under subsection (a) not later than five (5) years after the state board’s determination of full accreditation.

Sec. 8. (a) If the department verifies that:
1. a school has not complied with all the legal standards under section 6 of this chapter; or
2. the school’s performance has not met the expectations for that school in the areas described in section 5 of this chapter;
a review panel of at least three (3) members shall conduct an onsite evaluation of that school to make a recommendation to the state board as to the accreditation status of that school.

(b) The department may not publish or otherwise make available for public inspection any information concerning a school’s compliance with legal standards under section 6 of this chapter, the meeting of performance expectations under section 5 of this chapter,
the assignment of an onsite review panel under this section, or the recommended accreditation status of the school until all onsite reviews have taken place and recommendations to the state board concerning the accreditation status of the school have been made.

Sec. 9. (a) Each review panel must consist of the following:
   (1) One (1) staff member from the department.
   (2) One (1) classroom teacher.
   (3) One (1) individual who is not a classroom teacher but who is representative of the field of education.

   (b) The state board shall determine the selection process for the review panels. However, the department shall assign, without state board approval, a review panel to each school required to be evaluated under section 8 of this chapter.

   (c) The department may require that more than one (1) review panel conduct the onsite evaluation of a school.

Sec. 10. (a) During its onsite evaluation, a review panel shall review the following for a school:
   (1) Teaching practices and administrative leadership in instruction.
   (2) Parental and community involvement.
   (3) Implementation of the ISTEP remediation program under IC 20-32-8 and the educational opportunity program for at-risk children.
   (4) The homework policy.

   (b) In addition to its review under subsection (a), the review panel shall verify compliance with the legal standards for accreditation under section 6 of this chapter.

Sec. 11. Upon review of all the areas described in sections 5 and 10 of this chapter, a review panel shall make a recommendation to the state board concerning:

   (1) the accreditation status of the school;
   (2) if applicable, certain recommendations for improvement that the school should consider, including recommendations that the department provide technical assistance to the school; and
   (3) the next date of review for the school.

Sec. 12. (a) Upon receipt of a review panel's recommendation, the state board shall make one (1) of the following determinations as to the accreditation status of the school:

   (1) Full accreditation status with the next review being conducted five (5) years after the state board's determination of full
accreditation.
(2) Full accreditation status with the next review being conducted earlier than five (5) years after the state board's determination of full accreditation.
(3) Probationary accreditation with the next review being conducted one (1) year after the state board's determination of probationary accreditation.

(b) A school that does not comply with all the legal standards may not be determined to have acquired full accreditation status.

Sec. 13. If a school is assigned probationary accreditation status, the governing body of the school corporation shall:
(1) develop a plan, within one (1) year after the school is assigned probationary status, to raise the school's level of accreditation; and
(2) raise the school's level of accreditation within three (3) years after the school is assigned probationary status.

Sec. 14. (a) If a school having probationary status:
(1) fails to make progress; or
(2) at the end of three (3) years has not achieved full accreditation status;
the state board shall assign probationary accreditation status to the school corporation in which the school is located.

(b) A school corporation on probationary accreditation status shall direct its efforts toward raising the level of accreditation of each of its schools that are on probationary accreditation status to full accreditation status within one (1) year after the school corporation is assigned probationary accreditation status.

Sec. 15. If a school corporation on probationary accreditation status does not raise the level of accreditation of each of its schools that are on probationary accreditation status to full accreditation status within one (1) year after the school corporation was assigned probationary accreditation status, the department shall submit to the general assembly recommendations concerning the operation and administration of the school corporation and the schools within that school corporation.

Sec. 16. (a) If a school or school corporation is assigned probationary accreditation status, the governing body of the school corporation may appeal that determination to the state board.

(b) If a school or school corporation is assigned probationary accreditation status, the department shall provide assistance to that
school or school corporation to achieve full accreditation status.

(c) If a school is assigned probationary accreditation status, the completion of the school improvement plan under section 6 of this chapter must involve parents, administrators, teachers, and other members of the community.

Sec. 17. The state board shall adopt rules under IC 4-22-2 necessary to implement this chapter.

Chapter 5. Strategic and Continuous School Improvement and Achievement Plan

Sec. 1. (a) The principal of each school shall coordinate:
(1) the development of an initial three (3) year strategic and continuous school improvement and achievement plan; and
(2) an annual review of the plan.
(b) The initial plan and annual review must be made with input from a committee of persons interested in the school, including administrators, teachers, parents, and community and business leaders appointed by the principal. Teacher appointments to the committee must be made in accordance with IC 20-29.

Sec. 2. (a) This section applies to a charter school.
(b) A charter entered into under IC 20-24-4 may be used as a charter school's three (3) year plan.

Sec. 3. (a) The committee must submit a school's initial plan to the superintendent by March 1 of the school year before the year of implementation. The superintendent:
(1) shall review the plan to ensure that the plan aligns with the school corporation's objectives, goals, and expectations;
(2) may make written recommendations of modifications to the plan to ensure alignment; and
(3) shall return the plan and any recommendations to the committee by April 1 of the school year before the year of implementation.
(b) A committee may modify the plan to comply with recommendations made by the superintendent under subsection (a).
(c) A committee shall submit:
(1) the plan; and
(2) the written recommendations of the superintendent;
to the governing body by May 1 of the school year before the year of implementation.
(d) An initial plan must be established by June 1 of the school year before the year of implementation by approval of the governing body.
The governing body shall approve a plan for each school in the school corporation. When a plan is presented to the governing body, the governing body must either accept or reject the plan and may not revise the plan. A plan is established when written evidence of approval is attached to the plan.

Sec. 4. (a) A plan must:
   (1) state objectives for a three (3) year period; and
   (2) be annually reviewed and revised to accomplish the achievement objectives of the school.

(b) A plan must establish objectives for the school to achieve. These achievement objectives must be consistent with academic standards and include improvement in at least the following areas:
   (1) Attendance rate.
   (2) The percentage of students meeting academic standards under the ISTEP program (IC 20-31-3 and IC 20-32-5).
   (3) For a secondary school, graduation rate.

(c) A plan must address the learning needs of all students, including programs and services for exceptional learners.

(d) A plan must specify how and to what extent the school expects to make continuous improvement in all areas of the education system where results are measured by setting benchmarks for progress on an individual school basis.

(e) A plan must note specific areas where improvement is needed immediately.

Sec. 5. (a) A plan may include a request for a waiver of applicability of a rule or statute to a school.

(b) The governing body may waive any rule adopted by the state board for which a waiver is requested in a plan, except for a rule that is characterized as follows:
   (1) The rule relates to the health or safety of students or school personnel.
   (2) The rule is a special education rule under 511 IAC 7.
   (3) Suspension of the rule brings the school into noncompliance with federal statutes or regulations.
   (4) The rule concerns curriculum or textbooks.

(c) Upon request of the governing body and under a plan, the state board may waive for a school or a school corporation any statute or rule relating to the following:
   (1) Curriculum.
   (2) Textbook selection.
Sec. 6. (a) A plan must contain the following components for the school:

1. A list of the statutes and rules that the school wishes to have suspended from operation for the school.
2. A description of the curriculum and information concerning the location of a copy of the curriculum that is available for inspection by members of the public.
3. A description and name of the assessments that will be used in the school in addition to ISTEP program assessments.
4. A plan to be submitted to the governing body and made available to all interested members of the public in an easily understood format.
5. A provision to maximize parental participation in the school, which may include providing parents with:
   A. access to learning aids to assist students with school work at home;
   B. information on home study techniques; and
   C. access to school resources.
6. For a secondary school, a provision to do the following:
   A. Offer courses that allow all students to become eligible to receive an academic honors diploma.
   B. Encourage all students to earn an academic honors diploma or complete the Core 40 curriculum.
7. A provision to maintain a safe and disciplined learning environment for students and teachers.
8. A provision for the coordination of technology initiatives and ongoing professional development activities.

(b) If, for a purpose other than a plan under this chapter, a school has developed materials that are substantially similar to a component listed in subsection (a), the school may substitute those materials for the component listed in subsection (a).

Sec. 7. The department shall act as a clearinghouse for plans and shall make effective plans available to school corporations as models to use in developing and carrying out plans.

Chapter 6. Cultural Competency in Educational Environments

Sec. 1. The department, in consultation with the professional standards board, shall develop and make available to school corporations and nonpublic schools materials that assist teachers, administrators, and staff in a school in developing cultural competency for use in providing professional and staff development
programs.

Sec. 2. (a) In developing a school’s plan, the committee shall consider methods to improve the cultural competency of the school’s teachers, administrators, staff, parents, and students.

(b) The committee shall:

(1) identify the racial, ethnic, language-minority, cultural, exceptional learning, and socioeconomic groups that are included in the school’s student population;

(2) incorporate culturally appropriate strategies for increasing educational opportunities and educational performance for each group in the school’s plan; and

(3) recommend areas in which additional professional development is necessary to increase cultural competency in the school’s educational environment.

(c) The committee shall update annually the information identified under subsection (b)(1).

Chapter 7. Student Educational Achievement Grants

Sec. 1. This chapter does not apply to a nonpublic school.

Sec. 2. As used in this chapter, "fund" refers to the student educational achievement fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "grant" refers to a student educational achievement grant from the fund.

Sec. 4. (a) The student educational achievement fund is established to provide funds to stimulate and recognize improved student performance in meeting academic standards under the ISTEP program. The fund is administered by the department.

(b) The fund consists of appropriations from the general assembly.

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

Sec. 5. The general assembly shall determine the statewide amount available for grants in appropriations during a biennium. The maximum amount available to a school is determined by referencing the number of full-time certified teaching positions for the school. The department, under the direction of the state superintendent, shall determine the available amounts and distribute the grants earned.

Sec. 6. The education roundtable shall recommend to the state board a system for awarding and distributing grants under this chapter. A system recommended under this section must be based on graduated levels of improvement based on ISTEP program standards and other assessments recommended and approved by the education
roundtable.

Sec. 7. (a) The education roundtable shall study the use of individual student assessment data:

(1) to implement this chapter;
(2) to analyze student performance over time on various assessments; and
(3) for other purposes developed by the roundtable.

(b) Any recommendation of the education roundtable concerning the use of individual student assessment data must be tested in a pilot project before the recommendation may be implemented on a statewide basis.

Chapter 8. Assessing Improvement

Sec. 1. (a) The performance of a school’s students on the ISTEP program test and other assessments recommended by the education roundtable and approved by the state board are the primary and majority means of assessing a school’s improvement.

(b) The education roundtable shall examine and make recommendations to the state board concerning:

(1) performance indicators to be used as a secondary means of determining school progress;
(2) expected progress levels, continuous improvement measures, distributional performance levels, and absolute performance levels for schools; and
(3) an orderly transition from the performance based accreditation system to the assessment system set forth in this article.

(c) The education roundtable shall consider methods of measuring improvement and progress used in other states in developing recommendations under this section.

Sec. 2. (a) In addition to scores on the ISTEP program test and other assessments, the department shall use the performance indicators developed under section 1 of this chapter and the benchmarks and indicators of performance in each school corporation's annual performance report as a secondary means of assessing the improvement of each school and school corporation.

(b) The department shall assess improvement in the following manner:

(1) Compare each school and each school corporation with its own prior performance and not to the performance of other schools or school corporations.
(2) Compare the results in the annual report under IC 20-20-8 with the benchmarks and indicators of performance established in the plan for the same school.

(3) Compare the results for a school by comparing each student’s results for each grade with the student’s prior year results, with an adjustment for student mobility rate. The education roundtable shall make recommendations concerning the incorporation of a statistical adjustment for student mobility rates into the results.

(4) Compare the results for a school with the state average and the ninety-fifth percentile level for all assessments and performance indicators.

Sec. 3. The state board shall establish a number of categories or designations of school improvement based on the improvement that a school makes in performance of the measures determined by the board with the advice of the education roundtable. The categories or designations must reflect various levels of improvement.

Sec. 4. The state board shall place each school in a category or designation of school improvement based on the department’s findings from the assessment of the improvement of each school under section 2 of this chapter. The state board must place those schools that do not show improvement and in which less than ninety percent (90%) of the students meet academic standards in the lowest category or designation.

Chapter 9. Consequences

Sec. 1. This chapter does not apply to the following:

(1) A nonpublic school.

Sec. 2. (a) This section applies the first year that a school is placed in the lowest category or designation of school improvement.

(b) The state board shall place the school and the school corporation on notice that the school is in the lowest category or designation of school improvement. Upon receiving the notice, the governing body shall:

(1) issue a public notice of the school’s lack of improvement; and

(2) hold a public hearing in which public testimony is received concerning the lack of improvement.

(c) The committee shall revise the school’s plan. A revision under this subsection may include any of the following:

(1) Shifting resources.
(2) Changing personnel.
(3) Requesting the state board to appoint an outside team to manage the school or assist in the development of a new plan.
(d) If the governing body approves a request for the state board to appoint an outside team under subsection (c)(3), the school is considered to be placed under section 3 of this chapter.

Sec. 3. (a) This section applies if, in the third year after initial placement in the lowest category or designation, a school still remains in the lowest category or designation.
(b) The state board shall establish and assign an expert team to the school. The expert team:
   (1) must include representatives from the community or region that the school serves; and
   (2) may include:
      (A) school superintendents, members of governing bodies, and teachers from school corporations that are in high categories or designations; and
      (B) special consultants or advisers.
(c) The expert team shall:
   (1) assist the school in revising the school's plan; and
   (2) recommend changes in the school that will promote improvement, including the reallocation of resources or requests for technical assistance.

Sec. 4. (a) This section applies if, in the fifth year after initial placement in the lowest category or designation, a school still remains in the lowest category or designation.
(b) The state board shall do the following:
   (1) Hold at least one (1) public hearing in the school corporation where the school is located to consider and hear testimony concerning the following options for school improvement:
      (A) Merging the school with a nearby school that is in a higher category.
      (B) Assigning a special management team to operate all or part of the school.
      (C) The department's recommendations for improving the school.
      (D) Other options for school improvement expressed at the public hearing, including closing the school.
      (E) Revising the school’s plan in any of the following areas:
         (i) Changes in school procedures or operations.
(ii) Professional development.
(iii) Intervention for individual teachers or administrators.

(2) If the state board determines that intervention will improve the school, implement at least one (1) of the options listed in subdivision (1).

Chapter 10. Rules
Sec. 1. The state board may adopt rules under IC 4-22-2 to implement this article.

Chapter 11. Performance Based Awards
Sec. 1. The state board shall implement the performance based award and incentive program to recognize and reward schools that have exhibited relative improvement toward the performance benchmarks and indicators of performance listed in IC 20-20-8-8 that are considered appropriate for the school by the state superintendent and the state board.

Sec. 2. (a) The principal of each school shall, upon request of the department, certify to the department the information required to determine the school's relative improvement toward each of the benchmarks and indicators considered appropriate for the school under section 1 of this chapter.

(b) Upon receiving the information described under subsection (a) for at least two (2) consecutive years, the department shall make a determination as to whether a school exhibited relative improvement toward each of the benchmarks and indicators referred to in subsection (a). The department shall notify the school in writing of its determination.

Sec. 3. Upon determining the schools that have exhibited relative improvement toward at least two (2) of the benchmarks and indicators considered appropriate for the school under section 1 of this chapter, the department shall designate those schools that receive a monetary award under this chapter.

Sec. 4. (a) Before a school may receive a monetary award under this chapter, the department shall:

(1) prepare a written report:
   (A) identifying the benchmarks and indicators considered appropriate for the school under section 1 of this chapter in which the school demonstrated relative improvement;
   (B) describing the extent to which the school demonstrated relative improvement; and
   (C) specifying the amount of the award sought for the school;
and
(2) submit the written report to the budget committee for its review.

(b) Before the department distributes a monetary award under this chapter, the governor must approve the specific award.

Sec. 5. The department may recognize and grant nonmonetary awards to schools that demonstrate relative improvement in at least one (1) of the benchmarks and indicators considered appropriate for the school under section 1 of this chapter.

Sec. 6. (a) A public school that receives a monetary award under this chapter may expend that award for any educational purpose for that school, except:
(1) athletics;
(2) salaries for school personnel; or
(3) salary bonuses for school personnel.

(b) A monetary award may not be used to determine:
(1) the maximum permissible general fund ad valorem property tax levy under IC 6-1.1-19-1.5; or
(2) the tuition support under IC 21-3-1.6;

of the school corporation in which the school receiving the monetary award is located.

Sec. 7. The department shall establish guidelines necessary to implement this chapter.

SECTION 16. IC 20-32 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 32. STUDENT STANDARDS, ASSESSMENTS, AND PERFORMANCE

Chapter 1. Applicability
Sec. 1. This article applies only to the following:
(1) Public schools.
(2) Nonpublic schools that voluntarily have become accredited under IC 20-19-2-8.

Chapter 2. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Academic standards" refers to the statewide academic standards developed under IC 20-31-3 indicating the skills and knowledge base expected of a student at a particular grade level for a particular subject area.

Sec. 3. "Student" means an individual who is enrolled in:
(1) a public school;
(2) an accredited nonpublic school; or
(3) another nonpublic school that has requested and received from the state board specific approval of the school's educational program.

Chapter 3. Secondary Certificates of Achievement

Sec. 1. As used in this chapter, "requisite proficiency" refers to the satisfaction by a student of the standards approved by the:
(1) state board under section 4(a)(3) of this chapter to receive a secondary level certificate of achievement in an academic field; or
(2) workforce proficiency panel within the department of workforce development under section 4(a)(3) of this chapter to receive a secondary level certificate of achievement in a technical field.

Sec. 2. As used in this chapter, "student" refers to a student who meets the following conditions:
(1) Is enrolled in a public school, an accredited nonpublic school, or a nonpublic school that has requested and received from the state board specific approval for the school's education program.
(2) Is in at least grade 9.
(3) If the student is a child with a disability (as defined in IC 20-35-1-2), would benefit from the participation under this chapter as determined by the individualized education program for the student.

Sec. 3. As used in this chapter, "subject or skill areas" refers to specific and identifiable technically related and academically related subjects or skills.

Sec. 4. (a) The state board, concerning academic fields of study, and the workforce proficiency panel within the department of workforce development, concerning technical fields of study, shall adopt for statewide implementation the following:
(1) Different subject or skill areas in which students may be given the opportunity to do the following:
   A. Demonstrate the requisite proficiency.
   B. Be awarded a secondary level certificate of achievement.
(2) The instrument or assessment by which a student is given the opportunity to demonstrate the requisite proficiency.
(3) The standards required for each subject or skill area necessary to acquire a particular secondary level certificate of
achievement.

(b) Regarding the academic field of study, a student may elect to earn academic certificates of achievement in areas designated by the state board through the advanced placement program (as defined in IC 20-36-3-3) or another appropriate assessment designated by the state board.

(c) The state board may adopt rules to implement this chapter relating to the certificates of achievement for academic fields of study.

Sec. 5. (a) In making adoptions under section 4 of this chapter, the state board or the workforce proficiency panel within the department of workforce development shall consider the following factors:

1. The overall value of the particular subject or skill area to a broad range of students and the workforce.
2. The transferability of the particular subject or skill area to other subject or skill areas.
3. Providing, as equally as possible, opportunities for certificates of achievement in both technical and academic fields.
4. Regarding technical skill areas, the number of public schools in Indiana that offer technical programs in the particular skill areas.
5. Any other factor that the state board or the workforce proficiency panel within the department of workforce development considers significant.

(b) The state board and the department of workforce development shall cooperate with each other to implement this chapter.

Sec. 6. The secondary level certificate of achievement assessment instruments must provide each student with the opportunity to demonstrate the requisite proficiency in the subject or skill area in an applied manner as appropriate.

Sec. 7. (a) Each student participating in the technology preparation curriculum under IC 20-30-12 or the college preparation curriculum under IC 20-30-10 may elect to pursue a certificate of achievement in an academic area. Unless the governing body requires the acquisition of secondary level academic certificates of achievement for graduation, the certificates of achievement are not a requirement for graduation.

(b) For every secondary level technical education program for which an appropriate secondary level technical certificate of achievement is available, each student is required to undergo the appropriate technical certificate of achievement assessment. Unless the
governing body requires the acquisition of the secondary level technical certificate of achievement for graduation, the certificates of achievement are not a requirement for graduation.

Sec. 8. Any secondary level or postsecondary level (under IC 20-12-1-10) certificates of achievement that a student earns shall be recorded in the student’s official high school transcript.

Sec. 9. A student who:

(1) receives a secondary level certificate of achievement in a particular subject or skill area; and

(2) satisfies the standards for receipt of academic credit as determined by a state educational institution (as defined in IC 20-12-0.5-1);

may receive postsecondary level academic credit at the state educational institution for the secondary level certificate of achievement as set forth in IC 20-12-1-9.

Sec. 10. A student who undergoes an advanced placement examination under IC 20-36-3 and receives a satisfactory score on the advanced placement examination is entitled to receive a certificate of achievement for the particular subject area in which the student was tested.

Sec. 11. This chapter does not require a school corporation to offer opportunities for secondary level or postsecondary level certificates of achievement in subject and skill areas in which the school corporation does not offer a program.

Sec. 12. The state board shall do the following:

(1) Make the academically related secondary level certificate of achievement assessment instruments available to the department of workforce development for the department of workforce development's use in offering adult learners the opportunity to demonstrate the requisite proficiency in the particular subject and skill areas.

(2) Authorize the department of workforce development to award the particular certificates of achievement to those individuals who demonstrate the requisite proficiency.

Sec. 13. The state board shall, in cooperation with the Indiana commission on vocational and technical education within the department of workforce development, adopt rules under IC 4-22-2 to implement this chapter, including rules concerning the administration of the secondary level certificates of achievement by the department of workforce development.
Chapter 4. Graduation Requirements

Sec. 1. A student must meet:

(1) the academic standards tested in the graduation examination; and

(2) any additional requirements established by the governing body of the student's school corporation;

to be eligible to graduate.

Sec. 2. A student who does not meet the academic standards tested in the graduation examination shall be given the opportunity to be tested during each semester of each grade following the grade in which the student is initially tested until the student achieves a passing score.

Sec. 3. A student who does not achieve a passing score on the graduation examination may be eligible to graduate if all the following occur:

(1) The principal of the school the student attends certifies that the student will within one (1) month of the student's scheduled graduation date successfully complete all components of the Core 40 curriculum as established by the state board under IC 20-30-10-1.

(2) The student otherwise satisfies all state and local graduation requirements.

Sec. 4. A student who does not achieve a passing score on the graduation examination and who does not meet the requirements of section 3 of this chapter may be eligible to graduate if the student does all the following:

(1) Takes the graduation examination in each subject area in which the student did not achieve a passing score at least one (1) time every school year after the school year in which the student first takes the graduation examination.

(2) Completes remediation opportunities provided to the student by the student's school.

(3) Maintains a school attendance rate of at least ninety-five percent (95%) with excused absences not counting against the student's attendance.

(4) Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the state board.

(5) Obtains a written recommendation from a teacher of the student in each subject area in which the student has not achieved a passing score. The recommendation must:
(A) be concurred in by the principal of the student's school; and
(B) be supported by documentation that the student has attained the academic standard in the subject area based on:
   (i) tests other than the graduation examination; or
   (ii) classroom work.

(6) Otherwise satisfies all state and local graduation requirements.

Sec. 5. (a) This section applies to a student who is a child with a disability (as defined in IC 20-35-1-2).

(b) If the student does not achieve a passing score on the graduation examination, the student's case conference committee may determine that the student is eligible to graduate if the case conference committee finds the following:

   (1) The student's teacher of record, in consultation with a teacher of the student in each subject area in which the student has not achieved a passing score, makes a written recommendation to the case conference committee. The recommendation must:
       (A) be concurred in by the principal of the student's school; and
       (B) be supported by documentation that the student has attained the academic standard in the subject area based on:
           (i) tests other than the graduation examination; or
           (ii) classroom work.

   (2) The student meets all the following requirements:
       (A) Retakes the graduation examination in each subject area in which the student did not achieve a passing score as often as required by the student's individualized education program.
       (B) Completes remediation opportunities provided to the student by the student's school to the extent required by the student's individualized education program.
       (C) Maintains a school attendance rate of at least ninety-five percent (95%) to the extent required by the student's individualized education program with excused absences not counting against the student's attendance.
       (D) Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the state board.
       (E) Otherwise satisfies all state and local graduation
Chapter 5. Indiana Statewide Testing for Educational Progress

Sec. 1. The purposes of the ISTEP program developed under this chapter are as follows:
(1) To assess the strengths and weaknesses of school performance.
(2) To assess the effects of state and local educational programs.
(3) To compare achievement of Indiana students to achievement of students on a national basis.
(4) To provide a source of information for state and local decision makers with regard to educational matters, including the following:
   (A) The overall academic progress of students.
   (B) The need for new or revised educational programs.
   (C) The need to terminate existing educational programs.
   (D) Student readiness for postsecondary school experiences.
   (E) Overall curriculum development and revision activities.
   (F) Identifying students who may need remediation under IC 20-32-8.
   (G) Diagnosing individual student needs.
   (H) Teacher training and staff development activities.

Sec. 2. ISTEP program testing shall be administered in the following subject areas:
(1) English/language arts.
(2) Mathematics.
(3) Science, in grade levels determined by the state board.
(4) Social studies, in grade levels determined by the state board.

Sec. 3. To carry out the purposes described in section 1 of this chapter, each English/language arts and mathematics test developed for use under the ISTEP program test must include the following:
(1) A method of testing basic skills appropriate for the designated grade level, including multiple choice questions.
(2) A method of testing applied skills appropriate for the designated grade level, including short answer or essay questions and the solving of arithmetic or mathematical problems.
(3) A method of testing and grading that will allow comparison with national and international academic standards.

Sec. 4. (a) The state board shall:
(1) authorize the development and implementation of the ISTEP program; and
(2) determine the date on which the statewide testing is administered in each school corporation.

(b) The state superintendent is responsible for the overall development, implementation, and monitoring of the ISTEP program.

(c) The department shall prepare detailed design specifications for the ISTEP program that must do the following:

1. Take into account the academic standards adopted under IC 20-31-3.

2. Include testing of students' higher level cognitive thinking in each subject area tested.

Sec. 5. The department shall make general language arts essay scoring rubrics available to the public at least four (4) months before the administration of a test. An essay question, a scoring rubric, or an anchor paper used in the ISTEP program must comply with the following:

1. For an essay question, have a prompt that is taken from:
   A. a textbook on the state textbook adoption list included in IC 20-20-5; or
   B. a source other than a source listed in clause (A) that is approved by the ISTEP program citizens' review committee established under IC 20-32-6.

2. Not seek or compile information about a student's:
   A. personal attitudes;
   B. political views;
   C. religious beliefs;
   D. family relationships; or
   E. other matters listed in IC 20-30-5-17(b).

The ISTEP program citizens' review committee shall determine whether an essay question or a scoring rubric complies with this subdivision.

Sec. 6. The scoring of student responses under an ISTEP program test:

1. must measure student achievement relative to the academic standards established by the state board;
2. must adhere to scoring rubrics and anchor papers; and
3. may not reflect the scorer's judgment of the values expressed by a student in the student's responses.

Sec. 7. This subsection applies to reports of scores in mathematics and English/language arts. Reports must:

1. provide scores indicating student performance relative to
each of the academic standards:
   (A) established by the state board; and
   (B) assessed by the test;
(2) be related to passing scores established by the state board; and
(3) contain the information listed in subdivisions (1) and (2) for the following levels:
   (A) Individual student.
   (B) Classroom.
   (C) School.
   (D) School corporation.
   (E) Indiana.

Sec. 8. Reports of student scores must be:
   (1) returned to the school corporation that administered the test; and
   (2) accompanied by a guide for interpreting scores.

Sec. 9. (a) After reports of student scores are returned to a school corporation, the school corporation shall promptly do the following:
   (1) Give each student and the student's parent the student's ISTEP program test scores.
   (2) Make available for inspection to each student and the student's parent the following:
      (A) A copy of the essay questions and prompts used in assessing the student.
      (B) A copy of the student's scored essays.
      (C) A copy of the anchor papers and scoring rubrics used to score the student's essays.

A student's parent may request a rescoring of a student's responses to a test, including a student's essay.
(b) A student's ISTEP program scores may not be disclosed to the public.

Sec. 10. After a school receives score reports, the school shall schedule a parent/teacher conference with the following:
   (1) A parent of a student who requests a parent/teacher conference on the scores of the student.
   (2) The parent of each student who does not receive a passing score on the test. The conference must include a discussion of:
      (A) the student's test scores, including subscores on academic standards; and
      (B) the proposed remediation plan for the student.
Sec. 11. Each school corporation shall compile the total results of the ISTEP program tests in a manner that will permit evaluation of learning progress within the school corporation. The school corporation shall make the compilation of test results available for public inspection and shall provide that compilation to the parent of each student tested under the ISTEP program.

Sec. 12. The department shall develop a format for the publication by school corporations in an annual performance report required by statute of appropriate academic information required by the department, including ISTEP program test scores, in a manner that a reasonable person can easily read and understand.

Sec. 13. The school corporation shall provide the ISTEP program test results on a school by school basis to the department upon request.

Sec. 14. Upon request by the commission for higher education, the department shall provide ISTEP program test results to the commission for those students for whom the commission under 20 U.S.C. 1232g has obtained consent.

Sec. 15. (a) The state superintendent shall develop an ISTEP program testing schedule in which:

(1) each student in grades 3, 6, 8, and 10 must be tested; and
(2) each student in grade 10 must take a graduation examination.

(b) The state board shall adopt rules to establish when a student is considered to be in grade 10 for purposes of initially taking the graduation examination.

Sec. 16. (a) A student who is a child with a disability (as defined in IC 20-35-1-2) shall be tested under this chapter with appropriate accommodations in testing materials and procedures unless the individuals who develop the child’s individualized education program determine that testing or a part of the testing under this chapter is not appropriate for the student and that an alternate assessment will be used to test the student’s achievement.

(b) Any decision concerning a student who is a child with a disability (as defined in IC 20-35-1-2) regarding the student’s:

(1) participation in testing under this chapter;
(2) receiving accommodations in testing materials and procedures;
(3) participation in remediation under IC 20-32-8; or
(4) retention at the same grade level for consecutive school years; shall be made in accordance with the student’s individualized education program in compliance with the ISTEP program manual
and federal law.

Sec. 17. (a) If a nonpublic school seeks accreditation as authorized under IC 20-19-2-8(a)(5), the governing body of the nonpublic school is entitled to acquire at no charge from the department:

1. the ISTEP program test; and
2. the scoring reports used by the department.

(b) The nonpublic school seeking accreditation must:

1. administer the ISTEP program test to its students at the same time that school corporations administer the test; and
2. make available to the department the results of the ISTEP program testing.

Sec. 18. (a) The department shall establish a pilot program to examine innovative testing methods.

(b) The department shall select a representative sample of school corporations determined through an application procedure to participate in the pilot program under this section.

(c) The types of methods authorized under this program include the following:

1. Recently developed techniques for measuring higher order thinking skills.
2. Performance testing of academic standards that are difficult to measure by a written test format.
3. Expanded subject area assessment using student writing samples.

(d) The funds necessary to implement a pilot program under this section shall be expended from the research and development program under IC 20-20-11.

Sec. 19. If state funds appropriated for remediation are available under IC 20-32-8 at the end of a state fiscal year, the funds:

1. do not revert to the state general fund; and
2. must be transferred to the 4R’s technology program for use under IC 20-20-13-9.

Sec. 20. (a) The contractor that the department engages for scoring tests shall identify locations in Indiana that provide a supply of labor and other resources necessary to provide scoring services for the program.

(b) The contractor shall relocate to Indiana the contractor's facilities for scoring the applied skills parts of tests given under section 6 of this chapter.

Sec. 21. (a) The state board may require schools to participate in
national or international assessments.

(b) The state board may establish an assessment to be administered at the conclusion of each Core 40 course in English/language arts, mathematics, social studies, and science. However, participation in a Core 40 assessment established under this subsection must be voluntary on the part of a school corporation.

(c) The state board may establish a diagnostic reading assessment for use in grades 1 and 2 to promote grade level reading competency by grade 3. However, participation in a reading assessment established under this subsection must be voluntary on the part of a school corporation.

Sec. 22. The state board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 6. ISTEP Program Citizens' Review Committee

Sec. 1. As used in this chapter, "committee" refers to the ISTEP program citizens' review committee.

Sec. 2. The ISTEP program citizens' review committee is established.

Sec. 3. The committee has fifteen (15) members appointed as follows:

1. The governor and state superintendent shall appoint seven (7) lay members.

2. The speaker of the house of representatives shall appoint four (4) members, selected as follows:
   A. Two (2) members of the house of representatives from different political parties.
   B. Two (2) persons who:
      1) are not members of the general assembly; and
      2) have an interest in education.

3. The president pro tempore of the senate shall appoint four (4) members, selected as follows:
   A. Two (2) members of the senate from different political parties.
   B. Two (2) persons who:
      1) are not members of the general assembly; and
      2) have an interest in education.

Sec. 4. Each member of the committee who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b) and reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties as
provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 5. Each member of the committee who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member’s duties as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 6. Each member of the committee who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

Sec. 7. The state superintendent shall:

(1) convene the committee before a pilot test is conducted; and
(2) present items listed in section 8 of this chapter to the committee for the committee’s review.

Sec. 8. The committee shall review the following that the department proposes for use in the ISTEP program:

(1) Essay questions and prompts.

(2) Scoring rubrics.

The committee must review an item listed in subdivisions (1) and (2) before the item is used in a test.

Sec. 9. The committee must reach a consensus on each item listed in section 8 of this chapter before the item may be used in the ISTEP program.

Sec. 10. The department shall make available anchor papers for review by the committee as soon as the department selects the anchor papers.

Chapter 7. Local Student Diagnostic Assessment and Student Portfolios

Sec. 1. A decision requiring a student who is a child with a disability (as defined in IC 20-35-1-2) to undergo a student diagnostic assessment under this chapter or be retained at a particular grade level shall be made in accordance with the disabled student’s individualized education program and federal law.

Sec. 2. Each school may authorize the school’s teachers to administer student diagnostic assessments to allow the teachers to make detailed individual assessments of the educational progress of students in grade levels designated by the state board.
Sec. 3. The department shall make available to schools optional student diagnostic tools such as actual assessment instruments or computer banks containing appropriate essential skills items to assist schools in implementing the diagnostic assessments.

Sec. 4. After a governing body holds a public hearing on a proposed portfolio program, the governing body may establish a portfolio program to maintain a portfolio of a student's work at grade levels designated by the governing body.

Sec. 5. The governing body shall develop guidelines for the portfolio program, including guidelines governing the appropriate contents of the portfolios.

Sec. 6. Upon the written consent of:
(1) the student; or
(2) if the student is not emancipated, the student's parent;
the contents of the student's portfolio may be disclosed to a student's prospective employer.

Chapter 8. Remediation

Sec. 1. As used in this chapter, "grant" refers to a grant under the remediation grant program established under this chapter.

Sec. 2. As used in this chapter, "program" refers to the remediation grant program established under this chapter.

Sec. 3. As used in this chapter, "student" means any individual who is enrolled in a school corporation.

Sec. 4. The remediation grant program is established to provide grants to school corporations for the following:
(1) Remediation of students who score below academic standards.
(2) Preventive remediation for students who are at risk of falling below academic standards.
(3) For students in a freeway school or freeway school corporation who are assessed under a locally adopted assessment program under IC 20-26-15-6(7):
   (A) remediation of students who score below academic standards under the locally adopted assessment program; and
   (B) preventive remediation for students who are at risk of falling below academic standards under the locally adopted assessment program.

Sec. 5. The department shall do the following:
(1) Subject to section 6 of this chapter, develop a formula to be approved by the state board, reviewed by the budget committee,
and approved by the budget agency for the distribution of grants to school corporations.
(2) Distribute grant funds according to the formula.
(3) Determine standards for remediation programs to be funded under the program.
(4) Administer the program.

Sec. 6. The formula the department develops under this chapter must provide the following:
(1) Each school corporation must be able to qualify for a grant.
(2) A maximum grant amount must be determined for each school corporation.
(3) The amount that a school corporation may receive per student must be related to:
   (A) the percentage of students scoring below state achievement standards; or
   (B) for a freeway school or freeway school corporation having a locally adopted assessment program, the percentage of students falling below achievement standards under the locally adopted assessment program.

The school corporation having the highest percentage of students scoring below state achievement standards must be entitled to the highest grant amount per student.
(4) The actual grant to a school corporation must be the lesser of:
   (A) two hundred percent (200%) of the amount appropriated by the governing body of the school corporation under section 7 of this chapter; or
   (B) the maximum grant amount determined for the school corporation under subdivision (2).

(5) The amount distributed to school corporations under the program may not exceed the appropriation by the general assembly for the remediation grant program.

Sec. 7. A school corporation qualifies to receive a grant when the governing body of the school corporation appropriates money from the general fund of the school corporation for a:
(1) remediation program; or
(2) preventive remediation program;
that meets the state board’s standards for funding under the program, and, if the program is a preventive remediation program, that has been approved by the state board.

Sec. 8. The governing body of a school corporation may establish
a remediation program or a preventive remediation program under
this chapter for all students who fall below the academic standards
adopted under IC 20-31-3. The governing body shall spend money
under this chapter for direct remediation or direct preventative
remediation services for students.

Sec. 9. If the governing body decides to establish a remediation
program or preventive remediation program under this chapter, the
governing body must:

(1) subject to section 10 of this chapter, determine the type of
program that best fits the needs of the students of the school
corporation; and
(2) adopt guidelines for:

(A) procedures for determining student eligibility for a
program; and

(B) implementation of the program.

Sec. 10. If the governing body decides to offer a preventive
remediation program, the governing body shall consider including a
reading recovery program.

Sec. 11. Notwithstanding the requirements of this chapter, any
decisions made with regard to:

(1) attendance in a remediation program;
(2) ISTEP program testing; and
(3) the grade level placement;

for a student who is a child with a disability (as defined in
IC 20-35-1-2) shall be made in accordance with the individualized
education program, state law, and federal law.

Sec. 12. The department shall develop curriculum guidelines for
use by each school corporation in developing its remediation program
under this chapter.

Sec. 13. The state board shall adopt rules under IC 4-22-2 to
implement this chapter.

SECTION 17. IC 20-33 IS ADDED TO THE INDIANA CODE AS A
NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
2005]:

ARTICLE 33. STUDENTS: GENERAL PROVISIONS
Chapter 1. Equal Educational Opportunity
Sec. 1. The following is the public policy of the state:

(1) To provide equal, nonsegregated, nondiscriminatory
educational opportunities and facilities for all, regardless of race,
creed, national origin, color, or sex.
(2) To provide and furnish public schools and common schools equally open to all and prohibited and denied to none because of race, creed, color, or national origin.
(3) To reaffirm the principles of the Bill of Rights, civil rights, and the Constitution of the State of Indiana.
(4) To provide for the state and the citizens of Indiana a uniform democratic system of public and common school education.
(5) To abolish, eliminate, and prohibit segregated and separate schools or school districts on the basis of race, creed, or color.
(6) To eliminate and prohibit segregation, separation, and discrimination on the basis of race, color, or creed in the public kindergartens, common schools, public schools, vocational schools, colleges, and universities of Indiana.

Sec. 2. The public schools of Indiana are open to all children until the children complete their courses of study, subject to the authority vested in school officials by law.

Sec. 3. (a) The governing body of a school corporation and the board of trustees of a college or university may not build or erect, establish, maintain, continue, or permit any segregated or separate:
   (1) public kindergartens;
   (2) public schools or districts;
   (3) public school departments or divisions; or
   (4) colleges or universities;
   on the basis of race, color, creed, or national origin of pupils or students.
   (b) The officials described in subsection (a) may take any affirmative actions that are reasonable, feasible, and practical to effect greater integration and to reduce or prevent segregation or separation of races in public schools for whatever cause, including:
      (1) site selection; or
      (2) revision of:
         (A) school districts;
         (B) curricula; or
         (C) enrollment policies;
   to implement equalization of educational opportunity for all.
   (c) A school corporation shall review the school corporation's programs to determine if the school corporation's practices of:
      (1) separating students by ability;
      (2) placing students into educational tracks; or
      (3) using test results to screen students;
have the effect of systematically separating students by race, color, creed, national origin, or socioeconomic class.

Sec. 4. (a) A student is entitled to be admitted and enrolled in the public or common school in the school corporation in which the student resides without regard to race, creed, color, socioeconomic class, or national origin.

(b) A student may not be prohibited, segregated, or denied attendance or enrollment to:

1. a:
   (A) public school;
   (B) common school;
   (C) junior high school; or
   (D) high school;
   in the student's school corporation; or
2. a college or university in Indiana;
because of the student's race, creed, color, or national origin.

(c) Every student is free to attend:

1. a:
   (A) public school; or
   (B) department or division of a public school; or
2. college or university in Indiana;
within the laws applicable alike to noncitizen and nonresident students.

Sec. 5. (a) A:

1. public school;
2. state college; or
3. state university;
may not segregate, separate, or discriminate against any of its students on the basis of race, creed, or color.

(b) Admission to a public school may not be approved or denied on the basis of race, creed, or color.

Sec. 6. A:

1. public school;
2. state college; or
3. state university;
may not discriminate in any way in the hiring, upgrading, tenure, or placement of any teacher on the basis of race, creed, color, or national origin.

Sec. 7. This chapter is supplemental to:

1. all common law, statutory law, and civil rights applicable to
the public schools, common schools, colleges, and universities; and
(2) the rights and remedies arising from these laws of the state and to the state's citizens.

Chapter 2. Compulsory School Attendance

Sec. 1. The legislative intent for this chapter is to provide an efficient and speedy means of insuring that students receive a proper education whenever it is reasonably possible.

Sec. 2. For the purposes of this chapter, "school year" has the meaning set forth in IC 21-2-12-3(h).

Sec. 3. This chapter applies to each situation that involves any of the following:
(1) A person less than eighteen (18) years of age who is domiciled in Indiana.
(2) A person less than eighteen (18) years of age who:
   (A) is not domiciled in Indiana; and
   (B) intends to remain in Indiana for a period established by rule of the state board.
(3) A student:
   (A) who is less than eighteen (18) years of age;
   (B) whose behavior has resulted in an expulsion from school; and
   (C) who is assigned to attend:
      (i) an alternative school; or
      (ii) an alternative educational program.

Sec. 4. Subject to the specific exceptions under this chapter, a student shall attend either:
(1) a public school that the student is entitled to attend under IC 20-26-11; or
(2) another school taught in the English language.

Sec. 5. A student for whom education is compulsory under this chapter shall attend school each year for the number of days public schools are in session:
(1) in the school corporation in which the student is enrolled in Indiana; or
(2) where the student is enrolled if the student is enrolled outside Indiana.

Sec. 6. (a) A student is bound by the requirements of this chapter from the earlier of the date on which the student officially enrolls in a school or, except as provided in section 8 of this chapter, the
beginning of the fall school term for the school year in which the student becomes seven (7) years of age until the date on which the student:

(1) graduates;
(2) becomes eighteen (18) years of age; or
(3) becomes sixteen (16) years of age but is less than eighteen (18) years of age and the requirements under section 9 of this chapter concerning an exit interview are met enabling the student to withdraw from school before graduation;

whichever occurs first.

(b) A student who:

(1) enrolls in school before the fall school term for the school year in which the student becomes seven (7) years of age; and
(2) is withdrawn from school before the school year described in subdivision (1) occurs;

is not subject to the requirements of this chapter until the student is reenrolled as required in subsection (a). This chapter shall not be construed to require that a student complete grade 1 before the student becomes eight (8) years of age.

Sec. 7. (a) In addition to the requirements of sections 4 through 6 of this chapter, a student must be at least five (5) years of age on July 1 of a school year to officially enroll in a kindergarten program offered by a school corporation. However, subject to subsection (c), the governing body of the school corporation shall adopt a procedure affording a parent of a student who does not meet the minimum age requirement set forth in this subsection the right to appeal to the superintendent for enrollment of the student in kindergarten at an age earlier than the age set forth in this subsection.

(b) In addition to the requirements of sections 4 through 6 of this chapter and subsection (a), and subject to subsection (c), if a student enrolls in school as allowed under section 6 of this chapter and has not attended kindergarten, the superintendent shall make a determination as to whether the student shall enroll in kindergarten or grade 1 based on the particular model assessment adopted by the governing body under subsection (c).

(c) To assist the principal and governing bodies, the department shall do the following:

(1) Establish guidelines to assist each governing body in establishing a procedure for making appeals to the superintendent under subsection (a).
(2) Establish criteria by which a governing body may adopt a model assessment that may be used in making the determination under subsection (b).

Sec. 8. A student is not bound by the requirements of this chapter until the student becomes seven (7) years of age, if, upon request of the superintendent of the school corporation, the parent of a student who would otherwise be subject to compulsory school attendance under section 6 of this chapter certifies to the superintendent that the parent intends to:

(1) enroll the student in a nonaccredited, nonpublic school; or
(2) begin providing the student with instruction equivalent to that given in the public schools as permitted under section 28 of this chapter;
not later than the date on which the student becomes seven (7) years of age.

Sec. 9. (a) The governing body of each school corporation shall designate the appropriate employees of the school corporation to conduct the exit interviews for students described in section 6(a)(3) of this chapter. Each exit interview must be personally attended by:

(1) the student's parent;
(2) the student;
(3) each designated appropriate school employee; and
(4) the student's principal.

(b) A student who is at least sixteen (16) years of age but less than eighteen (18) years of age is bound by the requirements of compulsory school attendance and may not withdraw from school before graduation unless:

(1) the student, the student's parent, and the principal agree to the withdrawal; and
(2) at the exit interview, the student provides written acknowledgment of the withdrawal and the:

(A) student’s parent; and
(B) school principal;
each provide written consent for the student to withdraw from school.

Sec. 10. (a) Each public school shall and each private school may require a student who initially enrolls in the school to provide:

(1) the name and address of the school the student last attended; and
(2) a certified copy of the student’s birth certificate or other
reliable proof of the student's date of birth.
(b) Not more than fourteen (14) days after initial enrollment in a
school, the school shall request the student's records from the school
the student last attended.
(c) If the document described in subsection (a)(2):
   (1) is not provided to the school not more than thirty (30) days
       after the student's enrollment; or
   (2) appears to be inaccurate or fraudulent;
the school shall notify the Indiana clearinghouse for information on
missing children established under IC 10-13-5-5 and determine if the
student has been reported missing.
(d) A school in Indiana receiving a request for records shall send
the records promptly to the requesting school. However, if a request
is received for records to which a notice has been attached under
IC 31-36-1-5 (or IC 31-6-13-6 before its repeal), the school:
   (1) shall immediately notify the Indiana clearinghouse for
       information on missing children;
   (2) may not send the school records without the authorization of
       the clearinghouse; and
   (3) may not inform the requesting school that a notice under
       IC 31-36-1-5 (or IC 31-6-13-6 before its repeal) has been attached
to the records.
Sec. 11. (a) Notwithstanding IC 9-24 concerning the minimum
requirements for qualifying for the issuance of an operator's license
or a learner's permit, and subject to subsections (c) through (e), an
individual who is:
   (1) at least thirteen (13) years of age but less than fifteen (15)
       years of age;
   (2) a habitual truant under the definition of habitual truant
       established under subsection (b); and
   (3) identified in the information submitted to the bureau of motor
       vehicles under subsection (f);
may not be issued an operator's license or a learner's permit to drive
a motor vehicle under IC 9-24 until the individual is at least eighteen
(18) years of age.
(b) Each governing body shall establish and include as part of the
written copy of its discipline rules described in IC 20-33-8-12:
   (1) a definition of a child who is designated as a habitual truant;
   (2) the procedures under which subsection (a) will be
       administered; and
(3) all other pertinent matters related to this action.

(c) An individual described in subsection (a) is entitled to the procedure described in IC 20-33-8-19.

(d) An individual described in subsection (a) who is at least thirteen (13) years of age and less than eighteen (18) years of age is entitled to a periodic review of the individual's attendance record in school to determine whether the prohibition described in subsection (a) shall continue. The periodic reviews may not be conducted less than one (1) time each school year.

(e) Upon review, the governing body may determine that the individual's attendance record has improved to the degree that the individual may become eligible to be issued an operator's license or a learner's permit.

(f) Before:

(1) February 1; and

(2) October 1;

of each year the governing body of the school corporation shall submit to the bureau of motor vehicles the pertinent information concerning an individual's ineligibility under subsection (a) to be issued an operator's license or a learner's permit.

(g) The department shall develop guidelines concerning criteria used in defining a habitual truant that may be considered by a governing body in complying with subsection (b).

Sec. 12. (a) A school that is:

(1) nonpublic;

(2) nonaccredited; and

(3) not otherwise approved by the state board;

is not bound by any requirements set forth in IC 20 or IC 21 with regard to curriculum or the content of educational programs offered by the school.

(b) This section may not be construed to prohibit a student who attends a school described in subsection (a) from enrolling in a particular educational program or participating in a particular educational initiative offered by an accredited public, nonpublic, or state board approved nonpublic school if:

(1) the governing body or superintendent, in the case of the accredited public school; or

(2) the administrative authority, in the case of the accredited or state board approved nonpublic school;

approves the enrollment or participation by the student.
Sec. 13. (a) A school corporation shall record or include the following information in the official high school transcript for a student in high school:

(1) Attendance records.
(2) The student's latest ISTEP program test results under IC 20-32-5.
(3) Any secondary level and postsecondary level certificates of achievement earned by the student.
(4) Immunization information from the immunization record the student's school keeps under IC 20-34-4-1.

(b) A school corporation may include information on a student's high school transcript that is in addition to the requirements of subsection (a).

Sec. 14. (a) This section and sections 15 through 17 of this chapter apply to a student who attends either a public school or a nonpublic school.

(b) Service as a page for or as an honoree of the general assembly is a lawful excuse for a student to be absent from school, when verified by a certificate of the secretary of the senate or the chief clerk of the house of representatives. A student excused from school attendance under this section may not be recorded as being absent on any date for which the excuse is operative and may not be penalized by the school in any manner.

Sec. 15. (a) The governing body of a school corporation and the chief administrative official of a nonpublic secondary school system shall authorize the absence and excuse of each secondary school student who serves:

(1) on the precinct election board; or
(2) as a helper to a political candidate or to a political party on the date of each general, city or town, special, and primary election at which the student works.

(b) Before the date of the election, the student must submit a document signed by one (1) of the student's parents giving permission to participate in the election as provided in this section, and the student must verify to school authorities the performance of services by submitting a document signed by the candidate, political party chairman, campaign manager, or precinct officer generally describing the duties of the student on the date of the election. A student excused from school attendance under this section may not be recorded as being absent on any date for which the excuse is operative and may
not be penalized by the school in any manner.

Sec. 16. The governing body of a school corporation or the chief administrative officer of a nonpublic school system shall authorize the absence and excuse of a student who is issued a subpoena to appear in court as a witness in a judicial proceeding. A student excused under this section shall not be recorded as being absent on any date for which the excuse is operative and shall not be penalized by the school in any manner. The appropriate school authority may require that the student submit the subpoena to the appropriate school authority for verification.

Sec. 17. The governing body of a school corporation or the chief administrative officer of a nonpublic school system shall authorize the absence and excuse of each secondary school student who is ordered to active duty with the Indiana National Guard for not more than ten (10) days in a school year. For verification, the student must submit to school authorities a copy of the orders to active duty and a copy of the orders releasing the student from active duty. A student excused from school attendance under this section may not be recorded as being absent on any date for which the excuse is operative and may not be penalized by the school in any manner.

Sec. 18. (a) If a parent of a student does not send the student to school because of the student's illness or mental or physical incapacity, it is unlawful for the parent to fail or refuse to produce a certificate of the illness or incapacity for an attendance officer not later than six (6) days after the certificate is demanded.

(b) The certificate required under this section must be signed by:
   (1) an Indiana physician;
   (2) an individual holding a license to practice osteopathy or chiropractic in Indiana; or
   (3) a Christian Science practitioner who resides in Indiana and is listed in the Christian Science Journal.

Sec. 19. (a) When the parent of a student who is enrolled in a public school makes a written request, the principal may allow the student to attend a school for religious instruction that is conducted by a church, an association of churches, or an association that is organized for religious instruction and incorporated under Indiana law.

(b) If a principal grants permission under subsection (a), the principal shall specify a period or periods, not to exceed one hundred twenty (120) minutes in total in any week, for the student to receive religious instruction. The permission is valid only for the year in
which it is granted. Decisions made by a principal under this section may be reviewed by the superintendent.

(c) A school for religious instruction that receives students under this section:

(1) shall maintain attendance records and allow inspection of these records by attendance officers; and

(2) may not be supported, in whole or in part, by public funds.

(d) A student who attends a school for religious instruction under this section shall receive the same attendance credit that the student would receive for attendance in the public schools for the same length of time.

Sec. 20. (a) An accurate daily record of the attendance of each student who is subject to compulsory school attendance under this chapter shall be kept by every public and nonpublic school.

(b) In a public school, the record shall be open at all times for inspection by:

(1) attendance officers;

(2) school officials; and

(3) agents of the department of labor.

Every teacher shall answer fully all lawful inquiries made by an attendance officer, a school official, or an agent of the department of labor.

(c) In a nonpublic school, the record shall be required to be kept solely to verify the enrollment and attendance of a student upon request of the:

(1) state superintendent; or

(2) superintendent of the school corporation in which the nonpublic school is located.

Sec. 21. (a) Each principal and teacher in a public school that is attended by a student subject to the compulsory school attendance law under this chapter shall furnish, on request of the superintendent of the school corporation in which they are employed, a list of:

(1) names;

(2) addresses; and

(3) ages;

of all minors attending the school. When a student withdraws from school, the principal and teacher shall immediately report to the superintendent the student's name and address and the date of the student's withdrawal.

(b) Each principal or school administrator in a nonpublic school
that is attended by a student who is subject to the compulsory school attendance law under this chapter shall furnish, on request of the state superintendent, the number of students by grade level attending the school.

(c) If:

(1) a student withdraws from a nonpublic school; and

(2) no public or other nonpublic school has requested the student’s educational records within fifteen (15) school days after the date the student withdrew from school;

the nonpublic school shall report to the state superintendent or the superintendent of the school corporation in which the nonpublic school is located, the name and address of the student and the date the student withdrew from school.

Sec. 22. (a) Not later than fifteen (15) school days after the beginning of each semester, the principal of a public high school shall send to the superintendent with jurisdiction over the school a list of names and last known addresses of all students:

(1) not graduated; and

(2) not enrolled in the then current semester who were otherwise eligible for enrollment.

(b) Each superintendent immediately shall make available all lists received under this section to an authorized representative of:

(1) Ivy Tech State College; and

(2) an agency whose purpose it is to enroll high school dropouts in various training programs.

(c) Each representative authorized to receive a list prepared under subsection (b) shall stipulate in writing that the list will be used only to contact prospective students or prospective trainees. If a list is used for any other purpose, the college or agency that the recipient represents is ineligible to receive subsequent lists for five (5) years.

Sec. 23. (a) Each school attendance officer, sheriff, marshal, and police officer in Indiana may take into custody any child who:

(1) is required to attend school under this chapter; and

(2) is found during school hours, unless accompanied:

(A) by a parent; or

(B) with the consent of a parent, by a relative by blood or marriage who is at least eighteen (18) years of age;

in a public place, in a public or private conveyance, or in a place of business open to the public.

(b) When an officer takes a child into custody under this section,
the officer shall immediately deliver the child to the principal of the public or nonpublic school in which the child is enrolled. If a child is not enrolled in any school, then the officer shall deliver the child into the custody of the principal of the public school in the attendance area in which the child resides. If a child is taken to the appropriate school and the principal is unavailable, the acting chief administrative officer of the school shall take custody of the child.

(c) The powers conferred under this section may be exercised without warrant and without subsequent legal proceedings.

Sec. 24. (a) When a child is delivered into the custody of a principal or acting chief administrative officer under section 23 of this chapter, the principal or officer shall immediately place the child in class in the grade or course of study in which the child is enrolled or to which the child may be properly assigned.

(b) A child who is placed in class under this section shall not be kept at school beyond the regular hour of dismissal on that day for the grade or course of study in which the child is placed. As promptly as reasonably possible after placing a child in class under this section, the principal or acting chief administrative officer shall attempt to advise the child's parent of the facts of the case by telephone. The principal or acting chief administrative officer shall advise the parent of the facts of the case by mail on the same day the principal or officer receives the child.

Sec. 25. The superintendent or an attendance officer having jurisdiction may report a child who is habitually absent from school in violation of this chapter to an intake officer of the juvenile court. The intake officer shall proceed in accord with IC 31-30 through IC 31-40.

Sec. 26. (a) It is the duty of each:
   (1) superintendent;
   (2) attendance officer; and
   (3) state attendance official;

to enforce this chapter in their respective jurisdictions and to execute the affidavits authorized under this section. The duty is several, and the failure of one (1) or more to act does not excuse another official from the obligation to enforce this chapter.

(b) An affidavit against a parent for a violation of this chapter shall be prepared and filed in the same manner and under the procedure prescribed for filing affidavits for the prosecution of public offenses.

(c) An affidavit under this section shall be filed in the circuit court
of the county in which the affected child resides. The prosecuting
attorney shall file and prosecute actions under this section as in other
criminal cases. The court shall promptly hear cases brought under this
section.

Sec. 27. (a) It is unlawful for a parent to fail to ensure that the
parent's child attends school as required under this chapter.

(b) Before proceedings are instituted against a parent for a
violation of this section, personal notice of the violation shall be served
on the parent by the superintendent or the superintendent's designee:

(1) having jurisdiction over the public school where the child has
legal settlement; or
(2) of the transferee corporation, if the child has been
transferred.

(c) Personal notice must consist of and take place at the time of the
occurrence of one of the following events:

(1) The date of personal delivery of notice.
(2) The date of receipt of the notice sent by certified mail.
(3) The date of leaving notice at the last and usual place of the
residence of the parent.

If the violation is not terminated not more than one (1) school day
after this notice is given, or if another violation is committed during
the notice period, no further notice is necessary. Each day of violation
constitutes a separate offense.

Sec. 28. (a) This section does not apply during a period when a
child is excused from school attendance under this chapter.

(b) It is unlawful for a parent to:

(1) fail;
(2) neglect; or
(3) refuse;

to send the parent's child to a public school for the full term as
required under this chapter unless the child is being provided with
instruction equivalent to that given in public schools.

Sec. 29. (a) It is unlawful for a person operating or responsible for:

(1) an educational;
(2) a correctional;
(3) a charitable; or
(4) a benevolent institution or training school;

to fail to ensure that a child under the person's authority attends
school as required under this chapter. Each day of violation of this
section constitutes a separate offense.
(b) If a child is placed in an institution or facility under a court order, the institution or facility shall charge the county office of family and children of the county of the child's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per child cost.

Sec. 30. A school corporation having an average daily attendance of at least one thousand five hundred (1,500) students constitutes a separate attendance district.

Sec. 31. (a) In a county which has been completely reorganized into one (1) or more school corporations under IC 20-23-4, the governing body of each school corporation with at least one thousand five hundred (1,500) students in average daily attendance shall appoint an attendance officer. The governing body of each school corporation that has fewer than one thousand five hundred (1,500) students in average daily attendance may appoint an attendance officer. If the governing body of a school corporation that has discretion in whether or not to appoint an attendance officer declines to make an appointment, the superintendent of the school corporation shall serve as ex officio attendance officer under section 35 of this chapter.

(b) Whenever the governing body of a school corporation makes an appointment under this section, it shall appoint an individual nominated by the superintendent. However, the governing body may decline to appoint any nominee and require another nomination. The salary of each attendance officer appointed under this section shall be fixed by the governing body. In addition to salary, the attendance officer is entitled to receive reimbursement for actual expenses necessary to properly perform the officer's duties. The salary and expenses of an attendance officer appointed under this section shall be paid by the treasurer of the school corporation.

Sec. 32. (a) In a county that has not been completely reorganized under IC 20-23-4, the governing body of each school corporation that constitutes a separate attendance district under section 3 of this chapter shall appoint an attendance officer. One (1) additional attendance officer may be appointed for every seven thousand five hundred (7,500) students in average daily attendance in the corporation.

(b) Whenever the governing body of a school corporation makes an appointment under this section, it shall appoint an individual nominated by the superintendent. However, the governing body may
decline to appoint any nominee and require another nomination. The salary of each attendance officer appointed under this section shall be fixed by the governing body. In addition to salary, the officer is entitled to receive reimbursement for actual expenses necessary to properly perform the officer’s duties. The salary and expenses of an attendance officer appointed under this section shall be paid by the treasurer of the county in which the officer serves, on a warrant signed by the county auditor. The county council shall appropriate, and the board of county commissioners shall allow, the funds necessary to make these payments. However, a warrant shall not be issued to an attendance officer until the attendance officer has filed an itemized statement with the county auditor. This statement shall show the time employed and expenses incurred. The superintendent shall approve the statement and certify that it is correct.

Sec. 33. (a) In a county that has not been completely reorganized under IC 20-23-4, all school corporations that do not individually constitute separate attendance districts under section 30 of this chapter together constitute a remainder attendance district. The governing bodies of each remainder attendance district with at least one thousand five hundred (1,500) students in average daily attendance shall appoint an attendance officer. One (1) additional attendance officer may be appointed for every seven thousand five hundred (7,500) students in average daily attendance in the district. The governing bodies of a remainder attendance district with less than one thousand five hundred (1,500) students in average daily attendance may appoint an attendance officer. If the governing bodies have discretion in whether or not to appoint an attendance officer and decline to make an appointment, the superintendent or superintendents involved shall serve as ex officio attendance officers under section 35 of this chapter.

(b) The governing bodies of the school corporations involved shall together form an appointing authority for attendance officers with the governing body of each school corporation having one (1) vote. This appointing authority shall appoint an individual nominated by the superintendent. However, the appointing authority may reject any nominee and require another nomination. The salary of each attendance officer appointed under this section shall be fixed by the appointing authority. In addition to salary, the officer is entitled to receive reimbursement for actual expenses necessary to properly perform the officer’s duties. The salary and expenses of an attendance
officer appointed under this section shall be paid by the treasurer of
the county in which the officer serves, on a warrant signed by the
county auditor. The county council shall appropriate, and the board
of county commissioners shall allow, the funds necessary to make
these payments. However, a warrant may not be issued to an
attendance officer until the officer has filed an itemized statement with
the county auditor. This statement must show the time employed and
expenses incurred. The appropriate superintendent shall approve the
statement and certify that it is correct.

Sec. 34. (a) This section applies to a county having a population of:
(1) more than twenty-seven thousand (27,000) but less than
twenty-seven thousand two hundred (27,200); or
(2) more than one hundred forty-five thousand (145,000) but less
than one hundred forty-eight thousand (148,000).

(b) Notwithstanding sections 32 and 33 of this chapter, in a county
that has not been completely reorganized under IC 20-23-4, the
governing body of each school corporation constituting a separate
attendance district under section 30 of this chapter shall appoint an
attendance officer. One (1) additional attendance officer may be
appointed for every seven thousand five hundred (7,500) students in
average daily attendance in the school corporation. The governing
body of each school corporation that does not individually constitute
a separate attendance district may appoint an attendance officer.

(c) If the governing body of the school corporation makes an
appointment under this section, it shall appoint an individual who is
nominated by the superintendent of the school corporation. However,
the governing body may decline to appoint a nominee and may require
another nomination to be made by the superintendent. If the
governing body has discretion in whether to appoint an attendance
officer under subsection (b) and declines to make an appointment, the
superintendent of the school corporation involved shall serve as ex
officio attendance officer under section 35 of this chapter.

(d) The salary, including fringe benefits, of each attendance officer
appointed under this section shall be fixed by the governing body of
the school corporation and shall be paid by the treasurer of the school
corporation.

(e) Each attendance officer appointed under this section is entitled
to receive reimbursement from the school corporation for the actual
and necessary expenses incurred by the attendance officer in the
proper performance of the attendance officer's duties.
Sec. 35. If the governing body of a school corporation elects not to appoint an attendance officer under section 31 of this chapter or an appointing authority elects not to appoint an attendance officer under section 33 of this chapter, the superintendent shall serve as an ex officio attendance officer. A superintendent acting in this capacity may designate one (1) or more teachers as assistant attendance officers. These assistant attendance officers shall act under the superintendent's direction and perform the duties the superintendent assigns. Ex officio attendance officers and assistant attendance officers appointed under this section shall receive no additional compensation for performing attendance services.

Sec. 36. The governing bodies of two (2) or more school corporations may enter into a voluntary mutual agreement for the joint employment of an attendance officer. The agreement must stipulate the manner in which the joint attendance officer is appointed, paid, and supervised. The attendance officer may then be appointed, paid, and supervised under the terms of the agreement. However, compensation for any attendance officer employed under this section shall be paid entirely by the school corporations involved with no assistance from the civil government.

Sec. 37. The governing body of a school corporation that has fewer than one thousand five hundred (1,500) students in average daily attendance may organize the school corporation as a separate attendance district and appoint an attendance officer. The governing body, in making the appointment, shall appoint an individual nominated by the superintendent. However, it may decline to appoint any nominee and require another nomination. All compensation for an attendance officer appointed under this section shall be paid by the treasurer of the school corporation in which the officer is employed.

Sec. 38. Any school corporation, attendance district, or remainder attendance district may appoint more attendance officers than are specifically authorized or required under this chapter. However, these additional attendance officers shall be appointed in the same manner as required by law for other attendance officers. Compensation for additional attendance officers appointed under this section shall be paid entirely by the school corporation or school corporations involved.

Sec. 39. An attendance officer has the following duties:

(1) To serve subject to the rules, direction, and control of the superintendent in the attendance officer's attendance district.
(2) To maintain an office at a place designated by the superintendent.
(3) To be on duty during school hours and at other times as the superintendent may request.
(4) To keep records and make reports as required by the state board.
(5) To visit the homes of children who are absent from school or who are reported to be in need of books, clothing, or parental care.
(6) Whenever the superintendent directs or approves it, to bring suit to enforce any provision of this chapter that is being violated.
(7) To serve written notice on any parent whose child is out of school illegally.
(8) To visit factories where children are employed.
(9) To perform other duties necessary for complete enforcement of this chapter.

Sec. 40. (a) Each attendance officer may serve original and other process in cases arising under this chapter.
(b) An attendance officer may enter any place where a child is employed to determine whether violations of this chapter or of IC 20-33-3 have occurred. When an attendance officer or a school official is exercising the power granted under this subsection, any officer, manager, director, employee or other person who refuses to permit the attendance officer's or the school official's entry into a place of business or interferes with his investigation in any way commits a violation of this chapter.

Sec. 41. With the exception of ex officio attendance officers, an individual may not hold the position of attendance officer unless the individual has complied with all standards of the professional standards board and has been properly licensed by that body.

Sec. 42. The state superintendent shall:
(1) prescribe duties for the state attendance officer not provided by law;
(2) fix qualifications for local attendance officers;
(3) design and require use of a system of attendance reports, records, and forms necessary for the enforcement of this chapter; and
(4) perform all other duties necessary for the complete enforcement of this chapter.
Sec. 43. (a) The state superintendent shall appoint a state attendance officer. The state attendance officer serves at the pleasure of the state superintendent and may be removed by the state superintendent at any time.

(b) The state attendance officer shall:
   (1) exercise general supervision over the attendance officers of Indiana;
   (2) visit the various attendance districts throughout Indiana;
   (3) inspect the work of the attendance officers; and
   (4) investigate the manner in which this chapter is being enforced.

(c) The state attendance officer may initiate court action whenever necessary for the enforcement of this chapter.

Sec. 44. (a) This section does not apply to section 47 of this chapter.

(b) A person who knowingly violates this chapter commits a Class B misdemeanor.

Sec. 45. (a) The state board shall exercise general supervision by resolution over the attendance system of the state.

(b) The state board may adopt rules under IC 4-22-2 pertaining to the state attendance system and the enforcement of this chapter.

Sec. 46. (a) With the approval of the state board, a superintendent may exclude or excuse a student found mentally or physically unfit for school attendance. An exclusion or excuse under this section is valid only for the school year during which it is issued.

(b) A superintendent’s action under this section must be in accordance with limitations and regulations established by the state board concerning the procedures and requirements for the complete examination of students.

(c) A student may not be compelled to undergo any examination or treatment under this chapter when the student's parent objects on religious grounds, which consists of a good faith reliance on spiritual means or prayer for healing. The objection is not effective unless it is:
   (1) made in writing;
   (2) signed by the student's parent; and
   (3) delivered to the student's teacher or to the individual who might order an examination or treatment absent the objection.

A student may not be excluded under this section except as provided under IC 20-33-8.

Sec. 47. (a) A school corporation may develop and implement a system of notifying the parent of a student when:
(1) the student fails to attend school; and
(2) the student does not have an excused absence for that day.

(b) A school corporation or an accredited nonpublic school shall report to the local health department the percentage of student absences above a threshold determined by the department by rule adopted under IC 4-22-2.

(c) If a school corporation implements a notification system under this chapter, the attendance officer or the attendance officer's designee shall make a reasonable effort to contact by telephone the parent of each student who has failed to attend school and does not have an excused absence for that day.

(d) If an attendance officer or an attendance officer's designee has made a reasonable effort to contact a parent under subsection (c), the school corporation is immune from liability for any damages suffered by the parent claimed because of failure to contact the parent.

Chapter 3. Limitations on the Employment of Students

Sec. 1. This chapter does not apply to a parent who employs the parent's own child or a person standing in place of a parent who employs a child in the person's custody, except for:

(1) underage employment (section 31(a) of this chapter);
(2) employment during school hours (section 31(b) of this chapter); and
(3) employment in hazardous occupations designated by federal law (section 35 of this chapter).

Sec. 2. As used in this chapter, "nonschool week" refers to a week that contains two (2) or fewer school days.

Sec. 3. As used in this chapter, "school day" refers to a day that contains more than four (4) hours of classroom instruction.

Sec. 4. As used in this chapter, "school week" refers to a week that contains at least three (3) school days.

Sec. 5. It is unlawful for a person, firm, limited liability company, or corporation to hire, employ, or permit a child who is:

(1) at least fourteen (14) years of age; and
(2) less than eighteen (18) years of age;

to work in a gainful occupation until the person, firm, limited liability company, or corporation has secured and placed on file in its office an employment certificate issued by the proper issuing officer under this chapter.

Sec. 6. (a) An employment certificate is not required for a child who is at least fourteen (14) years of age but less than eighteen (18)
years of age to:
   (1) perform:
      (A) farm labor; or
      (B) domestic service; or
   (2) act as a:
      (A) caddie for a person playing golf; or
      (B) newspaper carrier.

However, this exemption applies only when a child is engaged in an occupation listed in this section during the hours when the child is not required to be in school.

(b) An employment certificate is not required for a child less than eighteen (18) years of age who:
   (1) works as an actor or performer if the provisions of section 32 of this chapter are met; or
   (2) has graduated from high school.

Sec. 7. (a) This chapter applies to a child less than eighteen (18) years of age who is employed or is seeking employment in Indiana.

(b) A child less than eighteen (18) years of age who is a resident of Indiana and who requires an employment certificate shall obtain the employment certificate from the issuing officer of the:
   (1) accredited school (as described in IC 20-19-2-8(a)(5)) that the child attends; or
   (2) school corporation in which the child resides.

(c) A child less than eighteen (18) years of age who is not a resident of Indiana and who requires an employment certificate to work in Indiana shall obtain the certificate from the issuing officer of the school corporation in which the child is:
   (1) employed; or
   (2) seeking employment.

The judge of a court with juvenile jurisdiction may suspend the application of this chapter in cases involving juvenile delinquents or incorrigibles whenever, in the opinion of the judge, the welfare of a child warrants this action.

Sec. 8. (a) The issuing officer in each accredited school (as described in IC 20-19-2-8(a)(5)) shall be an individual who is:
   (1) a guidance counselor;
   (2) a school social worker; or
   (3) an attendance officer for the school corporation and a teacher licensed by the professional standards board under IC 20-28-4 or IC 20-28-5;
and designated in writing by the principal.

(b) During the times in which the individual described in subsection (a) is not employed by the school or when school is not in session, there shall be an issuing officer available:

(1) who is a teacher licensed by the professional standards board under IC 20-28-4 or IC 20-28-5; and
(2) whose identity and hours of work shall be determined by the principal.

Sec. 9. When an employer wants to employ an individual who represents the individual's age to be at least eighteen (18) years of age but less than twenty-one (21) years of age, the employer may request the issuing officer to issue an employment certificate for the prospective employee. It is the duty of the issuing officer to issue a certificate when an employer makes a request under this section.

Sec. 10. (a) An issuing officer may issue an employment certificate only to a child whose employment is necessary and only after receipt of the following two (2) documents:

(1) Proof of age as set forth under section 11 of this chapter.
(2) Proof of prospective employment as set forth under section 12 of this chapter.

(b) A child seeking an employment certificate from a school the child does not attend must also present to the issuing officer a written statement that:

(1) is from the school the child does attend; and
(2) attests to the child's acceptable academic performance and attendance.

Sec. 11. (a) As proof of age, the issuing officer shall require one (1) of the following documents:

(1) A birth certificate or duly attested transcript of a birth certificate issued by the registrar of vital statistics or any other officer charged with the duty of recording births. The registrar may not charge a fee for a certificate or transcript as provided by IC 16-37-1-9(c)(2). School records of age that have been verified by a birth certificate may be substituted by the issuing officer for a birth certificate.
(2) A baptismal certificate or a certified transcript of the record of baptism showing the child's date of birth and place of baptism.
(3) Other documentation, including:

(A) a bona fide contemporary record of the child's birth, comprising a part of the family record of births in the Bible;
(B) other documentary evidence satisfactory to the department of labor, including a certificate of arrival in the United States issued by United States immigration officers and showing the child's age; or
(C) a life insurance policy.

Documentary evidence under this subdivision must have been in existence for at least one (1) year.

(4) A sworn statement by a public health physician, a public school physician, or the superintendent stating, in the opinion of the signatory, the child's physical age. This statement shall show the child's height and weight and other facts upon which the signatory's opinion is based. The physician's or superintendent's statement shall be accompanied by a statement of the child's age signed by the child's parent and by available school records.

(b) The documents that may constitute proof of age under this section are listed in preferential order. The issuing officer shall require the document of age under subsection (a)(1) in preference to a document under subsection (a)(2), (a)(3), or (a)(4). To avoid delay, the documents under subsection (a)(2), (a)(3), or (a)(4) may be accepted if the issuing officer files a written statement that verification of date of birth has been requested from the appropriate governmental agency but has not been received.

Sec. 12. (a) As proof of prospective employment, the issuing officer shall require a written statement that:
(1) is signed by the person for whom the child is to work; and
(2) sets forth the nature of work that the child is to perform.
(b) When a child's employment terminates, the employer shall immediately notify the issuing officer in writing of the:
(1) termination; and
(2) date on which it occurred.

This notice shall be on a blank form attached to the child's employment certificate.

(c) It is unlawful for an issuing officer to issue a subsequent employment certificate until the issuing officer has:
(1) received a termination notice from the current employer; or
(2) otherwise determined that the child's employment has terminated.

(d) An employment certificate may be used at not more than two locations within the same enterprise if the enterprise complies with the hour restrictions prescribed in sections 21 through 29 of this
chapter.

Sec. 13. (a) Upon presentation to the issuing officer of the documents required by section 10 of this chapter, an employment certificate shall be issued immediately to the child. However, an issuing officer may deny a certificate to a child:

(1) whose attendance is not in good standing; or

(2) whose academic performance does not meet the school corporation's standard.

(b) Not more than five (5) days after issuing an employment certificate, the issuing officer shall send a copy of the employment certificate to the department of labor. The issuing officer shall keep a record in the issuing officer's office of each employment certificate issued.

(c) A student may appeal the denial of a certificate under subsection (a) to the principal.

Sec. 14. (a) The:

(1) state board; or

(2) department of labor;

may revoke an employment certificate at any time, if, in the judgment of the state board or the department of labor, the certificate was improperly issued or if the state board or department of labor has knowledge that the child is or was illegally employed.

(b) To determine when a child is illegally employed, the state board and the department of labor and agents of the state board or department of labor may:

(1) investigate the age of a child who is employed;

(2) subpoena witnesses;

(3) hear evidence; and

(4) require the production of relevant books or documents.

(c) If the state board or department of labor revokes an employment certificate under this section, the issuing officer and the child’s employer shall be notified in writing. This notice may be delivered in person or by registered mail. Immediately after receiving notice of revocation, the employer shall return the certificate to the issuing officer.

(d) A child whose employment certificate has been revoked may not be employed or allowed to work until the child legally has obtained a new employment certificate.

Sec. 15. (a) Each employment certificate issued for a child must state the:
(1) full name and the date and place of birth of the child;
(2) name and address of the child's parents;
(3) name and address of the employer; and
(4) nature of the work that the child is to perform.

(b) The employment certificate must certify that the child has:
(1) appeared before the issuing officer; and
(2) submitted the proof of age and prospective employment as
required under this chapter.

(c) The issuing officer may require the presence of the child's
parents before issuing the employment certificate.

Sec. 16. (a) All blank forms necessary to carry out this chapter shall
be prepared by the department of labor and supplied to issuing
officers.

(b) Funds to pay expenses incurred by the department of labor in
printing and distributing these forms are appropriated annually out
of any money in the state general fund that is not otherwise
appropriated.

Sec. 17. (a) An officer charged with enforcement of this chapter
may investigate the age of a child:
(1) who is employed or allowed to work in an occupation; and
(2) for whom an employment certificate is not on file.

(b) If the officer finds that the age of the child is below the age
authorized for an employee without an employment certificate, the:
(1) employment; or
(2) fact that the child is allowed to work;
is prima facie evidence of unlawful employment.

Sec. 18. (a) Except as provided in subsection (c), whenever the
department of labor requires, a child who is:
(1) at least fourteen (14) years of age and less than eighteen (18)
years of age; and
(2) at work in an occupation for which an employment certificate
is required under sections 5 and 6 of this chapter;
shall submit to a physical examination. The examination shall be
conducted by a medical inspector of the department of labor or by a
physician designated by the department of labor. A female employee
is entitled to have this examination made by a female. An employer
shall not require or attempt to require a female employee to submit to
a physical examination by a male.

(b) The result of an examination conducted under this section shall
be recorded on a printed form furnished by and kept on file at the
The department of labor may not require a child to undergo a medical examination under this chapter when the child's parent objects on religious grounds. A religious objection:

(1) consists of a good faith reliance on spiritual means or prayer for healing; and

(2) is not effective unless the objection is:

(A) made in writing;

(B) signed by the child's parent; and

(C) delivered to the department of labor.

Sec. 19. (a) If:

(1) a child fails to submit to a medical examination as required under section 18 of this chapter; or

(2) on examination, the medical inspector finds the child to be physically unfit to be employed in the work in which the child is engaged and files a report to that effect;

the department of labor shall revoke the child's employment certificate. A report of physical incapacity shall be kept at the office of the department of labor.

(b) Written notice of a revocation under this section shall be served on the issuing officer and the child's employer in person or by registered mail. Immediately after receiving notice of a revocation, the employer shall deliver the revoked certificate to the department of labor. A child whose certificate has been revoked under this section may obtain a new certificate if the child is found, after physical examination, to be physically fit for the new occupation in which the child proposes to engage.

Sec. 20. (a) An employment certificate may be revoked by the issuing officer if the issuing officer determines that there has been a significant decrease in any of the following since the issuance of the permit:

(1) The student's grade point average.

(2) The student's attendance at school.

(b) A student whose employment certificate is revoked under subsection (a) is entitled to a periodic review of the student's grade record or attendance record, or both, to determine whether the revocation should continue. A periodic review may not be conducted less than one (1) time each school year.

(c) If upon review the issuing officer determines that the student's grade point average or attendance, or both, have improved
substantially, the issuing officer may reissue an employment certificate to the student.

(d) A student may appeal the revocation of an employment certificate under subsection (a) or the refusal to reissue an employment certificate under subsection (c) to the school principal.

(e) An issuing officer who revokes an employment certificate shall immediately send written notice of the revocation to the student's employer.

Sec. 21. Sections 22 through 29 of this chapter apply only to employment for which a child who is at least fourteen (14) years of age and less than eighteen (18) years of age must obtain an employment certificate under this chapter.

Sec. 22. The following apply only to a child who is at least fourteen (14) years of age and less than sixteen (16) years of age:

(1) The child may not work before 7 a.m. or after 7 p.m. However, the child may work until 9 p.m. from June 1 through Labor Day.

(2) The child may not work:
   (A) more than three (3) hours on a school day;
   (B) more than eighteen (18) hours in a school week;
   (C) more than eight (8) hours on a nonschool day; or
   (D) more than forty (40) hours in a nonschool week.

Sec. 23. A child who is at least sixteen (16) years of age and less than seventeen (17) years of age may not:

(1) work for more than eight (8) hours in any one (1) day;
(2) work for more than thirty (30) hours in any one (1) week;
(3) work for more than six (6) days in any one (1) week; or
(4) begin a work day before 6 a.m.

Sec. 24. A child who is at least seventeen (17) years of age and less than eighteen (18) years of age may not:

(1) work for more than eight (8) hours in any one (1) day;
(2) work for more than thirty (30) hours in any one (1) week;
(3) work for more than six (6) days in any one (1) week; or
(4) begin a work day before 6 a.m. on a school day.

Sec. 25. A child who is at least sixteen (16) years of age and less than eighteen (18) years of age may work until 10 p.m. on nights that are followed by a school day in any occupation except those that the commissioner of labor determines to be:

(1) dangerous to life or limb; or
(2) injurious to health or morals.
Sec. 26. An employer may employ a child who is at least sixteen (16) years of age and less than seventeen (17) years of age to work until midnight if:

(1) the work will be performed:
   (A) during a nonschool week; or
   (B) on days that are not followed by a school day; and

(2) the employer has:
   (A) obtained written permission from the child’s parent; and
   (B) placed the written permission on file in the employer’s office.

Sec. 27. (a) An employer may employ a child who is at least sixteen (16) years of age and less than eighteen (18) years of age for up to forty (40) hours during a school week if the employer has:

(1) obtained written permission from the child’s parent; and

(2) placed the written permission on file in the employer’s office.

(b) If an employer has obtained written permission required under subsection (a), the employer may employ a child who is at least sixteen (16) years of age and less than eighteen (18) years of age for periods that do not exceed a total of nine (9) hours in any one (1) day and a total of forty-eight (48) hours in any one (1) nonschool week.

Sec. 28. A child who is at least seventeen (17) years of age and less than eighteen (18) years of age may work until 11:30 p.m. on nights that are followed by a school day if the employer has obtained written permission from the child’s parent and placed the written permission on file in the employer’s office. A child covered by this section may work until 1 a.m. the following day if the employer has obtained written permission from the child’s parent and placed the written permission on file in the employer’s office. However, the nights followed by a school day on which a child works until 1 a.m. the following day may not be consecutive and may not exceed two (2) nights per week.

Sec. 29. A child who is at least sixteen (16) years of age and less than eighteen (18) years of age may be employed the same daily and weekly hours and at the same times of day as adults if the child is a member of any of the following categories:

(1) The child is a high school graduate.

(2) The child has completed an approved vocational or special education program.

(3) The child is not enrolled in a regular school term.

Sec. 30. (a) This section applies to occupations for which a child less
than eighteen (18) years of age may be employed or allowed to work under this chapter but does not apply to children subject to:

(1) section 6 of this chapter; or
(2) section 29(2) or 29(3) of this chapter.

(b) A person, firm, limited liability company, or corporation that employs a child less than eighteen (18) years of age shall provide the child one (1) or two (2) rest breaks totaling at least thirty (30) minutes if the child is scheduled to work at least six (6) consecutive hours.

Sec. 31. (a) A child less than:

(1) fourteen (14) years of age may not be employed or allowed to work in any gainful occupation except as a farm laborer, domestic service worker, caddie for persons playing the game of golf, or newspaper carrier; and
(2) twelve (12) years of age may not be permitted to work at farm labor except on a farm operated by the child’s parent.

(b) Except as provided in section 32 of this chapter, a person, firm, limited liability company, or corporation may not employ or permit any child less than eighteen (18) years of age to work in any occupation after 7:30 a.m. and before 3:30 p.m. on a school day unless the child presents to the employer a written exception issued by the school that the child attends.

Sec. 32. This chapter may not prevent a child of any age from singing, playing, or performing in a studio, circus, theatrical, or musical exhibition, concert, or festival, in radio and television broadcasts, or as a live or photographic model. Employment certificates are not required for employment or appearances set forth in this section, but a child less than eighteen (18) years of age may not be employed except under the following conditions:

(1) The activities described in this section must not:
   (A) be detrimental to the life, health, safety, or welfare of the child; or
   (B) interfere with the schooling of the child.
   Provision shall be made for education equivalent to full-time school attendance in the public schools for children less than sixteen (16) years of age.
(2) A parent shall accompany a child less than sixteen (16) years of age at all rehearsals, appearances, and performances.
(3) The employment or appearance may not be in a cabaret, dance hall, night club, tavern, or other similar place.

Sec. 33. The employment of children by the:
(1) Indiana School for the Deaf; and
(2) Indiana School for the Blind;
is subject to the general restrictions imposed on child labor under this chapter.

Sec. 34. Every person, firm, corporation, or company that employs a child at least fourteen (14) years of age and less than eighteen (18) years of age in an occupation for which the child must obtain an employment certificate shall post and keep posted a printed notice in a conspicuous place or in places where notices to employees are customarily posted. This notice must state:

(1) the maximum number of hours a child may be employed or permitted to work each day of the week; and
(2) the hours of beginning and ending each day.
The printed forms for this notice shall be furnished by the department of labor.

Sec. 35. The department of labor shall prohibit a child who is less than eighteen (18) years of age from working in an occupation designated as hazardous by the child labor provisions of the federal Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201 et seq.).

Sec. 36. (a) This section does not provide an exception to the limit on the number of hours a child is permitted to work under sections 22 through 30 of this chapter.

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

(1) less than eighteen (18) years of age; and
(2) employed by the person, firm, limited liability company, or corporation;
to work after 10 p.m. and before 6 a.m. in an establishment that is open to the public unless another employee at least eighteen (18) years of age also works in the establishment during the same hours as the child.

(c) A violation of subsection (b) is a hazardous occupation violation subject to section 41 of this chapter.

Sec. 37. This chapter does not prevent a student from working on a properly guarded machine in the training department of a school when an instructor provides personal supervision.

Sec. 38. (a) The department of labor and its authorized inspectors and agents:

(1) shall enforce this chapter and ensure that all violators are prosecuted; and
(2) may visit and inspect, at all reasonable hours and when as practicable and necessary, all establishments affected by this chapter.

(b) It is unlawful for any person to interfere with, obstruct, or hinder any inspector or agent of the department of labor while the inspector or agent performs official duties or to refuse to properly answer questions asked by an inspector or agent of the department.

(c) When requested in writing by the department of labor, the attorney general shall assist the prosecuting attorney in the prosecution of persons charged with a violation of this chapter.

Sec. 39. A person, firm, limited liability company, or corporation that violates this chapter may be assessed the civil penalties described in this section by the department of labor. For an employment certificate violation under section 5 or 14 of this chapter, a termination notice violation under section 12 of this chapter, an hour violation of not more than thirty (30) minutes under sections 21 through 29 of this chapter, or a posting violation under section 34 of this chapter, the civil penalties are as follows:

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

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

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

(4) One hundred dollars ($100) per instance for a fourth or subsequent violation that is identified in an inspection subsequent to the inspection under subdivision (3) and occurs not more than two (2) years after a prior violation.

Sec. 40. A person, firm, limited liability company, or corporation that violates this chapter may be assessed the civil penalties described in this section by the department of labor. For an hour violation of more than thirty (30) minutes under sections 21 through 29 of this chapter, each violation of section 30 of this chapter, an age violation under section 31 or 32 of this chapter, each minor employed in violation of section 31(b) of this chapter, or a hazardous occupation violation under section 35 or 36 of this chapter, the civil penalties are as follows:

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

(2) One hundred dollars ($100) per instance for each violation
identified in a subsequent inspection.
(3) Two hundred dollars ($200) per instance for a third violation that is identified in a subsequent inspection.
(4) Four hundred dollars ($400) per instance for a fourth or subsequent violation that is identified in an inspection subsequent to the inspection under subdivision (3) and occurs not more than two (2) years after a prior violation.

Sec. 41. (a) A civil penalty assessed under section 39 or 40 of this chapter:
(1) is subject to IC 4-21.5-3-6; and
(2) becomes effective without a proceeding under IC 4-21.5-3 unless a person requests an administrative review not later than thirty (30) days after notice of the assessment is given.

(b) For purposes of determining:
(1) whether a second violation has occurred when assessing a civil penalty under subsection (a), a first violation expires one (1) year after the date of issuance of a warning letter by the department of labor under subsection (a); and
(2) recurring violations of this section, each location of an employer shall be considered separate and distinct from another location of the same employer.

Sec. 42. (a) There is established an employment of youth fund to educate affected parties on the purposes and contents of this chapter and the responsibilities of all parties under this chapter.
(b) One-half (1/2) of the employment of youth fund each year shall be used for the purpose of the education provision of this subsection, and may be used to award grants to provide educational programs. The remaining one-half (1/2) of the employment of youth fund shall be used each year for the expenses of hiring and salaries of additional inspectors to enforce this chapter under section 39 of this chapter.
(c) The employment of youth fund shall be administered by the department of labor. The expenses of administering the employment of youth fund shall be paid from money in the fund. The treasurer of state shall invest the money in the employment of youth fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the employment of youth fund. Money in the employment of youth fund at the end of a state fiscal year does not revert to the state general fund.
(d) Revenue received from civil penalties under this section shall be
deposited in the employment of youth fund.

(e) All inspectors hired to enforce this chapter shall also be available to educate affected parties on the purposes and contents of this chapter and the responsibilities of all parties under this chapter.

Sec. 43. (a) An employment certificate shall be issued:
   (1) in a form approved by; and
   (2) under rules adopted under IC 4-22-2 by; the department of labor and the state board.

(b) The style of the form and the rules adopted under this section must:
   (1) be consistent with this chapter; and
   (2) promote uniformity and efficiency in the administration of this chapter.

Chapter 4. Legal Settlement and Transfer of Students
Sec. 1. The law governing legal settlement and transfer of students and transfer tuition is found at IC 20-26-11.

Chapter 5. Financial Assistance for Students
Sec. 1. (a) As used in this chapter, "school corporation" includes a charter school.

(b) As used in this chapter, "governing body" includes the organizer of a charter school.

(c) The maximum monthly or annual gross income available to a family shall be used to determine financial eligibility for assistance under this chapter.

(d) In determining the eligibility of a seasonal worker for assistance under this chapter, an average shall be made of the family’s income for the twelve (12) calendar months preceding the first day of the month in which the application is made.

Sec. 2. The department shall adopt procedures that must be followed by applicants in order for them to qualify for assistance under this chapter. These procedures must include obtaining information needed by the family and social services administration to determine if the recipient is a child who is a member of a qualifying family (as defined in IC 12-14-28-1), including the familial relationship of the child to the head of the household. The financial eligibility standard for an applicant under this chapter must be the same criteria used for determining eligibility for receiving free or reduced price lunches under the national school lunch program.

Sec. 3. (a) If a parent of a child or an emancipated minor who is enrolled in a public school, in kindergarten or grades 1 through 12,
meets the financial eligibility standard under section 2 of this chapter, the parent or the emancipated minor may not be required to pay the fees for school books, supplies, or other required class fees. The fees shall be paid by the school corporation that the child attends.

(b) The school corporation may apply for a reimbursement under section 7 of this chapter from the department of the costs incurred under subsection (a).

(c) To the extent the reimbursement received by the school corporation is less than the textbook rental fee assessed for textbooks that have been adopted under IC 20-20-5-1 through IC 20-20-5-4 or waived under IC 20-26-12-28, the school corporation may request that the parent or emancipated minor pay the balance of this amount.

Sec. 4. The department shall provide each school corporation with sufficient application forms for assistance under this chapter. The state board of accounts shall prescribe the forms to be used.

Sec. 5. All school corporations must give notice in nontechnical language and in a manner that can be reasonably expected to reach parents of students before the collection of any fees for schoolbooks and supplies. This notice must inform the parents of the following:

(1) The availability of assistance.

(2) The eligibility standards.

(3) The procedure for obtaining assistance, including the right and method of appeal.

(4) The availability of application forms at a designated school office.

Sec. 6. (a) All school corporations must give appropriate application forms to parents who wish to apply for assistance under this chapter. The school shall provide assistance to those applicants who are unable to write or otherwise make a written application. The parent shall submit the completed application to the school corporation. The school corporation shall make a determination of financial eligibility.

(b) If the school corporation makes a determination that the parent is ineligible based on the information in the application, the school corporation shall give the parent written reasons for the denial and inform the parent of the right to request a hearing before the governing body of the school corporation or the governing body's designee. After the determination, the school corporation may bill the parent for the student's fees, but the school corporation may not take any legal action against the parent until the parent has had the
opportunity to make an appeal in a hearing before the governing body of the school corporation or the governing body's designee. If the parent pays the fees based on the school corporation's determination, and after the appeal it is determined that the parent qualifies for assistance, the school corporation shall reimburse the parent.

Sec. 7. (a) If a determination is made that the applicant is eligible for assistance, the school corporation shall pay the cost of the student's required fees.

(b) A school corporation may receive a reimbursement from the department for some or all of the costs incurred by a school corporation during a school year in providing textbook assistance to students who are eligible under section 2 of this chapter.

(c) To be guaranteed some level of reimbursement from the department, the governing body of a school corporation shall request the reimbursement before November 1 of a school year.

(d) In its request, the governing body shall certify to the department:

   (1) the number of students who are enrolled in that school corporation and who are eligible for assistance under this chapter;

   (2) the costs incurred by the school corporation in providing:

      (A) textbooks (including textbooks used in special education and high ability classes) to these students;

      (B) workbooks and consumable textbooks (including workbooks, consumable textbooks, and other consumable instructional materials that are used in special education and high ability classes) that are used by students for not more than one (1) school year; and

      (C) instead of the purchase of textbooks, developmentally appropriate material for instruction in kindergarten through the grade 3 level, laboratories, and children's literature programs;

   (3) that each textbook described in subdivision (2)(A) and included in the reimbursement request (except those textbooks used in special education classes and high ability classes) has been adopted by the state board under IC 20-20-5-1 through IC 20-20-5-4 or has been waived by the state board of education under IC 20-26-12-28;

   (4) that the amount of reimbursement requested for each textbook under subdivision (3) does not exceed twenty percent
(20%) of the costs incurred for the textbook, as provided in the textbook adoption list in each year of the adoption cycle;
(5) that the amount of reimbursement requested for each workbook or consumable textbook (or other consumable instructional material used in special education and high ability classes) under subdivision (2)(B), if applicable, does not exceed one hundred percent (100%) of the costs incurred for the workbook or consumable textbook (or other consumable instructional material used in special education and high ability classes);
(6) that the amount of reimbursement requested for each textbook used in special education and high ability classes is amortized for the number of years in which the textbook is used;
(7) that the amount of reimbursement requested for developmentally appropriate material is amortized for the number of years in which the material is used and does not exceed a total of one hundred percent (100%) of the costs incurred for the developmentally appropriate material; and
(8) any other information required by the department, including copies of purchase orders used to acquire consumable instructional materials used in special education and high ability classes and developmentally appropriate material.

(e) Each school within a school corporation shall maintain complete and accurate information concerning the number of students determined to be eligible for assistance under this chapter. This information shall be provided to the department upon request.

(f) If the amount of reimbursement requested before November 1 of a particular year exceeds the amount of money appropriated to the department for this purpose, the department shall proportionately reduce the amount of reimbursement to each school corporation.

(g) A school corporation may submit a supplemental reimbursement request under section 8 of this chapter. The school corporation is entitled to receive a supplemental reimbursement only if there are funds available. The department shall proportionately reduce the amount of supplemental reimbursement to each school corporation if the total amount requested exceeds the amount of money available to the department for this purpose. In the case of a supplemental reimbursement, the provisions in this section apply, except that section 8 of this chapter applies to the making of the supplemental request by the governing body of the school corporation.
(h) Parents receiving other governmental assistance or aid that considers educational needs in computing the entire amount of assistance granted may not be denied assistance if the applicant’s total family income does not exceed the standards established by this chapter.

Sec. 8. (a) The governing body of a school corporation may make a supplemental request for reimbursement from the department after April 1 but before May 1 of a school year for some or all of the additional costs incurred by the school corporation in providing textbook assistance to the number of additional eligible children who enroll in the school corporation after the initial request for reimbursement is filed under section 7(c) of this chapter.

(b) In its supplemental request, the governing body must certify to the department the following:

(1) The number of additional students who enroll in the school corporation as described in subsection (a).

(2) The additional costs incurred by the school corporation in providing the materials described in section 7(d)(2) of this chapter pertaining to the number of additional students.

(3) The same information as described in section 7(d)(3) through 7(d)(7) of this chapter as pertaining to the numbers of additional students.

(c) This section applies only if there are funds available. The supplemental distributions shall be made by the department in accordance with section 7(g) of this chapter.

Sec. 9. (a) If a parent of a child or an emancipated minor who is enrolled in an accredited nonpublic school meets the financial eligibility standard under section 2 of this chapter, the parent or the emancipated minor may receive a reimbursement from the department as provided in this chapter for the costs or some of the costs incurred by the parent or emancipated minor in fees that are reimbursable under section 7 of this chapter. The extent to which the fees are reimbursable under this section may not exceed the percentage rates of reimbursement under section 7 of this chapter. In addition, if a child enrolls in an accredited nonpublic school after the initial request for reimbursement is filed under subsection (d), the parent of the child or the emancipated minor who meets the financial eligibility standard may receive a reimbursement from the department for the costs or some of the costs incurred in fees that are reimbursable under section 7 of this chapter by applying to the
accredited nonpublic school for assistance. In this case, this section applies. However, section 10 of this chapter applies to the making of the supplemental request for reimbursement by the principal or other designee of the accredited nonpublic school.

(b) The department shall provide each accredited nonpublic school with sufficient application forms for assistance, prescribed by the state board of accounts.

(c) Each accredited nonpublic school shall provide the parents or emancipated minors who wish to apply for assistance with:

   (1) the appropriate application forms; and
   (2) any assistance needed in completing the application form.

(d) The parent or emancipated minor shall submit the application to the accredited nonpublic school. The accredited nonpublic school shall make a determination of financial eligibility subject to appeal by the parent or emancipated minor.

(e) If a determination is made that the applicant is eligible for assistance, subsection (a) applies.

(f) To be guaranteed some level of reimbursement from the department, the principal or other designee shall submit the reimbursement request before November 1 of a school year.

(g) In its request, the principal or other designee shall certify to the department:

   (1) the number of students who are enrolled in the accredited nonpublic school and who are eligible for assistance under this chapter;
   (2) the costs incurred in providing:
      (A) textbooks (including textbooks used in special education and high ability classes); and
      (B) workbooks and consumable textbooks (including workbooks, consumable textbooks, and other consumable teaching materials that are used in special education and high ability classes) that are used by students for not more than one (1) school year;
   (3) that each textbook described in subdivision (2)(A) and included in the reimbursement request (except those textbooks used in special education classes and high ability classes) has been adopted by the state board under IC 20-20-5-1 through 20-20-5-4 or has been waived by the state board of education under IC 20-26-12-28;
   (4) that the amount of reimbursement requested for each
textbook under subdivision (3) does not exceed twenty percent (20\%) of the costs incurred for the textbook, as provided in the textbook adoption list in each year of the adoption cycle;

(5) that the amount of reimbursement requested for each workbook or consumable textbook (or other consumable teaching material used in special education and high ability classes) under subdivision (2)(B), if applicable, does not exceed one hundred percent (100\%) of the costs incurred for the workbook or consumable textbook (or other consumable teaching material used in special education and high ability classes);

(6) that the amount of reimbursement requested for each textbook used in special education and high ability classes is amortized for the number of years in which the textbook is used; and

(7) any other information required by the department, including copies of purchase orders used to acquire consumable teaching materials used in special education and high ability classes.

(h) If the amount of reimbursement requested before November 1 of a particular school year exceeds the amount of money appropriated to the department for this purpose, the department shall proportionately reduce the amount of reimbursement to each accredited nonpublic school. An accredited nonpublic school may submit a supplemental reimbursement request under section 10 of this chapter. The parent or emancipated minor is entitled to receive a supplemental reimbursement only if funds are available. The department shall proportionately reduce the amount of supplemental reimbursement to the accredited nonpublic schools if the amount requested exceeds the amount of money available to the department for this purpose.

(i) The accredited nonpublic school shall distribute the money received under this chapter to the appropriate eligible parents or emancipated minors.

(j) Section 7(h) of this chapter applies to parents or emancipated minors as described in this section.

(k) The accredited nonpublic school and the department shall maintain complete and accurate information concerning the number of applicants determined to be eligible for assistance under this section.

(l) The state board shall adopt rules under IC 4-22-2 to implement
Sec. 10. (a) The principal or other designee of an accredited nonpublic school may make a supplemental request for reimbursement from the department after April 1 but before May 1 of a school year for some or all of the additional costs incurred in fees that are reimbursable under section 7 of this chapter by the parent of a child or emancipated minor who enrolls in the accredited nonpublic school after the initial request for reimbursement is filed under section 9(f) of this chapter.

(b) In its supplemental request, the principal or other designee must certify to the department the following:

1. The number of additional students who enrolled in the accredited nonpublic school as described in subsection (a).
2. The costs incurred in providing the materials described in section 9(g)(2) of this chapter pertaining to the number of additional students.
3. The same information as described in section 9(g)(3) through 9(g)(7) of this chapter as pertaining to the number of additional students.

(c) This section applies only if there are funds available. These supplemental distributions shall be made by the department in accordance with section 9(h) of this chapter.

Sec. 11. (a) A school corporation may not:

1. Withhold school books and supplies;
2. Require any special services from a child; or
3. Deny the child any benefit or privilege; because the parent fails to pay required fees.

(b) Notwithstanding subsection (a), a school corporation may take any action authorized by law to collect unpaid fees from parents who are determined to be ineligible for assistance, including recovery of reasonable attorney’s fees and court costs in addition to a judgment award against those parents.

Sec. 12. Under extraordinary circumstances, the township trustee may pay for the fees enumerated in section 3 of this chapter for individuals who do not otherwise qualify under the financial eligibility standard established in this chapter. Assistance in such cases may be provided by the township trustee under IC 12-20.

Sec. 13. (a) Financial assistance for shoes and clothing shall be provided directly by the township trustee under IC 12-20 to parents who do not have sufficient means to furnish the shoes and clothing
needed by the children to attend school.

(b) A school corporation may establish a clothing bank to provide for children's clothing needs on an emergency basis.

Sec. 14. (a) The school textbook reimbursement contingency fund is established to reimburse school corporations, eligible parents of children who attend accredited nonpublic schools, and emancipated minors who attend accredited nonpublic schools as provided in section 9 of this chapter for assistance provided under this chapter. The fund consists of money appropriated to the fund by the general assembly. The state superintendent shall administer the fund.

(b) The treasurer of state shall invest the money in the school textbook reimbursement contingency fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

Chapter 6. Parental Participation in a Student's Education

Sec. 1. This chapter does not apply to a nonpublic school.

Sec. 2. (a) Each school in a school corporation may develop a written compact that contains the expectations for the school, the student, the student's teachers, and the student's parents.

(b) A school that develops a compact under this section must seek the participation of parents and students in developing the compact.

(c) Each educator at the school shall affirm and sign the compact, and each student and the student's parents shall sign and affirm the compact.

Sec. 3. A parent, a student, an educator, and a school shall make a reasonable effort to comply with the terms of the compact.

Chapter 7. Parental Access to Student Records

Sec. 1. As used in this chapter, "education records" means information that:

(1) is recorded by a nonpublic or public school; and

(2) concerns a student who is or was enrolled in the school.

Sec. 2. (a) Except as provided in subsection (b), a nonpublic or public school must allow a custodial parent and a noncustodial parent of a child the same access to their child's education records.

(b) A nonpublic or public school may not allow a noncustodial parent access to the child's education records if:

(1) a court has issued an order that limits the noncustodial parent's access to the child's education records; and

(2) the school has received a copy of the court order or has actual knowledge of the court order.
Sec. 3. (a) As used in this section, "juvenile justice agency" has the meaning set forth in IC 10-13-4-5.

(b) A school corporation or other entity to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply may disclose or report on the education records of a child, including personally identifiable information contained in the education records, without the consent of the child's parent under the following conditions:

1. The disclosure or reporting of education records is to a state or local juvenile justice agency.
2. The disclosure or reporting relates to the ability of the juvenile justice system to serve, before adjudication, the student whose records are being released.
3. The juvenile justice agency receiving the information certifies, in writing, to the entity providing the information that the agency or individual receiving the information has agreed not to disclose it to a third party, other than another juvenile justice agency, without the consent of the child's parent.

(c) For purposes of subsection (b)(2), a disclosure or reporting of education records concerning a child who has been adjudicated as a delinquent child shall be treated as related to the ability of the juvenile justice system to serve the child before adjudication if the juvenile justice agency seeking the information provides sufficient information to enable the keeper of the education records to determine that the juvenile justice agency seeks the information in order to identify and intervene with the child as a juvenile at risk of delinquency rather than to obtain information solely related to supervision of the child as an adjudicated delinquent child.

(d) A school corporation or other entity to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply that:

1. Discloses or reports on the education records of a child, including personally identifiable information contained in the education records, in violation of this section; and
2. Makes a good faith effort to comply with this section;

is immune from civil liability.

Chapter 8. Student Discipline
Sec. 0.5. As used in this chapter, "physician" means an individual licensed to practice medicine or osteopathic medicine under:
1. IC 25-22.5; or
(2) the law of another state.

Sec. 1. As used in this chapter, "principal" includes a principal's designee.

Sec. 2. As used in this chapter, "educational function" means the performance by a school corporation or its officers or employees of an act or a series of acts in carrying out school purposes.

Sec. 3. (a) As used in this chapter, "expulsion" means a disciplinary or other action whereby a student:

(1) is separated from school attendance for a period exceeding ten (10) school days;
(2) is separated from school attendance for the balance of the current semester or current year unless a student is permitted to complete required examinations in order to receive credit for courses taken in the current semester or current year; or
(3) is separated from school attendance for the period prescribed under section 16 of this chapter, which may include an assignment to attend an alternative school, an alternative educational program, or a homebound educational program.

(b) The term does not include situations when a student is:

(1) disciplined under section 25 of this chapter;
(2) removed from school in accordance with IC 20-34-3-9; or
(3) removed from school for failure to comply with the immunization requirements of IC 20-34-4-5.

Sec. 4. As used in this chapter, "school purposes" refers to the purposes for which a school corporation operates, including the following:

(1) To promote knowledge and learning generally.
(2) To maintain an orderly and effective educational system.
(3) To take any action under the authority granted to school corporations and their governing bodies by IC 20-26-5 or by any other statute.

Sec. 5. As used in this chapter, "school property" means the following:

(1) A building or other structure owned or rented by a school corporation.
(2) The grounds adjacent to and owned or rented in common with a building or other structure owned or rented by a school corporation.

Sec. 6. As used in this chapter, "superintendent" includes a superintendent's designee.
Sec. 7. (a) As used in this chapter, "suspension" means any disciplinary action that does not constitute an expulsion under section 3 of this chapter, whereby a student is separated from school attendance for a period of not more than ten (10) school days.

(b) The term does not include a situation in which a student is:
   (1) disciplined under section 25 of this chapter;
   (2) removed from school in accordance with IC 20-34-3-9; or
   (3) removed from school for failure to comply with the immunization requirements of IC 20-34-4-5.

Sec. 8. (a) Student supervision and the desirable behavior of students in carrying out school purposes is the responsibility of:
   (1) a school corporation; and
   (2) the students of a school corporation.

(b) In all matters relating to the discipline and conduct of students, school corporation personnel:
   (1) stand in the relation of parents to the students of the school corporation; and
   (2) have the right to take any disciplinary action necessary to promote student conduct that conforms with an orderly and effective educational system, subject to this chapter.

(c) Students must:
   (1) follow responsible directions of school personnel in all educational settings; and
   (2) refrain from disruptive behavior that interferes with the educational environment.

Sec. 9. (a) This section applies to an individual who:
   (1) is a teacher or other school staff member; and
   (2) has students under the individual's charge.

(b) An individual may take any action that is reasonably necessary to carry out or to prevent an interference with an educational function that the individual supervises.

(c) Subject to rules of the governing body and the administrative staff, an individual may remove a student for a period that does not exceed five (5) school days from an educational function supervised by the individual or another individual who is a teacher or other school staff member.

Sec. 10. (a) A principal may take action concerning the principal's school or a school activity within the principal's jurisdiction that is reasonably necessary to carry out or prevent interference with an educational function or school purposes.
(b) Subsection (a) allows a principal to write regulations that govern student conduct.

Sec. 11. A:
(1) superintendent; or
(2) member of the superintendent's administrative staff, with the superintendent's approval;
may take any action with respect to all schools within the superintendent's jurisdiction that is reasonably necessary to carry out or prevent interference with an educational function or school purposes.

Sec. 12. (a) The governing body of a school corporation must do the following:
(1) Establish written discipline rules, which may include appropriate dress codes, for the school corporation.
(2) Give general publicity to the discipline rules within a school where the discipline rules apply by actions such as:
   (A) making a copy of the discipline rules available to students and students' parents; or
   (B) delivering a copy of the discipline rules to students or the parents of students.
This publicity requirement may not be construed technically and is satisfied if the school corporation makes a good faith effort to disseminate to students or parents generally the text or substance of a discipline rule.

(b) The:
(1) superintendent of a school corporation; and
(2) principals of each school in a school corporation;
may adopt regulations establishing lines of responsibility and related guidelines in compliance with the discipline policies of the governing body.

(c) The governing body of a school corporation may delegate:
(1) rulemaking;
(2) disciplinary; and
(3) other authority;
as reasonably necessary to carry out the school purposes of the school corporation.

(d) Subsection (a) does not apply to rules or directions concerning the following:
(1) Movement of students.
(2) Movement or parking of vehicles.
(3) Day to day instructions concerning the operation of a classroom or teaching station.
(4) Time for commencement of school.
(5) Other standards or regulations relating to the manner in which an educational function must be administered.

However, this subsection does not prohibit the governing body from regulating the areas listed in this subsection.

Sec. 13. (a) Discipline rules adopted under section 12 of this chapter must provide that a student with a chronic disease or medical condition may possess and self-administer medication for the chronic disease or medical condition during the times and in the places set forth under section 14(b) of this chapter if the following conditions are met:

(1) The student's parent has filed an authorization with the student's principal for the student to possess and self-administer the medication. The authorization must include the statement described in subdivision (2).
(2) A physician states in writing that:
   (A) the student has an acute or chronic disease or medical condition for which the physician has prescribed medication;
   (B) the student has been instructed in how to self-administer the medication; and
   (C) the nature of the disease or medical condition requires emergency administration of the medication.

(b) The authorization and statement described in subsection (a) must be filed annually with the student's principal.

Sec. 14. (a) The following are the grounds for student suspension or expulsion, subject to the procedural requirements of this chapter and as stated by school corporation rules:
(1) Student misconduct.
(2) Substantial disobedience.

(b) The grounds for suspension or expulsion listed in subsection (a) apply when a student is:
   (1) on school grounds immediately before or during school hours, or immediately after school hours, or at any other time when the school is being used by a school group;
   (2) off school grounds at a school activity, function, or event; or
   (3) traveling to or from school or a school activity, function, or event.

Sec. 15. In addition to the grounds specified in section 14 of this
chapter, a student may be suspended or expelled for engaging in unlawful activity on or off school grounds if:

1. the unlawful activity may reasonably be considered to be an interference with school purposes or an educational function; or
2. the student's removal is necessary to restore order or protect persons on school property;

including an unlawful activity during weekends, holidays, other school breaks, and the summer period when a student may not be attending classes or other school functions.

Sec. 16. (a) As used in this section, "firearm" has the meaning set forth in IC 35-47-1-5.

(b) As used in this section, "deadly weapon" has the meaning set forth in IC 35-41-1-8. The term does not include a firearm or destructive device.

(c) As used in this section, "destructive device" has the meaning set forth in IC 35-47.5-2-4.

(d) Notwithstanding section 20 of this chapter, a student who is:

1. identified as bringing a firearm or destructive device to school or on school property; or
2. in possession of a firearm or destructive device on school property;

must be expelled for at least one (1) calendar year, with the return of the student to be at the beginning of the first school semester after the end of the one (1) year period.

(e) The superintendent may, on a case by case basis, modify the period of expulsion under subsection (d) for a student who is expelled under this section.

(f) Notwithstanding section 20 of this chapter, a student who is:

1. identified as bringing a deadly weapon to school or on school property; or
2. in possession of a deadly weapon on school property;

may be expelled for not more than one (1) calendar year.

(g) A superintendent or the superintendent's designee shall immediately notify the appropriate law enforcement agency having jurisdiction over the property where the school is located if a student engages in a behavior described in subsection (d). The superintendent may give similar notice if the student engages in a behavior described in subsection (f). Upon receiving notification under this subsection, the law enforcement agency shall begin an investigation and take appropriate action.
(h) A student with disabilities (as defined in IC 20-35-7-7) who possesses a firearm on school property is subject to procedural safeguards under 20 U.S.C. 1415.

Sec. 17. A student may be expelled from school if the student's legal settlement is not in the attendance area of the school corporation where the student is enrolled.

Sec. 18. (a) A principal may suspend a student for not more than ten (10) school days under section 14, 15, or 16 of this chapter. However, the student may be suspended for more than ten (10) school days under section 23 of this chapter.

(b) A principal may not suspend a student before the principal affords the student an opportunity for a meeting during which the student is entitled to the following:

1. A written or an oral statement of the charges against the student.
2. If the student denies the charges, a summary of the evidence against the student.
3. An opportunity for the student to explain the student's conduct.

(c) When misconduct requires immediate removal of a student, the meeting under subsection (b) must begin as soon as reasonably possible after the student's suspension.

(d) Following a suspension, the principal shall send a written statement to the parent of the suspended student describing the following:

1. The student's misconduct.
2. The action taken by the principal.

Sec. 19. (a) A superintendent of a school corporation may conduct an expulsion meeting or appoint one (1) of the following to conduct an expulsion meeting:

1. Legal counsel.
2. A member of the administrative staff if the member:
   - has not expelled the student during the current school year; and
   - was not involved in the events giving rise to the expulsion.

The superintendent or a person designated under this subsection may issue subpoenas, compel the attendance of witnesses, and administer oaths to persons giving testimony at an expulsion meeting.

(b) An expulsion may take place only after the student and the student’s parent are given notice of their right to appear at an
expulsion meeting with the superintendent or a person designated under subsection (a). Notice of the right to appear at an expulsion meeting must:

1. be made by certified mail or by personal delivery;
2. contain the reasons for the expulsion; and
3. contain the procedure for requesting an expulsion meeting.

(c) The individual conducting an expulsion meeting:
1. shall make a written summary of the evidence heard at the expulsion meeting;
2. may take action that the individual finds appropriate; and
3. must give notice of the action taken under subdivision (2) to the student and the student's parent.

(d) If the student or the student's parent not later than ten (10) days of receipt of a notice of action taken under subsection (c) makes a written appeal to the governing body, the governing body:
1. shall hold a meeting to consider:
   A. the written summary of evidence prepared under subsection (c)(1); and
   B. the arguments of the principal and the student or the student's parent;

   unless the governing body has voted under subsection (f) not to hear appeals of actions taken under subsection (c); and
2. may take action that the governing body finds appropriate.

The decision of the governing body may be appealed only under section 21 of this chapter.

(e) A student or a student’s parent who fails to request and appear at an expulsion meeting after receipt of notice of the right to appear at an expulsion meeting forfeits all rights administratively to contest and appeal the expulsion. For purposes of this section, notice of the right to appear at an expulsion meeting or notice of the action taken at an expulsion meeting is effectively given at the time when the request or notice is delivered personally or sent by certified mail to a student and the student’s parent.

(f) The governing body may vote to not hear appeals of actions taken under subsection (c). If the governing body votes to not hear appeals, subsequent to the date on which the vote is taken, a student or parent may appeal only under section 21 of this chapter.

Sec. 20. (a) Except as provided in section 16 of this chapter, a student may not be expelled for a longer period than the remainder of the school year in which the expulsion took effect if the misconduct
occurs during the first semester. If a student is expelled during the second semester, the expulsion remains in effect for summer school and may remain in effect for the first semester of the following school year, unless otherwise modified or terminated by order of the governing body. The appropriate authorities may require that a student who is at least sixteen (16) years of age and who wishes to reenroll after an expulsion or an exclusion attend an alternative program.

(b) An expulsion that takes effect more than three (3) weeks before the beginning of the second semester of a school year must be reviewed before the beginning of the second semester. The review:

1. shall be conducted by the superintendent or an individual designated under section 19(a) of this chapter after notice of the review has been given to the student and the student's parent;
2. is limited to newly discovered evidence or evidence of changes in the student's circumstances occurring since the original meeting; and
3. may lead to a recommendation by the person conducting the review that the student be reinstated for the second semester.

(c) An expulsion that will remain in effect during the first semester of the following school year must be reviewed before the beginning of the school year. The review:

1. shall be conducted by the superintendent or an individual designated under section 19(a) of this chapter after notice of the review has been given to the student and the student's parent;
2. is limited to newly discovered evidence or evidence of changes in the student's circumstances occurring since the original meeting; and
3. may lead to a recommendation by the individual conducting the review that the student be reinstated for the upcoming school year.

Sec. 21. Judicial review of a governing body's action under this chapter by the circuit or superior court of the county in which a student who is the subject of the governing body's action resides is limited to the issue of whether the governing body acted without following the procedure required under this chapter.

Sec. 22. An expulsion that has been upheld by a governing body continues in effect during judicial review under section 21 of this chapter unless:

1. the court grants a temporary restraining order under the
Indiana Rules of Civil Procedure; and

(2) the school corporation was given the opportunity to appear at the hearing regarding the temporary restraining order.

Sec. 23. The superintendent or the person designated by the superintendent under section 19(a) of this chapter may continue suspension of a student for more than the ten (10) school day period of the principal’s suspension and until the time of the expulsion decision under section 19 of this chapter if the superintendent or the designated person determines that the student’s continued suspension will prevent or substantially reduce the risk of:

(1) interference with an educational function or school purposes; or

(2) a physical injury to the student, other students, school employees, or visitors to the school.

However, a student may not be suspended from school pending a meeting on a student’s proposed expulsion if the expulsion is ordered under section 17 of this chapter.

Sec. 24. (a) This section applies to a student who:

(1) is at least sixteen (16) years of age; and

(2) wishes to reenroll after an expulsion.

(b) A principal may require a student to attend one (1) or more of the following:

(1) An alternative school or alternative educational program.
(2) Evening classes.
(3) Classes established for students who are at least sixteen (16) years of age.

Sec. 25. (a) This section applies to an individual who:

(1) is a member of the administrative staff, a teacher, or other school staff member; and

(2) has students under the individual’s charge.

(b) An individual may take disciplinary action in addition to suspension and expulsion that is necessary to ensure a safe, orderly, and effective educational environment. Disciplinary action under this section may include the following:

(1) Counseling with a student or group of students.
(2) Conferences with a parent or group of parents.
(3) Assigning additional work.
(4) Rearranging class schedules.
(5) Requiring a student to remain in school after regular school hours:
(A) to do additional school work; or
(B) for counseling.

6. Restricting extracurricular activities.

7. Removal of a student by a teacher from that teacher’s class for a period not to exceed:
(A) five (5) class periods for middle, junior high, or high school students; or
(B) one (1) school day for elementary school students;
if the student is assigned regular or additional school work to complete in another school setting.

8. Assignment by the principal of:
(A) a special course of study;
(B) an alternative educational program; or
(C) an alternative school.

9. Assignment by the principal of the school where the recipient of the disciplinary action is enrolled of not more than one hundred twenty (120) hours of service with a nonprofit organization operating in or near the community where the school is located or where the student resides. The following apply to service assigned under this subdivision:
(A) A principal may not assign a student under this subdivision unless the student's parent approves:
(i) the nonprofit organization where the student is assigned; and
(ii) the plan described in clause (B)(i).
A student's parent may request or suggest that the principal assign the student under this subdivision.
(B) The principal shall make arrangements for the student's service with the nonprofit organization. Arrangements must include the following:
(i) A plan for the service that the student is expected to perform.
(ii) A description of the obligations of the nonprofit organization to the student, the student's parents, and the school corporation where the student is enrolled.
(iii) Monitoring of the student's performance of service by the principal or the principal's designee.
(iv) Periodic reports from the nonprofit organization to the principal and the student's parent or guardian of the student's performance of the service.
(C) The nonprofit organization must obtain liability insurance in the amount and of the type specified by the school corporation where the student is enrolled that is sufficient to cover liabilities that may be incurred by a student who performs service under this subdivision.
(D) Assignment of service under this subdivision suspends the implementation of a student's suspension or expulsion. A student's completion of service assigned under this subdivision to the satisfaction of the principal and the nonprofit organization terminates the student's suspension or expulsion.
(10) Removal of a student from school sponsored transportation.
(11) Referral to the juvenile court having jurisdiction over the student.
(c) As used in this subsection, "physical assault" means the knowing or intentional touching of another person in a rude, insolent, or angry manner. When a student physically assaults a person having authority over the student, the principal of the school where the student is enrolled shall refer the student to the juvenile court having jurisdiction over the student. However, a student with disabilities (as defined in IC 20-35-7-7) who physically assaults a person having authority over the student is subject to procedural safeguards under 20 U.S.C. 1415.
Sec. 26. (a) The governing body of a school corporation may adopt rules that require a person having care of a dependent student to participate in an action taken under this chapter in connection with a student's behavior. The rules must include the following:
(1) Procedures for giving actual notice to the person having care of the dependent student.
(2) A description of the steps that the person must take to participate in the school corporation's action.
(3) A description of the additional actions in connection with the student's behavior that are justified in part or in full if the person does not participate in the school corporation's action.
(b) A dependent student is a child in need of services under IC 31-34-1-7 if, before the student child becomes eighteen (18) years of age:
(1) the student's parent fails to participate in a disciplinary proceeding in connection with the student's improper behavior, as provided for by this section, if the behavior of the student has
been repeatedly disruptive in the school; and
(2) the student needs care, treatment, or rehabilitation that the child:
   (A) is not receiving; and
   (B) is unlikely to be provided or accepted without the coercive intervention of the court.
Sec. 27. The governing body of a school corporation may by rule:
(1) amplify;
(2) supplement; or
(3) extend;
the procedures provided in this chapter in any manner that is consistent with this chapter.
Sec. 28. Any rights granted to a student or a student's parent by this chapter may be waived only by a written instrument signed by both the student and the student's parent. The waiver is valid if made:
(1) voluntarily; and
(2) with the knowledge of the:
   (A) procedures available under this chapter; and
   (B) consequences of the waiver.
Sec. 29. (a) As used in this section, "special school" includes the following:
   (1) A vocational school.
   (2) A special education school or program.
   (3) An alternative school or program.
(b) To the extent possible, this chapter applies to a special school.
(c) The governing body of a special school may make necessary modifications to the responsibilities of school personnel under this chapter to accommodate the administrative structure of a special school.
(d) In addition to a disciplinary action imposed by a special school, the principal of the school where a student is enrolled may without additional procedures adopt a disciplinary action or decision of a special school as a disciplinary action of the school corporation.
Sec. 30. (a) This section applies to the following:
(1) A student who:
   (A) is expelled from a school corporation or charter school under this chapter; or
   (B) withdraws from a school corporation or charter school to avoid expulsion.
(2) A student who:
(A) is required to separate for disciplinary reasons from a nonpublic school or a school in a state other than Indiana by the administrative authority of the school; or
(B) withdraws from a nonpublic school or a school in a state other than Indiana in order to avoid being required to separate from the school for disciplinary reasons by the administrative authority of the school.

(b) The student referred to in subsection (a) may enroll in another school corporation or charter school during the period of the actual or proposed expulsion or separation if:

(1) the student's parent informs the school corporation in which the student seeks to enroll and also:
   (A) in the case of a student withdrawing from a charter school that is not a conversion charter school to avoid expulsion, the conversion charter school; or
   (B) in the case of a student withdrawing from a conversion charter school to avoid expulsion:
      (i) the conversion charter school; and
      (ii) the school corporation that sponsored the conversion charter school;
      of the student's expulsion, separation, or withdrawal to avoid expulsion or separation;

(2) the school corporation (and, in the case of a student withdrawal described in subdivision (1)(A) or (1)(B), the charter school) consents to the student's enrollment; and

(3) the student agrees to the terms and conditions of enrollment established by the school corporation (or, in the case of a student withdrawal described in subdivision (1)(A) or (1)(B), the charter school or conversion charter school).

(c) If:

(1) a student's parent fails to inform the school corporation of the expulsion or separation or withdrawal to avoid expulsion or separation; or

(2) a student fails to follow the terms and conditions of enrollment under subsection (b)(3);

the school corporation or charter school may withdraw consent and prohibit the student's enrollment during the period of the actual or proposed expulsion or separation.

(d) Before a consent is withdrawn under subsection (c) the student must have an opportunity for an informal meeting before the principal
of the student's proposed school. At the informal meeting, the student is entitled to:

(1) a written or an oral statement of the reasons for the withdrawal of the consent;
(2) a summary of the evidence against the student; and
(3) an opportunity to explain the student's conduct.

(e) This section does not apply to a student who is expelled under section 17 of this chapter.

Sec. 31. If a student is suspended or expelled from school or from any educational function under this chapter, the student's absence from school because of the suspension or expulsion is not a violation of:

(1) IC 20-33-2; or
(2) any other statute relating to compulsory school attendance.

Sec. 32. (a) A school corporation must provide each:

(1) student; and
(2) student's parent;

a copy of the rules of the governing body on searches of students' lockers and locker contents.

(b) A student who uses a locker that is the property of a school corporation is presumed to have no expectation of privacy in:

(1) that locker; or
(2) the locker's contents.

(c) In accordance with the rules of the governing body, a principal may search:

(1) a student's locker; and
(2) the locker's contents;

at any time.

(d) A law enforcement agency having jurisdiction over the geographic area having a school facility containing a student's locker may:

(1) at the request of the school principal; and
(2) in accordance with rules of the governing body of the school corporation;

assist a school administrator in searching a student's locker and the locker's contents.

Sec. 33. Before February 1 and before October 1 of each year, except when a hearing has been requested to determine financial hardship under IC 9-24-2-1(a)(4), the governing body of the school corporation shall submit to the bureau of motor vehicles the pertinent
information concerning an individual’s ineligibility under IC 9-24-2-1 to be issued a driver's license or learner's permit, or concerning the invalidation of a license or permit under IC 9-24-2-4.

Sec. 34. (a) Notwithstanding any other law, a suspension, an expulsion, or another disciplinary action against a student who is a child with a disability (as defined in IC 20-35-1-2) is subject to the:

(1) procedural requirements of 20 U.S.C. 1415; and
(2) rules adopted by the state board.

(b) The division of special education shall propose rules under IC 20-35-2-1(b)(5) to the state board for adoption under IC 4-22-2 governing suspensions, expulsions, and other disciplinary action for a student who is a child with a disability (as defined in IC 20-35-1-2).

Chapter 9. Reporting Requirements

Sec. 1. Sections 5 through 9 of this chapter apply to the following:

(1) A violation under IC 7.1-5-7 (concerning minors and alcoholic beverages).
(2) A violation under IC 35-48-4 (offenses related to controlled substances).

Sec. 2. As used in this chapter, "intimidation" refers to intimidation under IC 35-45-2-1.

Sec. 3. As used in this chapter, "member of the administrative staff" or comparable language means a school corporation employee who:

(1) is certificated under the statutes relating to the licensing of teachers; and
(2) has supervisory authority.

Sec. 4. As used in this chapter, "threat" has the meaning set forth in IC 35-45-2-1.

Sec. 5. If a person other than a member of the administrative staff who is an employee of a school corporation has personally observed:

(1) a violation described in section 1 of this chapter; or
(2) a delinquent act that would be a violation under section 1 of this chapter if the violator were an adult;
in, on, or within one thousand (1,000) feet of the school property of the school corporation employing the person, the person shall immediately report the violation in writing to a member of the administrative staff of the school corporation employing the person.

Sec. 6. A member of the administrative staff who, based on personal knowledge or on the report of another employee of the school corporation, believes that a person has committed a violation
described in section 1 of this chapter or a delinquent act that would be a violation described in section 1 of this chapter if the violator were an adult in, on, or within one thousand (1,000) feet of the school property of the school corporation employing the member, shall immediately report:

(1) a general description of the violation;
(2) the name or a general description of each violator known to the member;
(3) the date, time, and place of the violation;
(4) the name or a general description of each person who the member knows witnessed any part of the violation; and
(5) a general description and the location of any property that the member knows was involved in the violation;

in writing to a law enforcement officer.

Sec. 7. A report is not required under sections 5 through 6 of this chapter if:

(1) a federal statute or regulation;
(2) IC 20-28-10-17, IC 25-33-1-17, IC 34-46-3-1, or another state statute; or
(3) a rule adopted by a state agency;

imposes a duty on the employee of the school corporation or member of the administrative staff not to disclose privileged or confidential information that otherwise would have been the basis of a report.

Sec. 8. (a) A person, other than a person who has committed a violation under section 1 of this chapter or a delinquent act that would be a violation under section 1 of this chapter if the violator were an adult, who:

(1) makes a report under this chapter in good faith;
(2) participates in good faith in a judicial proceeding resulting from a report under this chapter;
(3) employs a person described in subdivision (1) or (2); or
(4) supervises a person described in subdivision (1) or (2);

is not liable for civil damages or penalties that might otherwise be imposed because of the conduct described in subdivisions (1) through (4).

(b) A person described in subsection (a)(1) or (a)(2) is presumed to act in good faith.

Sec. 9. The law enforcement agencies and the school corporations in each county shall develop and administer a program to efficiently implement this chapter.
Sec. 10. In addition to any other duty to report arising under this article, an individual who has reason to believe that a school employee has received a threat or is the victim of intimidation shall report that information as required by this chapter.

Sec. 11. (a) If an individual who is required to make a report under this chapter is a member of the staff of a school, the individual shall make the report by immediately notifying the principal of the school that a school employee may have received a threat or may be the victim of intimidation.

(b) An individual who receives a report under subsection (a) shall immediately make a report or cause a report to be made under section 13 of this chapter.

Sec. 12. This chapter does not relieve an individual of the obligation to report a threat or intimidation on the individual's own behalf, unless a report has already been made to the best of the individual's belief.

Sec. 13. An individual who has a duty under sections 10 through 12 of this chapter to report that a school employee may have received a threat or may be the victim of intimidation shall immediately make an oral report to the local law enforcement agency.

Sec. 14. Except as provided in section 15 of this chapter, an individual, other than a person accused of making a threat or intimidating a school employee, who:
(1) makes, or causes to be made, a report under this chapter; or
(2) participates in any judicial proceeding or other proceeding:
(A) resulting from a report under this chapter; or
(B) relating to the subject matter of the report;
is immune from any civil or criminal liability that might otherwise be imposed because of such actions.

Sec. 15. An individual who has acted maliciously or in bad faith is not immune from civil or criminal liability under this chapter.

Sec. 16. An individual making a report under sections 10 through 14 of this chapter or assisting in any requirement of sections 10 through 14 of this chapter is presumed to have acted in good faith.

Chapter 10. Access to High School Student Information by Military Organizations

Sec. 1. This chapter applies only to public high schools.

Sec. 2. As used in this chapter, "armed forces of the United States" means:
(1) the United States Air Force;
(2) the United States Army;
(3) the United States Coast Guard;
(4) the United States Marine Corps;
(5) the United States Navy; and
(6) any reserve components of the military forces listed in subdivisions (1) through (5).

Sec. 3. As used in this chapter, "student directory information" means the student's:
(1) name;
(2) address; and
(3) telephone number, if the telephone number is a listed or published telephone number.

Sec. 4. (a) Except as provided in subsection (b), a high school shall provide access to the high school campus and the high school's student directory information to official recruiting representatives of:
(1) the armed forces of the United States;
(2) the Indiana Air National Guard;
(3) the Indiana Army National Guard; and
(4) the service academies of the armed forces of the United States;
for purposes of informing students of educational and career opportunities available in the armed forces of the United States, the Indiana Air National Guard, the Indiana Army National Guard, and the service academies of the armed forces of the United States.
(b) If:
(1) a high school student; or
(2) the parent of a high school student;
submits a signed, written request to a high school at the end of the student’s sophomore year that indicates the student or the parent of the student does not want the student's directory information to be provided to official recruiting representatives under subsection (a), the high school may not provide access to the student’s directory information to an official recruiting representative. A high school shall notify students and the parents, guardians, or custodians of students of the provisions of this subsection.
(c) A high school may require an official recruiting representative to pay a fee:
(1) for copying and mailing the high school’s student directory information described under subsection (a); and
(2) in an amount that is not more than the actual costs incurred
by the high school.

Sec. 5. Information received by an official recruiting representative under section 4 of this chapter:

(1) may be used only to provide information to students concerning educational and career opportunities available in:
   (A) the armed forces of the United States;
   (B) the Indiana Air National Guard;
   (C) the Indiana Army National Guard; and
   (D) the service academies of the armed forces of the United States; and

(2) may not be released to a person who is not involved in recruiting high school students for:
   (A) the armed forces of the United States;
   (B) the Indiana Air National Guard;
   (C) the Indiana Army National Guard; and
   (D) the service academies of the armed forces of the United States.

SECTION 18. IC 20-34 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 34. STUDENT HEALTH AND SAFETY MEASURES

Chapter 1. Acquired Immune Deficiency Syndrome Advisory Council

Sec. 1. As used in this chapter, "AIDS" means the communicable disease known as acquired immune deficiency syndrome.

Sec. 2. As used in this chapter, "council" refers to an AIDS advisory council established under this chapter.

Sec. 3. (a) The governing body of each school corporation shall establish a council.

(b) Subsection (a) does not apply to a school corporation that has:
   (1) established an advisory committee composed of parents, students, teachers, administrators, and representatives of the state department of health; and
   (2) met and identified educational materials and resources reflecting community standards on AIDS before February 15, 1988.

Sec. 4. The council consists of thirteen (13) members. The governing body shall appoint all the members of the council.

Sec. 5. One (1) member of the council must be:

(1) a representative of the local board of health or state
department of health; and  
(2) trained in the area of dangerous communicable diseases, including AIDS.

Sec. 6. The remaining members must include the following individuals:

(1) Two (2) students.
(2) Two (2) teachers.
(3) Two (2) parents of children who attend public schools governed by the governing body.
(4) Two (2) representatives of school administrators.
(5) Two (2) representatives of the health care professions, one (1) of whom must be a physician licensed under IC 25-22.5.
(6) Two (2) citizens who reside in the community served by the school corporation.

Sec. 7. The term of a council member is two (2) years, beginning upon appointment. If a successor is not appointed at the end of the term, the term continues until a successor is appointed.

Sec. 8. The council shall, at its first meeting of each year, elect a chairperson, vice chairperson, and secretary.

Sec. 9. The term of an officer elected under section 8 of this chapter:

(1) begins upon election; and  
(2) ends upon the election of a successor.

Sec. 10. The governing body shall furnish the council with the necessary staff to conduct the council’s business.

Sec. 11. At the first meeting of each year, a representative of the local board of health or state department of health, or an individual approved by the state department of health, shall instruct the members of the council on the source, transmission, and prevention of AIDS.

Sec. 12. At the second meeting of each year, the council shall hold a public meeting and solicit testimony from members of the community concerning community attitudes and values on matters that affect the instruction on AIDS that is presented within the school corporation.

Sec. 13. The council shall do the following:

(1) Identify and study educational materials and resources on AIDS that are available for use in the schools within the school corporation.
(2) Determine which educational materials and resources are
based on sound medical principles and reflect the attitude of the community.

(3) Recommend to the school corporation educational materials and resources on AIDS that reflect the standards of the community.

Sec. 14. The governing body shall consider the recommendations of the council.

Chapter 2. Drug-Free Schools Committee

Sec. 1. As used in this chapter, "committee" refers to a drug-free schools committee.

Sec. 2. To facilitate the establishment of drug-free schools in Indiana, the governing body of each school corporation shall establish a drug-free schools committee for each school in the school corporation.

Sec. 3. Each committee must consist of not more than fifteen (15) members who represent the following from the school corporation:

(1) School personnel.
(2) Parents of students.
(3) Representatives of the community.

Sec. 4. Appointments to the committee must be made in compliance with contractual provisions, discussion procedures, or past practice.

Sec. 5. Each committee shall do the following:

(1) Develop a drug-free school plan that:
  (A) requires each school to collect and report drug related activities in the school, including suspensions, expulsions, exclusions, police actions, or any other type of drug related behavior; and
  (B) addresses ways to eliminate illegal drugs and drug related behavior in schools.

(2) Oversee the implementation of the school plan.

(3) Oversee the implementation of the curriculum under IC 20-30-5-11.

Chapter 3. Health and Safety Measures

Sec. 1. (a) When the power to make rules for the administration of a section of this chapter or IC 20-34-4 is not specifically granted to a particular board or agency, the state department of health and the state board shall jointly adopt rules.

(b) A rule adopted under this chapter or IC 20-34-4 must comply with IC 4-22-2. However, the state department of health may prescribe forms for any reports required under this chapter or IC 20-34-4.
without formal procedures.

Sec. 2. (a) Except as otherwise provided, a student may not be required to undergo any testing, examination, immunization, or treatment required under this chapter or IC 20-34-4 when the child's parent objects on religious grounds. A religious objection does not exempt a child from any testing, examination, immunization, or treatment required under this chapter or IC 20-34-4 unless the objection is:

1. made in writing;
2. signed by the child's parent; and
3. delivered to the child's teacher or to the individual who might order a test, an exam, an immunization, or a treatment absent the objection.

(b) A teacher may not be compelled to undergo any testing, examination, or treatment under this chapter or IC 20-34-4 if the teacher objects on religious grounds. A religious objection does not exempt an objecting individual from any testing, examination, or treatment required under this chapter or IC 20-34-4 unless the objection is:

1. made in writing;
2. signed by the objecting individual; and
3. delivered to the principal of the school in which the objecting individual teaches.

Sec. 3. If a physician certifies that a particular immunization required by this chapter or IC 20-34-4 is or may be detrimental to a student's health, the requirements of this chapter or IC 20-34-4 for that particular immunization is inapplicable for the student until the immunization is found no longer detrimental to the student's health.

Sec. 4. The governing body of a school corporation may provide for the inspection of students by a school physician to determine whether any child suffers from disease, disability, decayed teeth, or other defects that may reduce the student's efficiency or prevent the student from receiving the full benefit of the student's school work.

Sec. 5. If the parent of a student furnishes a certificate of examination from an Indiana physician at the beginning of a school year, the student is exempt from any examination the governing body requires under section 4 of this chapter. The certificate of examination must state that the physician has examined the student and reported the results of the examination to the parent. The governing body may require a parent to periodically furnish additional certificates.
Sec. 6. (a) The governing body of a school corporation may appoint one (1) or more school physicians and one (1) or more nurses who are registered to practice nursing in Indiana.

(b) A nurse appointed under this section is responsible for emergency nursing care of students when an illness or accident occurs during school hours or on or near school property.

Sec. 7. (a) Two (2) or more school corporations may jointly employ one (1) physician, one (1) health coordinator, and one (1) or more nurses. School corporations may also employ the personnel jointly with a civil city or town.

(b) Arrangements under this section must be on terms agreeable to all school corporations involved.

Sec. 8. A school physician shall promptly examine each student who is referred to the physician. The physician shall examine teachers and janitors and inspect school buildings to the extent required, in the physician's opinion, to protect the health of students and teachers.

Sec. 9. (a) If a student is ill, has a communicable disease, or is infested with parasites, the school principal may send the student home with a note to the student's parent. The note must describe the nature of the illness or infestation and, if appropriate, recommend that the family physician be consulted.

(b) If the parent of a student who is sent home under this section is financially unable to provide the necessary medical care, the medical care shall be provided by a public health facility. If a public health facility is not available, the township trustee or an appropriate governmental agency shall provide the necessary care.

(c) A student who is sent home under this section may be readmitted to the school:

(1) when it is apparent to school officials that the student is no longer ill, no longer has a communicable disease, or is no longer infested with parasites;
(2) upon certification of a physician that the student is no longer ill, no longer has a communicable disease, or is no longer infested with parasites;
(3) upon certification of a physician that the student has a communicable disease, but the disease is not transmissible through normal school contacts; or
(4) upon certification of a Christian Science practitioner, who is listed in The Christian Science Journal, that based on the practitioner's observation the student apparently is no longer ill.
no longer has a communicable disease, or is no longer infested with parasites. If school personnel disagree with the certifying physician or Christian Science practitioner as to whether the student should be readmitted to school, the local health officer shall determine whether the student may be readmitted to school.

(d) An individual who objects to the determination made by the local health officer under this section may appeal to the commissioner of the state department of health, who is the ultimate authority. IC 4-21.5 applies to appeals under this subsection.

Sec. 10. (a) A sickle cell anemia test shall be administered to each student when the examining physician or school nurse determines that the test is necessary. The physician shall state on the examination form whether the test was given and, if it was, the result. All positive results shall be filed with the examining physician and the state department of health.

(b) The state department of health and the state board shall adopt joint rules concerning sickle cell anemia testing equipment, qualifications for sickle cell anemia testing personnel, and sickle cell anemia testing procedures.

(c) Records of all tests administered under this section shall be made and continuously maintained by the state department of health to provide information useful in protecting, promoting, and maintaining the health of students.

Sec. 11. (a) The governing body of a school corporation may require students to be tested for lead poisoning.

(b) If a student's parent states in writing that the parent is financially unable to pay for a test under this section, the student shall be referred to the free clinic or public health facility in the area that provides services for indigents.

(c) The state department of health and the state board shall adopt joint rules concerning lead poisoning testing under this section.

(d) Records of all tests administered under this section shall be made and continuously maintained by the state department of health to provide information useful in protecting, promoting, and maintaining the health of students.

Sec. 12. (a) For purposes of this section, "modified clinical technique" means a battery of vision tests that includes:

(1) a visual acuity test to determine an individual's ability to see at various distances;
(2) a refractive error test to determine the focusing power of the eye;
(3) an ocular health test to determine any external or internal abnormalities of the eye; and
(4) a binocular coordination test to determine if the eyes are working together properly.
(b) The governing body of each school corporation shall conduct:
   (1) an annual vision test, using the modified clinical technique, of each student upon the student’s enrollment in either kindergarten or grade 1; and
   (2) an annual screening test of the visual acuity of each student enrolled in or transferred to grade 3 and grade 8 and of all other students suspected of having a visual defect.
(c) Records of all tests shall be made and continuously maintained by the school corporation to provide information useful in protecting, promoting, and maintaining the health of students. The state department of health and the state board shall adopt joint rules concerning vision testing equipment, qualifications of vision testing personnel, visual screening procedures, and criteria for failure and referral in the screening tests based on accepted medical practice and standards.

Sec. 13. (a) If a school corporation is unable to comply with section 12(b)(1) of this chapter, the governing body may, before November 1 of a school year, request from the state superintendent a waiver of the requirements of section 12(b)(1) of this chapter.
(b) The waiver request under subsection (a) must:
   (1) be in writing;
   (2) include the reason or reasons that necessitated the waiver request; and
   (3) indicate the extent to which the governing body attempted to comply with the requirements under section 12(b)(1) of this chapter.
(c) The state superintendent shall take action on the waiver request not later than thirty (30) days after receiving the waiver request.
(d) The state superintendent may:
   (1) approve the waiver request;
   (2) deny the waiver request; or
   (3) provide whatever relief that may be available to enable the school corporation to comply with the requirements under section 12(b)(1) of this chapter.
(e) If the state superintendent approves the waiver request, the
governing body shall conduct an annual screening test of the visual
acuity of each student upon the student's enrollment in or transfer to
grade 1.

Sec. 14. (a) The governing body of each school corporation shall
annually conduct an audiometer test or a similar test to determine the
hearing efficiency of the following students:

(1) Students in grade 1, grade 4, grade 7, and grade 10.
(2) A student who has transferred into the school corporation.
(3) A student who is suspected of having hearing defects.

(b) A governing body may appoint the technicians and assistants
necessary to perform the testing required under this section.

(c) Records of all tests shall be made and continuously maintained
by the school corporation to provide information that may assist in
diagnosing and treating any student's auditory abnormality. However,
diagnosis and treatment shall be performed only on recommendation
of an Indiana physician who has examined the student.

(d) The governing body may adopt rules for the administration of
this section.

Sec. 15. (a) Whenever the test required under section 14 of this
chapter discloses that the hearing of a student is impaired and the
student cannot be taught advantageously in regular classes, the
governing body of the school corporation shall provide appropriate
remedial measures and correctional devices. The governing body shall
advise the student’s parent of the proper medical care, attention, and
treatment needed. The governing body shall provide approved
mechanical auditory devices and prescribe courses in lip reading by
qualified, competent, and approved instructors. The state
superintendent and the director of the rehabilitation services bureau
of the division of disability, aging, and rehabilitative services shall:

(1) cooperate with school corporations to provide assistance
under this section; and
(2) provide advice and information to assist school corporations
in complying with this section.

The governing body may adopt rules for the administration of this
section.

(b) Each school corporation may receive and accept bequests and
donations for immediate use or as trusts or endowments to assist in
meeting costs and expenses incurred in complying with this section.
When funds for the full payment of the expenses are not otherwise
available in a school corporation, an unexpended balance in the state
treasury that is available for the use of local schools and is otherwise
unappropriated may be loaned to the school corporation for that
purpose by the governor. A loan made by the governor under this
section shall be repaid to the fund in the state treasury from which the
loan came not more than two (2) years after the date it was advanced.
Loans under this section shall be repaid through the levying of taxes
in the borrowing school corporation.

Sec. 16. A test to determine postural defects shall be administered
to each public school student in grade 5, grade 7, and grade 9. The
state department of health may recommend procedures and guidelines
for the administration of this section.

Sec. 17. (a) The state board shall provide information stressing the
moral aspects of abstinence from sexual activity in any literature that
it distributes to students and young adults concerning available
methods for the prevention of acquired immune deficiency syndrome
(AIDS). The literature must state that the best way to avoid AIDS is
for young people to refrain from sexual activity until they are ready
as adults to establish, in the context of marriage, a mutually faithful
monogamous relationship.

(b) The state board may not distribute AIDS literature described
in subsection (a) to students without the consent of the governing body
of the school corporation the students attend.

Sec. 18. (a) This section does not apply to medication possessed by
a student for self-administration under IC 20-33-8-13.

(b) Except as provided in subsection (d), a school corporation may
not send home with a student medication that is possessed by a school
for administration during school hours or at school functions.

(c) Medication that is possessed by a school for administration
during school hours or at school functions for a student in
kindergarten through grade 8 may be released only to:

(1) the student’s parent; or

(2) an individual who is:

(A) at least eighteen (18) years of age; and

(B) designated in writing by the student’s parent to receive the
medication.

(d) A school corporation may send home medication that is
possessed by a school for administration during school hours or at
school functions for a student in grades 9 through 12 if the student’s
parent provides written permission for the student to receive the
medication.

Sec. 19. (a) Each public school student and teacher shall wear industrial quality eye protective devices at all times while participating in any of the following courses:

1) Vocational or industrial arts shops or laboratories involving experience with:
   - (A) hot molten metals;
   - (B) milling, sawing, turning, shaping, cutting, or stamping of any solid material;
   - (C) heat treatment, tempering, or kiln firing of any metal or material;
   - (D) gas or electric arc welding;
   - (E) repair or servicing of any vehicle; or
   - (F) caustic or explosive materials.

2) Chemical or combined chemical-physical laboratories involving caustic or explosive chemicals or hot liquids or solids.

(b) Eye protective devices are of industrial quality if the devices meet the standards of the American standard safety code for head, eye, and respiratory protection, Z2.1-1959, promulgated by the American Standards Association, Inc.

Sec. 20. (a) The governing body of a school corporation shall require each school in the governing body's jurisdiction to conduct periodic fire drills during the school year in compliance with rules adopted under IC 4-22-2 by the state board.

(b) The governing body of a school corporation shall require each principal to file a certified statement that fire drills have been conducted as required under this section.

Chapter 4. Immunizations

Sec. 1. (a) Each school shall keep an immunization record of the school's students. The records must be kept uniformly throughout Indiana according to procedures prescribed by the state department of health.

(b) Whenever a student transfers to another school, the school from which the student is transferring may furnish, not later than twenty (20) days after the transfer, a copy of the student's immunization record to the school to which the student is transferring.

(c) Whenever a student enrolls in a postsecondary institution (as defined in IC 20-12-71-8), the school from which the student graduated may furnish a copy of the student's immunization record to the postsecondary institution. If the student is enrolled in a
postsecondary institution while still attending a secondary level school, the secondary level school that the student is attending may furnish a copy of the student’s immunization record to the postsecondary institution.

Sec. 2. (a) Every child residing in Indiana shall be immunized against:

1. diphtheria;
2. pertussis (whooping cough);
3. tetanus;
4. measles;
5. rubella;
6. poliomyelitis; and
7. mumps.

(b) Every child residing in Indiana who enters kindergarten or grade 1 shall be immunized against hepatitis B and chicken pox.

(c) The state department of health may expand or otherwise modify the list of communicable diseases that require documentation of immunity as medical information becomes available that would warrant the expansion or modification in the interest of public health.

(d) The state department of health shall adopt rules under IC 4-22-2 specifying the:

1. required immunizations;
2. child's age for administering each vaccine;
3. adequately immunizing doses; and
4. method of documentation of proof of immunity.

Sec. 3. Each school shall notify each parent of a student who enrolls in the school of the requirement that the student must be immunized and that the immunization is required for the student’s continued enrollment, attendance, or residence at the school unless:

1. the parent or student provides the appropriate documentation of immunity;
2. for chicken pox, the parent or student provides a written signed statement that the student has indicated a history of chicken pox; or
3. IC 20-34-3-2 or IC 20-34-3-3 applies.

Sec. 4. (a) The parent of any student who has not received the immunizations required under this chapter shall present the student to a physician and request the physician administer the immunizations. If the parent is unable to secure the immunizations, the local health department serving the area in which the student
resides may provide the immunizations. Vaccines provided by the
local health department shall be furnished by the local health board
or the state department of health from available supplies.

(b) The physician who administers the required vaccines to a
student shall give a certificate or other documentation of the
immunizations to the individual who presented the student for
immunization. This certificate or other documentation shall be
presented on request to the local health department or the local health
department's authorized representative.

Sec. 5. (a) Each school shall require the parent of a student who has
enrolled in the school to furnish not later than the first day of school
a written statement of the student's immunization, accompanied by the
physician's certificates or other documentation, unless a written
statement of this nature is on file with the school.

(b) The statement must show, except for a student to whom
IC 20-34-3-2 or IC 20-34-3-3 applies, that the student has been
immunized as required under section 2 of this chapter. The statement
must include the student's date of birth and the date of each
immunization.

(c) A student may not be permitted to attend school beyond the first
day of school without furnishing the written statement, unless:

(1) the school gives the parent of the student a waiver; or

(2) the local health department or a physician determines that the
student’s immunization schedule has been delayed due to
extreme circumstances and that the required immunizations will
not be completed before the first day of school.

The waiver referred to in subdivision (1) may not be granted for a
period that exceeds twenty (20) days. If subdivision (2) applies, the
parent of the student shall furnish the written statement and a
schedule, approved by a physician or the local health department, for
the completion of the remainder of the immunizations.

(d) The state department of health may commence an action
against a school under IC 4-21.5-3-6 or IC 4-21.5-4 for the issuance of
an order of compliance for failure to enforce this section.

(e) Neither a religious objection under IC 20-34-3-2 nor an
exception for the student's health under IC 20-34-3-3 relieves a parent
from the reporting requirements under this section.

(f) The state department of health shall adopt rules under IC 4-22-2
to implement this section.

Sec. 6. (a) Not later than sixty (60) days after the enrollment of
students for the first time and when additional immunizations are required by statute or rule, each school shall file a written report with the state department of health and the local health department having jurisdiction. The report must include the following:

1. A statement of the number of students who have demonstrated immunity against diphtheria, pertussis (whooping cough), tetanus, measles, rubella, poliomyelitis, mumps, and hepatitis B.

2. A statement of the number of students who have not demonstrated immunity against the illnesses listed in subdivision (1).

3. A statement of the number of students who have been found positive for sickle cell anemia or lead poisoning.

(b) The state department of health and the local health department shall, for good cause shown that there exists a substantial threat to the health and safety of a student or the school community, be able to validate immunization reports by onsite reviews or examinations of nonidentifying immunization record data. This section does not independently authorize the state department of health, a local department of health, or an agent of the state department of health or local department of health to have access to identifying medical or academic record data of individual students attending nonaccredited nonpublic schools.

(c) A report shall be filed for each student who enrolls subsequent to the filing of the report for students who enrolled at the beginning of the school year. The state department of health has exclusive power to adopt rules for the administration of this section.

Sec. 7. (a) Each student in Indiana who enters grade 9 or grade 12 shall be immunized against hepatitis B. However, a student may not be prevented from enrolling in, attending, or graduating from high school for the sole reason that the student has not been immunized under this section.

(b) Beginning in the 2007-2008 school year, a high school is not required to notify each parent of a student enrolled to enter grade 9 of the immunization requirement in this section.

(c) The exceptions in IC 20-34-3-2 and IC 20-34-3-3 apply to this section.

(d) This section expires July 1, 2008.

SECTION 19. IC 20-35 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
ARTICLE 35. SPECIAL EDUCATION

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this chapter, IC 20-35-2 through IC 20-35-6, and IC 20-35-8.

Sec. 2. "Child with a disability" means a child who:
   (1) is at least three (3) years of age but less than twenty-two (22) years of age; and
   (2) because of physical or mental disability is incapable of being educated properly and efficiently through normal classroom instruction, but who, with the advantage of a special educational program, may be expected to benefit from instruction in surroundings designed to further the educational, social, or economic status of the child.

Sec. 3. "Director" refers to the director of the division of special education.

Sec. 4. "Division" refers to the division of special education established by IC 20-35-2-1.

Sec. 5. "Preschool child with a disability" refers to a disabled child who is at least three (3) years of age by June 1 of the school year.

Sec. 6. "School corporation" means a corporation authorized by law to establish public schools and levy taxes for the maintenance of the schools.

Sec. 7. "Special education" means instruction specially designed to meet the unique needs of a child with a disability. The term includes transportation, developmental, corrective, and other support services and training only when required to assist a child with a disability to benefit from the instruction itself.

Chapter 2. Division of Special Education

Sec. 1. (a) There is established under the state board a division of special education. The division shall exercise all the power and duties set out in this chapter, IC 20-35-3 through IC 20-35-6, and IC 20-35-8.

(b) The governor shall appoint, upon the recommendation of the state superintendent, a director of special education who serves at the pleasure of the governor. The amount of compensation of the director shall be determined by the budget agency with the approval of the governor. The director has the following duties:

   (1) To do the following:

   (A) Have general supervision of all programs, classes, and schools for children with disabilities, including those
conducted by public schools, the Indiana School for the Blind, the Indiana School for the Deaf, the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of mental health and addiction.

(B) Coordinate the work of schools described in clause (A). For programs for preschool children with disabilities as required under IC 20-35-4-9, have general supervision over programs, classes, and schools, including those conducted by the schools or other state or local service providers as contracted for under IC 20-35-4-9. However, general supervision does not include the determination of admission standards for the state departments, boards, or agencies authorized to provide programs or classes under this chapter.

(2) To adopt, with the approval of the state board, rules governing the curriculum and instruction, including licensing of personnel in the field of education, as provided by law.

(3) To inspect and rate all schools, programs, or classes for children with disabilities to maintain proper standards of personnel, equipment, and supplies.

(4) With the consent of the state superintendent and the budget agency, to appoint and determine salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.

(5) To adopt, with the approval of the state board, the following:

(A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.

(B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.

(6) To make recommendations to the state board concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:

(A) The number of teacher aides recommended for each exceptionality included within the class size ranges.

(B) The role of the teacher aide.
(C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.

(7) To cooperate with the interagency coordinating council established by IC 12-17-15-7 to ensure that the preschool special education programs required IC 20-35-4-9 are consistent with the early intervention services program described in IC 12-17-15.

(c) The director or the state board may exercise authority over vocational programs for children with disabilities through a letter of agreement with the department of workforce development.

Chapter 3. State Advisory Council

Sec. 1. (a) The state superintendent shall appoint a state advisory council on the education of children with disabilities. The state advisory council's duties consist of providing policy guidance concerning special education and related services for children with disabilities. The state superintendent shall appoint at least seventeen (17) members who serve for a term of four (4) years. Vacancies shall be filled in the same manner for the unexpired balance of the term.

(b) The members of the state advisory council must be:

(1) citizens of Indiana;
(2) representative of the state's population; and
(3) selected on the basis of their involvement in or concern with the education of children with disabilities.

(c) A majority of the members of the state advisory council must be individuals with disabilities or the parents of children with disabilities. Members must include the following:

(1) Parents of children with disabilities.
(2) Individuals with disabilities.
(3) Teachers.
(4) Representatives of higher education institutions that prepare special education and related services personnel.
(5) State and local education officials.
(6) Administrators of programs for children with disabilities.
(7) Representatives of state agencies involved in the financing or delivery of related services to children with disabilities, including the following:

(A) The commissioner of the state department of health or the commissioner's designee.
(B) The director of the division of disability, aging, and rehabilitative services or the director's designee.
(C) The director of the division of mental health and addiction or the director's designee.
(D) The director of the division of family and children or the director's designee.
(8) Representatives of nonpublic schools and freeway schools.
(9) One (1) or more representatives of vocational, community, or business organizations concerned with the provision of transitional services to children with disabilities.
(10) Representatives of the department of correction.
(11) A representative from each of the following:
   (A) The Indiana School for the Blind board.
   (B) The Indiana School for the Deaf board.
(d) The responsibilities of the state advisory council are as follows:
   (1) To advise the state superintendent and the state board regarding all rules pertaining to children with disabilities.
   (2) To recommend approval or rejection of completed comprehensive plans submitted by school corporations acting individually or on a joint school services program basis with other corporations.
   (3) To advise the department of unmet needs within Indiana in the education of children with disabilities.
   (4) To provide public comment on rules proposed by the state board regarding the education of children with disabilities.
   (5) To advise the department in developing evaluations and reporting data to the United States Secretary of Education under 20 U.S.C. 1418.
   (6) To advise the department in developing corrective action plans to address findings identified in federal monitoring reports under 20 U.S.C. 1400 et seq.
   (7) To advise the department in developing and implementing policies related to the coordination of services for children with disabilities.
(e) The state advisory council shall do the following:
   (1) Organize with a chairperson selected by the state superintendent.
   (2) Meet as often as necessary to conduct the council's business at the call of the chairperson, upon ten (10) days written notice, but not less than four (4) times a year.
(f) Members of the state advisory council are entitled to reasonable amounts for expenses necessarily incurred in the performance of their
duties.

(g) The state superintendent shall do the following:
   (1) Designate the director to act as executive secretary of the state advisory council.
   (2) Furnish all professional and clerical assistance necessary for the performance of the state advisory council’s powers and duties.

(h) The affirmative votes of a majority of the members appointed to the state advisory council are required for the state advisory council to take action.

Chapter 4. School Corporations: Powers and Duties Regarding Children With Disabilities

Sec. 1. (a) A school corporation acting individually or in a joint school services program with other corporations may establish and maintain instructional facilities for the instruction of children with disabilities.

(b) A school corporation may provide transfer and transportation of children with disabilities residing in the geographical limits of the corporation to facilities for the instruction of children with disabilities that are not maintained by the school corporation.

(c) A school corporation acting individually or in a joint school services program with other corporations may convert, build, or lease the necessary school buildings or use existing buildings to establish and maintain classes of one (1) or more pupils who are:
   (1) residents of Indiana; and
   (2) children with disabilities.

(d) A school corporation may provide for instruction of any child with a disability who is not able to attend a special class or school for children with disabilities. Special personnel may be employed in connection with these classes of schools, and any expenditures for these classes of schools are lawful expenditures for maintaining the education of children with disabilities.

(e) All nurses, therapists, doctors, psychologists, and related specialists employed under this chapter:
   (1) must be registered and authorized to practice under Indiana law; and
   (2) are subject to any additional requirements of the division.

(f) A school corporation acting individually or in a joint school services program with other corporations may purchase special equipment needed in a class or school for children with disabilities,
and any expenditures made for this special equipment are lawful
expenditures for maintaining the education of children with
disabilities.

(g) Children with disabilities shall receive credit for schoolwork
accomplished on the same basis as normal children who do similar
work.

(h) A school corporation constructing or operating a school under
this chapter:

(1) shall pay the operating expense for each student attending;

and

(2) is entitled to receive state aid for these students under the
applicable laws.

Other school corporations sending children with disabilities as
students of the school shall pay tuition in accordance with
IC 20-35-8-1 through IC 20-35-8-2.

(i) If the state receives funds from the federal government to aid in
the operation of any school for children with disabilities, the division
shall distribute among these schools the grant of federal funds that are
appropriated. The federal funds shall be expended for the purposes
for which the funds are granted.

(j) Except as provided in section 9 of this chapter with regard to
preschool children with disabilities, schools or classes for children
with disabilities shall be operated by the school corporation
establishing the schools or classes under:

(1) Indiana laws applying to the operation of public schools; and

(2) the supervision of the division.

(k) Teachers in classes and schools for children with disabilities:

(1) shall be appointed in the same manner as other public school
teachers; and

(2) must possess:

(A) the usual qualifications required of teachers in the public
schools; and

(B) any special training that the state board requires.

(l) The state board shall adopt rules under IC 4-22-2 governing the
qualifications required of preschool teachers under contractual
agreements entered into under section 9 of this chapter.

(m) Qualifications of paraprofessional personnel to be employed
under this chapter are subject to a determination by the department.
Before any type of special class organized or to be organized under
this chapter is established in any school corporation or through any
contractual agreement, the special class must be submitted to and approved by the state board.

(n) The state board shall adopt rules under IC 4-22-2 necessary for the proper administration of this chapter.

Sec. 2. (a) The division may, upon application by the governing body of a school corporation, together with proof of need, authorize the school corporation to purchase, convert, remodel, or construct rooms or buildings for special schools for children with disabilities in an effort to have the schools located near the homes of the children with disabilities the schools will serve.

(b) The school corporation:
   (1) shall pay the cost of purchase, conversion, remodeling, and construction and the cost of building equipment of any such school; and
   (2) may finance such conversion, remodeling, and construction as other school buildings are financed.

(c) The school corporation establishing any such school may send all its children with disabilities to the school and shall admit, if facilities permit, any other children with disabilities in Indiana who:
   (1) are eligible under this chapter; and
   (2) are not provided with an opportunity to attend an adequate school in their own school corporation.

Sec. 3. (a) The medical care of a child with a disability is the responsibility of the physician chosen by the parent to attend the child. However, a child with a disability is not excused from attending school unless the local health officer, upon a statement of the attending physician, certifies that attendance would be injurious to the child. The educational and recreational program may not alter in any way the medical care prescribed by the proper medical authority. Eligibility for all special education classes and programs must be determined by appropriate specialists.

(b) All nurses and special therapists in physical therapy, occupational therapy, and related medical fields must be:
   (1) graduates of fully accredited training schools; and
   (2) registered by their respective examining boards or by their respective professional associations.

(c) The medical care of needy children with disabilities is the responsibility of the state department of health and its program for children with special health care needs, to the extent provided by law.

(d) The personnel and facilities under the program for children
with special health care needs shall be used at all times for the following:

(1) The determination of policies related to the medical care of children with disabilities.
(2) The professional supervision of all special therapists.
(3) Individual casework as available.

Sec. 4. (a) For the administration and field service of the division, there is appropriated annually out of the excise funds of the alcohol and tobacco commission an amount to administer this chapter as determined by the general assembly.

(b) Money appropriated under this section shall be deposited into a special fund in the state treasury to be known as the special education fund. The special education fund shall be:

(1) administered by the state superintendent; and
(2) used only for the administration of IC 20-35-2 through IC 20-35-6 and IC 20-35-8.

Sec. 5. This chapter does not amend, alter, or repeal any other statute but is supplemental to other statutes.

Sec. 6. (a) Except as provided in subsection (b), this chapter does not require a student to:

(1) undergo physical or medical examination or treatment; or
(2) be compelled to receive medical instruction;

if the parent of the student, in writing, notifies the teacher or principal or other person in charge of the student that the parent objects to the medical examination, treatment, or instruction because the parent relies in good faith on prayer or spiritual means for the treatment of sickness or affliction.

(b) An objection may not be made to a physical or medical examination of a child with a physical disability to determine whether the child shall be admitted to any class or school for children with disabilities.

Sec. 7. (a) The governing body of a school corporation may do the following:

(1) Accept, receive, and administer any gift, devise, legacy, or bequest of real or personal property, including the income from real estate:

(A) to or for the benefit of any school, dormitory, or facility for the education of children with disabilities; and
(B) for any of the purposes contemplated under this chapter and not inconsistent with this chapter or Indiana law.
(2) Invest or reinvest any of the funds received under this section in the same kind of securities in which life insurance companies are authorized by law to invest their funds.

(b) All money received by a school corporation under this section and all money, proceeds, or income realized from any real estate or other investments or property:
   (1) shall be kept in a special fund;
   (2) may not be commingled with any other fund or funds received from taxation; and
   (3) may be expended by the governing body of the school corporation in any manner consistent with the:
       (A) purposes of IC 20-35-2 through IC 20-35-6 and IC 20-35-8; and
       (B) intention of the donor or donors.

Sec. 8. (a) The school corporation in which a child with a disability resides is primarily responsible for providing the child with an appropriate special education program. The governing body of each school corporation shall establish and maintain the special educational facilities that are needed for:
   (1) children with disabilities residing in the school corporation;
   and
   (2) other children as authorized by this chapter.

However, under rules adopted by the state board, a child with a disability may be placed in a special education program that is not established or maintained by the school corporation.

(b) Notwithstanding subsection (a), a school corporation may establish special educational facilities for children with disabilities who are:
   (1) at least nineteen (19) years of age; or
   (2) less than six (6) years of age.

Sec. 9. (a) The budget agency and the division shall develop a funding mechanism to provide preschool special education. Each school corporation shall provide each preschool child with a disability with an appropriate special education. However, this subsection is applicable only if the general assembly appropriates state funds for preschool special education.

(b) A school corporation may act:
   (1) individually;
   (2) in a joint school services program with other school corporations as described in section 1 of this chapter; or
(3) upon approval by the division, through contractual agreements entered into between a school corporation and a qualified public or private agency that serves preschool children with disabilities.

(c) The state board shall adopt rules under IC 4-22-2 governing the following:

(1) The extent to which a school corporation may contract with another service provider as permitted under subsection (b).

(2) The nature of the contracts.

(3) The approval procedure required of the school corporation under subsection (b).

(4) Other pertinent matters concerning these agreements.

Sec. 10. (a) For purposes of this section, "comprehensive plan" means a plan for educating the following:

(1) All children with disabilities that a school corporation is required to educate under sections 8 through 9 of this chapter.

(2) The additional children with disabilities that the school corporation elects to educate.

(b) For purposes of this section, "school corporation" includes the following:

(1) The Indiana School for the Blind board.

(2) The Indiana School for the Deaf board.

(c) The state board shall adopt rules under IC 4-22-2 detailing the contents of the comprehensive plan. Each school corporation shall complete and submit to the state superintendent a comprehensive plan. School corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a school corporation enters into a contractual agreement as permitted under section 9 of this chapter, the school corporation shall collaborate with the service provider in formulating the comprehensive plan.

(d) Notwithstanding the age limits set out in IC 20-35-1-1, the state board may:

(1) conduct a program for the early identification of children with disabilities, between the ages of birth and less than twenty-two (22) years of age not served by the public schools or through a contractual agreement under section 9 of this chapter; and

(2) use agencies that serve children with disabilities other than the public schools.
(e) The state board shall adopt rules under IC 4-22-2 requiring the:
   (1) department of correction;
   (2) state department of health;
   (3) division of disability, aging, and rehabilitative services;
   (4) Indiana School for the Blind board;
   (5) Indiana School for the Deaf board; and
   (6) division of mental health and addiction;
   to submit to the state superintendent a plan for the provision of special education for children in programs administered by each respective agency who are entitled to a special education.

(f) The state superintendent shall furnish professional consultant services to school corporations and the entities listed in subsection (e) to aid them in fulfilling the requirements of this section.

Sec. 11. (a) The governing bodies of one (1) or more school corporations establishing and maintaining educational facilities and services for students with disabilities, as described in this chapter, shall, in connection with establishing and maintaining the facilities and services, exercise similar powers and duties as are prescribed by law for the establishment, maintenance, and management of other recognized educational facilities and services.

(b) The governing bodies shall:
   (1) include only eligible children in the program; and
   (2) comply with all the requirements of:
      (A) this chapter; and
      (B) all rules established by the state superintendent and the state board.

(c) A school corporation may issue diplomas or certificates of graduation to pupils with disabilities completing special educational programs approved by the state superintendent and the state board.

Sec. 12. Public schools may operate special education programs for hearing impaired children at least six (6) months of age on an experimental basis upon the approval of the state superintendent and the state board.

Chapter 5. Special Education Cooperatives
Sec. 1. The definitions in this section apply throughout this chapter.
(1) "Agreement" means an:
   (A) identical resolution adopted by the governing body of each participating school corporation; or
   (B) agreement approved by the governing body of each participating school corporation;
providing for a special education cooperative.

(2) "Assessed valuation" of a participating school corporation for a school year means the net assessed valuation of the school corporation for the immediately preceding March 1, adjusted in the same manner as any adjustment is made in determining the amount of state distribution for school support.

(3) "Board of managers" means the board or commission charged with the responsibility of administering the affairs of a special education cooperative.

(4) "Governing body" of a participating school corporation means the board or commission charged by law with the responsibility of administering the affairs of the school corporation. In the case of a school township, the term means the township trustee and township board.

(5) "Participating school corporation" means a local public school corporation that:
   (A) is established under Indiana law; and
   (B) cooperates with other corporations in a special education cooperative.

(6) "Percentage share" of a participating school corporation is the percent that its assessed valuation bears to the total assessed valuation of all the participating schools joining in an agreement.

(7) "Special education cooperative" means a department, school, or school corporation established, maintained, and supervised for the education of children with disabilities in accordance with this section.

Sec. 2. Two (2) or more participating school corporations may form a special education cooperative in accordance with the provisions of either sections 13 through 15 of this chapter or section 16 of this chapter, but subject to the limitations of this section and sections 3 through 8 of this chapter, by adopting an agreement that contains the following provisions:

(1) A plan for the organization, administration, and support for the special education cooperative, including the establishment of a board of managers.

(2) The commencement date of the establishment of the special education cooperative, which must be contemporaneous with the beginning of a school year.

(3) The extension of the special education cooperative for at least five (5) school years and a provision that the special education
cooperative will extend from school year to school year after the five (5) year period unless the special education cooperative is terminated by action of the governing bodies of a majority of the participating school corporations that is taken at least one (1) year before termination of the agreement.

Sec. 3. During the term of an agreement adopted under section 2 of this chapter, the agreement may be modified by unanimous consent of all the participating school corporations.

Sec. 4. An agreement adopted under section 2 of this chapter may include the following:

1. An agreement to acquire sites, buildings, and equipment for the sites and buildings by:
   A. purchase;
   B. lease from any of the participating school corporations for the term of the agreement; or
   C. lease under the provisions of IC 21-5-11 or IC 21-5-12.

2. An agreement to repair, equip, and maintain school buildings and equipment.

3. An agreement that participating school corporations may use funds from their respective capital projects fund to pay for the costs under subdivision (1) or (2) or for any other purposes authorized under IC 21-2-15.

Sec. 5. The amount of money used from a participating school corporation's cumulative building fund or capital projects fund shall be determined by agreement among the participating school corporations.

Sec. 6. The cost of the special education cooperative for each school year shall be paid by the participating school corporations in accordance with the terms of their agreement. Agreements for the payment of the cost of the special education cooperative may:

1. establish a formula for payments that meet the needs of the school corporations; or
2. base payments on a percentage share formula.

Sec. 7. Upon the termination of the agreement, the participating school corporations shall be liable for their respective portions of any long term lease or other long term obligations in the same annual portions as are provided in the agreement as though the agreement had not been terminated, unless the terms under which the obligations were set up provide otherwise.

Sec. 8. A special education cooperative may employ teachers and
issue teaching contracts in accordance with all the provisions for public teaching contracts. A teacher who has taught or is teaching in a participating school corporation who became or becomes a teacher in the special education cooperative retains semipermanent, permanent, or nonpermanent status in the participating school corporation to the same extent as if the teacher had continued teaching in the participating school corporation, and the teacher's employment may be terminated solely by the board of managers of the special education cooperative.

Sec. 9. A teacher who:
   (1) is employed by a special education cooperative; and
   (2) previously taught in a participating school corporation;
retains all rights and privileges under IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and IC 20-28-10 to the same extent as if the teacher had continued teaching in the participating school corporation.

Sec. 10. A teacher who:
   (1) is employed by a special education cooperative; and
   (2) does not have existing years of service in any of the participating school corporations;
shall be considered to be employed by the special education cooperative and is entitled to the same rights and privileges under IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and IC 20-28-10 as if the teacher were employed by a school corporation.

Sec. 11. If a teacher loses the teacher's job in a special education cooperative due to:
   (1) a reduction in services of;
   (2) a reorganization of;
   (3) the discontinuance of; or
   (4) a withdrawal in whole or in part of a participating school corporation from;
the special education cooperative, the teacher shall be added to the recall list of laid off teachers that is maintained by the participating school corporations, and the teacher shall be employed under the terms of the recall provisions of the participating school corporations for a special education job opening that occurs in any of the participating school corporations. In addition and during the time the former special education cooperative teacher is entitled to remain on the recall list, all teachers in the participating school corporation other than the former special education cooperative teacher retain all rights
and privileges for job openings for which the other teachers are qualified and as granted by the collective bargaining agreement in effect at the participating school corporation or, if no provisions of a collective bargaining agreement govern the rights and privileges, by the policy of the governing body, including provisions governing layoffs and recall.

Sec. 12. If:
(1) a teacher loses the teacher's job in a special education cooperative due to:
   (A) a reduction in services of;
   (B) a reorganization of;
   (C) the discontinuance of; or
   (D) a withdrawal in whole or in part of a participating school corporation from;
   the special education cooperative; and
(2) the teacher is employed by a participating school corporation as described in section 11 of this chapter;
the teacher retains the rights and privileges under IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and IC 20-28-10 that the teacher held at the time the teacher lost the job in the special education cooperative as described in subdivision (1).

Sec. 13. A special education cooperative may:
(1) be attached to a participating school corporation that has responsibility for administrative and financial controls; or
(2) establish a separate treasury with separate accounts.
If a special education cooperative is not attached to a participating school corporation, it must comply with the state board of accounts' approved forms and rules for fiscal accountability and is subject to audit by the state board of accounts.

Sec. 14. A special education cooperative may be operated and managed and its budget determined by a board of managers. The board of managers consists of one (1) designated member from each participating school corporation. The designated member from a participating school corporation must be:
(1) the president (or trustee in the case of a school township) of the governing body of a participating school corporation;
(2) any member of the governing body whom the president or trustee designates;
(3) the superintendent of a participating school corporation appointed by the president (or trustee in the case of a school
(4) an assistant superintendent of a participating school corporation appointed by the president (or trustee in the case of a school township) of the governing body of the participating school corporation.

The president or trustee may change the designated member at any time.

Sec. 15. Meetings of the board of managers shall be held in accordance with IC 20-26-4-2.

Sec. 16. The special education cooperative may be organized in accordance with IC 20-26-10 or IC 36-1-7.

Sec. 17. (a) A teacher who:

(1) has not retained a status as a semipermanent, permanent, or nonpermanent teacher with a participating school corporation; and

(2) loses the teacher's job in a special education cooperative because of a reduction in services or discontinuance of the cooperative;

shall be considered for any job opening for which the teacher is qualified that occurs in any of the participating school corporations in the school year immediately following the reduction in services or discontinuance of the cooperative.

(b) A teacher employed under this section has the same rights and privileges as teachers employed under IC 20-26-10-5 and IC 20-26-10-6.


Sec. 1. Before February 1 of each calendar year, a program for preschool children with disabilities that is supported by the division of family and children shall notify a school corporation of the numbers and disabling conditions of the children who are likely to enter into a program of special education in the school corporation in the immediately following school year.

Sec. 2. (a) The state superintendent may contract with in-state or out-of-state public and private schools, state agencies, or child caring institutions (as defined in IC 12-7-2-29(1)) to pay, with any funds appropriated for this purpose, the excess costs of educating children of school age:

(1) who have been identified as eligible for special education services; and
(2) whose disability is of such intensity as to preclude achievement in the existing local public school setting.

The state shall pay the costs of the services that exceed the regular cost of educating children of the same age and grade level in the child's school corporation. The school corporation shall pay the share of the total tuition cost that is the regular per capita cost of general education in that school corporation.

(b) School corporations shall pay their share of the total tuition costs for children with disabilities served under this section.

(c) The state board shall adopt rules under IC 4-22-2 necessary to implement this section.

Chapter 7. Individualized Education Program; Case Conferences for Students With Disabilities; Transitional Services

Sec. 1. As used in this chapter, "annual case review" means the meeting of the case conference committee that is conducted annually to review and, if needed, revise a student's individualized education program.

Sec. 2. As used in this chapter, "case conference committee" means a group composed of public agency personnel, parents, the student, if appropriate, and others at the discretion of the public agency or the parent and under rules adopted by the state board that meets to do any of the following:

(1) Determine a student's eligibility for special education and related services.
(2) Develop, review, or revise a student's individualized education program.
(3) Determine an appropriate educational placement for each student.

Sec. 3. (a) As used in this chapter, "transition services" means a coordinated set of activities for a student with a disability that:

(1) is designed within an outcome oriented process; and
(2) promotes movement from the public agency to postsecondary school activities, including the following:
   (A) Postsecondary education.
   (B) Vocational training.
   (C) Integrated employment (including supported employment).
   (D) Continuing and adult education.
   (E) Adult services.
   (F) Independent living.
(G) Community participation.

(b) The coordinated set of activities described in subsection (a) must:

(1) be based on the individual student's needs, taking into account the student's preferences and interests; and
(2) include the following:
   (A) Instruction.
   (B) Related services.
   (C) Community experiences.
   (D) The development of employment and other postsecondary school adult living objectives.
   (E) Where appropriate, acquisition of daily living skills and a functional vocational evaluation.

Sec. 4. As used in this chapter, "public agency" means a public or private entity that has direct or delegated authority to provide special education and related services, including the following:

(1) Public school corporations that operate programs individually or cooperatively with other school corporations.
(2) Community agencies operated or supported by the office of the secretary of family and social services.
(3) State developmental centers operated by the division of disability, aging, and rehabilitative services.
(4) State hospitals operated by the division of mental health and addiction.
(5) State schools and programs operated by the state department of health.
(6) Programs operated by the department of correction.
(7) Private schools and facilities that serve students referred or placed by a school corporation, the division of special education, the division of family and children, or other public entity.

Sec. 5. (a) As used in this chapter, "adult services" refers to services that are provided by public agencies and other organizations to:

(1) facilitate student movement from the public agency to adult life; and
(2) provide services to enhance adult life.

(b) The term includes services provided by the following:

(1) A vocational rehabilitation services program.
(2) The department of workforce development.
(3) The federal Social Security Administration.
(4) The bureau of developmental disabilities services.
(5) A community mental health center.
(6) A community rehabilitation program.
(7) An area agency on aging.

Sec. 6. As used in this chapter, "special education planning district" means the public school administrative unit responsible for providing special education and related services in a specified geographic area. The term includes the following:
(1) A school corporation.
(2) More than one (1) school corporation that operates under a written agreement.

Sec. 7. As used in this chapter, "student with disabilities" means a student identified, evaluated, and enrolled in special education under this article.

Sec. 8. (a) The division of disability, aging, and rehabilitative services, the division of mental health and addiction, and the department of workforce development shall provide each school corporation with written material describing the following:
(1) The adult services available to students.
(2) The procedures to be used to access those services.
(b) The material shall be provided in sufficient numbers to allow each student and, if the student's parent is involved, each student's parent to receive a copy at the annual case review if the purpose of the meeting is to discuss transition services.

Sec. 9. The case conference committee shall do the following:
(1) Review, based on areas addressed in the statement of transition services, the available adult services provided through state and local agencies.
(2) Present information on those services in writing to the student and the parent.

Sec. 10. (a) Upon obtaining authorization to disclose confidential information, the public agency and the vocational rehabilitation counselor shall confer at least one (1) time each year to review transition age students.
(b) If the public agency and the vocational rehabilitation counselor believe a student may be eligible for and benefit from vocational rehabilitation services, the public agency shall do the following:
(1) Provide adequate notice to the vocational rehabilitation counselor regarding the annual case review to be conducted during the school year before the student's projected final year
of school. The notification to the vocational rehabilitation counselor must include the name, address, age, and reported disability of the student for whom the annual case review is being conducted.

(2) At the annual case review, verbally advise and provide written materials to the student and the parent that describe the following:
   (A) The array of vocational rehabilitation services that may be available.
   (B) The process to access those services.

(c) The vocational rehabilitation counselor shall do the following:
   (1) Attempt to attend the annual case review for which the counselor has been notified under subsection (b)(1).
   (2) Determine with the student and parent when an application for vocational rehabilitation services will be completed and eligibility determined. However, the application must be completed not later than the beginning of the last semester of the student's last year of receiving services by the public agency.
   (3) If the student has been determined eligible for vocational rehabilitation services, complete the individual plan for employment (IPE) before the student's exit from the public agency.
   (4) Provide written information and be available on a consultative basis to public agency personnel, students, and parents to assist in identifying appropriate transition services.
   (5) Perform the duties of advocate and consultant to the student and, where appropriate, to the student's parent.
   (6) Promote communication with the student and parent by attending appropriate student activities, including, upon invitation, the following:
      (A) Case conferences.
      (B) Career days.
      (C) Parent and student forums.
      (D) Other consultative services on behalf of the student.

Sec. 11. (a) The division shall monitor public agency compliance with the requirements of this chapter as part of the division's ongoing program monitoring responsibilities.

(b) The division of disability, aging, and rehabilitative services shall monitor compliance with this chapter by vocational rehabilitation services programs.
(c) The division and the division of disability, aging, and rehabilitative services shall confer, at least annually, to do the following:

(1) Review compliance with the requirements of this chapter.
(2) Ensure that students with disabilities are receiving appropriate and timely access to services.

Chapter 8. Transfer and Transportation of Students With Disabilities

Sec. 1. (a) Except as provided in subsection (b), if a student with legal settlement in a school corporation is transferred to attend school in another school corporation because of a disability or multiple disabilities, the transferor corporation shall:

(1) either:
   (A) provide; or
   (B) pay for, in the amount determined under section 2 of this chapter;
   any transportation that is necessary or feasible, as determined under section 2 of this chapter and the rules adopted by the state board; and
(2) pay transfer tuition for the student to the transferee corporation in accordance with IC 20-26-11.

(b) If the student attends a school operated through:
   (1) a joint school service and supply program; or
   (2) another cooperative program;
involving the school corporation of the student's legal settlement, transportation and other costs shall be made in amounts and at the times provided in the agreement or other arrangement made between the participating school corporations.

Sec. 2. (a) The state board shall adopt rules under IC 4-22-2 to establish limits on the amount of transportation that may be provided in the student's individualized education program. Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility, these rules must limit the transportation required by the student's individualized education program to the following:

(1) The student's first entrance and final departure each school year.
(2) Round trip transportation each school holiday period.
(3) Two (2) additional round trips each school year.

(b) If a student is a transfer student receiving special education in
a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-33-6-1 through IC 20-33-6-4 shall pay the cost of transportation required by the student's individualized education program. However, if a transfer student was counted as an eligible student for purposes of a distribution in a calendar year under IC 21-3-3.1, the transportation costs that the transferee school may charge for a school year ending in the calendar year shall be reduced by the sum of the following:

(1) The quotient of:
   (A) the amount of money that the transferee school is eligible to receive under IC 21-3-3.1-2.1 for the calendar year in which the school year ends; divided by
   (B) the number of eligible students for the transferee school for the calendar year (as determined under IC 21-3-3.1-2.1).

(2) The amount of money that the transferee school is eligible to receive under IC 21-3-3.1-4 for the calendar year in which the school year ends for the transportation of the transfer student during the school year.

(c) If a student receives a special education:
   (1) in a facility operated by:
      (A) the state department of health;
      (B) the division of disability, aging, and rehabilitative services; or
      (C) the division of mental health and addiction;
   (2) at the Indiana School for the Blind; or
   (3) at the Indiana School for the Deaf;
the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

(d) If a student is placed in a private facility under IC 20-35-6-2 in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.
Chapter 9. Reading and Writing Instruction for Blind Students

Sec. 1. As used in this chapter, "blind student" has the meaning established under rules adopted under IC 4-22-2 by the state board for an individual:

(1) who:
   (A) cannot successfully use vision as a primary and efficient method for learning; and
   (B) exhibits such a low degree or amount of visual acuity or visual field that vision is not considered as a primary mode of learning; or

(2) who has a medically indicated prognosis of visual deterioration.

Sec. 2. As used in this chapter, "braille" means a tactually perceived system of reading and writing known as Standard English braille.

Sec. 3. As used in this chapter, "case conference committee" means the group of individuals described in IC 20-18-2-9 who develop the individualized education program for each child with a disability (as defined in IC 20-35-1-2).

Sec. 4. As used in this chapter, "individualized education program" has the meaning set forth in IC 20-18-2-9.

Sec. 5. (a) In developing the individualized education program for a blind student, the presumption is that, with some exceptions, proficiency in braille reading and writing is essential for blind students to achieve satisfactory educational progress.

(b) This chapter does not require braille use or instruction if, in the course of developing a blind student's individualized education program, the student's case conference committee determines that another medium:
   (1) is more appropriate and efficient in meeting the student's reading and writing needs; and
   (2) allows the student to achieve in instructional activities commensurate with the student's potential.

(c) This chapter does not require the exclusive use of braille and the availability of other media may not preclude braille instruction if, in the determination of a blind student's case conference committee, braille is necessary for the student to achieve to the student's potential.

Sec. 6. (a) Each blind student shall undergo a literacy assessment under rules adopted under IC 4-22-2 by the state board to determine the student's present level of performance in reading and writing.
(b) The literacy assessment required by subsection (a) shall be administered by a certified teacher of the visually handicapped using criteria established by the state board.

Sec. 7. If it is determined that braille instruction and use is appropriate for a blind student, the student shall be provided instruction by certified teachers of the visually handicapped in the frequency and intensity specified in the student's individualized education program.

Sec. 8. As a part of the case conference committee deliberations for a blind student, the case conference committee shall make available to the student and the student's parents information regarding all the potential reading and writing media options, including the availability of braille.

Sec. 9. The state board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 10. Inclusion School Pilot Program

Sec. 1. As used in this chapter, "child with disabilities" means a child (as defined in IC 20-35-1-2) whose individualized education program recommends that the child participate in an inclusion school program.

Sec. 2. As used in this chapter, "inclusion school" means a public school that:

(1) participates in the pilot program under this chapter as an inclusion school;
(2) as an inclusion school, educates each child with disabilities in the school located in the child's attendance area in the school corporation of the child's legal settlement; and
(3) integrates each child with a disability in regular education classes for as much of the student instructional day as possible to normalize the child's academic learning and social experience.

Sec. 3. As used in this chapter, "regular education" means classroom instruction:

(1) in which children without disabilities are routinely placed; and
(2) that is not characterized as special education under this article.

Sec. 4. The inclusion school pilot program is established to provide financial assistance through competitive grants awarded by the department under section 5 of this chapter to school corporations to do the following:
(1) Develop supportive regular education school and classroom communities that nurture, support, and enhance the educational and social needs of each child enrolled in the inclusion school.
(2) Integrate children with disabilities into the inclusion schools located in the child’s attendance area in the school corporation of the child’s legal settlement.
(3) Provide children with disabilities the opportunity to become an integral part of the total school experience while focusing on meeting the needs of all classes of children and without a reduction in the quality of the content of the educational program being provided to children with disabilities.
(4) Foster cooperation and integration among regular education teachers and special education teachers.

Sec. 5. (a) The money annually available to the department to award the grants under this chapter is derived from the unexpended money at the end of a state fiscal year that was originally appropriated to the department for the program for preschool children with disabilities under IC 20-35-4-9, not to exceed two hundred thousand dollars ($200,000).

(b) On July 1 of each year, the budget agency shall make available to the department the appropriate amount of money for use under this chapter as designated under subsection (a).

Sec. 6. (a) The department may award competitive grants to not more than ten (10) school corporations each year to conduct inclusion school programs.

(b) The grants under this chapter must be used by a recipient school corporation to provide planning, collaboration, and staff training and development necessary for the implementation of the school corporation's inclusion school pilot program.

Sec. 7. (a) To be eligible to receive a grant under this chapter, a school corporation must apply to the department, on forms prepared by the department, for the grant.

(b) The school corporation must include the following in the school corporation's application:

1. A detailed description of the nature of the school corporation's inclusion school pilot program.

2. Any other information required by the department.

Sec. 8. The department shall award grants to a recipient school corporation based on the following criteria:

1. The school corporation's experience in delivering innovative
instruction to children with disabilities.
(2) The completion of the appropriate application.
(3) The degree to which the:
   (A) school corporation;
   (B) each school in which the inclusion school pilot program
       will be implemented;
   (C) school staff (including the support of the exclusive
       representative); and
   (D) school community;
   exhibit commitment to the inclusion school pilot program.
   (4) Any other criteria established by the department.

Sec. 9. Each recipient school corporation must submit to the
department:
   (1) an annual report; and
   (2) any interim reports that the department requires;
   concerning the school corporation's inclusion school pilot program.

Sec. 10. The department shall develop guidelines to implement this
chapter.

SECTION 20. IC 20-36 IS ADDED TO THE INDIANA CODE AS A
NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
2005]:

ARTICLE 36. HIGH ABILITY STUDENTS
   Chapter 1. Definitions
   Sec. 1. The definitions in this chapter apply throughout this article.
   Sec. 2. "Domain" includes the following areas of aptitude and
talent:
      (1) General intellectual.
      (2) General creative.
      (3) Specific academic.
      (4) Technical and practical arts.
      (5) Visual and performing arts.
      (6) Interpersonal.
   Sec. 3. "High ability student" means a student who:
      (1) performs at or shows the potential for performing at an
          outstanding level of accomplishment in at least one (1) domain
          when compared with other students of the same age, experience,
          or environment; and
      (2) is characterized by exceptional gifts, talents, motivation, or
          interests.
   Chapter 2. Programs for High Ability Students
Sec. 1. (a) The department shall establish a state resources program using existing state resources that:

1) supports school corporations in the development of local programs for high ability students;

2) enables educational opportunities that encourage high ability students to reach the highest possible level at every stage of the students' development; and

3) provides state integrated services that include the following:
   (A) Information and materials resource centers.
   (B) Professional development plan and programs.
   (C) Research and development services.
   (D) Technical assistance that includes the following:
      (i) Student assessment.
      (ii) Program assessment.
      (iii) Program development and implementation.
   (E) Support for educators pursuing professional development leading to endorsement or licensure in gifted and talented education.

(b) In addition to the program established under subsection (a), the department shall use appropriations to provide grants to school corporations for programs for high ability students if the school corporation's plan under section 2 of this chapter meets the following criteria:

1) The plan provides for multiple means of identifying high ability students, including procedures for students who may not be identified through traditional means because of economic disadvantage, cultural background, underachievement, or disabilities.

2) The plan sets forth appropriate education experiences in core curriculum areas for high ability students in kindergarten through grade 12.

3) The plan aligns with the strategic and continuous school improvement and achievement plans under IC 20-31-5-4 for the schools within the school corporation.

Sec. 2. A governing body may do the following:

1) Develop and periodically update a local plan to provide appropriate educational experiences to high ability students in the school corporation in kindergarten through grade 12. The plan must include the following components:

   (A) The establishment of a broad based planning committee
that meets periodically to review the local education authority's plan for high ability students. The committee must have representatives from diverse groups representing the school and community.

(B) Student assessment.

(C) Professional development.

(D) Development and implementation of a local program for high ability students.

(E) Evaluation of the local program for high ability students.

(2) Provide a local program for high ability students in accordance with the plan that the governing body develops under subdivision (1) for the high ability students in the school corporation in kindergarten through grade 12.

Chapter 3. Advanced Placement Courses

Sec. 1. As used in this chapter, "advanced course" refers to an advanced placement course for a particular subject area as authorized under this chapter.

Sec. 2. As used in this chapter, "advanced placement examination" refers to the advanced placement examination sponsored by the College Board of the Advanced Placement Program.

Sec. 3. As used in this chapter, "program" refers to the advanced placement program established by section 4 of this chapter.

Sec. 4. (a) The advanced placement program is established to encourage students to pursue advanced courses, particularly in math and science. The program shall be administered by the department.

(b) Unexpended money appropriated to the department to implement the program at the end of a state fiscal year does not revert to the state general fund.

Sec. 5. (a) Each school year:

(1) each school corporation may provide the College Board's science and math advanced placement courses; and

(2) each school corporation may provide additional College Board advanced placement courses;

in secondary schools for students who qualify to take the advanced placement courses.

(b) Each school corporation shall provide the College Board's science and math advanced placement courses in secondary schools for students who qualify to take the advanced placement courses.

(c) In addition to the College Board's math and science advanced placement tests, the state board may approve advanced placement
courses offered by a state educational institution (as defined in IC 20-12-0.5-1) in collaboration with a school corporation if the state educational institution and the collaborating school corporation demonstrate to the state board that the particular advanced placement course satisfies the objectives of this chapter.

Sec. 6. (a) Each student who enrolls in an advanced course may take the advanced placement examination to receive high school credit for the advanced course.

(b) Any rule adopted by the department concerning an academic honors diploma must provide that a successfully completed mathematics or science advanced course is credited toward fulfilling the requirements of an academic honors diploma.

(c) If a student who takes an advanced placement examination receives a satisfactory score on the examination, the student is entitled to receive a certificate of achievement for the subject area included in the advanced placement examination.

Sec. 7. Teachers who are assigned to teach an advanced course may participate in summer training institutes offered by the College Board.

Sec. 8. (a) Money appropriated to the department to implement the program shall be distributed for purposes listed in the following order:

1. To pay the fees for each math or science advanced placement examination that is taken by a student who is:
   - enrolled in a public secondary school; and
   - a resident of Indiana.
   Priority shall be given to paying the fees for each math or science advanced placement examination that is taken by a student in grade 11 or 12.
2. To pay stipends for teachers assigned to teach a math or science advanced course to attend the institutes under section 7 of this chapter.
3. To pay school corporations for instructional materials needed for the math or science advanced course.
4. To pay for or rent equipment that a school corporation may need to develop a math or science advanced course.
5. To pay the fees for the costs incurred in implementing the advanced placement program for the subjects other than math and science as authorized under section 5 of this chapter.

(b) The department shall establish guidelines concerning the distribution of funds under this chapter, including guidelines to ensure
that money distributed under this chapter is distributed as evenly as possible throughout Indiana. In establishing these distribution guidelines, the department shall consider the following factors:

1. The number of students and teachers participating in the program.
2. Even geographic representation.
3. Financial need of students participating in the program.
4. Any other factor affecting the distribution of money under this chapter.

Sec. 9. The department shall develop and provide each public secondary school with curriculum guidelines designed to satisfy the requirements of this chapter.

Sec. 10. The department shall prepare an annual report concerning the implementation of the program and shall submit the report to the board before December 1 of each year. The report must include the pertinent details of the program, including the following:

1. The number of students participating in the program.
2. The number of teachers attending a summer institute offered by the College Board.
3. Recent trends in the field of advanced placement.
4. The distribution of money under this program.
5. Other pertinent matters.

Sec. 11. Each state educational institution (as defined in IC 20-12-0.5-1) shall work with the department in the development of a policy of granting academic credit and advanced placement to students who:

1. Attend the state educational institution; and
2. Receive a satisfactory score as determined by the state educational institution on the advanced placement examination.

Sec. 12. The state board shall adopt rules under IC 4-22-2 to implement this chapter.

Chapter 4. Governor's Scholars Academy

Sec. 1. As used in this chapter, "academy" refers to the governor's scholars academy established by section 3 of this chapter.

Sec. 2. As used in this chapter, "advisory board" refers to the advisory board for the governor's scholars academy established by section 5 of this chapter.

Sec. 3. The governor’s scholars academy is established to administer and operate a public, residential, coeducational school to be held in the summer for high school students in Indiana who are
high ability students as described in IC 20-36-1.

Sec. 4. (a) The department shall operate the academy under guidelines that are established by the advisory board and in consideration of the recommendations that are made by the advisory board under section 6 of this chapter.

(b) The department shall:
   (1) employ personnel necessary to operate the academy;
   (2) select the students who will attend the academy;
   (3) hire the faculty for the academy;
   (4) enter into contracts with institutions of higher education or other similar entities for establishing the location or locations of the academy;
   (5) determine the courses that are to be offered at each academy site; and
   (6) take any other action necessary to operate the academy under this chapter.

Sec. 5. (a) An advisory board for the academy is established.

(b) Fifteen (15) members shall be appointed to the advisory board as follows:
   (1) The state superintendent as an ex officio member.
   (2) The chairman of the curriculum committee of the state board as an ex officio member.
   (3) The commissioner of the commission on higher education as an ex officio member.
   (4) Seven (7) members appointed by the state superintendent as follows:
      (A) Two (2) members who are classroom teachers.
      (B) Two (2) members who are public school administrators.
      (C) One (1) member who represents the parents of public school students.
      (D) Two (2) members who are former students of the academy.
   (5) Five (5) members appointed by the governor as follows:
      (A) Two (2) representatives from public institutions of higher education in Indiana.
      (B) One (1) representative from a private institution of higher education in Indiana.
      (C) Two (2) individuals representing business and industry.

(c) At the expiration of the terms of the initial appointees, their successors shall be appointed to four (4) year terms beginning on July
1 in the year of their appointments. A member may be reappointed to the advisory board.

(d) A vacancy in any appointive term under this section shall be filled for the unexpired part of the term by appointment of the officer who appointed the person creating the vacancy.

(e) On July 1 of each year, the state superintendent shall designate a member to serve as chairperson. The advisory board shall elect other officers annually to serve terms from July 1 through June 30.

(f) An advisory board member is not entitled to the minimum salary per diem as provided in IC 4-10-11-2.1(b) while performing the member's duties. A member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(g) The chairperson shall call the meetings of the advisory board.

(h) A majority of the advisory board constitutes a quorum for the purpose of doing business.

Sec. 6. (a) The advisory board shall establish the following guidelines:

1. The criteria for admission to the academy.
2. The maximum number and grade levels of students to be admitted to the academy.
3. Rules for selecting students based upon county student populations with the goal of gathering a diverse student body representing as many high schools in the state as possible.
4. Criteria and procedures for evaluating the academy.

(b) The advisory board may make recommendations to the department of education concerning the following:

1. The curriculum to be offered at the academy.
2. The location or locations for the operation of the academy.
3. The length of time during the summer that the academy is to be operational.
4. Any other matter that the advisory board determines to be pertinent to the operation of the academy.

Sec. 7. The academy shall provide free tuition, room, and board to students accepted to attend the academy.

SECTION 21. IC 20-37 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:


ARTICLE 37. VOCATIONAL AND WORKFORCE EDUCATION

Chapter 1. Cooperative Vocational Education Departments

Sec. 1. (a) Two (2) or more school corporations may cooperate to:

(1) establish; and
(2) maintain or supervise;
schools or departments for vocational education if the governing bodies of the school corporations agree to cooperate and apportion the cost of the schools or departments among the school corporations.

(b) If the cooperating school corporations agree to:

(1) establish; and
(2) maintain or supervise;
the schools or departments under subsection (a), the heads of the school corporations or their delegated representatives constitute a board for the management of the schools or departments. The board may adopt a plan of organization, administration, and support for the schools or departments. The plan, if approved by the state board, is a binding contract between the cooperating school corporations.

(c) The governing bodies of the cooperating school corporations may cancel or annul the plan described in subsection (b) by the vote of a majority of the governing bodies and upon the approval of the state board. However, if a school corporation desires to withdraw a course offering from the cooperative agreement after:

(1) attempting to withdraw the course offering under a withdrawal procedure authorized by the school corporation's cooperative agreement or bylaw; and
(2) being denied the authority to withdraw the course offering;
the school corporation may appeal the denial to the state board. In the appeal, a school corporation must submit a proposal requesting the withdrawal to the state board for approval.

(d) The proposal under subsection (c) must do the following:

(1) Describe how the school corporation intends to implement the particular vocational education course.
(2) Include a provision that provides for at least a two (2) year phaseout of the educational program or course offering from the cooperative agreement.

Upon approval of the proposal by the state board, the school corporation may proceed with the school corporation's withdrawal of the course offering from the cooperative agreement and shall proceed under the proposal.
(e) The withdrawal procedure under subsections (c) and (d) may not be construed to permit a school corporation to change any other terms of the plan described in subsection (b) except those terms that require the school corporation to provide the particular course offering sought to be withdrawn.

(f) The board described in subsection (b) may do the following:

(1) Enter into an agreement to acquire by lease or purchase:
   (A) sites;
   (B) buildings; or
   (C) equipment;

   that is suitable for these schools or departments. This authority extends to the acquisition of facilities available under IC 21-5-11.

(2) By resolution adopted by a majority of the board, designate three (3) or more individuals from the board's membership to constitute an executive committee.

(g) To the extent provided in a resolution adopted under subsection (f)(2), an executive committee shall do the following:

(1) Exercise the authority of the full board in the management of the schools or departments.

(2) Submit a written summary of its actions to the full board at least semiannually.

Chapter 2. Vocational Schools or Departments

Sec. 1. (a) A governing body may establish and conduct a system of industrial or manual training and education to teach:

(1) the major uses of tools and mechanical implements;
(2) the elementary principles of mechanical construction;
(3) mechanical drawing; and
(4) printing.

(b) If a system is established, the governing body shall employ competent instructors in the various subjects and shall establish rules and regulations on student admissions designed to produce the best results and to give instruction to the largest practicable number. A governing body may provide this instruction in school buildings or in separate buildings. Each governing body may:

(1) require students enrolling in this system to pay a reasonable tuition fee; and
(2) differentiate between students living in the attendance unit and those living outside the attendance unit in the amount of tuition charged.

However, tuition charges by a school corporation operating under
IC 20-25-3 and IC 20-25-4 are also regulated by IC 20-25-4-17.

Sec. 2. (a) A governing body may:
   (1) establish vocational schools or departments in the manner
        approved by the state board; and
   (2) maintain these schools or departments from the general fund.

(b) The governing body may include in the high school curriculum without additional state board approval any secondary level vocational education course that is:
   (1) included on the list of approved courses that the state board
        establishes under IC 20-20-20-3; and
   (2) approved under section 11 of this chapter, if applicable.

(c) The governing body shall notify the department and the department of workforce development whenever the governing body:
   (1) includes an approved course for; or
   (2) removes an approved course from;

the high school curriculum.

Sec. 3. (a) The governing body of a school corporation may contract with a nonprofit corporation to establish and maintain a vocational program in the building trades solely to teach the principles of building construction to students enrolled in grades 9 through 12.

(b) A vocational program established under this section is limited to the construction of buildings upon real property owned by the nonprofit corporation.

Sec. 4. (a) Vocational schools or departments for industrial, agricultural, or home economics education may offer instruction in:
   (1) day;
   (2) part-time; and
   (3) evening;

classes so that instruction in the principles and practice of the arts can occur together. The instruction must be less than college grade, and the instruction must be designed to meet the vocational needs of a person who can profit by the instruction.

(b) Evening classes in:
   (1) an industrial;
   (2) an agricultural; or
   (3) a home economics;

school or department must offer training for a person employed during the working day. This training, in order to be considered vocational, must deal with and relate to the subject matter of the day employment. However, evening classes in home economics must be
open to all individuals.
(c) Part-time classes in an industrial, agricultural, or home economics school or department are for persons giving a part of each working day, week, or longer period to a part-time class when it is in session. This part-time instruction must be:
(1) complementary to the particular work conducted in the employment;
(2) in subjects offered to enlarge civic or vocational intelligence; or
(3) in trade preparation subjects.
Sec. 5. Attendance in:
(1) day and part-time classes is restricted to persons who are at least fourteen (14) years of age; and
(2) evening classes is restricted to persons who are at least sixteen (16) years of age.
Sec. 6. If a governing body has established an approved vocational school or department for instruction in part-time classes for regularly employed persons who are at least fourteen (14) years of age, the governing body may formally choose to require regularly employed persons who are less than nineteen (19) years of age to attend part-time classes:
(1) between the hours of 8 a.m. and 5 p.m. during the school term; and
(2) for not less than four (4) hours and not more than eight (8) hours per week.
Sec. 7. (a) A school corporation, through the school corporation's appropriate officials, may enter into cooperative programs with employers. These programs must include an agreement by the employer to provide employment for students enrolled in school directed vocational education to learn the manipulative skills or manual processes of an occupation.
(b) The employer may employ the students in otherwise restricted occupations for the purpose of vocational education training under the following conditions:
(1) That training in the occupation is approved by a proper school authority and is school supervised.
(2) That safety instructions are given by the school and integrated with on-the-job training by the employer.
(3) That the student is assigned to competent adults designated by the employer for instruction and supervision in the
manipulative skills or manual processes of the occupation according to a written training schedule developed by the employer and a representative of the school.

Sec. 8. (a) A student in vocational education and employed under section 7 of this chapter:
   (1) is entitled to the rights of recovery of a worker of at least seventeen (17) years of age under the worker's compensation and occupational diseases laws (IC 22-3-2 through IC 22-3-7); and
   (2) may not recover any additional benefit otherwise payable as a result of being less than seventeen (17) years of age under the definition of a minor in IC 22-3-6-1.

The student is considered the employee of the employer while performing services for the employer under section 7 of this chapter.

(b) A student performing services for an employer under section 7 of this chapter is considered a full-time employee in computing compensation for permanent impairment under the worker's compensation law (IC 22-3-2 through IC 22-3-6).

(c) Employers and students under section 7 of this chapter are exempt from IC 20-33-3-35.

Sec. 9. (a) A vocational youth organization fund is established to assist in carrying out the purposes of this chapter. The fund shall be administered by the state superintendent.

(b) The state superintendent may award grants from the vocational youth organization fund for combined vocational activities of the organizations that are an integral part of the instructional program in vocational education. Areas of vocational instruction for which grants may be awarded include:
   (1) agriculture;
   (2) business and office occupations;
   (3) health occupations;
   (4) distributive education;
   (5) home economics; and
   (6) trade industrial education.

(c) There is appropriated from the state general fund to the state superintendent a sum to be determined annually by the general assembly to implement this section.

Sec. 10. (a) Each governing body administering approved vocational schools or departments for industrial, agricultural, or home economics education shall appoint an advisory committee composed of members representing local trades, industries, and occupations.
(b) The advisory committee shall advise the governing body and other school officials having the management and supervision of the schools or departments described in subsection (a).

Sec. 11. (a) As used in this section, "vocational education course" means a vocational education course that is:

(1) an approved high school course under the rules of the state board; and
(2) included on the list of approved courses that the state board develops and approves under IC 20-20-20-3.

(b) A school corporation that has entered into an agreement for a joint program of vocational education with one (1) or more other school corporations may not add a new vocational education course to its curriculum unless the course has been approved in the following manner:

(1) In the case of an agreement under IC 20-37-1, the course must be approved by the management board for the joint program.
(2) In the case of an agreement under IC 20-26-10, the course must be approved by the governing body of the school corporation that is designated to administer the joint program under IC 20-26-10-3. However, if that governing body refuses to approve the course, the course may be approved by a majority of the governing bodies of the school corporations that are parties to the agreement.

SECTION 22. IC 20-38 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 38. EDUCATIONAL COMPACTS
Chapter 1. Interstate Agreement of Qualifications of Educational Personnel

Sec. 1. The following interstate agreement on qualification of educational personnel is enacted into law and entered into by this state with all other states legally joining the interstate agreement in substantially the following form:

INTERSTATE AGREEMENT ON QUALIFICATION OF EDUCATIONAL PERSONNEL

Article 1) Purpose, Findings, and Policy

1. The states party to this agreement, desiring by common action to improve their respective school systems by utilizing the teacher or other professional educational person wherever educated, declare that it is the policy of each of them, on the basis of cooperation with one
another, to take advantage of the preparation and experience of such persons wherever gained, thereby serving the best interests of society, of education, and of the teaching profession. It is the purpose of this agreement to provide for the development and execution of such programs of cooperation as will facilitate the movement of teachers and other professional educational personnel among the states party to it, and to authorize specific interstate educational personnel contracts to achieve that end.

2. The party states find that included in the large movement of population among all sections of the nation are many qualified educational personnel who move for family and other personal reasons but who are hindered in using their professional skill and experience in their new locations. Variations from state to state in requirements for qualifying educational personnel discourage such personnel from taking the steps necessary to qualify in other states. As a consequence, a significant number of professionally prepared and experienced educators is lost to our school systems. Facilitating the employment of qualified educational personnel, without reference to their states of origin, can increase the available educational resources. Participation in this compact can increase the availability of educational manpower. All contracts shall be subject to approval of the Indiana state board of education.

Article 2 ) Definitions

As used in this agreement and contracts made pursuant to it, unless the context clearly requires otherwise:

1. "Educational personnel" means persons who must meet requirements pursuant to state law as a condition of employment in educational programs.

2. "Designated state official" means the education official of a state selected by that state to negotiate and enter into, on behalf of the individual's state, contracts pursuant to this agreement.

3. "Accept", or any variant thereof, means to recognize and give effect to one (1) or more determinations of another state relating to the qualifications of educational personnel in lieu of making or requiring a like determination that would otherwise be required by or pursuant to the laws of a receiving state.

4. "State" means a state, territory, or possession of the United States; the District of Columbia; or the Commonwealth of Puerto Rico.

5. "Originating state" means a state (and the subdivision thereof,
if any) whose determination that certain educational personnel are qualified to be employed for specific duties in schools is acceptable in accordance with the terms of a contract made pursuant to Article 3.

6. "Receiving state" means a state (and the subdivisions thereof) which accept educational personnel in accordance with the terms of a contract made pursuant to Article 3.

Article 3) Interstate Educational Personnel Contracts

1. The designated state official of a party state may make one (1) or more contracts on behalf of the official’s state with one (1) or more other party states providing for the acceptance of educational personnel. Any such contract for the period of its duration shall be applicable to and binding on the states whose designated state officials enter into it, and the subdivisions of those states, with the same force and effect as if incorporated in this agreement. A designated state official may enter into a contract pursuant to this article only with states in which the official finds that there are programs of education, certification standards, or other acceptable qualifications that assure preparation or qualification of educational personnel on a basis sufficiently comparable, even though not identical to that prevailing in the official’s own state.

2. Any such contract shall provide for:
   (a) Its duration.
   (b) The criteria to be applied by an originating state in qualifying educational personnel for acceptance by a receiving state.
   (c) Such waivers, substitutions, and conditional acceptances as shall aid the practical effectuation of the contract without sacrifice of basic educational standards.
   (d) Any other necessary matters.

3. No contract made pursuant to this agreement shall be for a term longer than five (5) years, but any such contract may be renewed for like or lesser periods.

4. Any contract dealing with acceptance of educational personnel on the basis of their having completed an educational program shall specify the earliest date or dates on which originating state approval of the program or programs involved can have occurred. No contract made pursuant to this agreement shall require acceptance by a receiving state of any persons qualified because of successful completion of a program before January 1, 1954.

5. The certification or other acceptance of a person who has been accepted pursuant to the terms of a contract shall not be revoked or
otherwise impaired because the contract has expired or been terminated. However, any certificate or other qualifying document may be revoked or suspended on any ground which would be sufficient for revocation or suspension of a certificate or other qualifying document initially granted or approved in the receiving state.

6. A contract committee composed of the designated state officials of the contracting states or their representatives shall keep the contract under continuous review, study means of improving its administration, and report no less frequently than once a year to the heads of the appropriate education agencies of the contracting states.

Article 4 ) Approved and Accepted Programs

1. Nothing in this agreement shall be construed to repeal or otherwise modify any law or regulation of a party state relating to the approval of programs of educational preparation having effect solely on the qualification of educational personnel within that state.

2. To the extent that contracts made pursuant to this agreement deal with the educational requirements for the proper qualification of educational personnel, acceptance of a program of educational preparation shall be in accordance with such procedures and requirements as may be provided in the applicable contract.

Article 5 ) Interstate Cooperation

The party states agree that:

1. They will, so far as practicable, prefer the making of multilateral contracts pursuant to Article 3 of this agreement.

2. They will facilitate and strengthen cooperation in interstate certification and other elements of educational personnel qualification and for this purpose shall cooperate with agencies, organizations, and associations interested in certification and other elements of educational personnel qualification.

Article 6 ) Agreement Evaluation

The designated state officials of any party state may meet from time to time as a group to evaluate progress under the agreement and to formulate recommendations for changes.

Article 7 ) Other Arrangements

Nothing in this agreement shall be construed to prevent or inhibit other arrangements or practices of any party state or states to facilitate the interchange of educational personnel.

Article 8 ) Effect and Withdrawal

1. This agreement shall become effective when enacted into law by
two (2) states. Thereafter it shall become effective as to any state upon its enactment of this agreement.

2. Any party state may withdraw from this agreement by enacting a statute repealing the same, but no such withdrawal shall take effect until one (1) year after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states.

3. No withdrawal shall relieve the withdrawing state of any obligation imposed upon it by a contract to which it is a party. The duration of contracts and the methods and conditions of withdrawal therefrom shall be those specified in their terms.

Article 9 ) Construction and Severability

This agreement shall be liberally construed so as to effectuate the purposes thereof. The provisions of this agreement shall be severable and if any phrase, clause, sentence, or provision of this agreement is declared to be contrary to the constitution of any state or of the United States, or the application thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this agreement and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this agreement shall be held contrary to the constitution of any state participating therein, the agreement shall remain in full force and effect as to the state affected as to all severable matters.

Sec. 2. (a) The state superintendent, or a person authorized to act in behalf of the state superintendent, is the education official selected by this state to negotiate and enter into, on behalf of this state, contracts under the interstate agreement set forth in section 1 of this chapter.

(b) The designated education official, acting jointly with similar officers of other party states, may adopt rules to carry out more effectively the terms of the interstate agreement.

(c) The designated education official is authorized, empowered, and directed to cooperate with all departments, agencies, and officers of state government and its subdivisions in facilitating the proper administration of the following:

1) The interstate agreement.

2) A supplementary agreement entered into by this state under the interstate agreement.

Chapter 2. Compact for Education

Sec. 1. The following compact for education, which has been
negotiated by the representatives of the fifty (50) states, is approved, ratified, adopted, enacted into law, and entered into by the state as a party and a signatory state, namely:

COMPACT FOR EDUCATION

ARTICLE 1.
PURPOSE AND POLICY.

A. It is the purpose of this compact to:
1. Establish and maintain close cooperation and understanding among executive, legislative, professional educational, and lay leadership on a nationwide basis at the state and local levels.
2. Provide a forum for the discussion, development, crystallization and recommendation of public policy alternatives in the field of education.
3. Provide a clearinghouse of information on matters relating to educational problems and how they are being met in different places throughout the nation, so that the executive and legislative branches of state government and of local communities may have ready access to the experience and record of the entire country, and so that both lay and professional groups in the fields of education may have additional avenues for the sharing of experience and the interchange of ideas in the formation of public policy in education.
4. Facilitate the improvement of state and local educational systems so that all of them will be able to meet adequate and desirable goals in a society which requires continuous qualitative and quantitative advance in educational opportunities, methods and facilities.

B. It is the policy of this compact to encourage and promote local and state initiative in the development, maintenance, improvement, and administration of educational systems and institutions in a manner which will accord with the needs and advantages of diversity among localities and states.

C. The party states recognize that each of them has an interest in the quality and quantity of education furnished in each of the other states, as well as in the excellence of its own educational systems and institutions, because of the highly mobile character of individuals within the nation, and because the products and services contributing to the health, welfare, and economic advancement of each state are supplied in significant part by persons educated in other states.

ARTICLE 2.
STATE DEFINED.

As used in this compact, "state" means a state, territory or
possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

ARTICLE 3.
THE COMMISSION.

A. The education commission of the states, hereinafter called "the commission," is established. The commission shall consist of seven (7) members representing each party state. One (1) of such members shall be the governor; two (2) shall be members of the state legislature selected by its respective houses and serving in such manner as the legislature may determine; and four (4) shall be appointed by and serve at the pleasure of the governor, unless the laws of the state otherwise provide. If the laws of a state prevent legislators from serving on the commission, six (6) members shall be appointed and serve at the pleasure of the governor, unless the laws of the state otherwise provide. In addition to any other principles or requirements which a state may establish for the appointment and service of its members of the commission, the guiding principle for the composition of the membership on the commission for each party state shall be that the members representing such state shall by virtue of their training, experience, knowledge or affiliations be in a position collectively to reflect broadly the interests of the state government, higher education, the state education system, local education, lay and professional, public and nonpublic educational leadership. Of those appointees, one (1) shall be the head of a state agency or institution, designated by the governor, having responsibility for one (1) or more programs of public education. In addition to the members of the commission representing the party states, there may be not to exceed ten (10) nonvoting commissioners selected by the steering committee for terms of one (1) year. Such commissioners shall represent leading national organizations of professional educators or persons concerned with educational administration.

B. The members of the commission shall be entitled to one (1) vote each on the commission. No action of the commission shall be binding unless taken at a meeting at which a majority of the total number of votes on the commission are cast in favor thereof. Action of the commission shall be only at a meeting at which a majority of the commissioners are present. The commission shall meet at least once a year. In its bylaws, and subject to such directions and limitations as may be contained therein, the commission may delegate the exercise of any of its powers to the steering committee or the executive
director, except for the power to approve budgets or requests for appropriations, and power to make policy recommendations pursuant to Article 4 and adoption of the annual report pursuant to Article 3(J).

C. The commission shall have a seal.

D. The commission shall elect annually, from among its members, a chairman, who shall be a governor, a vice chairman, and a treasurer. The commission shall provide for the appointment of an executive director. Such executive director shall serve at the pleasure of the commission, and together with the treasurer and such other personnel as the commission may deem appropriate shall be bonded in such amount as the commission shall determine. The executive director shall be secretary.

E. Irrespective of the civil service, personnel, or other merit system laws of any of the party states, the executive director subject to the approval of the steering committee shall appoint, remove or discharge such personnel as may be necessary for the performance of the functions of the commission, and shall fix the duties and compensation of such personnel. The commission in its bylaws shall provide for the personnel policies and programs of the commission.

F. The commission may borrow, accept, or contract for the services of personnel from any party jurisdiction, the United States, or any subdivision or agency of the aforementioned governments, or from any agency of two (2) or more of the party jurisdictions or their subdivisions.

G. The commission may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state, the United States, or any other governmental agency, or from any person, firm, association, foundation, limited liability company, or corporation, and may receive, utilize and dispose of the same. Any donation or grant accepted by the commission pursuant to this paragraph or services borrowed pursuant to Article 3(F) shall be reported in the annual report of the commission. Such report shall include the nature, amount and conditions, if any, of the donation, grant, or services borrowed, and the identity of the donor or lender.

H. The commission may establish and maintain such facilities as may be necessary for the transacting of its business. The commission may acquire, hold, and convey real and personal property and any interest therein.
I. The commission shall adopt bylaws for the conduct of its business and shall have the power to amend and rescind these bylaws. The commission shall publish (in) its bylaws in convenient form and shall file a copy thereof and a copy of any amendment thereto, with the appropriate agency or officer in each of the party states.

J. The commission annually shall make to the governor and legislature of each party state a report covering the activities of the commission for the preceding year. The commission may make such additional reports as it may deem desirable.

ARTICLE 4.
POWERS.

In addition to authority conferred on the commission by other provisions of the compact, the commission shall have authority to:

1. Collect, correlate, analyze and interpret information and data concerning educational needs and resources.

2. Encourage and foster research in all aspects of education, but with special reference to the desirable scope of instruction, organization, administration, and instructional methods and standards employed or suitable for employment in public educational systems.

3. Develop proposals for adequate financing of education as a whole and at each of its many levels.

4. Conduct or participate in research of the types referred to in this article in any instance where the commission finds that such research is necessary for the advancement of the purposes and policies of this compact, utilizing fully the resources of national associations, regional compact organizations for higher education, and other agencies and institutions, both public and private.

5. Formulate suggested policies and plans for the improvement of public education as a whole, or for any segment thereof, and make recommendations with respect thereto available to the appropriate governmental units, agencies, and public officials.

6. Do such other things as may be necessary or incidental to the administration of any of its authority or functions pursuant to this compact.

ARTICLE 5.
COOPERATION WITH FEDERAL GOVERNMENT.

A. If the laws of the United States specifically so provide, or if administrative provision is made therefor within the federal government, the United States may be represented on the commission
by not to exceed ten (10) representatives. Any such representative or representatives of the United States shall be appointed and serve in such manner as may be provided by or pursuant to federal law, and may be drawn from any one or more branches of the federal government, but no such representative shall have a vote on the commission.

B. The commission may provide information and make recommendations to any executive or legislative agency or officer of the federal government concerning the common educational policies of the states, and may advise with any such agencies or officers concerning any matter of mutual interest.

ARTICLE 6.
COMMITTEES.

A. To assist in the expeditious conduct of its business when the full commission is not meeting, the commission shall elect a steering committee of thirty-two (32) members that, subject to the provisions of this compact and consistent with the policies of the commission, shall be constituted and function as provided in the by-laws of the commission. One-fourth (1/4) of the voting membership of the steering committee shall consist of governors, one-fourth (1/4) shall consist of legislators, and the remainder shall consist of other members of the commission. A federal representative on the commission may serve with the steering committee, but without vote. The voting members of the steering committee shall serve for terms of two (2) years, except that members elected to the first steering committee of the commission shall be elected as follows: sixteen (16) for one (1) year and sixteen (16) for two (2) years. The chairman, vice chairman, and treasurer of the commission shall be members of the steering committee and, anything in this paragraph to the contrary notwithstanding, shall serve during their continuance in these offices. Vacancies in the steering committee shall not affect its authority to act, but the commission at its next regularly ensuing meeting following the occurrence of any vacancy shall fill it for the unexpired term. No person shall serve more than two (2) terms as a member of the steering committee; provided that service for a partial term of one (1) year or less shall not be counted toward the two (2) term limitation.

B. The commission may establish advisory and technical committees composed of state, local, and federal officials, and private persons to advise it with respect to any one (1) or more of its functions. Any advisory or technical committee may, on request of the states
concerned, be established to consider any matter of special concern to two (2) or more of the party states.

C. The commission may establish such additional committees as its bylaws may provide.

ARTICLE 7.

FINANCE.

A. The commission shall advise the governor or designated officer or officers of each party state of its budget and estimated expenditures for such period as may be required by the laws of that party state. Each of the commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states.

B. The total amount of appropriation requests under any budget shall be apportioned among the party states. In making such apportionment, the commission shall devise and employ a formula which takes equitable account of the populations and per capita income levels of the party states.

C. The commission shall not pledge the credit of any party states. The commission may meet any of its obligations in whole or in part with funds available to it pursuant to Article 3(G) of this compact, provided, that the commission takes specific action setting aside such funds prior to incurring an obligation to be met in whole or in part in such manner. Except where the commission makes use of funds available to it pursuant to Article 3(G) thereof, the commission shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

D. The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established by its bylaws. However, all receipts and disbursements of funds handled by the commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become part of the annual reports of the commission.

E. The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the commission.

F. Nothing contained herein shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the commission.
ARTICLE 8.
ELIGIBLE PARTIES;
ENTRY INTO AND WITHDRAWAL.
A. This compact shall have as eligible parties all states, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. In respect of any such jurisdiction not having a governor, the term "governor", as used in this compact, shall mean the closest equivalent official of such jurisdiction.
B. Any state or other eligible jurisdiction may enter into this compact, and it shall become binding thereon when it has adopted the same: Provided, That in order to enter into initial effect, adoption by at least ten (10) eligible party jurisdictions shall be required.
C. Adoption of the compact may be either by enactment thereof or by adherence thereto by the governor. However, in the absence of enactment, adherence by the governor shall be sufficient to make his state a party only until December 31, 1967. During any period when a state is participating in this compact through gubernatorial action, the governor shall appoint those persons who, in addition to himself, shall serve as the members of the commission from his state, and shall provide to the commission an equitable share of the financial support of the commission from any source available to him.
D. Except for a withdrawal effective on December 31, 1967, in accordance with Article 8(C), any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one (1) year after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

ARTICLE 9.
CONSTRUCTION AND SEVERABILITY.
This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any state or of the United States, or the application thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating
therein, the compact shall remain in full force and effect as to the state affected as to all severable matters.

Sec. 2. In accordance with Article 3(I) of the compact for education adopted by the state under section 1 of this chapter, the governor shall appoint one (1) of the commissioners designated under section 4 of this chapter to file a copy of the bylaws adopted by the education commission of the states and any amendments to those bylaws with the office of the secretary of state.

Sec. 3. (a) Each state officer shall do whatever is necessary within the officer's respective jurisdiction in order to carry out the purposes of the compact for education adopted by the state under this chapter.

(b) All officers, bureaus, or departments of state government shall furnish, upon the request of a commissioner designated under section 4 of this chapter, any information and data possessed by that officer, bureau, or department that pertains to the policies and purposes of the compact for education.

Sec. 4. (a) In accordance with the compact for education adopted by the state under this chapter, the following seven (7) individuals are designated to represent the state as commissioners on the education commission of the states:

(1) The governor.
(2) One (1) member of the senate appointed by the president pro tempore of the senate.
(3) One (1) member of the house of representatives appointed by the speaker of the house of representatives.
(4) Four (4) members appointed by the governor, and serving at the pleasure of the governor, each of whom, either in a professional or lay capacity, is:
   (A) involved in the educational system in Indiana; or
   (B) familiar with the educational needs and problems in Indiana.

(b) The commissioners designated in subsection (a) are not required to hold meetings. However, the governor may take whatever action is necessary to ensure that the state is appropriately represented at the meetings or events sponsored by the education commission of the states.

(c) The commissioners designated in subsection (a) may exercise on behalf of the state the powers set forth under Article 4 of the compact for education adopted by the state under section 1 of this chapter.

(d) Administrative and staff support for the commissioners shall be
provided by the education policy office of the Indiana University School of Public and Environmental Affairs at Indiana University-Purdue University Indianapolis.

Sec. 5. (a) Each commissioner who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a member is, however, entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each commissioner who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(c) Each commissioner who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

SECTION 23. IC 9-21-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Except as provided in subsections (b) and (c), a person who violates this chapter commits a Class C infraction.

(b) A person who exceeds a speed limit that is:

(1) established under section 6 of this chapter and imposed only in the immediate vicinity of a school when children are present; or

(2) established under section 11 of this chapter and imposed only in the immediate vicinity of a worksite when workers are present;

commits a Class B infraction.

(c) A person who, while operating a school bus exceeds a speed limit set forth in section 14 of this chapter commits a Class C misdemeanor.

SECTION 24. IC 9-21-5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) A person may not operate a school bus at a speed greater than:

(1) fifty-five (55) miles per hour on a federal or state highway; or

(2) forty (40) miles per hour on a county or township highway.

(b) If the posted speed limit is lower than the absolute limits set in
this section or if the absolute limits do not apply, the maximum lawful speed of a bus is the posted speed limit.

SECTION 25. IC 9-21-12-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A person who violates section 5, 6, or 7 of this chapter commits a Class C infraction.

(b) A person who violates section 12, 13, 14, 15, 16, or 17 of this chapter commits a Class C misdemeanor.

SECTION 26. IC 9-21-12-12 IS ADDDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. When a school bus is operated on a highway, the driver shall load and unload a student as close as practical to the right-hand curb or edge of the roadway.

SECTION 27. IC 9-21-12-13 IS ADDDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Except:

1. as provided in subsection (b); or
2. when a school bus is stopped at an intersection or another place where traffic is controlled by a traffic control device or a police officer;

whenever a school bus is stopped on a roadway to load or unload a student, the driver shall use an arm signal device, which must be extended while the bus is stopped.

(b) The governing body of a public school may authorize a school bus driver to load or unload a student at a location off the roadway that the governing body designates as a special school bus loading area. The driver is not required to extend the arm signal device when loading or unloading a student in the designated area.

SECTION 28. IC 9-21-12-14 IS ADDDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. Before a driver changes the direction of a school bus, the driver shall use a directional signal to indicate the change at least one hundred (100) feet before the driver turns.

SECTION 29. IC 9-21-12-15 IS ADDDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. The driver of a school bus shall use flashing lights as prescribed by the state school bus committee to give adequate warning that the school bus is stopped or about to stop on the roadway to load or unload a student.

SECTION 30. IC 9-21-12-16 IS ADDDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
Sec. 16. When a school bus is in motion, students are prohibited from occupying any space forward of a vertical plane drawn through the rear of the driver's seat and perpendicular to the longitudinal axis of the bus. Every school bus must:

1. be marked with a line or otherwise equipped in order to indicate the prohibited area to students; and
2. have clearly posted, at or near the front of the bus, a sign stating that it is a violation of Indiana law for a school bus to be operated with any students occupying the prohibited area.

SECTION 31. IC 9-21-12-17 is added to the Indiana Code as a new section to read as follows [effective July 1, 2005]:

Sec. 17. (a) Except as provided in subsection (b), before crossing any railroad track at grade, the driver of a school bus carrying a passenger shall stop the bus within fifty (50) feet but not less than fifteen (15) feet from the nearest rail. While the bus is stopped, the driver shall:

1. listen through an open door;
2. look in both directions along the track for an approaching train; and
3. look for signals indicating the approach of a train.

The driver may not proceed until it is safe to proceed. When it is safe to proceed, the driver shall select a gear that will allow the driver to cross the tracks without changing gears. The driver may not shift gears while crossing the tracks.

(b) The driver is not required to stop when a police officer is directing the flow of traffic across railroad tracks.

(c) Upon conviction of a violation of this section, a driver shall have the driver's operator's license suspended for a period of not less than sixty (60) days in addition to the penalties provided by section 11 of this chapter.

SECTION 32. IC 12-17-19 is added to the Indiana Code as a new chapter to read as follows [effective July 1, 2005]:

Chapter 19. Step Ahead Comprehensive Early Childhood Grant Program

Sec. 1. As used in this chapter, "convener" means:

1. an organization that:
   A. is nonprofit;
   B. is nongovernmental;
   C. is not religiously affiliated;
(D) operates countywide; and
(E) serves multiple agencies;
(2) a school corporation (as defined in IC 20-18-2-16); or
(3) another entity approved by the panel.

Sec. 2. As used in this chapter, "coordination grant" refers to a step ahead grant awarded to initiate the development of a step ahead proposal.

Sec. 3. As used in this chapter, "eligible entity" means any of the following:
(1) A school corporation (as defined in IC 20-18-2-16).
(2) An organization approved by the panel.
(3) A combination of eligible entities described in subdivisions (1) and (2) under a cooperative agreement among the eligible entities.

Sec. 4. As used in this chapter, "eligible program" means a federal, state, local, or private program or service that serves, assists, or otherwise benefits a child and is approved by the governor and the panel under guidelines developed under section 18 of this chapter. The term includes the following programs or services:
(1) Child care.
(2) Preschool, including special education preschool.
(3) Parent information, including parents as teachers programs.
(4) School age child care (commonly referred to as latch key) as described in IC 12-17-12-5 and IC 20-26-5-1(c), including latch key services for kindergarten students.
(5) Early identification and early intervention.
(6) Maternal and child nutrition.
(7) Health and screening.

Sec. 5. (a) As used in this chapter, "implementation grant" refers to a step ahead grant that is awarded to a step ahead county to provide financial assistance to eligible entities providing eligible programs.
(b) The term includes the use of available state appropriations and available federal funds, including federal funds received under the Child Care and Development Block Grant under 42 U.S.C. 9858 et seq.

Sec. 6. As used in this chapter, "income eligibility guidelines" refers to the income eligibility guidelines prescribed by the panel under section 18 of this chapter.

Sec. 7. As used in this chapter, "panel" refers to the step ahead statewide panel established by section 14 of this chapter.
Sec. 8. As used in this chapter, "parent" means an individual who has legal custody of a child.

Sec. 9. As used in this chapter, "step ahead" refers to the step ahead comprehensive early childhood grant program established by section 11 of this chapter.

Sec. 10. As used in this chapter, "step ahead county" refers to a county in which an eligible entity has been awarded coordination and implementation grants. The term may include more than one (1) county as provided in section 18 of this chapter.

Sec. 11. (a) The step ahead comprehensive early childhood grant program is established to provide financial assistance and other incentives to eligible entities to implement, coordinate, and monitor eligible programs countywide.

(b) The division shall administer the Child Care and Development Block Grant under 42 U.S.C. 9858 et seq. received by the division in accordance with the guidelines established by the panel under section 18 of this chapter.

(c) The panel shall use available state funds to the extent the general assembly makes an appropriation under this chapter.

Sec. 12. Unexpended money appropriated from the state general fund to carry out the purposes of this chapter does not revert to the state general fund at the end of a state fiscal year.

Sec. 13. The goals of step ahead are to:

(1) identify and recognize the various eligible programs available in each county at federal, state, local, and private levels;
(2) encourage coordination and cooperation among the eligible programs described in subdivision (1) and to discourage duplication of services;
(3) provide comprehensive eligible programs countywide that are accessible to all eligible children and affordable to the children's parents;
(4) recognize the specific service needs of and unique resources available to particular counties, develop statewide resource listings, and incorporate flexibility regarding the implementation of eligible programs;
(5) prevent or minimize the potential for developmental delay in children before the children reach the age of compulsory school attendance under IC 20-33-2;
(6) enhance certain federally funded eligible programs;
(7) strengthen the family unit through:
(A) encouragement of parental involvement in a child’s development and education;  
(B) prevention of disruptive employment conditions for parents who are employed; and  
(C) enhancement of the capacity of families to meet the special needs of their children, including those children with disabilities;  
(8) reduce the educational costs to society by reducing the need for special education services after children reach school age;  
(9) ensure that children with disabilities are integrated, when appropriate, into programs available to children who are not disabled; and  
(10) ensure that every child who enrolls in kindergarten in Indiana has benefited since birth from eligible programs available under step ahead.

Sec. 14. (a) The step ahead statewide panel is established to implement the step ahead program.  
(b) The panel consists of the following members:  
   (1) Six (6) members who:  
      (A) are appointed by and serve at the pleasure of the governor; and  
      (B) are selected from representatives of the following state agencies:  
         (i) Division of mental health and addiction.  
         (ii) State department of health.  
         (iii) The division.  
         (iv) Budget agency.  
         (v) Division of aging and rehabilitative services.  
         (vi) Department of education.  
         (vii) Executive staff of the lieutenant governor with knowledge in the area of employment and training programs.  
         (viii) Executive staff of the governor.  
   (2) Five (5) members who:  
      (A) are appointed by and serve at the pleasure of the governor;  
      (B) are representative of the private sector; and  
      (C) are knowledgeable in the field of early childhood development.  
   (3) Four (4) members who:
(A) are appointed by and serve at the pleasure of the state superintendent of public instruction; and
(B) are knowledgeable in early childhood education.

(4) One (1) member who:
   (A) is appointed by and serves at the pleasure of the governor; and
   (B) serves as the chairperson of the panel.

Sec. 15. (a) The members of the panel who are state employees are entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the panel who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). A member who is not a state employee is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 16. The panel may use the personnel employed by the division to assist the panel in implementing this chapter.

Sec. 17. The panel may adopt rules under IC 4-22-2 to implement this chapter.

Sec. 18. (a) The panel shall do the following:
   (1) Establish guidelines to implement this chapter that comply with the regulations governing the distribution of the Child Care and Development Block Grant under 42 U.S.C. 9858 et seq., including guidelines on the following:
      (A) Subject to the requirements under sections 20 and 22 of this chapter, the content of the application and step ahead proposal.
      (B) The types of early childhood programs that are eligible programs.
      (C) Income eligibility guidelines for parents who are unable to afford the services provided by eligible entities.
      (D) Subject to the availability of funds, a schedule for awarding coordination and implementation grants and the criteria used to award those grants under this chapter, including the following:
         (i) The degree to which available eligible programs are
coordinated within the county under the proposal.
(ii) The extent of community commitment to step ahead initiatives.
(iii) The relative need for the county to become a step ahead county.
(iv) The extent to which multiple eligible programs and services are collocated throughout the county, including public schools.
(v) The extent to which the school corporations within the county cooperate in step ahead initiatives.
(vi) The quality reflected by comprehensive programming for preschool services and the commitment to consistent staff training opportunities.
(vii) The extent to which proposed eligible programs provide integrated programs for children with disabilities and children who are not disabled.

(E) Any limitations in the expenditure of step ahead grants.
(F) Requirements for grant recipients or the step ahead county coordinator to report on the implementation of the step ahead programs within the county.
(G) The distribution of federal funds, including the Child Care and Development Block Grant under 42 U.S.C. 9858 et seq., and other available funds to eligible programs.
(H) Any other pertinent matter.

(2) Develop minimum standards for eligible programs.
(3) Review each step ahead application for a coordination grant and each proposal for an implementation grant submitted by the convener.
(4) Approve those proposals that comply with this chapter.
(5) Conduct the assessments of step ahead programs under section 24 of this chapter.
(6) Monitor the overall implementation of step ahead, encourage the collaboration through the department of education's early childhood division to promote consistency in state efforts for young children, and report to the governor on the implementation of step ahead.
(7) Any other task to facilitate the implementation of step ahead.

(b) The panel may contract for services to assist in the implementation of the step ahead program.
(c) The panel may designate as a step ahead county and step ahead
grant recipient more than one (1) county if the participating counties:
(1) are contiguous to each other; and
(2) agree to jointly comply with this chapter.

Sec. 19. Notwithstanding IC 4-13-2-20 and IC 12-8-10-7 and in addition to the authorization to enter into contracts for services under section 18(b) of this chapter, a contract issued by the division for programs administered by the bureau of child care services, including a contract for the administration of the programs authorized under IC 12-17-15 and this chapter, may include a provision for advance funding if the provision is not inconsistent with the terms of any applicable federal law or regulation and any of the following conditions is met:

(1) The annual contract amount is at least fifty thousand dollars ($50,000) and the advance funding is not more than one-sixth (1/6) of the contract amount.
(2) The annual contract amount is less than fifty thousand dollars ($50,000) and the advance funding is not more than one-half (1/2) of the contract amount.
(3) The advance funding is in the form of interim payments, with subsequent reconciliation of the amounts paid under the contract and the cost of the services actually provided.

Sec. 20. In order for the eligible entities in a county to receive a coordination grant, the following must occur:
(1) One (1) convener located within the county must submit to the panel, on or before August 1 of a year and under an agreement by the eligible entities in the county, an application for a coordination grant that:
(A) designates a step ahead county coordinator to facilitate the development of the proposal;
(B) designates a fiscal agent to receive the coordination grant; and
(C) includes any other information required under the guidelines.
(2) Upon review of each application, the panel shall designate each step ahead county and shall award a coordination grant to the fiscal agent described in subdivision (1).

Sec. 21. Upon receipt of a coordination grant, the step ahead county coordinator shall initiate the development of a detailed proposal to qualify for an implementation grant. The step ahead county coordinator shall submit the proposal to the panel on or before
December 31 of the year in which the application is submitted.

Sec. 22. The proposal submitted under section 21 of this chapter must comply with the following minimum requirements:

(1) Include a detailed description of the manner in which the eligible programs available within the county are to be implemented, coordinated, and monitored.

(2) Certify that each eligible entity shall request and obtain a limited criminal history on each prospective employee hired by the eligible entity.

(3) Designate a fiscal agent to administer the implementation grant.

(4) Demonstrate how at least the following eligible programs may be offered, coordinated, and monitored within the entire county under an agreement with the providers of the following eligible programs:

- Preschool, including Head Start under 42 U.S.C. 9831 et seq., special education preschool, or developmental child care programs for preschool children.
- Child care programs.
- The Early and Periodic Screening, Diagnosis, and Treatment program under 42 U.S.C. 1396 et seq.
- Early intervention parent information programs.
- Individual family service plans.
- School age child care programs (commonly referred to as latch key programs).
- Student reading skills improvement grants under 20 U.S.C. 6361 et seq.
- Parental involvement programs.
- Child care programs aimed at serving children of teenage parents to encourage the teenage parents to graduate from high school or participate in vocational training.
- Vocational training programs for unemployed parents.
- Health, nutrition, and vaccination programs.
- State medical assistance services for eligible individuals under IC 12-15.

(5) Certify that the eligible programs described in subdivision (4) are provided at no cost to parents of children who qualify under the income eligibility guidelines and at an affordable or sliding fee for other parents.

(6) Describe the manner in which the implementation grant will
be directed to and expended by eligible programs.

Sec. 23. (a) The fiscal agent for the implementation grant may distribute the implementation grant received under this chapter in accordance with the approved proposal.

(b) If an eligible entity received state funds to implement an eligible program before becoming a step ahead eligible program, the eligible entity shall be given priority with regard to receiving continued state funding to implement the eligible program under this chapter with no break in continuity of service from the prior year.

Sec. 24. (a) To evaluate the effectiveness of step ahead as the program relates to the step ahead goals listed in section 13 of this chapter, the panel shall employ the following assessment mechanisms:

(1) The step ahead county coordinator shall annually report to the panel on the development, quality, and appropriateness of the individual family service plans for children whose parents qualify under the income eligibility guidelines.

(2) The step ahead county coordinator shall annually report to the panel on the number of children who:

(A) are using step ahead services; and

(B) do not qualify under the income eligibility guidelines.

(3) The panel shall annually assess the results of any readiness program under IC 20-20-26 for students in kindergarten and grade 1 to determine whether children enrolling in school after benefiting from step ahead demonstrate greater readiness for learning. The department of education shall cooperate with the panel in this regard by assisting in defining the term "readiness" and supporting the evaluation based on knowledge and training in early childhood.

(4) Any other valid assessment technique or method approved by the panel.

(b) The panel shall implement a schedule for assessing step ahead programs, using prior evaluation results and techniques learned through the department of education's pilot preschool programs.

Sec. 25. (a) Each step ahead proposal must provide for the implementation of a preschool or developmental child care program for preschool children.

(b) The goals of the preschool or developmental child care program for preschool children are to:

(1) enhance the child's readiness for learning and facilitate the transition from home to school when the preschool child reaches
the age of compulsory school attendance;
(2) identify developmental problems or concerns in preschool children and make referrals to the appropriate service providers or to provide the appropriate services;
(3) prevent disruptive employment conditions for parents who are employed; and
(4) ensure a continuity in access to step ahead programs as each preschool child nears the age of compulsory school attendance.

(c) To qualify for an implementation grant under this chapter for preschool or developmental child care programs for preschool children, the eligible entity implementing a preschool or developmental child care program for preschool children must demonstrate cooperation with the following programs within the county:

(1) Public schools, particularly those public schools that provide preschool or special education preschool services.
(2) Head Start programs under 42 U.S.C. 9831 et seq.
(3) Infants and toddlers with disabilities programs under IC 12-17-15.
(4) County health department programs.
(5) Private industry council programs.
(7) Community mental retardation and mental health centers that provide services to preschool children with disabilities.
(8) The county office of family and children.
(9) Consumer representation groups.

SECTION 33. IC 16-41-37.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 37.5. Indoor Air Quality in Schools
Sec. 1. As used in this chapter, "school" refers to a:
(1) public school; or
(2) nonpublic school that is not located in a private home.

Sec. 2. (a) The state department may adopt rules under IC 4-22-2 to establish an indoor air quality in schools inspection and evaluation program to assist schools in developing plans to improve indoor air quality.

(b) The state department shall:
(1) inspect a school if the state department receives a complaint
about the quality of air in the school;
(2) report the results of the inspection to:
   (A) the person who complained about the quality of air in the school;
   (B) the school's principal;
   (C) the superintendent of the school corporation, if the school is part of a school corporation;
   (D) the Indiana state board of education, if the school is a public school or an accredited nonpublic school; and
   (E) the appropriate local or county board of health; and

(3) assist the school in developing a reasonable plan to improve air quality conditions found in the inspection.

Sec. 3. (a) The school air quality panel is established to assist the state department in carrying out this chapter.

(b) The panel consists of the following members:
(1) A representative of the state department, appointed by the commissioner of the state department.
(2) A representative of the department of education, appointed by the state superintendent of public instruction.
(3) A member of the governing body of a school corporation, appointed by the state superintendent of public instruction.
(4) A teacher licensed under IC 20-28-4 or IC 20-28-5, appointed by the governor.
(5) A representative of a statewide parent organization, appointed by the state superintendent of public instruction.
(6) A physician who has experience in indoor air quality issues, appointed by the commissioner of the state department.
(7) An individual with training and experience in occupational safety and health, appointed by the commissioner of the department of labor.
(8) A mechanical engineer with experience in building ventilation system design, appointed by the governor.
(9) A building contractor with experience in air flow systems who is a member of a national association that specializes in air flow systems, appointed by the governor.
(10) A member of a labor organization whose members install, service, evaluate, and balance heating, ventilation, and air conditioning equipment, appointed by the governor.
(11) An individual with experience in the cleaning and maintenance of commercial facilities, appointed by the governor.
(c) The chairperson of the panel shall be the representative of the state department.
(d) The panel shall convene at the discretion of the chairperson.
(e) The state department shall provide administrative support for the panel.
(f) The panel shall:
   (1) identify and make available to schools best operating practices for indoor air quality in schools; and
   (2) assist the state department in developing plans to improve air quality conditions found in inspections under section 2 of this chapter.

SECTION 34. IC 20-12-76 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 76. Postsecondary Proprietary Educational Institution Accreditation

Sec. 1. As used in this chapter, "accreditation" means certification of a status of approval or authorization by the commission to conduct business as a postsecondary proprietary educational institution.

Sec. 2. As used in this chapter, "agent" means a person who:
   (1) enrolls or seeks to enroll a resident of Indiana through:
       (A) personal contact;
       (B) telephone;
       (C) advertisement;
       (D) letter; or
       (E) publications;
       in a course offered by a postsecondary proprietary educational institution; or
   (2) otherwise holds the person out to the residents of Indiana as representing a postsecondary proprietary educational institution.

Sec. 3. As used in this chapter, "agent's permit" means a nontransferable written authorization issued to a person by the commission to solicit a resident of Indiana to enroll in a course offered or maintained by a postsecondary proprietary educational institution.

Sec. 4. As used in this chapter, "application" means a written request for accreditation or an agent's permit on forms supplied by the commission.

Sec. 5. As used in this chapter, "commission" means the Indiana commission on proprietary education.

Sec. 6. As used in this chapter, "course" means a plan or program
of instruction or training, whether conducted in person, by mail, or by any other method.

Sec. 7. As used in this chapter, "fund" refers to the career college student assurance fund established by section 20 of this chapter.

Sec. 8. As used in this chapter, "person" means an individual, a partnership, a limited liability company, an association, a corporation, a joint venture, a trust, a receiver, or a trustee in bankruptcy.

Sec. 9. As used in this chapter, "postsecondary proprietary educational institution" means a person doing business in Indiana by offering to the public for a tuition, fee, or charge, instructional or educational services or training in any technical, professional, mechanical, business, or industrial occupation, either in the recipient’s home, at a designated location, or by mail. The term does not include the following:

1. An educational institution established by law and financed in whole or part by public funds.
2. A postsecondary proprietary educational institution approved or regulated by any other state regulatory board, agency, or commission.
3. An elementary or secondary school attended by students in kindergarten or grades 1 through 12, supported in whole or in part by private tuition payments. These elementary and secondary schools are expressly excluded from this chapter.
4. Any educational institution or educational training that:
   (A) is maintained or given by an employer or a group of employers, without charge, for employees or for individuals the employer anticipates employing;
   (B) is maintained or given by a labor organization, without charge, for its members or apprentices;
   (C) offers exclusively instruction that is clearly self-improvement, motivational, or avocational in intent (including, but not limited to, instruction in dance, music, self-defense, and private tutoring); or
   (D) is a Montessori or nursery school.
5. A privately endowed two (2) or four (4) year degree granting institution, regionally accredited, whose principal campus is located in Indiana.

Sec. 10. The general assembly recognizes that the private school is an essential part of the educational system. It is the purpose of this chapter to protect students, educational institutions, the general
public, and honest and ethical operators of private schools from dishonest and unethical practices.

Sec. 11. The Indiana commission on proprietary education is established.

Sec. 12. (a) The commission consists of the following seven (7) members:

(1) The state superintendent or the superintendent's designee.
(2) The executive officer of the commission for higher education or the executive officer's designee.
(3) Five (5) members appointed by the governor.

(b) The members appointed by the governor under subsection (a) serve for a term of four (4) years.

(c) Not more than three (3) of the members appointed by the governor may be members of one (1) political party.

(d) Of the five (5) members appointed by the governor:

(1) one (1) must have been engaged for a period of not less than five (5) years immediately preceding appointment in an executive or a managerial position in a postsecondary proprietary educational institution subject to this chapter;
(2) one (1) must have been engaged in administering or managing an industrial employee training program for a period of not less than five (5) years immediately preceding appointment; and
(3) three (3) shall be representatives of the public at large who are not representatives of the types of postsecondary proprietary educational institutions to be accredited.

For purposes of subdivision (3), an elected or appointed state or local official or a member of a private or public school may not be appointed as a representative of the public at large.

(e) An appointment to fill a vacancy occurring on the commission is for the unexpired term.

Sec. 13. (a) The commission may select officers from the commission's membership as the commission considers necessary.

(b) The commission may employ and fix compensation for necessary administrative staff.

(c) The commission may adopt reasonable rules under IC 4-22-2 to implement this chapter.

(d) The commission:

(1) may meet as often as is necessary upon call of the chairperson; and
(2) shall meet at least four (4) times a year.
(e) Each member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

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

(g) The commission may adopt and use a seal, the description of which shall be filed with the office of the secretary of state, and which may be used for the authentication of the acts of the commission.

Sec. 14. A person may not do business as a postsecondary proprietary educational institution in Indiana without having obtained accreditation.

Sec. 15. Applications for accreditation shall be filed with the commission and accompanied by an application fee of at least one hundred dollars ($100) for processing the application and evaluating the postsecondary proprietary educational institution.

Sec. 16. The application must include at least the following information:

1. The name and address of the postsecondary proprietary educational institution and the institution's officers.
2. The places where the courses are to be provided.
3. The types of courses to be offered, the form of instruction to be followed with the class, shop, or laboratory, and the hours required for each curriculum.
4. The form of certificate, diploma, or degree to be awarded.
5. A statement of the postsecondary proprietary educational institution's finances.
6. A description of the postsecondary proprietary educational institution's physical facilities, including classrooms, laboratories, library, machinery and equipment, toilets, showers, and lavatories.
7. An explicit statement of policy with reference to:
   A. solicitation of students;
(B) payment and amount of student fees; and
(C) conditions under which students are entitled to a refund in part or in full of fees paid, including a statement concerning the existence of the fund.

(8) Provisions for liability insurance of students.
(9) Maximum student-teacher ratio to be maintained.
(10) Minimum requirements for instructional staff.

Sec. 17. (a) This section is subject to section 18 of this chapter.

(b) Each application must include a surety bond in a penal sum determined under section 18(a) of this chapter. The bond shall be executed by the applicant as principal and by a surety company qualified and authorized to do business in Indiana as surety or cash bond.

(c) The surety bond must be conditioned to provide indemnification to any student or enrollee who suffers a loss or damage as a result of:

1. the failure or neglect of the postsecondary proprietary educational institution to faithfully perform all agreements, express or otherwise, with the student, enrollee, one (1) or both of the parents of the student or enrollee, or a guardian of the student or enrollee as represented by the application for the institution's accreditation and the materials submitted in support of that application;
2. the failure or neglect of the postsecondary proprietary educational institution to maintain and operate a course or courses of instruction or study in compliance with the standards of this chapter; or
3. an agent's misrepresentation in procuring the student's enrollment.

(d) A surety on a bond may be released after the surety has made a written notice of the release directed to the commission at least thirty (30) days before the release. However, a surety may not be released from the bond unless all sureties on the bond are released.

(e) The surety bond covers the period of the accreditation.

(f) An accreditation shall be suspended if a postsecondary proprietary educational institution is no longer covered by a surety bond or if the postsecondary proprietary educational institution fails to comply with section 18 of this chapter. The commission shall notify the postsecondary proprietary educational institution in writing at least ten (10) days before the release of the surety or sureties that the accreditation is suspended until another surety bond is filed in the
manner and amount required under this chapter.

Sec. 18. (a) Subject to subsections (b), (c), (e), and (f), the commission shall determine the penal sum of each surety bond based upon the following guidelines:

(1) A postsecondary proprietary educational institution that has no annual gross tuition charges assessed for the previous year shall secure a surety bond in the amount of five thousand dollars ($5,000).

(2) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are not more than five thousand dollars ($5,000), the institution shall secure a surety bond in the amount of one hundred percent (100%) of that institution's annual gross tuition charges assessed for the previous year.

(3) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than five thousand dollars ($5,000) but less than fifty thousand dollars ($50,000), the institution shall secure a surety bond in the amount of five thousand dollars ($5,000).

(4) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than fifty thousand dollars ($50,000) but less than five hundred thousand dollars ($500,000), the institution shall secure a surety bond in the amount of ten percent (10%) of that institution's annual gross tuition charges assessed for the previous year.

(5) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than five hundred thousand dollars ($500,000), the institution shall secure a surety bond in the amount of fifty thousand dollars ($50,000).

(b) When a postsecondary proprietary educational institution is required to contribute to the fund and the fund has a balance on the date that the surety bond is due of at least:

(1) one hundred thousand dollars ($100,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by twenty percent (20%);

(2) two hundred thousand dollars ($200,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by forty percent (40%);
(3) three hundred thousand dollars ($300,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by sixty percent (60%); (4) four hundred thousand dollars ($400,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by eighty percent (80%); or (5) five hundred thousand dollars ($500,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by one hundred percent (100%).

(c) Except as provided in:
(1) section 22 of this chapter; and (2) subsection (f);
and upon the fund achieving at least an initial five hundred thousand dollar ($500,000) balance, each postsecondary proprietary educational institution that contributes to the fund when the initial quarterly contribution as required under this chapter after the fund’s establishment is not required to make contributions to the fund or submit a surety bond.

(d) The commission shall determine the number of quarterly contributions required for the fund to initially accumulate five hundred thousand dollars ($500,000).

(e) Except as provided in section 22 of this chapter and subsection (f), postsecondary proprietary educational institutions that begin making contributions to the fund after the initial quarterly contribution as required under this chapter are:
(1) required to make contributions to the fund for the same number of quarters as determined by the commission under subsection (d); and (2) after making the contributions to the fund as provided in subdivision (1) for the required number of quarters, may not be required to submit a surety bond.

(f) If after the fund acquires five hundred thousand dollars ($500,000) the balance in the fund becomes less than one hundred thousand dollars ($100,000), all postsecondary proprietary educational institutions not required to make contributions to the fund as described in subsection (c) or (e) shall make contributions to the fund for the number of quarters necessary for the fund to accumulate five hundred thousand dollars ($500,000).

Sec. 19. The commission shall require each postsecondary proprietary educational institution to include in each curriculum
catalog and promotional brochure the following:

(1) A statement indicating that the postsecondary proprietary educational institution is regulated by the commission under this chapter.

(2) The commission's mailing address and telephone number.

Sec. 20. (a) The career college student assurance fund is established to provide indemnification to a student or an enrollee of a postsecondary proprietary educational institution who suffers loss or damage as a result of any of the occurrences described in section 17(c) of this chapter if the occurrences transpired after June 30, 1992, and as provided in section 37 of this chapter.

(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

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

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

(f) Upon the fund acquiring twenty-five thousand dollars ($25,000), the balance in the fund may not become less than twenty-five thousand dollars ($25,000). If:

(1) a claim against the fund is filed that would, if paid in full, require the balance of the fund to become less than twenty-five thousand dollars ($25,000); and

(2) the commission determines that the student is eligible for a reimbursement under the fund;

the commission shall prorate the amount of the reimbursement to ensure that the balance of the fund does not become less than twenty-five thousand dollars ($25,000), and the student is entitled to receive that balance of the student's claim from the fund as money becomes available in the fund from contributions to the fund required under this chapter.

(g) The commission shall ensure that all outstanding claim amounts described in subsection (f) are paid as money in the fund becomes available in the chronological order of the outstanding claims.

(h) A claim against the fund may not be construed to be a debt of the state.

Sec. 21. (a) Subject to section 18 of this chapter, each postsecondary proprietary educational institution shall make quarterly contributions
to the fund. The quarters begin January 1, April 1, July 1, and October 1.

(b) For each quarter, each postsecondary proprietary educational institution shall make a contribution equal to the STEP THREE amount derived under the following formula:

STEP ONE: Determine the total amount of tuition and fees earned during the quarter.

STEP TWO: Multiply the STEP ONE amount by one-tenth of one percent (0.1%).

STEP THREE: Add the STEP TWO amount and sixty dollars ($60).

(c) Notwithstanding section 18 of this chapter, for a postsecondary proprietary educational institution beginning operation after July 1, 1992, the commission, in addition to requiring contributions to the fund, shall require the postsecondary proprietary educational institution to submit a surety bond in an amount determined by the commission for a period that represents the number of quarters required for the fund to initially accumulate five hundred thousand dollars ($500,000) as determined under section 18(d) of this chapter.

Sec. 22. (a) Upon receipt of an application, the commission shall make an investigation to determine the accuracy of the statements in the application to determine if the postsecondary proprietary educational institution meets the minimum standards for accreditation.

(b) During the investigation under subsection (a), the commission may grant a temporary status of accreditation. The temporary status of accreditation is sufficient to meet the requirements of this chapter until a determination on accreditation is made.

Sec. 23. The cost of performing a team onsite investigation shall be paid by the applicant postsecondary proprietary educational institution. However, the total cost of an inspection, including room, board, and mileage that does not require travel outside Indiana, may not exceed one thousand dollars ($1,000) for any one (1) postsecondary proprietary educational institution.

Sec. 24. (a) A postsecondary proprietary educational institution shall maintain at least the following records for each student:

(1) The program in which the student enrolls.
(2) The length of the program.
(3) The date of the student's initial enrollment in the program.
(4) The student's period of attendance.
(5) The amount of the student's tuition and fees.
(6) A copy of the enrollment agreement.
(b) Upon the request of the commission, a postsecondary proprietary educational institution shall submit the records described in subsection (a) to the commission.
(c) If the postsecondary proprietary educational institution ceases operation, the postsecondary proprietary educational institution shall submit the records described in subsection (a) to the commission not later than thirty (30) days after the institution ceases to operate.
Sec. 25. Full accreditation may not be issued unless and until the commission finds that the postsecondary proprietary educational institution meets minimum standards that are appropriate to that type or class of postsecondary proprietary educational institution, including the following minimum standards:
(1) The postsecondary proprietary educational institution has a sound financial structure with sufficient resources for continued support.
(2) The postsecondary proprietary educational institution has satisfactory training or educational facilities with sufficient tools, supplies, or equipment and the necessary number of work stations or classrooms to adequately train, instruct, or educate the number of students enrolled or proposed to be enrolled.
(3) The postsecondary proprietary educational institution has an adequate number of qualified instructors or teachers, sufficiently trained by experience or education, to give the instruction, education, or training contemplated.
(4) The advertising and representations made on behalf of the postsecondary proprietary educational institution to prospective students are truthful and free from misrepresentation or fraud.
(5) The charge made for the training, instruction, or education is clearly stated and based upon the services rendered.
(6) The premises and conditions under which the students work and study are sanitary, healthful, and safe according to modern standards.
(7) The postsecondary proprietary educational institution has and follows a refund policy approved by the commission.
Sec. 26. (a) After investigation and a finding that the information in the application is true and the postsecondary proprietary educational institution meets the minimum standards, the commission shall issue an accreditation to the postsecondary proprietary
educational institution upon payment of an additional fee of not less than twenty-five dollars ($25).

(b) The commission may waive inspection of a postsecondary proprietary educational institution that has been accredited by an accrediting unit whose standards are approved by the commission as meeting or exceeding the requirements of this chapter.

(c) A valid license, approval to operate, or other form of accreditation issued to a postsecondary proprietary educational institution by another state may be accepted, instead of inspection, if:

1) the requirements of that state meet or exceed the requirements of this chapter; and

2) the other state will, in turn, extend reciprocity to postsecondary proprietary educational institutions accredited by the commission.

(d) An accreditation issued under this section expires one (1) year following the accreditation's issuance.

(e) An accredited postsecondary proprietary educational institution may renew the institution's accreditation annually upon:

1) the payment of a fee of not less than twenty-five dollars ($25); and

2) continued compliance with this chapter.

Sec. 27. Accreditation may be revoked by the commission:

1) for cause upon notice and an opportunity for a commission hearing; and

2) for the accredited postsecondary proprietary educational institution failing to make the appropriate quarterly contributions to the fund not later than forty-five (45) days after the end of a quarter.

Sec. 28. (a) A postsecondary proprietary educational institution, after notification that the institution's accreditation has been refused, revoked, or suspended, may apply for a hearing before the commission concerning the institution's qualifications. The application for a hearing must be filed in writing with the commission not more than thirty (30) days after receipt of notice of the denial, revocation, or suspension.

(b) The commission shall give a hearing promptly and with not less than ten (10) days notice of the date, time, and place. The postsecondary proprietary educational institution is entitled to be represented by counsel and to offer oral and documentary evidence relevant to the issue.
(c) The commission shall not more than fifteen (15) days after a hearing make written findings of fact, a written decision, and a written order based solely on the evidence submitted at the hearing, either granting or denying accreditation to the postsecondary proprietary educational institution.

Sec. 29. A postsecondary proprietary educational institution's accreditation shall be suspended at any time if the accredited postsecondary proprietary educational institution denies enrollment to a student or makes a distinction or classification of students on the basis of race, color, or creed.

Sec. 30. A person may not do the following:
   (1) Make, or cause to be made, a statement or representation, oral, written, or visual, in connection with the offering or publicizing of a course, if the person knows or should reasonably know the statement or representation is false, deceptive, substantially inaccurate, or misleading.
   (2) Promise or guarantee employment to a student or prospective student using information, training, or skill purported to be provided or otherwise enhanced by a course, unless the person offers the student or prospective student a bona fide contract of employment agreeing to employ the student or prospective student for a period of not less than ninety (90) days in a business or other enterprise regularly conducted by the person in which that information, training, or skill is a normal condition of employment.
   (3) Do an act that constitutes part of the conduct of administration of a course if the person knows, or should reasonably know, that the course is being carried on by the use of fraud, deception, or other misrepresentation.

Sec. 31. (a) A person representing a postsecondary proprietary educational institution doing business in Indiana by offering courses may not sell a course or solicit students for the institution unless the person first secures an agent's permit from the commission. If the agent represents more than one (1) postsecondary proprietary educational institution, a separate agent's permit must be obtained for each institution that the agent represents.

   (b) Upon approval of an agent's permit, the commission shall issue a pocket card to the person that includes:
       (1) the person’s name and address;
       (2) the name and address of the postsecondary proprietary
educational institution that the person represents; and
(3) a statement certifying that the person whose name appears on
the card is an authorized agent of the postsecondary proprietary
educational institution.

(c) The application must be accompanied by a fee of not less than
ten dollars ($10).

(d) An agent's permit is valid for one (1) year from the date of its
issue. An application for renewal must be accompanied by a fee of not
less than ten dollars ($10).

(e) A postsecondary proprietary educational institution is liable for
the actions of the institution's agents.

Sec. 32. (a) An application for an agent's permit must be granted
or denied by the commission not more than fifteen (15) working days
after the receipt of the application. If the commission has not
completed a determination with respect to the issuance of a permit
under this section within the fifteen (15) working day period, the
commission shall issue a temporary permit to the applicant. The
temporary permit is sufficient to meet the requirements of this chapter
until a determination is made on the application.

(b) A permit issued under this chapter may upon ten (10) days
notice and after a hearing be revoked by the commission:
(1) if the holder of the permit solicits or enrolls students through
fraud, deception, or misrepresentation; or
(2) upon a finding that the permit holder is not of good moral
character.

Sec. 33. The fact that a bond is in force or that the fund exists does
not limit or impair a right of recovery and the amount of damages or
other relief to which a plaintiff may be entitled.

Sec. 34. An obligation, negotiable or nonnegotiable, providing for
payment for a course or courses of instruction is void if the
postsecondary proprietary educational institution is not accredited to
operate in Indiana.

Sec. 35. The issuance of an agent's permit or any accreditation may
not be considered to constitute approval of a course, a person, or an
institution. A representation to the contrary is a misrepresentation.

Sec. 36. (a) This section applies to claims against the surety bond of
a postsecondary proprietary educational institution.

(b) A student who believes that the student is suffering loss or
damage resulting from any of the occurrences described in section
17(c) of this chapter may request the commission to file a claim against
the surety of the postsecondary proprietary educational institution or agent.

(c) The request must state the grounds for the claim and must include material substantiating the claim.

(d) The commission shall investigate all claims submitted to the commission and attempt to resolve the claims informally. If a claim is determined to be valid by the commission and an informal resolution cannot be made, the commission shall submit a formal claim to the surety.

(e) A claim against the surety bond may not be filed by the commission unless the student's request under subsection (b) is commenced not more than five (5) years after the date on which the loss or damage occurred.

(f) If the amount of the surety bond is insufficient to cover all or part of the claim, a claim or the balance of the claim against the surety bond in the amount that is insufficient shall be construed to be a claim against the balance of the fund under section 37 of this chapter.

Sec. 37. (a) This section applies:

1. to claims against the balance of the fund; and
2. in cases where a student or an enrollee of a postsecondary proprietary educational institution is protected by both a surety bond and the balance of the fund, only after a claim against the surety bond exceeds the amount of the surety bond.

(b) A student or an enrollee of a postsecondary proprietary educational institution who believes that the student or enrollee has suffered loss or damage resulting from any of the occurrences described in section 17(c) of this chapter may request the commission to file a claim with the commission against the balance of the fund. If there is a surety bond in an amount sufficient to cover a claim or part of a claim under this section, a claim against the balance of the fund shall be construed to be a claim against the surety bond first to the extent that the amount of the surety bond exists and the balance of the claim may be filed against the balance of the fund.

(c) A claim under this section is limited to a refund of the claimant's applicable tuition and fees.

(d) All claims must be filed not later than five (5) years after the occurrence resulting in the loss or damage to the claimant occurs.

(e) Upon the filing of a claim under this section, the commission shall review the records submitted by the appropriate postsecondary proprietary educational institution described under section 24 of this
chapter and shall investigate the claim and attempt to resolve the claim as described in section 36(d) of this chapter.

(f) Upon a determination by the commission that a claimant shall be reimbursed under the fund, the commission shall prioritize the reimbursements under the following guidelines:

1. A student's educational loan balances.
2. Federal grant repayment obligations of the student.
3. Other expenses paid directly by the student.

Sec. 38. The prosecuting attorney of the county in which the offense occurred shall, at the request of the commission or on the prosecuting attorney's own motion, bring any appropriate action, including a mandatory and prohibitive injunction.

Sec. 39. An action of the commission concerning the issuance, denial, or revocation of a permit or accreditation under this chapter is subject to review under IC 4-21.5.

Sec. 40. (a) Except as provided in subsection (b), a person who violates this chapter commits a Class B misdemeanor.

(b) A person who, with intent to defraud, represents the person to be an agent of a postsecondary proprietary educational institution commits a Class C felony.

Sec. 41. All fees collected by the commission shall be deposited in the state general fund.

SECTION 35. IC 21-1-31 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 31. School Technology Advancement Account

Sec. 1. As used in this chapter, "advancement account" refers to the school technology advancement account established by section 4 of this chapter.

Sec. 2. As used in this chapter, "board" refers to the Indiana state board of education established by IC 20-19-2-2.

Sec. 3. As used in this chapter, "school corporation" means a corporation authorized by law to establish public schools and levy taxes.

Sec. 4. (a) The school technology advancement account is established within the common school fund. On July 1 of each year, there is appropriated to the account:

1. five million dollars ($5,000,000); minus
2. the amount of money in the account on June 30 of the same year.
(b) Advancements of money from the advancement account may be made to a school corporation to:
   (1) purchase computer hardware and software used primarily for student instruction; and
   (2) develop and implement innovative technology projects.
(c) Money must be advanced under this section in accordance with IC 21-1-5-5, IC 21-1-5-7, and IC 21-1-5-8.
Sec. 5. The board shall adopt rules under IC 4-22-2 concerning:
   (1) the criteria and priorities for awarding grants and advancements under this chapter;
   (2) the terms and conditions of advancements made under this chapter; and
   (3) any additional matters necessary for the implementation of this chapter.

SECTION 36. IC 21-1-32 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 32. Charter School Advancement Account
Sec. 1. As used in this chapter, "board" refers to the Indiana state board of education established by IC 20-19-2-2.
Sec. 2. As used in this chapter, "charter school" refers to a school established under IC 20-24.
Sec. 3. As used in this chapter, "department" refers to the department of education established by IC 20-19-3-1.
Sec. 4. As used in this chapter, "operational costs" means costs other than construction costs incurred by:
   (1) a charter school other than a conversion charter school during the second six (6) months of the calendar year in which the charter school begins its initial operation; or
   (2) a charter school, including a conversion charter school, during the second six (6) months of a calendar year in which the charter school's most recent enrollment reported under IC 20-24-7-2(a) divided by the charter school's previous year's ADM is at least one and fifteen-hundredths (1.15).
Sec. 5. The charter school advancement account is established within the common school fund.
Sec. 6. The board shall advance money to charter schools from the charter school advancement account to be used for operational costs.
Sec. 7. (a) The amount of an advance under section 6 of this chapter for operational costs described in section 4(1) of this chapter may not
exceed the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the product of:
(A) the charter school's enrollment reported under IC 20-24-7-2(a); multiplied by
(B) the target revenue per ADM determined under IC 21-3-1.7-6.7(d) or IC 21-3-1.7-6.7(e) for the charter school.

STEP TWO: Determine the quotient of:
(A) the STEP ONE amount; divided by
(B) two (2).

STEP THREE: Determine the product of:
(A) the STEP TWO amount; multiplied by
(B) one and fifteen-hundredths (1.15).

(b) The amount of an advance under section 6 of this chapter for operational costs described in section 4(2) of this chapter may not exceed the amount determined under STEP FOUR of the following formula:

STEP ONE: Determine the quotient of:
(A) the target revenue per ADM determined under IC 21-3-1.7-6.7(d) or IC 21-3-1.7-6.7(e) for the charter school; divided by
(B) two (2).

STEP TWO: Determine the difference between:
(A) the charter school's current ADM; minus
(B) the charter school’s ADM of the previous year.

STEP THREE: Determine the product of:
(A) the STEP ONE amount; multiplied by
(B) the STEP TWO amount.

STEP FOUR: Determine the product of:
(A) the STEP THREE amount; multiplied by
(B) one and fifteen-hundredths (1.15).

Sec. 8. (a) Money advanced to a charter school under this chapter may be advanced for a period not to exceed twenty (20) years. A charter school to which money is advanced under this chapter must pay interest on the advance at the rate determined under section 9 of this chapter. The board shall provide that the advances are prepayable by the charter school or by the general assembly at any time.

(b) This subsection applies if the general assembly prepays an advance under this chapter. A prepayment under this subsection must
be deducted from the amount appropriated for distributions under IC 21-3-1.7.

(c) The board, after consulting with the department and upon approval of the budget agency, shall establish the terms of an advance before the date on which the advance is made. The terms must include a provision allowing the state to withhold funds due to a charter school to which an advance is made until the advance, including interest accrued on the advance, is paid.

Sec. 9. The state board of finance shall establish periodically the rate of interest payable on advances under this chapter. An interest rate established under this section may not:

1) be less than one percent (1%); or
2) exceed four percent (4%).

Sec. 10. (a) To ensure timely payment of an advance under this chapter according to the terms of the advance, the state may withhold from funds due to the charter school to which the advance is made an amount necessary to pay the advance and the interest on the advance.

(b) If the state withholds funds under subsection (a), the state first shall withhold funds from the distribution of state tuition support to the charter school to which the advance is made. If the tuition support distribution is unavailable or inadequate, the state may withhold funds from any other distribution of state funds to the charter school.

Sec. 11. A charter school that desires to obtain an advance under this chapter must submit an application to the board on a form prescribed by the board after the board consults with the department and the budget agency to determine the amount of the advance, as required by section 8(c) of this chapter.

Sec. 12. (a) An advance under this chapter to a charter school is not an obligation of the charter school within the meaning of a constitutional limitation on or prohibition against indebtedness. This chapter does not relieve the organizer of the charter school of the duty to qualify the charter school for state tuition support.

(b) An agreement with the board to collect and pay over amounts deducted from state tuition support for the benefit of another party is not a debt of the state within the meaning of a constitutional limitation on or prohibition against state indebtedness.

Sec. 13. Priority of advances for operational costs must be on a basis determined by the board after consulting with the department and the budget agency.

SECTION 37. IC 21-2-19 IS ADDED TO THE INDIANA CODE AS
A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005):

Chapter 19. Self-Insurance Programs

Sec. 1. As used in this chapter, "health care services" has the meaning set forth in IC 27-8-11-1.

Sec. 2. As used in this chapter, "self-insurance program" means a program of self-insurance established or maintained by a governing body to provide coverage for health care services to a school corporation's employees and the employees' dependents.

Sec. 3. Subject to IC 20-26-5-4(15) and IC 21-2-5.6 and notwithstanding any other law, a self-insurance program must comply with this chapter.

Sec. 4. (a) A self-insurance program must provide for appeals to a review panel to:

1. hear complaints; and
2. resolve concerns;
regarding issues related to coverage, coverage discrimination, and access under the self-insurance program.

(b) The composition of the review panel under subsection (a):

1. must reflect the populations covered under the self-insurance program;
2. may include a member representative of each covered population; and
3. must maintain a balance of administration and nonadministration members.

(c) Self-insurance program documents provided to individuals covered under the self-insurance program must specify the appeal process, including the name, address, and telephone number of the individual with whom an appeal may be filed.

Sec. 5. (a) A self-insurance program must be written on an incurred claims basis.

(b) The governing body must fund a self-insurance program as described in IC 21-2-5.6-1(2) to include coverage for all eligible incurred claims.

(c) Subject to IC 21-2-5.6 and notwithstanding any other law:

1. contributions made on behalf of individuals covered under the self-insurance program, including employee and employer contributions; and
2. transfers or allocations of funds by a governing body; for coverage for health care services under a self-insurance program.
must be directly deposited into the self-insurance fund established under IC 21-2-5.6-1(2) and may not be transferred to other accounts or expended for any other purpose.

SECTION 38. IC 21-2-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 20. Funding of Retirement or Severance Plan
Sec. 1. This chapter applies to a school corporation that:
   (1) after June 30, 2001, establishes a retirement or severance plan that will require the school corporation to pay post-retirement or severance benefits to employees of the school corporation; or
   (2) includes in a collective bargaining agreement or other contract entered into after June 30, 2001, a provision to increase:
      (A) the benefit; or
      (B) the unfunded liability;
   under a retirement or severance provision that will require the school corporation to pay post-retirement or severance benefits to employees of the school corporation.

Sec. 2. (a) A school corporation must fund on an actuarially sound basis the post-retirement or severance benefits that will be paid to employees under a plan, an agreement, or a contract described in section 1(1) of this chapter or an increase described in section 1(2) of this chapter.
   (b) A school corporation must place the assets used to fund on an actuarially sound basis the post-retirement or severance benefits in a separate fund or account, and the school corporation may not commingle the assets in the separate fund or account with any other assets of the school corporation.

SECTION 39. IC 21-2-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 21. Borrowing and Bonds
Sec. 1. (a) For purposes of this section, "improvement of real estate" includes:
   (1) construction, reconstruction, remodeling, alteration, or repair of buildings, or additions to buildings;
   (2) equipment related to activities specified in subdivision (1);
   and
   (3) auxiliary facilities related to activities specified in subdivision
(1), including facilities for:
(A) furnishing water, gas, and electricity;
(B) carrying and disposing of sewage and storm and surface
water drainage;
(C) housing of school owned buses;
(D) landscaping of grounds; and
(E) construction of walks, drives, parking areas, playgrounds,
or facilities for physical training.

(b) A school corporation is authorized to issue bonds to pay the:
(1) cost of acquisition and improvement of real estate for school
purposes;
(2) funding of judgments;
(3) cost of the purchase of school buses; and
(4) incidental expenses incurred in connection with and on
account of the issuance of the bonds.

Sec. 2. (a) Bonds authorized by this chapter and IC 20-26-1 through
IC 20-26-5 must be payable in amounts and at the times and places
determined by the governing body.

(b) Bonds issued for the funding of judgments or for the purchase
of school buses shall mature not more than five (5) years from the date
of the bonds. Bonds issued for other purposes must mature not more
than twenty-five (25) years from the date of the bonds.

(c) The governing body may provide that principal and interest of
the bonds are payable at a bank in Indiana and may also be payable
at the option of the holder at another bank designated by the
governing body, either before or after sale.

(d) The governing body may pay the fees of the bank paying agent
and shall deposit with the paying agent, if any, within a reasonable
period before the date that principal and interest become due
sufficient money for the payment of the principal and interest on the
due date.

Sec. 3. Bonds issued by a school corporation must be sold at:
(1) not less than par value;
(2) public sale as provided by IC 5-1-11; and
(3) any rate or rates of interest determined by the bidding.

If the net interest cost exceeds eight percent (8%) per year, the bonds
must not be issued until the issuance is approved by the department of
local government finance.

Sec. 4. (a) Bonds shall be executed in the name and on behalf of the
school corporation by the president and secretary of the governing
body. One (1) of the signatures may be by facsimile imprinted on a bond instrument, but at least one (1) of the signatures shall be manually affixed. The secretary of the governing body shall cause the seal of the school corporation to be impressed or a facsimile of the seal printed on each bond. Interest coupons, if any, shall be executed by the facsimile signature of the treasurer of the governing board.

(b) If the president, secretary, or treasurer of the governing body ceases to be the president, secretary, or treasurer for any reason after the officer has executed bonds under this section but before the bonds have been delivered to the purchaser or purchasers of the bonds, the bonds are binding and valid obligations as if the officer were in office at the time of delivery. The treasurer of the governing body shall cause the bonds to be delivered to the purchaser or purchasers and shall receive payment for the bonds.

Sec. 5. (a) The governing body shall provide for the payment of principal and interest of bonds executed under section 4 of this chapter by levying annually a tax that is sufficient to pay the principal and interest as the bonds become due.

(b) The bodies charged with the review of budgets and tax levies shall review a levy for principal and interest described in subsection (a) to ascertain whether the levy is sufficient.

Sec. 6. (a) This section applies if a governing body finds by written resolution that an emergency exists that requires the expenditure of money for a lawful corporate purpose that was not included in the school corporation's existing budget and tax levy.

(b) If a governing body makes a finding specified in subsection (a), the governing body may authorize the making of an emergency loan that may be evidenced by the issuance of the school corporation's note in the same manner and subject to the same procedure and restrictions as provided for the issuance of the school corporation's bonds, except as to purpose.

(c) If a governing body authorizes an emergency loan as specified in subsection (b), the governing body shall, at the time for making the next annual budget and tax levy for the school corporation, make a levy to the credit of the fund for which the expenditure is made sufficient to pay the debt and the interest on the debt. However, the interest on the loan may be paid from the debt service fund.

Sec. 7. The provisions of all general statutes and rules relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of the issuance of bonds;
(2) giving notice of determination to issue bonds;
(3) giving notice of a hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appear and be heard on the proposed appropriation;
(4) the approval of the appropriation by the department of local government finance; and
(5) the right of taxpayers to remonstrate against the issuance of bonds;
apply to proceedings for the issuance of bonds and the making of an emergency loan under this chapter and IC 20-26-1 through IC 20-26-5. An action to contest the validity of the bonds or emergency loans may not be brought later than five (5) days after the acceptance of a bid for the sale of the bonds.
Sec. 8. (a) If the governing body of a school corporation finds and declares that an emergency exists for the borrowing of money with which to pay current expenses from a particular fund before the receipt of revenues from taxes levied or state tuition support distributions for the fund, the governing body may issue warrants in anticipation of the receipt of the revenues.
(b) The principal of warrants issued under subsection (a) is payable solely from the fund for which the taxes are levied or from the school corporation’s general fund in the case of anticipated state tuition support distributions. However, the interest on the warrants may be paid from the debt service fund, from the fund for which the taxes are levied, or the general fund in the case of anticipated state tuition support distributions.
(c) The amount of principal of temporary loans maturing on or before June 30 for any fund may not exceed eighty percent (80%) of the amount of taxes and state tuition support distributions estimated to be collected or received for and distributed to the fund at the June settlement.
(d) The amount of principal of temporary loans maturing after June 30 and on or before December 31 may not exceed eighty percent (80%) of the amount of taxes and state tuition support distributions estimated to be collected or received for and distributed to the fund at the December settlement.
(e) At each settlement, the amount of taxes and state tuition support distributions estimated to be collected or received for and distributed to the fund includes allocations to the fund from the property tax replacement fund.
(f) The county auditor or the auditor’s deputy shall determine the estimated amount of taxes and state tuition support distributions to be collected or received and distributed. The warrants evidencing a loan in anticipation of tax revenue or state tuition support distributions may not be delivered to the purchaser of the warrant nor payment made on the warrant before January 1 of the year the loan is to be repaid. However, the proceedings necessary for the loan may be held and carried out before January 1 and before the approval. The loan may be made even though a part of the last preceding June or December settlement has not yet been received.

(g) Proceedings for the issuance and sale of warrants for more than one (1) fund may be combined. Separate warrants for each fund must be issued and each warrant must state on the face of the warrant the fund from which the warrant’s principal is payable. An action to contest the validity of a warrant may not be brought later than fifteen (15) days from the first publication of notice of sale.

(h) An issue of tax or state tuition support anticipation warrants may not be made if the total of all tax or state tuition support anticipation warrants exceeds twenty thousand dollars ($20,000) until the issuance is advertised for sale, bids are received, and an award is made by the governing body as required for the sale of bonds, except that the publication of notice of the sale is not necessary:

(1) outside the county; or
(2) more than ten (10) days before the date of sale.

Sec. 9. Temporary transfers of funds by a school corporation may be made as authorized under IC 36-1-8-4.

Sec. 10. (a) As used in this section, “debt service obligations” refers to the principal and interest payable during a calendar year on a school corporation’s general obligation bonds and lease rentals under IC 21-5-11 and IC 21-5-12.

(b) Before the end of each calendar year, the department of local government finance shall review the bond and lease rental levies, or any levies that replace bond and lease rental levies, of each school corporation that are payable in the next succeeding year and the appropriations from the levies from which the school corporation is to pay the amount, if any, of the school corporation’s debt service obligations. If the levies and appropriations of the school corporation are not sufficient to pay the debt service obligations, the department of local government finance shall establish for each school corporation:
(1) bond or lease rental levies, or any levies that replace the bond and lease rental levies; and
(2) appropriations;
that are sufficient to pay the debt service obligations.

(c) Upon the failure of a school corporation to pay any of the school corporation's debt service obligations during a calendar year when due, the treasurer of state, upon being notified of the failure by a claimant, shall pay the unpaid debt service obligations that are due from the funds of the state only to the extent of the amounts appropriated by the general assembly for the calendar year for distribution to the school corporation from state funds, deducting the payment from the appropriated amounts. A deduction under this subsection must be made first from property tax relief funds to the extent of the property tax relief funds, second from all other funds except tuition support, and third from tuition support.

(d) This section shall be interpreted liberally so that the state shall to the extent legally valid ensure that the debt service obligations of each school corporation are paid. However, this section does not create a debt of the state.

SECTION 40. IC 22-4.1-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 10. Office of Workforce Literacy

Sec. 1. The governor shall establish an office of workforce literacy within the department to:

(1) oversee the development of workforce literacy programs in Indiana;
(2) target available funds for workforce basic skill improvement programs;
(3) develop methods for motivating adults and employers in workforce literacy and basic skill improvement; and
(4) provide a clearinghouse of information pertaining to workforce literacy.

Sec. 2. The office of workforce literacy has the following duties:

(1) Develop certain performance standards as the standards relate to workforce literacy initiatives.
(2) Develop a common data base, reporting system, and evaluation system relating to basic skills programs.
(3) Establish an application process for basic skills training providers that emphasizes performance based outcomes.
SECTION 41. IC 22-4.1-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 11. Adult Literacy Programs
Sec. 1. As used in this chapter, "eligible entity" means a nonprofit organization that has been approved by the department.
Sec. 2. As used in this chapter, "program" refers to the adult literacy program established by section 3 of this chapter.
Sec. 3. The adult literacy program is established to provide financial assistance to private industry councils to provide adult literacy programs. The program shall be administered by the department.
Sec. 4. (a) To receive funding under this chapter, a private industry council shall apply for funding as prescribed by the department in the department's annual job training plan.
(b) The following information must be included in the plan:
(1) The nature of the adult literacy program being proposed.
(2) The number of adults being served under the program, including adults who have graduated from high school but who demonstrate a deficiency in reading and writing skills.
(3) The number of instructors, students, or volunteers who participate in the program.
(4) The amount of money requested to administer the program.
(5) Other information required by the department.
Sec. 5. The department shall develop guidelines to implement this chapter.

SECTION 42. IC 22-4.1-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 12. Indiana Education Employment Program
Sec. 1. As used in this chapter, "eligible student" means:
(1) a student who is:
   (A) enrolled in a public high school as a senior;
   (B) at risk of withdrawing from school before graduation; and
   (C) at risk under the criteria for determining at risk students under IC 21-3-1.6-1.1; or
(2) a student who is enrolled in the final year of a special education program.
Sec. 2. As used in this chapter, "job specialist" means a person
employed by the school corporation who:
   (1) has knowledge in job placement counseling;
   (2) has tutoring skills; and
   (3) meets the criteria established by the department to act as a
       job specialist.
Sec. 3. As used in this chapter, "program" refers to the Indiana
education employment program established under section 4 of this
chapter.
Sec. 4. (a) The department shall establish the Indiana education
employment program to:
   (1) assist eligible students to successfully make the transition
       from school to the work or employment setting; and
   (2) provide financial assistance to private industry councils (as
defined in 29 U.S.C. 1501 et seq.) to involve school corporations
       that agree to jointly participate in the program.
(b) The goals of the program are as follows:
   (1) Prevent withdrawal from school before graduation.
   (2) Attain high school graduation.
   (3) Receive job placement assistance.
   (4) Receive follow-up services for one (1) year after job
       placement.
   (5) Receive recognition in the form of a pay raise or promotion
       within one (1) year of employment.
Sec. 5. Each job specialist has the following duties:
   (1) Meet with each participating eligible student:
       (A) to provide tutoring services;
       (B) for counseling; or
       (C) for other student services required under the program.
   (2) Actively seek employment positions for the participating
       eligible student in fields that are consistent with the student's
       abilities and strengths.
   (3) Keep accurate and complete records of all student services
       offered and the results attained.
Sec. 6. Each participating eligible student shall participate in an
after school organization formed particularly for all eligible students
participating in the program.
Sec. 7. (a) The department shall adopt rules, under IC 4-22-2 to
implement this chapter.
(b) The department shall develop guidelines necessary to
implement the program, including guidelines governing the
qualifications required of a job specialist.

SECTION 43. IC 22-4.1-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FUNDS [EFFECTIVE JULY 1, 2005]:

Chapter 13. Indiana Commission on Vocational and Technical Education

Sec. 1. As used in this chapter, "commission" refers to the Indiana commission on vocational and technical education of the department established by section 6 of this chapter.

Sec. 2. As used in this chapter, "council" refers to the state human resource investment council established by IC 22-4-18.1-3.

Sec. 3. As used in this chapter, "employment training" means all programs administered by the following:

1. The council.
2. The Indiana jobs training program.
3. The department.
4. A private industry council (as defined in 29 U.S.C. 1501 et seq.).

Sec. 4. As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

Sec. 5. As used in this chapter, "vocational education" means any vocational, agricultural, occupational, manpower, employment, or technical training or retraining that:

1. enhances an individual's career potential and further education; and
2. is accessible to individuals who desire to explore and learn for economic and personal growth leading to employment opportunities.

Sec. 6. (a) The Indiana commission on vocational and technical education is established within the department.

(b) The commission consists of eleven (11) citizens of Indiana who are appointed by the governor. Except as provided in subsection (c), a member:

1. may not be an officer or employee of a state educational institution or a school corporation;
2. may not be a state employee;
3. may not be a member of the council; and
4. must be generally knowledgeable in the fields of business, industry, labor, agriculture, commerce, education, or vocational education.
(c) Notwithstanding subsection (b):
   (1) one (1) member must be a representative of the council or a private industry council;
   (2) one (1) member must be an officer or employee of a state educational institution; and
   (3) one (1) member must be an officer or employee of a school corporation.

(d) Each Indiana congressional district must be represented by at least one (1) member who resides in that district.

Sec. 7. Appointments to the commission are for four (4) year terms. The governor shall promptly make appointments to fill vacancies for the duration of unexpired terms in the same manner as the original appointments.

Sec. 8. (a) The commission shall elect from the commission's membership a chairperson and vice chairperson and other necessary officers.

   (b) Each member of the commission is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Each member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 9. (a) The commission shall develop and implement a long range state plan for a comprehensive vocational education program in Indiana.

   (b) The plan developed under this section shall be kept current. The plan and any revisions made to the plan shall be made available to:

   (1) the governor;
   (2) the general assembly;
   (3) the Indiana state board of education;
   (4) the department of education;
   (5) the commission for higher education;
   (6) the council;
   (7) the Indiana commission on proprietary education; and
   (8) any other appropriate state or federal agency.

A plan or revised plan submitted under this section to the general assembly must be in an electronic format under IC 5-14-6.

(c) The plan must set forth specific goals for public vocational education at all levels and must include the following:

   (1) The preparation of each graduate for both employment and
further education.
(2) Accessibility of vocational education to individuals of all ages who desire to explore and learn for economic and personal growth.
(3) Projected employment opportunities in various vocational and technical fields.
(4) A study of the supply of and the demand for a labor force skilled in particular vocational and technical areas.
(5) A study of technological and economic change affecting Indiana.
(6) An analysis of the private vocational education sector in Indiana.
(7) Recommendations for improvement in the state vocational education program.
(8) The educational levels expected of vocational education programs proposed to meet the projected employment needs.

Sec. 10. The commission shall do the following:
(1) Make recommendations to the general assembly concerning the development, duplication, and accessibility of employment training and vocational education on a regional and statewide basis.
(2) Consult with any state agency, commission, or organization that supervises or administers programs of vocational education concerning the coordination of vocational education, including the following:
  (A) The Indiana economic development corporation.
  (B) The council.
  (C) A private industry council (as defined in 29 U.S.C. 1501 et seq.).
  (D) The department of labor.
  (E) The Indiana commission on proprietary education.
  (F) The commission for higher education.
  (G) The Indiana state board of education.
(3) Review and make recommendations concerning plans submitted by the Indiana state board of education and the commission for higher education. The commission may request the resubmission of plans or parts of plans that:
  (A) are not consistent with the long range state plan of the commission;
  (B) are incompatible with other plans within the system; or
(C) do not avoid duplication of existing services.
(4) Report to the general assembly on the commission's conclusions and recommendations concerning interagency cooperation, coordination, and articulation of vocational education and employment training. A report under this subdivision must be in an electronic format under IC 5-14-6.
(5) Study and develop a plan concerning the transition between secondary level vocational education and postsecondary level vocational education.
(6) Enter into agreements with the federal government that may be required as a condition of receiving federal funds under the Vocational Education Act (20 U.S.C. 2301 et seq.). An agreement entered into under this subdivision is subject to the approval of the budget agency.

Sec. 11. The commission may do the following:
(1) Make recommendations, including recommendations for policies to encourage involvement of minority groups in the vocational education system in Indiana, to:
  (A) the governor;
  (B) the general assembly; and
  (C) the various agencies, commissions, or organizations that administer vocational education programs concerning all facets of vocational education programming.
(2) Establish a regional planning and coordination system for vocational education and employment training that will, either in whole or in part, serve vocational education and employment training in Indiana.
(3) Appoint advisory committees whenever necessary.
(4) Contract for services necessary to carry out this chapter.
(5) Provide information and advice on vocational education to a business, an industry, or a labor organization operating a job training program in the private sector.

Sec. 12. The commission shall adopt statewide systems or policies concerning the following as the systems or policies relate to the implementation of vocational and technical education programs:
(1) Student records.
(2) Data processing at the secondary level.
(3) An evaluation system that must be conducted by the commission at least annually and that evaluates the following as each relates to the vocational and technical education programs
and courses offered at the secondary level and postsecondary level:
(A) Graduation rates.
(B) Student placement rates.
(C) Retention rates.
(D) Enrollment.
(E) Student transfer rates to postsecondary educational institutions.
(F) When applicable, student performance on state licensing examinations or other external certification examinations.
(G) Cost data study.

(4) A system of financial audits to be conducted at least biennially at the secondary level.

Sec. 13. (a) The commission shall establish vocational education evaluation criteria.
(b) Using the criteria established under subsection (a), the commission shall evaluate the effectiveness of vocational education relative to the goals of the long range plan developed under section 9 of this chapter.

Sec. 14. (a) Except as provided in subsection (c), the commission shall receive, distribute, and maintain accountability for all federal funds available for vocational education under 20 U.S.C. 2301 et seq.
(b) Except as provided in subsection (c), the commission shall distribute and maintain accountability for all federal funds available for vocational education under 29 U.S.C. 1533.
(c) The commission may not expend or distribute federal funds available under 20 U.S.C. 2301 et seq. or 29 U.S.C. 1533 if those funds have not been allocated by the general assembly.

Sec. 15. (a) The department shall review the legislative budget requests for vocational education prepared by the following:
(1) The department of education.
(2) The state educational institutions.
(b) After the review under subsection (a), the department shall make recommendations to the budget committee concerning the appropriation of state funds and the allocation of federal funds for vocational education, including federal funds available under 20 U.S.C. 2301 et seq. and 29 U.S.C. 1533. The department's recommendations concerning appropriations and allocations for vocational education by secondary schools and state educational institutions must specify:
(1) the minimum funding levels required by 20 U.S.C. 2301 et seq. and 29 U.S.C. 1533;
(2) the categories of expenditures and the distribution plan or formula for secondary schools; and
(3) the categories of expenditures for each state educational institution.

(c) After reviewing the department’s recommendations and each agency’s budget request, the budget committee shall make recommendations to the general assembly for funding to implement vocational education. The general assembly shall biennially appropriate state funds for vocational education and allocate federal funds available under 20 U.S.C. 2301 et seq. and 29 U.S.C. 1533 for vocational education. At least sixty percent (60%) of the federal funds available under 20 U.S.C. 2301 et seq. shall be allocated to secondary level vocational education to implement the long range state plan developed under section 9 of this chapter.

(d) The budget agency, with the advice of the department and the budget committee, may augment or reduce an allocation of federal funds made under subsection (c).

Sec. 16. The commission may employ any staff necessary to perform the duties imposed by this chapter and fix the compensation and terms of that employment, subject to approval by the budget agency.

Sec. 17. The commission shall adopt rules under IC 4-22-2 to carry out the duties imposed by this chapter.

Sec. 18. The commission has no power relating to the management, operation, or financing of any state institution or agency except those specifically set forth in this chapter.

SECTION 44. IC 22-4.1-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 14. Workforce Partnership Plans
Sec. 1. As used in this chapter, “institution” means:
(1) a campus of a state educational institution (as defined in IC 20-12-0.5-1);
(2) a school corporation; or
(3) an area vocational school;
as described in section 2 or 3 of this chapter.

Sec. 2. After receiving the endorsement of the faculty and subject to the guidelines developed under section 4 of this chapter, the chief
administrator from each campus of a state educational institution that offers a technical education program must enter into a workforce partnership plan as described under this chapter with the superintendent of the school corporation and each area vocational director who oversees the secondary level technical education programs that are offered within the same geographic area as the particular campus.

Sec. 3. After the chief administrator receives an endorsement from the faculty and subject to the guidelines developed under section 4 of this chapter, the superintendent of each school corporation and area vocational director must enter into a workforce partnership plan as described under this chapter with the chief administrator from each campus of a state educational institution who oversees the postsecondary level technical education programs offered within the same geographic area as the school corporation and area vocational school.

Sec. 4. (a) The:
(1) state superintendent of public instruction;
(2) commissioner of the commission for higher education; and
(3) commissioner of the department;
shall jointly develop guidelines governing the development of the workforce partnership plans, including guidelines for the subjects described in subsection (b).

(b) The guidelines must include the following:
(1) A schedule for institutions to comply with this chapter.
(2) A format for the workforce partnership plans.
(3) The boundaries of the geographic areas described in sections 2 and 3 of this chapter.
(4) Any other pertinent matter.

Sec. 5. Notwithstanding any other law and after an institution is required to enter into a workforce partnership plan under this chapter, an institution's workforce partnership plan must be approved by the Indiana commission on vocational and technical education of the department for the institution to:

(1) be eligible to receive federal and state funds for the institution's vocational and technical education program at the secondary level and postsecondary level;
(2) receive vocational and technical education program approval by:
   (A) the Indiana state board of education for secondary level
programs; and
(B) the commission for higher education for postsecondary level programs;
for any vocational and technical education programs requiring approval; and
(3) be eligible to complete the program review process by the commission for higher education for postsecondary level vocational and technical education programs.

Sec. 6. Each workforce partnership plan must do the following:
(1) Address the need to maximize:
(A) the use of vocational and technical education programs and services; and
(B) the articulation of vocational and technical education programs;
between the secondary level and postsecondary level.
(2) Identify vocational and technical education program groupings to coordinate vocational and technical education programs within a geographic area.
(3) Identify particular certificates of achievement under IC 20-32-3 and IC 20-12-1-10 and indicate the circumstances under which a state educational institution may elect to grant academic credit to a student who does the following:
(A) Acquires the particular certificate of achievement.
(B) Satisfies the standards for receipt of academic credit as determined by the state educational institution.
(4) Provide for the use of joint secondary level and postsecondary level faculty committees to organize vocational and technical education program articulation.
(5) Comply with 20 U.S.C. 2301 et seq.

Sec. 7. The Indiana state board of education and the commission for higher education may review and provide recommendations on each plan biennially.

SECTION 45. IC 22-4.1-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 15. Building and Trades Advisory Committee
Sec. 1. The building and trades advisory committee is established to provide information, advice, and recommendations to the Indiana commission on vocational and technical education of the department with regard to technical education.
Sec. 2. The advisory committee consists of seven (7) members, all of whom are appointed by the governor, as follows:

(1) Two (2) members who are coordinators of jointly administered building trades training committees.
(2) Two (2) members who are instructors of jointly administered building trades training committees.
(3) One (1) member who is an administrator of a jointly administered building trades training committee.
(4) Two (2) members who are members of the public but who are knowledgeable in building trades training programs.

Sec. 3. The members of the advisory committee serve terms of four (4) years.

Sec. 4. If a vacancy occurs before the expiration of a term, the governor shall appoint an interim member consistent with the vacating member's qualifications under section 2 of this chapter to serve for the balance of the unexpired term.

Sec. 5. (a) Members of the advisory committee are not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b).
(b) A member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 46. IC 22-4.1-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 16. Vocational Technical Proficiency Panel

Sec. 1. As used in this chapter, "panel" refers to the workforce proficiency panel established by section 2 of this chapter within the department.

Sec. 2. The workforce proficiency panel is established within the department to oversee the development of technical proficiencies and the technical field certificates of achievement at the secondary level under IC 20-32-3 and the postsecondary level under IC 20-12-1-10. The panel consists of nine (9) members who:

(1) are appointed by the governor; and
(2) represent employers, employees, and educators.

Sec. 3. The term of a panel member is four (4) years.

Sec. 4. A vacancy on the panel shall be filled for the unexpired term in the same manner as the original appointment.
Sec. 5. (a) Except as provided in subsection (b), a member of the panel is not entitled to compensation for the member's services.

(b) A member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 6. The panel members shall elect a chairperson and secretary from among the members.

Sec. 7. The panel shall meet upon the call of the chairperson.

Sec. 8. (a) The department is the lead agency for implementing this chapter.

(b) The department of education, the department, and the commission for higher education shall provide staff support to the panel.

Sec. 9. The duties of the panel include the following:

1. To determine the essential and technical skills required to be effective in the various technical trades and professions.
2. To determine the statewide technical proficiencies of major occupational areas considered to be necessary in the workforce.
3. To review existing vocational and technical education programs at the secondary and postsecondary level to determine:
   A. whether these programs meet the essential skill and statewide technical proficiency standards determined by the panel; and
   B. whether there exists duplication in programs or deficiencies in program alternatives at any level.
4. To improve technical proficiency based curricula for existing vocational programs.
5. To make available to the pilot workplace learning programs developed by the panel required essential skills and technical proficiencies in the major occupational areas.
6. To adopt the secondary level and postsecondary level technical certificate of achievement assessment instruments and standards under IC 20-32-3 and IC 20-12-1-10, respectively.

Sec. 10. (a) In addition to the duties set forth in section 9 of this chapter, the panel shall make recommendations concerning statewide technical proficiencies to the department of education and the commission for higher education.

(b) The Indiana state board of education shall establish a
curriculum based on the recommendations under subsection (a).

c) The commission for higher education shall incorporate the recommended statewide technical proficiencies into the commission's standards for program approval.

Sec. 11. The panel may establish committees to develop specific technical proficiencies.

Sec. 12. The panel shall submit a report before August 1 of each year to the governor, the general assembly, the Indiana state board of education, and the commission for higher education detailing the panel's work. A report submitted under this section to the general assembly must be in an electronic format under IC 5-14-6.

SECTION 47. IC 36-10-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 12. Children's Museum in Marion County

Sec. 1. As used in this chapter, "board of school trustees" means the school board of an incorporated town.

Sec. 2. As used in this chapter, "children's museum" means a museum located in a county containing a consolidated city, if the museum is:

(1) incorporated under the Indiana law without stock and without purpose of gain to the museum's members; and
(2) organized to maintain in the county a permanent museum containing objects and items:
   (A) of interest primarily to children; and
   (B) for the encouragement and education of children.

Sec. 3. As used in this chapter, "incorporated town" means an incorporated town located in a county containing a consolidated city.

Sec. 4. As used in this chapter, "township" means a school township that is located in a county containing a consolidated city.

Sec. 5. As used in this chapter, "township board" means the township board of a township.

Sec. 6. As used in this chapter, "township trustee" means the duly elected trustee of the civil township in which a school township is located.

Sec. 7. (a) With the consent of the township board, the township trustee may provide financial assistance to a children's museum. The assistance shall be:

(1) paid from the funds of the school township;
(2) budgeted and appropriated as provided by law; and
(3) in an amount each year not to exceed the product of twenty-five cents ($0.25) multiplied by the average daily attendance of children enrolled in grades 1 through 8 in the public schools of the township as reported in the last preceding annual report to the state superintendent of public instruction.

(b) The assistance under subsection (a) is payable annually. The trustee and the township board may continue the assistance annually if the board of trustees or other governing body of the children's museum has accepted by resolution the provisions of this chapter and has filed a certified copy of the resolution with the township trustee of the township before the date of the first payment.

Sec. 8. (a) The board of school trustees of a town may provide financial assistance to a children's museum. The assistance shall be:

(1) paid from the funds of the school town; and

(2) in an amount each year not to exceed the product of twenty-five cents ($0.25) multiplied by the average daily attendance of children enrolled in grades 1 through 8 in the public schools of the town as reported in the last preceding annual report to the state superintendent of public instruction.

(b) The assistance under subsection (a) is payable annually. The board of school trustees may continue the assistance annually if the board of trustees or other governing body of the children's museum has accepted by resolution the provisions of this chapter and has filed a certified copy of the resolution with the board of school trustees before the date of the first payment.

Sec. 9. (a) A children's museum is not entitled to receive financial assistance under sections 7 and 8 of this chapter until the board of trustees or other governing body of the museum agrees with the township trustee or board of school trustees, by proper resolution, to do the following:

(1) To allow the county superintendent of schools of the county to attend all meetings of the board of trustees or other governing body of the children's museum so that the superintendent is advised as to the work done and proposed to be done by the children's museum.

(2) To allow the township trustees of a township or board of school trustees of a town furnishing financial assistance to the children's museum to nominate individuals eligible for membership on the board of trustees or other governing body of the museum. The children's museum must elect one (1) member
from the list or lists of individuals nominated as a member of the board of trustees or other governing body of the children's museum. The member elected under this subdivision represents all townships and towns.

(3) To grant free admission to the children's museum and galleries to all students and teachers of a township or town that furnishes financial assistance to the children's museum.

(4) To allow the use, at reasonable times and in reasonable ways, of the plant, equipment, and facilities of the children's museum to educate the students of the township or town.

(5) To allow the use of the services of the personnel of the children's museum, at reasonable times and in reasonable ways, under the direction of the children's museum, if the services are consistent with the regular established duties of the personnel.

(6) To allow the loan of suitable and available objects and items from the children's museum's collection to a school of the township or town to aid and supplement the curriculum of the school.

(b) A copy of the resolution must be filed in the office of the township trustee or with the secretary of the board of school trustees before the children's museum receives financial assistance under this chapter.

Sec. 10. After a children's museum qualifies to receive financial assistance from a township or town under this chapter, the board of trustees or the governing body of the children's museum is not required to adopt new resolutions each year. Each original resolution continues and remains in full force and effect until the original resolution is revoked or rescinded by another resolution that is certified and filed under this chapter.

Sec. 11. A children's museum is entitled to receive the benefits provided under this chapter for as long as the board of trustees or governing body of the children's museum performs or is willing to perform the duties set forth in section 9 of this chapter.

SECTION 48. IC 36-10-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 13. Cultural Institutions

Sec. 1. As used in this chapter, "art association" means a nonprofit corporation organized under Indiana law to:

(1) maintain a permanent art gallery; and
(2) promote education in the fine and industrial arts;
that owns, possesses, or maintains property for those purposes.

Sec. 2. As used in this chapter, "cultural institution" means a historical society, an art association, or other nonprofit corporation organized under Indiana law to further the cultural development of the public.

Sec. 3. As used in this chapter, "historical society" means a nonprofit corporation organized under Indiana law to:

1) maintain a permanent historical museum; and
2) promote a knowledge of local ancestral heritage and custom;
that owns, possesses, or maintains property for those purposes.

Sec. 4. (a) This section does not apply to a school corporation in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) The governing body of a school corporation may annually appropriate, from the school corporation's general fund, a sum of not more than five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation to be paid to a historical society, subject to section 6 of this chapter.

Sec. 5. (a) This section applies only to a school corporation in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) To provide funding for a historical society under this section, the governing body of a school corporation may impose a tax of not more than five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation.

(c) A tax under this section is not subject to the tax levy limitations imposed on the school corporation by IC 6-1.1-19-1.5 or IC 21-2-11-8.

(d) The school corporation shall deposit the proceeds of the tax in a fund to be known as the historical society fund. The historical society fund is separate and distinct from the school corporation's general fund and may be used only to provide funds for a historical society under this section.

(e) Subject to section 6 of this chapter, the governing body of the school corporation may annually appropriate the money in the fund to be paid in semiannual installments to a historical society having facilities in the county.

Sec. 6. Before a historical society may receive payments under sections 4 and 5 of this chapter, the historical society's governing board must adopt a resolution that entitles:
(1) the governing body of the school corporation to appoint the school corporation’s superintendent and one (1) history teacher as visitors who may attend all meetings of the society’s governing board;
(2) the governing body of the school corporation to nominate two (2) individuals for membership on the society’s governing board;
(3) the school corporation to use the society's facilities and equipment for educational purposes consistent with the society's purposes;
(4) the students and teachers of the school corporation to tour the society’s museum, if any, free of charge; and
(5) the school corporation to borrow artifacts from the society’s collection, if any, for temporary exhibit in the schools.

Sec. 7. (a) This section applies to school corporations in a county containing a city having a population of:
(1) more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000);
(2) more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);
(3) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);
(4) more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000); or
(5) more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(b) To provide funding for an art association under this section, the governing body of a school corporation may impose a tax of not more than five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation. The tax is not subject to the tax levy limitations imposed on the school corporation by IC 6-1.1-19-1.5 or IC 21-2-11-8.

(c) The school corporation shall deposit the proceeds of the tax imposed under subsection (b) in a fund to be known as the art association fund. The art association fund is separate and distinct from the school corporation's general fund and may be used only to provide funds for an art association under this section. The governing body of the school corporation may annually appropriate the money in the fund to be paid in semianual installments to an art association having facilities in a city that is described in subsection (a), subject to subsection (d).
(d) Before an art association may receive payments under this section, the association’s governing board must adopt a resolution that entitles:

1. the governing body of the school corporation to appoint the school corporation's superintendent and director of art instruction as visitors who may attend all meetings of the association's governing board;
2. the governing body of the school corporation to nominate individuals for membership on the association's governing board, with at least two (2) of the nominees to be elected;
3. the school corporation to use the association's facilities and equipment for educational purposes consistent with the association's purposes;
4. the students and teachers of the school corporation to tour the association's museum and galleries free of charge;
5. the school corporation to borrow materials from the association for temporary exhibit in the schools;
6. the teachers of the school corporation to receive normal instruction in the fine and applied arts at half the regular rates charged by the association; and
7. the school corporation to expect exhibits in the association's museum that will supplement the work of the students and teachers of the corporation.

A copy of the resolution, certified by the president and secretary of the association, must be filed in the office of the school corporation before payments may be received.

(e) A resolution filed under subsection (d) is not required to be renewed annually. The resolution continues in effect until rescinded. An art association that complies with this section is entitled to continue to receive payments under this section as long as the art association complies with the resolution.

(f) If more than one (1) art association in a city that is described in subsection (a) qualifies to receive payments under this section, the governing body of the school corporation shall select the one (1) art association best qualified to perform the services described in subsection (d). A school corporation may select only one (1) art association to receive payments under this section.

Sec. 8. (a) This section applies to school corporations in a county:

1. containing a consolidated city; or
2. having a population of more than four hundred thousand
(400,000) but less than seven hundred thousand (700,000).

(b) Subject to subsection (c), the governing body of a school corporation may annually appropriate sums to be paid to cultural institutions that are reasonably commensurate with the educational and cultural contributions made by the institutions to the school corporation and the school corporation's students.

(c) Before a cultural institution may receive payments under this section, the president and secretary of the cultural institution must file with the school corporation an affidavit stating that the cultural institution meets the following requirements:

1. The governing board has adopted a resolution that entitles a representative of the school corporation to attend and speak at all meetings of the governing body.
2. The cultural institution:
   A. admits the public to galleries, museums, and facilities at reasonable times and allows public use of those facilities free of charge; or
   B. provides alternative services free of charge to the public instead of admission to those facilities.

The governing body of the school corporation shall judge whether the alternative services are conducive to the education or cultural development of the public.
3. The cultural institution has a permanent location in the municipality where the cultural institution conducts the cultural institution's principal educational or cultural purpose.
4. The cultural institution has no general taxing authority.

The affidavit must be filed at least thirty (30) days before a request for an appropriation under this section.

(d) A cultural institution that complies with this section may continue to receive payments under this section as long as the school corporation appropriates sums for that purpose.

SECTION 49. IC 36-12 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 12. LIBRARIES
Chapter 1. Definitions and General Provisions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Indiana library and historical board" refers to the Indiana library and historical board established by IC 4-23-7-2.
Sec. 3. "Library board" means the fiscal and administrative body
of a public library.

Sec. 4. "Library district" means the territory within the corporate boundaries of a public library.

Sec. 5. "Public library" means a municipal corporation that:

(1) provides library services; and
(2) is organized under:
   (A) IC 36-12-2;
   (B) IC 36-12-4;
   (C) IC 36-12-5;
   (D) IC 36-12-6; or
   (E) IC 36-12-7.

Sec. 6. "School board" means the governing body as set forth in IC 20-18-2-5.

Sec. 7. "School corporation" has the meaning set forth in IC 20-33-5-1.

Sec. 8. (a) The state shall encourage the establishment, maintenance, and development of public libraries throughout Indiana as part of the provision for public education of Indiana.

(b) Public libraries provide free library services for all individuals in order to meet the educational, informational, and recreational interests and needs of the public.

(c) Library services include:

(1) collecting and organizing books and other library materials; and
(2) providing reference, loan, and related services to library patrons.

(d) Library services are provided by public libraries supported by public funds.

Sec. 9. Public libraries are classified as either:

(1) Class 1 libraries, which comprise:
   (A) all public libraries established after March 13, 1947; and
   (B) all public libraries established before March 14, 1947, that have filed a resolution of conversion under section 10 of this chapter; or

(2) Class 2 public libraries, which comprise all public libraries established before March 14, 1947, that have not filed a resolution of conversion under section 10 of this chapter.

Sec. 10. (a) A Class 2 library may convert to Class 1 status if the Class 2 library board passes the following resolution of conversion:

"__________ Public Library, by action of its library board,
resolves to convert to a Class 1 library district subject to IC 36-12-2.”.

(b) The resolution of conversion:
   (1) must describe the territory included in the library district; and
   (2) is irrevocable.

(c) The resolution of conversion must be signed by a majority of library board members. Not later than five (5) days after approving the resolution of conversion, the library board shall file a copy of the resolution of conversion:
   (1) in the office of the county recorder in the county where the administrative office of the public library is located; and
   (2) with the Indiana state library.

(d) The library board shall give notice of the resolution of conversion to all officials who have appointive powers under IC 36-12-2.

(e) The officials under subsection (d) shall appoint a library board for the public library. Members of the old library board shall continue to serve as library board members until:
   (1) a majority of the new library board has been appointed; and
   (2) the new appointees have taken an oath of office to serve on the library board.

(f) Upon the:
   (1) filing of the resolution of conversion;
   (2) appointments under IC 36-12-2; and
   (3) oath of office of the new library board under IC 36-12-2-19; any current tax levies continue under authority granted to the Class 2 library until the next succeeding calendar year, at which time the tax provisions for Class 1 libraries under IC 36-12-3-12 apply.

(g) The obligation of a political subdivision to levy and collect taxes for library purposes remains effective after the conversion.

Sec. 11. (a) Class 2 libraries shall operate under the applicable provisions of IC 36-12-7.

(b) The library boards of Class 2 libraries may elect to adopt:
   (1) IC 36-12-2-22;
   (2) IC 36-12-2-24;
   (3) IC 36-12-2-25; and
   (4) IC 36-12-3.

(c) Class 2 libraries that elect only the sections set forth in subsection (b) retain the status of Class 2 libraries.
(d) The library board of the Class 2 libraries that elect only the sections set forth in subsection (b) shall file with the Indiana state library a copy of the part of the library board's minutes showing passage of the board's resolution to elect:

1. IC 36-12-2-22;
2. IC 36-12-2-24;
3. IC 36-12-2-25; and
4. IC 36-12-3.

(e) The election of IC 36-12-2-22, IC 36-12-2-24, IC 36-12-2-25, and IC 36-12-3 is irrevocable.

Sec. 12. (a) This section applies to a board of a public library that allows library patrons to use library software to access the Internet or other computer network.

(b) As used in this section, "computer network" has the meaning set forth in IC 35-43-2-3.

(c) The board of a public library shall adopt a policy concerning the appropriate use of the Internet or other computer network by library patrons in all areas of the library.

(d) The board shall make the policy adopted under subsection (c) readily available to all library patrons.

(e) The board of a public library shall annually review the policy adopted under subsection (c).

Sec. 13. A township trustee of a township that is:
1. located in a county having a population of more than thirty-three thousand six hundred (33,600) but less than thirty-three thousand eight hundred (33,800); and
2. not served by a public library;
may pay the cost of a library card at the nearest library for a resident of the township upon request of the resident.

Chapter 2. Class 1 Public Libraries: Organization and Board Members

Sec. 1. This chapter applies only to Class 1 public libraries.

Sec. 2. (a) A Class 1 public library is a municipal corporation, known as _________ Public Library.

(b) In the name of the Class 1 public library under subsection (a), the public library may:
1. contract and be contracted with; and
2. sue and be sued in court.

(c) Each public library constitutes an independent taxing unit for purposes of IC 6-1.1-1-21.
Sec. 3. (a) The corporate boundaries of the public library must be described in the resolution of establishment, conversion, transfer, or merger filed:

(1) in the office of the county recorder in the county where the administrative office of the public library is located; and
(2) with the Indiana state library.

(b) If the corporate boundaries of a unit and a Class 1 public library are coextensive, territory annexed by the unit becomes part of the library district if the annexed territory is not already part of another library district. Whenever a public library annexes territory under this subsection, the library board shall file a statement describing the annexed territory:

(1) in the office of the county recorder in the county where the administrative office of the public library is located; and
(2) with the Indiana state library.

If the territory annexed by a unit is already a part of another library district, the territory remains a part of the other library district unless the library boards of both public libraries pass a resolution of transfer under section 4 of this chapter.

Sec. 4. One (1) public library may transfer a part of the territory of the library to another public library according to the following procedure:

(1) The library boards of each public library must pass a resolution of transfer signed by a majority of the entire membership of each library board agreeing to the transfer.
(2) The library boards of each public library must include a description of the transferred territory in the respective resolutions of each public library.
(3) Each of the library boards must file a copy of the resolution of transfer:

(A) in the office of the county recorder in the county where the administrative office of the respective public library is located; and
(B) with the Indiana state library.

Sec. 5. (a) The legislative body of a municipality, township, county, or part of a county, any of which is not already taxed for public library purposes, that has:

(1) a population of at least ten thousand (10,000); or
(2) an assessed valuation that is at least as high as the median of the most recent certified assessed valuation of the ten (10) library
taxing districts closest in population to ten thousand (10,000); may establish a public library for the residents of the municipality, township, county, or part of the county.

(b) The establishment of the public library may be initiated either by:

(1) the legislative body passing a written resolution; or
(2) filing a petition with the legislative body that has been signed by at least twenty percent (20%) of the registered voters of the municipality, township, county, or part of a county, as determined by the last preceding general election.

(c) Not later than ten (10) days after a petition is filed under subsection (b)(2), the municipality, township, county, or part of a county shall give notice of the filing of the petition in two (2) newspapers of general circulation in the county, one (1) of which is published in the municipality where the library is to be located, if a newspaper is published in the municipality.

(d) Not later than ten (10) days after the publication of the petition under subsection (c), a registered voter in the municipality, township, county, or part of a county where the public library is proposed to be established may file with the respective municipality, township, or county a remonstrance that:

(1) is signed by registered voters in the municipality, township, county, or part of the county where the public library is proposed to be established; and
(2) states that the registered voters who have signed the remonstrance are opposed to the establishment of the public library.

(e) The following apply to a petition that is filed under subsection (b)(2) or a remonstrance that is filed under subsection (d):

(1) The petition or remonstrance must show the following:
   (A) The date on which each individual signed the petition or remonstrance.
   (B) The residence of each individual on the date the individual signed the petition or remonstrance.

(2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance stating that each signature on the petition or remonstrance:
   (A) was affixed in the individual's presence; and
   (B) is the true signature of the individual who signed the petition or remonstrance.
(3) Several copies of the petition or remonstrance may be executed. The total of the copies constitute a petition or remonstrance. A copy must include an affidavit as described in subdivision (2). An individual who signed the petition, remonstrance, or copy may file the petition, the remonstrance, or a copy. All copies constituting a petition or remonstrance must be filed on the same day.

(4) The clerk of the circuit court in the county where the municipality, township, county, or part of a county where the public library that is proposed to be established is located shall do the following:

   (A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk shall strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both, if the individual signed both a petition and a remonstrance.

   (B) Strike the name from either the petition or the remonstrance of an individual who:

       (i) signed both the petition and the remonstrance; and
       (ii) personally, in the clerk's office, makes a voluntary written and signed request for the clerk to strike the individual's name from the petition or the remonstrance.

   (C) Not more than fifteen (15) days after a petition or remonstrance is filed, certify the number of signatures on the petition or remonstrance that:

       (i) are not duplicates; and
       (ii) represent individuals who are registered voters in the municipality, township, county, or part of a county where the public library is proposed to be established, on the day the individuals signed the petition or remonstrance.

   (D) Establish a record of the clerk's certification in the clerk's office and file:

       (i) the original petition;
       (ii) the original remonstrance, if any; and
       (iii) a copy of the clerk's certification;

       with the legislative body of the municipality, township, or county.

The clerk of the circuit court may only strike an individual's name from a petition or remonstrance as set forth in clauses (A) and (B).
(f) At the first meeting of the legislative body held at least ten (10) days after the publication of the petition, the legislative body shall compare the petition and any remonstrance. Whenever:
   (1) a remonstrance has not been filed; or
   (2) a greater number of voters have signed the petition than have signed the remonstrance against the establishment of the public library;
the legislative body shall establish by written resolution the public library with a library district coextensive with the boundaries of the unit or part of a county, whichever is applicable.

(g) The establishment of the public library is effective as of the date the written resolution is passed. The legislative body shall file a copy of the resolution not later than five (5) days after the resolution is passed:
   (1) with the county recorder in the county where the administrative office of the public library is located; and
   (2) with the Indiana state library.

(h) The legislative body shall give notice to the officials who have the power to appoint members of the library board for the new public library under section 9 of this chapter. The officials shall appoint the library board for the new public library under section 9 of this chapter as soon as possible after the officials are notified.

(i) When the number of registered voters who have signed a remonstrance against the establishment of the public library is equal to or greater than the number who have signed the petition in favor of the establishment of the public library, the legislative body shall dismiss the petition. Another petition to establish a public library may not be initiated until one (1) year after the date the legislative body dismissed the latest unsuccessful petition.

Sec. 6. (a) The following apply to a petition or remonstrance filed under section 5 of this chapter:
   (1) The petition or remonstrance must show the following:
      (A) The date on which each individual signed the petition or remonstrance.
      (B) The residence of each individual on the date the individual signed the petition or remonstrance.
   (2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance stating that each signature on the petition or remonstrance:
      (A) was affixed in the individual's presence; and
(B) is the true signature of the individual who signed the petition or remonstrance.

(3) The clerk of the circuit court or the board of registration shall do the following:

(A) Strike all names appearing more than one (1) time on the petition or remonstrance.

(B) Certify the number of signatures on the petition or remonstrance that:

(i) are not duplicates; and

(ii) represent individuals who are registered voters in the county, the part of the county, or the municipality.

(b) The clerk of the circuit court shall complete the certification required by subsection (a) not later than fifteen (15) days after the petition or remonstrance is filed.

Sec. 7. (a) Except as provided in subsection (b), an appointee to a library board must:

(1) reside in the library district during the time the appointee is on the library board; and

(2) have resided in the library district served by the public library for at least the two (2) years immediately preceding the appointee's appointment to the library board.

(b) This subsection does not apply to a public library established by a county. If part or all of one (1) or more townships are contracting for service from a public library under IC 36-12-3-7, the appointing authority, in making an appointment under section 9(4) of this chapter, may name a resident of one (1) township to serve on the library board as the appointment of the appointing authority. However, the township appointee ceases to be a member of the library board if the township in which the appointee resides fails to renew the township's contract for library service.

Sec. 8. (a) Except as provided in subsection (b), an appointee to a library board may not serve more than four (4) consecutive terms on the library board. The consecutive terms are computed without regard to a change in the appointing authority that appointed the member or the length of any term served by the appointee. If:

(1) a member's term is interrupted due to the merger of at least two (2) public libraries under IC 36-12-4; and

(2) the member is reappointed to the merged public library board;

the term that was interrupted may not be considered in determining
the number of consecutive terms a member may serve on a library board.

(b) This subsection applies to a library board for a library district having a population of less than three thousand (3,000). If an appointing authority conducts a diligent but unsuccessful search for a qualified individual who wishes to be appointed to serve on the library board:

(1) the appointing authority may reappoint a board member who has served four (4) or more consecutive terms; and

(2) state funds may not be withheld from distribution to the library.

The appointing authority shall file with the library board a written description of the search that was conducted under this subsection. The record becomes a part of the official records of the library board.

Sec. 9. Except as provided in section 15 of this chapter and subject to section 16 of this chapter, seven (7) members of a library board shall be appointed as follows:

(1) One (1) member appointed by the executive of the county in which the library district is located, or if the district is located in more than one (1) county, jointly by the executives of the respective counties.

(2) One (1) member appointed by the fiscal body of the county in which the library district is located, or if the district is located in more than one (1) county, jointly by the fiscal bodies of the respective counties.

(3) Three (3) members appointed by the school board of the school corporation serving the library district. However, if there is more than one (1) school corporation serving the library district:

(A) two (2) members shall be appointed by the school board of the school corporation in which the principal administrative offices of the public library are located; and

(B) one (1) member shall be appointed by a majority vote of the presidents of the school boards of the other school corporations.

(4) One (1) member appointed under section 10(1), 11(b)(1), 12(1), 13(1), or 14(1) of this chapter, as applicable.

(5) One (1) member appointed under section 10(2), 11(b)(2), 12(2), 13(2), or 14(2) of this chapter, as applicable.

Sec. 10. This section applies to the appointment of members to the
library board of a public library serving a library district that is located in more than one (1) county and is not entirely located within the boundaries of one (1) municipality. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

1. One (1) member appointed jointly by the executive of the respective counties.
2. One (1) member appointed jointly by the fiscal bodies of the respective counties.

Sec. 11. (a) This section applies to the appointment of members to the library board of a public library serving a library district that is located in one (1) county and:

1. has been established by a county or merged into a county public library;
2. results from the merger of a public library into a county public library under IC 36-12-4;
3. is located in part or all of two (2) or more townships and is not entirely located within the boundaries of one (1) municipality; or
4. is located in part or all of two (2) or more municipalities.

(b) Subject to subsection (c), in a public library described in subsection (a), the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

1. One (1) member appointed by the executive of the county in which the library district is located.
2. One (1) member appointed by the fiscal body of the county in which the library district is located.

(c) This subsection applies to a county containing only two (2) Class 1 public libraries and having a population of more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000), or more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000). In a public library that is the result of a merger occurring after December 31, 1979, between a public library and a county contractual public library, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

1. One (1) member appointed by the executive of the municipality in which the principal administrative offices of the public library are located.
2. One (1) member appointed by the legislative body of the
municipality in which the principal administrative offices of the public library are located.

Sec. 12. This section applies to the appointment of members to the library board of a public library serving a library district that is entirely located in the unincorporated areas of the township. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

1. One (1) member appointed by the executive of the township in which the library district is located.
2. One (1) member appointed by the legislative body of the township in which the library district is located.

Sec. 13. This section applies to the appointment of members to the library board of a public library serving a library district that is entirely located in one (1) township and includes part or all of only one (1) municipality. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

1. One (1) member appointed by the legislative body of the township in which the library district is located.
2. One (1) member appointed by the legislative body of the municipality in which the library district is located.

Sec. 14. This section applies to the appointment of members to the library board of a public library serving a library district that is entirely located within the boundaries of one (1) municipality. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

1. One (1) member appointed by the executive of the municipality in which the library district is located.
2. One (1) member appointed by the legislative body of the municipality in which the library district is located.

Sec. 15. (a) This section applies to the library board of a library district:

1. located in a county having a population of more than fifty-five thousand (55,000) but less than sixty-five thousand (65,000); and
2. containing all or part of the territory of each school corporation in the county.

(b) Notwithstanding section 9 of this chapter, the library board has the following members:

1. One (1) member appointed by the executive of the county in which the library district is located and who is not a member of
the county executive.
(2) One (1) member appointed by the fiscal body of the county in which the library district is located and who is not a member of the county fiscal body.
(3) One (1) member appointed by the legislative body of the most populous city in the library district and who is not a member of the city legislative body.
(4) One (1) member appointed by the school board of each school corporation having territory in the library district and who is not a member of a governing body of a school corporation.
(c) An individual who is appointed under subsection (b) to serve as a member of a library board must, before March 1 of each year, report to the member's appointing authority concerning the work of the library board and finances of the library during the preceding calendar year, including the rate of taxation determined under IC 36-12-3-12.

Sec. 16. (a) This section applies to the appointment of members to a library board of a public library serving a library district that is:
(1) partly or fully within the boundaries of a consolidated city; and
(2) fully within the boundaries of one (1) county.
(b) Seven (7) members of a library board shall be appointed in the following order as the terms of previously appointed members expire:
(1) One (1) member appointed by the board of county commissioners of the county in which the library district is located.
(2) One (1) member appointed by the fiscal body of the county in which the library district is located.
(3) One (1) member appointed by the board of county commissioners of the county in which the library district is located.
(4) Two (2) members appointed by the school board of the school corporation in which the principal administrative offices of the public library are located.
(5) One (1) member appointed by the board of county commissioners of the county in which the library district is located.
(6) One (1) member appointed by the fiscal body of the county in which the library district is located.

Sec. 17. The four (4) additional members of a county contractual
library board required by IC 36-12-6-2 shall be appointed as follows:

1. Two (2) members appointed by the executive of the county in which the county contractual library district is located.
2. Two (2) members appointed by the county superintendent of schools, or if there is no county superintendent of schools, by the county auditor of the county in which the library district is located.

Sec. 18. (a) Subject to subsection (b), the term of a library board member is four (4) years. A member may continue to serve on a library board after the member's term expires until the member's successor is qualified under section 19 of this chapter. The term of the member's successor is not extended by the time that has elapsed before the successor's appointment and qualification. If a member is appointed to fill a vacancy on a library board, the member's term is the unexpired term of the member being replaced.

(b) Except for a library board whose membership is established under section 15 of this chapter, for purposes of establishing staggered terms for the members of a library board, the initial members shall serve the following terms:

1. One (1) year for one (1) member appointed under section 9(1), 9(5), 16(b)(1), 16(b)(2), or 17(1) of this chapter.
2. Two (2) years for one (1) member appointed under section 9(3)(A), 9(4), 16(b)(3), 16(b)(4), or 17(2) of this chapter.
3. Three (3) years for one (1) member appointed under section 9(2), 9(3)(A), 16(b)(4), 16(b)(5), or 17(1) of this chapter.
4. Four (4) years for one (1) member appointed under section 9(3)(B), 16(b)(6), or 17(2) of this chapter.

(c) When an appointing authority appoints members to terms of different length under subsection (b), the appointing authority shall designate which member serves each term.

Sec. 19. (a) An appointing authority under this chapter shall issue to each appointee to a library board a signed certificate of appointment.

(b) Not more than ten (10) days after the receipt of the certificate of appointment, the appointee shall take an oath of office, before an individual authorized by law to administer the oath, to the effect that the appointee will faithfully discharge the appointee's duties to the best of the appointee's ability.

(c) The appointee shall file the certificate of appointment and the endorsed oath with the records of the public library, which shall be
Sec. 20. (a) A library board member may be removed at any time by the appointing authority, after public hearing, for any cause:

(1) that interferes with the proper discharge of the member's duties as a member of the board; or

(2) that jeopardizes public confidence in the member.

(b) A vacancy occurs whenever a member is absent from six (6) consecutive regular board meetings for any cause other than illness. The appointing authority shall be notified by the secretary of the board of a vacancy.

Sec. 21. A member of a library board shall serve without compensation. A board member may not serve as a paid employee of the public library, except the treasurer as provided in section 22 of this chapter.

Sec. 22. (a) The library board shall annually elect a treasurer of the public library. The treasurer may be either:

(1) a member of the library board; or

(2) an employee of the library.

However, the library director appointed under section 24 of this chapter may not also be treasurer.

(b) The library board may fix the rate of compensation for the services of the treasurer.

(c) The treasurer:

1. is the official custodian of all library funds;

2. is responsible for the proper safeguarding and accounting of all library funds;

3. shall issue warrants approved by the library board in payment of expenses lawfully incurred in behalf of the public library; and

4. shall make financial reports of library funds and present the reports to the library board every month.

(d) The library board may prescribe the powers and duties of the treasurer consistent with this chapter.

(e) The treasurer may be removed by the board at any regular or special meeting by a majority vote of the entire membership of the board.

(f) The board may elect a successor treasurer if a vacancy occurs in the office.

(g) The treasurer shall give a surety bond for the faithful performance of the treasurer's duty and for the accurate accounting
of all money coming into the treasurer's custody. The bond must be:

(1) written by an insurance company licensed to do business in Indiana;
(2) for the term of office of the treasurer;
(3) in an amount determined by the library board;
(4) paid for with the money from the library fund;
(5) payable to the state of Indiana;
(6) approved by the library board; and
(7) deposited in the office of the recorder of the county in which the library district is located.

Sec. 23. (a) Upon the creation of a new public library, the library board shall meet not later than ten (10) days after a majority of the appointees have taken an oath of office. The organizational meeting may be called by any two (2) members. At the meeting, the board shall:

(1) elect from the members of the board a president, a vice president, a secretary, and other officers that the board determines are necessary; and
(2) adopt bylaws for the board's procedure and management and for the management of the public library.

Officers of the board shall be elected annually.

(b) A majority of the library board members constitutes a quorum for the transaction of business. The library board shall meet:

(1) at least monthly; and
(2) at any other time a meeting is necessary.

Meetings may be called by the president or any two (2) board members. All meetings of the board, except necessary executive sessions of the officers, are open to the public.

Sec. 24. (a) The library board shall select a librarian who holds a certificate under IC 36-12-11 to serve as the director of the library. The selection shall be made solely upon the basis of the candidate's training and proficiency in the science of library administration. The board shall fix the compensation of the director. The director, as the administrative head of the library, is responsible to the board for the operation and management of the library.

(b) The library board shall employ and discharge librarians and other individuals that are necessary in the administration of the affairs of the library. The board shall:

(1) fix and pay the compensation;
(2) classify and adopt schedules of salaries; and
(3) determine the number and prescribe the duties; of the librarians and other individuals, with the advice and recommendations of the library director.

(c) In exercising the powers of the library board under this section, the library board may reimburse:

(1) candidates for employment for expenses reasonably incurred while interviewing; and

(2) new employees for the reasonable moving expenses of the employees.

If the library board exercises authority under this subsection, the board shall establish reasonable levels of reimbursement for the purposes of this subsection.

(d) A library board may provide severance pay to a library employee who is involuntarily separated from employment with the library.

Sec. 25. (a) The residents or real property taxpayers of the library district taxed for the support of the library may use the facilities and services of the public library without charge for library or related purposes. However, the library board may:

(1) fix and collect fees and rental charges; and

(2) assess fines, penalties, and damages for the:

(A) loss of;

(B) injury to; or

(C) failure to return;

any library property or material.

(b) A library board may issue local library cards to:

(1) residents of the library district; or

(2) Indiana residents who are not residents of the library district; who apply for the cards.

(c) Except as provided in subsection (d), a library board must set and charge a fee for a local library card issued under subsection (b)(2). The minimum fee that the board may set under this subsection is the greater of the following:

(1) The library district’s operating fund expenditure per capita in the most recent year for which that information is available in the Indiana state library’s annual "Statistics of Indiana Libraries".

(2) Twenty-five dollars ($25).

(d) A library board may charge a reduced fee or not charge a fee for a local library card under subsection (c) that is issued to an
Indiana resident who is:
(1) a student enrolled in a public school corporation that is located at least in part in the library district; and
(2) not a resident of the library district.

Chapter 3. Powers and Duties of Class 1 Public Libraries
Sec. 1. This chapter applies only to Class 1 public libraries.
Sec. 2. The library board shall comply with and participate in the statewide library card program described in IC 4-23-7.1-5.1. However, the library board may enter into a reciprocal borrowing agreement with another library board under section 7 of this chapter or IC 36-1-7 to:
(1) provide to; or
(2) receive from;
the other library board library service.
Sec. 3. The library board shall govern and set policy for all the affairs of the public library. The library board may:
(1) make rules for the discharge of the library board's responsibilities; and
(2) manage and insure all real and personal property belonging to the public library.
Sec. 4. (a) The library board may establish a sufficient number of:
(1) libraries;
(2) branch libraries; or
(3) stations;
that are conveniently located to serve the residents of the library district within the resources available.
(b) The library board may provide suitable rooms, structures, facilities, furniture, apparatus, and other articles necessary for the thorough organization and efficient management of the libraries.
(c) The library board may provide for the establishment and operation of a museum to serve the residents of the library district.
Sec. 5. (a) The library board may:
(1) acquire real or personal property by purchase, devise, lease, condemnation, or otherwise; and
(2) own any real or personal property for purposes of the public library.
(b) The library board may:
(1) sell;
(2) exchange; or
(3) otherwise dispose of;
real property no longer needed for library purposes in accordance with IC 36-1-11.

(c) The library board may transfer personal property no longer needed for library purposes for no compensation or a nominal fee to an Indiana nonprofit library organization that is:

1. tax exempt; and
2. organized and operated for the exclusive benefit of the library disposing of the property;

without complying with IC 36-1-11.

(d) The library board may:

1. accept gifts of real or personal property; and
2. hold, mortgage, lease, or sell the property as directed by the terms of the grant, gift, bequest, or devise;

when the action is in the interest of the public library.

Sec. 6. The library board may provide for the:

1. purchase and loan of books and other media of communication; and
2. dissemination of information to the residents of the library district in any manner.

Sec. 7. (a) A library board may contract to provide or receive library service from the following municipal corporations:

1. Another public library.
2. Any unit.

(b) A contract for library service between a public library and another municipal corporation must outline the:

1. manner and extent of library service; and
2. amount of compensation for the extension of library service.

(c) This subsection does not apply to municipal corporations described in section 8 of this chapter. A municipal corporation receiving library service shall:

1. levy a tax sufficient to meet the amount of compensation agreed upon under the contract; and
2. expend all funds received under a contract for library services chargeable to the contract.

Sec. 8. (a) This section applies to municipal corporations located in a county having a population of more than thirty-six thousand seventy-five (36,075) but less than thirty-seven thousand (37,000).

(b) A municipal corporation receiving library service under section 7 of this chapter shall:

1. levy a tax sufficient to meet the amount of compensation
agreed on under the contract; or
(2) make the contract payments with revenue derived from a tax being imposed before the contract is approved by the municipal corporation, including the part of local income tax revenue that is not required to be dedicated to providing property tax relief.
(c) A library board providing service shall expend all funds received under a contract for library services chargeable to the contract.

Sec. 9. (a) A library board may, by resolution, issue bonds for one (1) or more of the following purposes:
(1) The acquisition or improvement of library sites.
(2) The acquisition, construction, extension, alteration, or improvement of structures and equipment necessary for the proper operation of a library.
(3) To refund outstanding bonds and matured interest coupons and to issue and sell refunding bonds for that purpose.
(b) The library board shall advertise and sell bonds in compliance with IC 5-1-11 at any interest rate. The bonds are payable at the time the board fixes in the authorizing resolution, but all bonds must be payable within a period of not more than twenty (20) years from the date the bonds are issued.
(c) Bonds issued under this section do not constitute a corporate obligation or indebtedness of any other political subdivision. Bonds issued under this section constitute an indebtedness of the library district only. Bonds issued under this chapter, and the interest, are tax exempt. The board shall apply the proceeds from the sale of bonds only:
(1) for the purpose for which the bonds were issued; and
(2) to the extent necessary.
Any remaining balance shall be placed in a sinking fund for the payment of the bonds and the interest on the bonds.

Sec. 10. The library board may do the following:
(1) Adopt a resolution to make loans or issue notes to refund the loans in anticipation of revenues of the library that are expected to be levied and collected during the term of the loans. The term of a loan made under this subdivision may not be more than five (5) years. Loans under this subdivision must be made in the following manner:
(A) The resolution authorizing the loans must appropriate and pledge to payment of the loans a sufficient amount of the
revenues in anticipation of which the loans are issued and out of which the loans are payable.

(B) The loans must be evidenced by warrants or tax anticipation notes of the library in terms designating:
   (i) the nature of the consideration;
   (ii) the time and place payable; and
   (iii) the revenues in anticipation of which the loans are issued and out of which the loans are payable.

(2) Borrow money from other persons.

(3) Issue, negotiate, and sell negotiable notes and bonds of the public library.

(4) Levy, assess, and collect, at the same time and in the same manner as other taxes of the public library are levied, assessed, and collected, a special tax in addition to the tax authorized by section 12 of this chapter, sufficient to pay all yearly interest on the bonded and note indebtedness of the public library.

(5) Provide a sinking fund for the liquidation of the principal of the bond when the principal of the bond becomes due.

Sec. 11. (a) A library board shall establish funds to keep money and securities of the public library as follows:

(1) All money collected from tax levies, interest on investments, fees, fines, rentals, and other revenues:
   (A) shall be deposited into the library operating fund, except as otherwise provided in this section; and
   (B) must be budgeted and expended in the manner required by law.

(2) All money received from the sale of bonds or other evidences of indebtedness for the purpose of construction, reconstruction, or alteration of library buildings, except the premium and accrued interest on the bonds, shall be deposited into the construction fund. The money shall be appropriated and expended solely for the purpose for which the indebtedness is created.

(3) All money derived from the taxes levied for the purpose of retiring bonds or other evidence of indebtedness, and any premium or accrued interest that may be received, shall be deposited into the bond and interest redemption fund. The fund shall be used for no other purpose than the repayment of indebtedness.

(4) Money or securities may be accumulated in any library
improvement reserve fund to anticipate necessary future capital expenditures, such as:
  (A) the purchase of land;
  (B) the purchase and construction of buildings or structures;
  (C) the construction of additions or improvements to existing structures;
  (D) the purchase of equipment; and
  (E) all repairs or replacement of buildings or equipment.

(5) Money or securities accepted and received by the library board as a grant, a gift, a donation, an endowment, a bequest, or a trust may be:
  (A) set aside in a separate fund or funds and shall be expended, without appropriation, in accordance with the conditions and purposes specified by the donor; or
  (B) set aside in an account with a nonprofit corporation established for the sole purpose of building permanent endowments within a community (referred to as a "community foundation"). The earnings on the funds in the account, either:
    (i) deposited by the library; or
    (ii) accepted by the community foundation on behalf of the library;

may be distributed back to the library for expenditure, without appropriation, in accordance with the conditions and purposes specified by the donor. A community foundation that distributes earnings under this clause is not required to make more than one (1) distribution of earnings in a calendar year.

(6) All money received in payment for library services or for library purchases made or to be made under the terms of a contract between two (2) or more public libraries under section 7 of this chapter shall be deposited into the contractual service fund. This money shall be:
  (A) expended solely for the purposes specified in the contract; and
  (B) disbursed without further appropriation.

(b) The library board may invest excess funds in accordance with IC 5-13-9.

Sec. 12. (a) The library board shall determine the rate of taxation for the library district that is necessary for the proper operation of the
library. The library board shall certify the rate to the county auditor. The county auditor shall certify the tax rate to the county tax adjustment board in the manner provided in IC 6-1.1. An additional rate may be levied under section 10(4) of this chapter.

(b) If the library board fails to:

(1) give:

(A) a first published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least ten (10) days before the public hearing required under IC 6-1.1-17-3; and

(B) a second published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least three (3) days before the public hearing required under IC 6-1.1-17-3; or

(2) finally adopt the budget and fix the tax levy not later than September 20;

the last preceding annual appropriation made for the public library is renewed for the ensuing year, and the last preceding annual tax levy is continued. Under this subsection, the treasurer of the library board shall report the continued tax levy to the county auditor not later than September 20.

Sec. 13. A township may appropriate general revenue sharing funds that the township receives under the federal State and Local Fiscal Assistance Act of 1972, as amended, to a Class 1 public library. Other units have authority under IC 36-10-2-4 to aid public libraries through any means available. Any general revenue sharing funds received by a public library shall be deposited in any of the funds outlined in section 11 of this chapter.

Sec. 14. When required by the interests of the library, the library board may authorize a member of the library board or an individual employed by the library to be absent from the public library. The library board may pay out of the library's funds the necessary hotel and board bills and transportation expenses of the member or individual while absent in the interest of the public library.

Sec. 15. The library board may appropriate funds necessary to provide membership of the public library in local, state, and national associations of a civic, an educational, a professional, or a governmental nature that have as their purpose the betterment and improvement of library operations.

Sec. 16. (a) The library board may adopt a resolution allowing
money to be disbursed under this section for lawful library purposes.

(b) With the prior written approval of the library board and if the library board has adopted a resolution under subsection (a), claim payments may be made in advance of library board allowance for any of the following types of expenses:

1. Property or services purchased or leased from the federal government or the federal government's agencies and the state, the state's agencies, or the state's political subdivisions.
2. Dues, subscriptions, and publications.
3. License or permit fees.
4. Insurance premiums.
5. Utility payments or connection charges.
6. Federal grant programs where:
   A. advance funding is not prohibited; and
   B. the contracting party posts sufficient security to cover the amount advanced.
7. Grants of state funds authorized by statute.
8. Maintenance and service agreements.
9. Legal retainer fees.
11. Expenses related to the educational or professional development of an individual employed by the library board, including:
   A. inservice training;
   B. attending seminars or other special courses of instruction; and
   C. tuition reimbursement;
if the library board determines that the expenditures under this subdivision directly benefit the library.
12. Leases or rental agreements.
13. Bond or coupon payments.
14. Payroll costs.
15. State, federal, or county taxes.
16. Expenses that must be paid because of emergency circumstances.
17. Other expenses described in a library board resolution.

Each payment of expenses lawfully incurred for library purposes must be supported by a fully itemized invoice or other documentation. The library director must certify to the library board before payment that each claim for payment is true and correct. The certification must be
on a form prescribed by the state board of accounts. The library board shall review and allow the claim at the library board's first regular or special meeting following the payment of a claim under this section.

(c) Purchases of books, magazines, pamphlets, films, filmstrips, microforms, microfilms, slides, transparencies, phonodiscs, phonotapes, models, art reproductions, and all other forms of library and audiovisual materials are exempt from the restrictions imposed by IC 5-22.

(d) The purchase of library automation systems must meet the standards established by the Indiana library and historical board under IC 4-23-7.1-11(b).

Sec. 17. This chapter does not limit other powers granted by any other law not in conflict with this chapter.

Sec. 18. (a) Subject to subsection (d), a library board or a person designated in writing by the library board may:

(1) collect money or library property; or

(2) compromise the amount of money;

that is owed to the library.

(b) A library board:

(1) shall determine the costs of collecting money or library property under this section; and

(2) may add the costs of collection, including reasonable attorney's fees, to money or library property that is owed and collected under this section.

(c) A library board or the library board's agent that collects money under this section shall deposit the money, less the costs of collection, in the account required by law.

(d) A person designated by the library board under subsection (a) may collect money from a person for the library only if the amount to be collected from the person is more than ten dollars ($10).

(e) A library board may compromise claims made against the library.

Chapter 4. Merger of Class 1 Public Libraries

Sec. 1. This chapter applies only to Class 1 public libraries.

Sec. 2. (a) A public library may merge with any other public library.

(b) The merger of at least two (2) public libraries must be initiated by a majority of the entire membership of each library board signing a resolution initiating the planning of a merger.
Sec. 3. (a) Not more than thirty (30) days after a resolution calling for the planning of a merger is signed under section 2 of this chapter, each library board seeking to merge under this chapter shall appoint three (3) individuals to serve on a planning committee to develop a plan for the merger of the libraries.

(b) The plan for the merger must include the following information:

1. A designation of the primary library that:
   A. is one (1) of the libraries seeking to merge; and
   B. will continue to exist as a legal entity following the merger.

2. A description of the services to be offered by the merged library.

3. The terms and conditions upon which the transfer of property among the merging libraries will be achieved.

4. A schedule for the merger process to begin and conclude.

5. Any other pertinent matter.

(c) The plan must be completed not later than one (1) year from the date that the resolution calling for the planning of the merger is signed.

(d) Upon completion of the plan described in subsection (b), the plan shall be presented to the library board of each merging library for adoption.

(e) A merger is not considered final unless a majority of the membership of each library board adopts the plan by written resolution.

Sec. 4. (a) A copy of the resolution adopting the merger described in section 3(e) of this chapter must be filed with:

1. the county recorder in each county in which merging library districts are located; and

2. the Indiana state library.

(b) After the resolution adopting the merger is filed, each library board that is not the board of the primary library shall appoint four (4) members to serve with the primary library board on an interim board.

(c) The interim board has the same duties and powers of a public library board under IC 36-12-3.

(d) After the resolution adopting the merger is filed, the budgets of the merging libraries shall be:

1. combined for the remainder of the current year; and
(2) administered by the interim board.

(e) The interim board described in subsection (b) is dissolved on December 31 of the year in which the merger takes place.

(f) The members of a merged library board shall be appointed under IC 36-12-2, and the terms of office for the members of the merged library board begin January 1 following the dissolution of the interim board.

(g) If a merger takes place after December 31 but before July 1 of the ensuing year, the interim library board described in subsection (b) shall present a new budget and tax rate to the department of local government finance to receive a new tax levy for the merged library district.

(h) If a merger takes place after June 30 but before January 1 of the ensuing year, the merged library board described in subsection (f) shall present a new budget and tax rate to the department of local government finance to receive a new tax levy for the merged library district.

Sec. 5. In the case of the merger of a municipal public library and a:

(1) county public library; or
(2) public library located in whole or in part in a consolidated city;

the municipal public library shall merge into the county public library or public library located in whole or in part in the consolidated city. The municipal board and the county board are then dissolved effective December 31 of the year of the merger and a newly created board shall take office January 1.

Chapter 5. Expansion of Class 1 Public Libraries

Sec. 1. (a) Sections 2 through 4 of this chapter apply only to Class 1 public libraries that seek to expand into not more than one (1) township of a county.

(b) Sections 5 through 12 of this chapter apply to Class 1 public libraries that seek to expand into more than one (1) township of a county by an alternative method to the method under sections 2 through 4 of this chapter.

Sec. 2. (a) The library board of a public library may file a proposed expansion with the township trustee and legislative body of the township. The proposal must state that the public library seeks to combine with a certain township or any part of a township not being taxed for public library service to form a single library district.
(b) Except as provided in section 3 of this chapter, when a township trustee and legislative body receive a proposal of expansion under this section, the legislative body may agree to the expansion proposal by written resolution.

Sec. 3. (a) When the library board presents the township trustee and legislative body with a proposal of expansion and an intent to file a petition for acceptance of the proposal of expansion, not later than ten (10) days after the filing, the township trustee shall publish notice of the proposal of expansion in the manner provided in IC 5-3-1 in a newspaper of general circulation in the township. Beginning the first day after the notice is published, and during the period that ends sixty (60) days after the date of the publication of the notice, an individual who is a registered voter of the township or part of the township may sign one (1) or both of the following:

(1) A petition for acceptance of the proposal of expansion that states that the registered voter is in favor of the establishment of an expanded library district.

(2) A remonstrance in opposition to the proposal of expansion that states that the registered voter is opposed to the establishment of an expanded library district.

(b) A registered voter of the township or part of the township may file a petition or a remonstrance, if any, with the clerk of the circuit court in the county where the township is located. A petition for acceptance of the proposal of expansion must be signed by at least twenty percent (20%) of the registered voters of the township, or part of the township, as determined by the most recent general election.

(c) The following apply to a petition that is filed under this section or a remonstrance that is filed under subsection (b):

(1) The petition or remonstrance must show the following:
   (A) The date on which each individual signed the petition or remonstrance.
   (B) The residence of each individual on the date the individual signed the petition or remonstrance.

(2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance, stating that each signature on the petition or remonstrance:
   (A) was affixed in the individual's presence; and
   (B) is the true signature of the individual who signed the petition or remonstrance.

(3) Several copies of the petition or remonstrance may be
executed. The total of the copies constitute a petition or remonstrance. A copy must include an affidavit described in subdivision (2). A signer may file the petition or remonstrance, or a copy of the petition or remonstrance. All copies constituting a petition or remonstrance must be filed on the same day.

(4) The clerk of the circuit court in the county in which the township is located shall do the following:

(A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk must strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both, if the individual signed both a petition and a remonstrance.

(B) Strike the name from either the petition or the remonstrance of an individual who:

(i) signed both the petition and the remonstrance; and
(ii) personally, in the clerk’s office, makes a voluntary written and signed request for the clerk to strike the individual’s name from the petition or the remonstrance.

(C) Certify the number of signatures on the petition and on any remonstrance that:

(i) are not duplicates; and
(ii) represent individuals who are registered voters in the township or the part of the township on the day the individuals signed the petition or remonstrance.

The clerk of the circuit court may only strike an individual’s name from a petition or a remonstrance as set forth in clauses (A) and (B).

(d) The clerk of the circuit court shall complete the certification required under subsection (c) not more than fifteen (15) days after the petition or remonstrance is filed. The clerk shall:

(1) establish a record of certification in the clerk’s office; and
(2) file the original petition, the original remonstrance, if any, and a copy of the clerk’s certification with the legislative body.

Sec. 4. (a) Not more than forty (40) days after the certification of a petition and a remonstrance, if any, under section 3 of this chapter, the township legislative body shall compare the petition and any remonstrance.

(b) If a remonstrance has not been filed or a greater number of voters have signed the petition than have signed the remonstrance, the legislative body shall agree to the expansion by written resolution. Not
more than ten (10) days after the written resolution establishing an expanded library district is adopted, the legislative body shall submit a copy of the resolution for filing:

(1) in the office of the county recorder in the county where the administrative office of the public library is located; and
(2) with the Indiana state library.

The expansion is effective as of the date the written resolution is filed.

(c) When an equal or greater number of registered voters have signed a remonstrance against the establishment of an expanded library district than the number who have signed the petition in favor of the expansion, the legislative body shall dismiss the petition. Another petition to establish the expanded library district may not be initiated until one (1) year after the date the legislative body dismissed the latest unsuccessful petition.

Sec. 5. (a) The library board of a public library may file a proposed expansion with the legislative body of the county. The proposal must state that the public library seeks to combine with more than one (1) township or parts of more than one (1) township not being taxed for public library service to form a single library district.

(b) Except as provided in section 6 of this chapter, whenever the legislative body of a county receives a proposal of expansion under this section, the legislative body may agree to the expansion proposal by written resolution.

Sec. 6. (a) Whenever a library board presents the legislative body of a county with a proposal of expansion and an intent to file a petition for acceptance of the proposal of expansion, not later than ten (10) days after the intent is filed, the county auditor shall publish notice in the manner provided in IC 5-3-1 of the proposal of expansion in a newspaper of general circulation in the county. Beginning the first day after the notice is published, and during the period that ends sixty (60) days after the date of the publication of the notice, an individual who is a registered voter of an affected township or an affected part of the township may sign one (1) or both of the following:

(1) A petition for acceptance of the proposal of expansion.
(2) A remonstrance petition in opposition to the proposal of expansion.

(b) Registered voters shall file a petition or a remonstrance, if any, with the clerk of the circuit court in the county where the townships are located. A petition for acceptance of the proposal of expansion must be signed by at least twenty percent (20%) of the registered voters.
voters of the townships or parts of townships, as determined by the most recent general election.

Sec. 7. (a) The following apply to a petition or remonstrance that is filed under section 6 of this chapter:

1. The petition or remonstrance must show the following:
   (A) The date on which each individual signed the petition or remonstrance.
   (B) The residence of each individual on the date the individual signed the petition or remonstrance.

2. The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance, stating that each signature on the petition or remonstrance:
   (A) was affixed in the individual's presence; and
   (B) is the true signature of the individual who signed the petition or remonstrance.

3. Several copies of the petition or remonstrance may be executed. The total of the copies constitutes a petition or remonstrance. A copy must include an affidavit described in subdivision (2). A signer may file a petition or remonstrance, or a copy of a petition or remonstrance. All copies constituting a petition or remonstrance must be filed on the same day.

4. The clerk of the circuit court of the county containing the townships or parts of townships shall do the following:
   (A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk must strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both, if the individual signed both a petition and a remonstrance.
   (B) Strike the name from a petition or remonstrance of an individual who personally, in the clerk's office, makes a written and signed request for the clerk to strike the individual's name.
   (C) Certify the number of signatures on the petition and remonstrance, if any, that:
      (i) are not duplicates; and
      (ii) represent individuals who are registered voters in the townships or parts of townships on the day the individuals signed the petition or remonstrance.

The clerk of the circuit court may only strike an individual's name from a petition or a remonstrance as set forth in clauses
(A) and (B).

(b) The clerk of the circuit court shall complete the certification required under subsection (a) not more than fifteen (15) days after the petition or remonstrance is filed.

Sec. 8. The clerk of the circuit court shall establish a record of the clerk's certification in the clerk's office and shall file the original petition, the original remonstrance, if any, and a copy of the certification with the legislative body.

Sec. 9. A registered voter may file with the clerk of the circuit court a remonstrance that:

1. is signed by registered voters in townships or parts of townships not already taxed for library purposes; and
2. states that registered voters who have signed the remonstrance are opposed to the establishment of the expanded library district.

Sec. 10. (a) Not more than forty (40) days after the certification of a petition and remonstrance under section 7 of this chapter, the county legislative body shall compare the petition and any remonstrance.

(b) If:

1. a remonstrance has not been filed; or
2. a greater number of registered voters have signed the petition than have signed the remonstrance;

the county legislative body shall agree to the expansion by written resolution. The expansion is effective on the date the written resolution is filed.

(c) If the number of registered voters who have signed a remonstrance against the establishment of an expanded library district is equal to or greater than the number who have signed the petition in favor of the expansion, the legislative body shall dismiss the petition. Another petition to establish the expanded library district may not be initiated until one (1) year after the date the legislative body dismissed the latest unsuccessful petition.

Sec. 11. Not more than ten (10) days after a written resolution establishing an expanded library district is adopted, the legislative body shall send a copy of the resolution to be filed:

1. in the office of the county recorder in each county where the library district is located; and
2. with the Indiana state library.

Sec. 12. (a) If not more than two (2) townships or parts of not more than two (2) townships are added to a library taxing district, at least
one (1) of the initial appointments made to the library board by the county commissioners or the county council must be from one (1) of the townships.

(b) If more than two (2) townships or parts of more than two (2) townships are added to a library district, at least two (2) of the initial appointments made to the library board by the county commissioners or the county council must be from the townships that are added to the library district.

(c) An appointment under this section may not be made before the expiration of a term in effect at the time the expansion is final.

Chapter 6. County Contractual Libraries

Sec. 1. (a) This chapter applies only to Class 1 public libraries that have been established as county contractual libraries before July 1, 1992.

(b) A county contractual library established under this chapter shall operate under the name of ______________ County Contractual Public Library.

Sec. 2. Four (4) citizens who have resided at least two (2) years in the county contractual library district shall be appointed to a library board under IC 36-12-2-17. The four (4) members, and the members of the library board of the public library extending service, comprise a separate library board that shall exercise all powers and duties pertaining to library service. The library board of the county contractual public library shall be known and designated as the Board of Trustees of __________ County Contractual Public Library. The members of the library board of the public library extending service to the county shall continue:

(1) as a separate board; and

(2) to exercise all powers and duties pertaining to library service to the board's original library district.

Sec. 3. (a) The county contractual library board has all the powers and duties of other library boards under IC 36-12-3, except the power to issue bonds under IC 36-12-3-9.

(b) The county contractual library may not lease under IC 36-12-10.

Sec. 4. (a) If a township or part of a township is contracting with a library that is extending service through a county contractual library, the township or part of a township:

(1) shall cease to levy a separate tax for library purposes; and

(2) becomes a part of the county contractual library district.
(b) The tax levy for county contractual library purposes shall then be levied in the township or part of a township that has become part of the county contractual library district.

(c) A township that ceases to levy a tax for public library purposes in any year becomes a part of the township's county library district or county contractual library district, if either library district exists at the time the township levy is discontinued. The county library or county contractual library tax shall then be levied in the townships.

Chapter 7. Class 2 Public Libraries

Sec. 1. This chapter applies only to Class 2 public libraries.

Sec. 2. The library board shall:

(1) comply with; and

(2) participate in;

the statewide library card program described in IC 4-23-7.1-5.1. However, the library board may enter into a reciprocal borrowing agreement with another library board under IC 36-1-7 or IC 36-12-3-7 to provide to or receive from the other library board library service.

Sec. 3. (a) A library board may issue local library cards to:

(1) residents of the library district; and

(2) Indiana residents who are not residents of the library district; who apply for the cards.

(b) Except as provided in subsection (c), a library board must set and charge a fee for a local library card issued under subsection (a)(2). The minimum fee that the board may set under this subsection is the greater of the following:

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

(2) Twenty-five dollars ($25).

(c) A library board may charge a reduced fee or not charge a fee for a local library card under subsection (b) that is issued to an Indiana resident who is:

(1) a student enrolled in a public school corporation that is located at least in part in the library district; and

(2) not a resident of that library district.

Sec. 4. (a) The library board of any public library established as a 1901 city or town library consists of qualified and experienced individuals at least eighteen (18) years of age who have been residents
of the municipality where the library is located for at least two (2) years immediately preceding the appointment of the individual. The members shall be appointed for two (2) year terms as follows:

1. The board of commissioners of the county where the library is located shall appoint one (1) member.
2. The fiscal body of the county where the library is located shall appoint one (1) member.
3. The municipal executive shall appoint one (1) member.
4. The municipal legislative body shall appoint one (1) member.
5. The school board of the school corporation where the library is located shall appoint three (3) members, who may be members of the school board.

(b) If a vacancy occurs on the library board for any cause, the appointing authority shall fill the vacancy. The appointing authority may at any time, for cause shown, remove a member of the library board and appoint a new member to fill the vacancy caused by the removal.

(c) The library board members shall serve without compensation.

(d) All appointments to membership on the library board must be evidenced by certificates of appointment signed by the appointing authority. Certificates of appointment shall be:

1. handed to; or
2. mailed to the address of; the appointee. Not later than ten (10) days after receiving the certificates of appointment, an appointee shall take an oath of office, before the clerk of the circuit court, that the appointee will faithfully discharge the appointee's duties as a member of the library board to the best of the appointee's ability. The appointee shall file the certificate, with the oath endorsed on it, with the clerk of the circuit court of the county in which the library is located.

(e) Not later than five (5) days after all the members of the library board have been appointed and have taken the oath of office, the members shall meet and organize by electing one (1) member as president, one (1) member as vice president, and one (1) member as secretary. The members shall also select committees or an executive board to carry on the work of the board if the members determine that committees or an executive board is necessary.

(f) The facilities of a public library established as a 1901 city or town library are open and free for the use and benefit of all of the residents of the library district.
(g) The fiscal officer of the municipality operating a public library under this section shall prepare and file with the municipal legislative body, before January 16 each year, an itemized statement, under oath, of all the receipts and disbursements of the library board for the year ending December 31 immediately preceding the preparing and filing of the report. The report must contain an itemized statement of:

1. the sources of all receipts;
2. all disbursements made; and
3. the purpose for which each was made.

The annual report may be inspected by the citizens of the municipality and township in which the library is located.

Sec. 5. (a) A public library established as an 1881 city or county incorporation library that has filed the appropriate incorporation instrument in the proper recorder's office is a corporation and possesses all the rights, powers, and privileges given to corporations by common law to:

1. sue and be sued;
2. borrow money and secure the payment of the money by notes, mortgages, bonds, or deeds of trust upon the personal or real property of the public library;
3. purchase, rent, lease, hold, sell, and convey real estate for the benefit of the corporation, and to erect and maintain suitable buildings to accomplish library purposes; and
4. receive and accept donations, either of money or real estate, either by gift or devise, and to hold, use, mortgage, sell, and convey these donations for the benefit of the corporation, in the manner provided in the deed of gift or devise.

(b) The real and personal property of the corporation that is established as an 1881 city or county incorporation public library:

1. is exempt from taxation for state, county, and municipal purposes; and
2. remains exempt so long as the public library is used exclusively for the general benefit of the inhabitants of the city or county in which the library is located.

(c) The corporation may establish and maintain a gallery of art and public reading rooms in connection with the corporation's library. The corporation may also maintain a public park either in connection with the corporation's library building or separate from the library building.

Sec. 6. (a) A public library established as an 1852 subscription
library is a municipal corporation and possesses the power to:
   (1) sue and be sued; and
   (2) receive by donation books, money, paper, or other real or
       personal property for the library.

(b) The shareholders of the 1852 subscription library are the
    inhabitants of the municipality who have subscribed money for the
    establishment of the library. The shareholders shall annually elect
    seven (7) directors on the first Monday in January. However, if an
    annual election is omitted, the directors remain in office until the next
    annual election and until successors are chosen.

(c) The directors shall appoint one (1) director to be president at
    the meetings. The president may vote only in case of a tie vote. A
    majority of the directors constitutes a quorum. If a vacancy occurs
    among the directors, the remaining directors shall elect a new director
    to fill the vacancy, and the new director shall serve until the next
    annual election.

(d) The 1852 subscription library is governed by bylaws adopted
    by the directors of the public library.

(e) The directors may adopt a common seal.

(f) The directors may levy a tax on the shareholders not to exceed
    one dollar ($1) on each share during one (1) year. In addition, at the
    annual meeting, the shareholders may increase the tax to a sum not to
    exceed five dollars ($5) on each share during one (1) year.

(g) The shareholders may:
    (1) appoint a treasurer and a librarian; or
    (2) remove the treasurer or librarian;
    at the pleasure of the shareholders.

Sec. 7. (a) The library board of a library established as an 1899
    township library consists of the school township trustee in the
    township where the library is located and two (2) residents of the
    township who are appointed by the board of commissioners of the
    county where the library is located. Appointments are for a term of
    four (4) years. Members of the library board serve without
    compensation.

(b) The library board:
    (1) shall control the purchase of books and the management of
        the library;
    (2) shall possess and retain custody of any books remaining in the
        old township library in the township where the library is located;
    (3) may receive donations, bequests, and legacies on behalf of the
(4) may receive copies of all documents of the state available for
distribution from the director of the state library.

(c) The 1899 township library is the property of the school
township. The school township trustee is responsible for the safe
preservation of the township library.

(d) Two (2) or more adjacent townships may unite to maintain a
township library. The library is controlled by either:

1. a combined library board, which consists of each of the
   uniting township boards appointed under subsection (a); or
2. the one (1) township library board appointed under
   subsection (a) of the uniting townships that receives funding for
   the operation of the uniting township library.

(e) The legislative body of any township that contains a library
established as an 1899 township library may levy a tax annually of not
more than three and thirty-three hundredths cents ($0.0333) on each
one hundred dollars ($100) of taxable property assessed for taxation
in the township. If the legislative body does not levy the tax, a petition
signed by at least the number of registered voters required under
IC 3-8-6-3 to place a candidate on the ballot may be filed with the
circuit court clerk, who:

1. shall determine if an adequate number of voters have signed
   the petition; and
2. if an adequate number of voters have signed the petition, shall
   certify the public question to the county election board under
   IC 3-10-9-3. The county election board shall then cause to be
   printed on the ballot for the township the following question in
   the form prescribed by IC 3-10-9-4: "Shall a township library
tax be levied?".

If a majority of the votes cast on the question in subdivision (2) are in
the affirmative, the township trustee shall annually levy a tax of not
less than one and sixty-seven hundredths cents ($0.0167) and not more
than three and thirty-three hundredths cents ($0.0333) on each one
hundred dollars ($100) of taxable property in the township for the
establishment and support of a township library. The township tax
shall be levied, assessed, collected, and paid according to the
procedure outlined in IC 6-1.1.

(f) The tax levy under subsection (e) shall be discontinued when the
question of discontinuing the levy has been submitted to a vote
according to the procedure provided in subsection (e) and the majority
of the votes cast on the question is in the negative.

(g) If a public library that is open for the use of all the residents of the township is located in the township, the proceeds of the tax collected under subsection (e) shall be paid to that public library.

(h) In a township outside a city that contains a library:

(1) established by private donations of the value of at least ten thousand dollars ($10,000), including the real estate and buildings used for the library; and

(2) used for the benefit of all the inhabitants of the township;

the township trustee of the township shall annually levy and collect not more than two cents ($0.02) on each one hundred dollars ($100) upon the taxable property within the limits of the township. The money shall be paid to the trustees of the library, to be applied by the trustees for the purchase of books and the payment of the maintenance costs for the library. When it becomes necessary to purchase additional ground for the extension or protection of library buildings already established by private donation, the trustee, with the consent of the county legislative body, may annually levy and collect not more than one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property of the township for not more than three (3) years successively, to be expended by the trustees for the purchase of property and the construction and enlargement of library buildings.

(i) The 1899 township library is free to all the residents of the township.

Sec. 8. (a) For a public library established:

(1) by private donation;

(2) in a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(3) that contains at least twenty-five thousand (25,000) volumes;

(4) that has real property valued at at least one hundred thousand dollars ($100,000); and

(5) that is open and free to the residents of the city;

a tax shall be levied and collected annually by the city according to IC 6-1.1.

(b) The city legislative body shall levy the tax required under subsection (a) in an amount not less than sixty-seven hundredths of one cent ($0.0067) and not more than one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of the assessed
valuation of all the real and personal property in the city. When the city levies the tax, the library under subsection (a) shall be treated as if the library were a public library for purposes of IC 6-1.1-18.5-13, and the legislative body may increase the legislative body's levy to the same extent as a public library under IC 6-1.1-18.5-13.

(c) The tax shall be paid to the trustees of the library. The trustees shall expend the tax for the support, operation, and maintenance of the library. The trustees shall keep the tax separate from all other funds. The trustees shall record:

(1) the amount of taxes received;
(2) to whom and when paid out; and
(3) for what purpose;

in a book kept by the trustees. The trustees shall make an annual report of the matters under this subsection to the legislative body of the city.

Chapter 8. Library Services Authorities

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

(1) All public libraries.
(2) All other libraries that are supported by public funds but that are not organized under this article.
(3) All private corporations or organizations that provide library services.
(4) All library service authorities established under this chapter.

(b) The purpose of this chapter is to:

(1) encourage the development of all types of library services; and
(2) promote the efficient use of finances, personnel, materials, and property;

by enabling qualified entities to form library services authorities that will provide such services and facilities as the qualified entities determine.

Sec. 2. As used in this chapter, "library facilities" means:

(1) buildings, bookmobiles, rooms, or other definable and palpable structures or areas; and

(2) the library materials and equipment contained in the buildings, bookmobiles, rooms, or other definable and palpable structures or areas;

that are used in the operation or provision of library services.

Sec. 3. As used in this chapter, "library services" means the activities in which libraries engage:
(1) in the planning, management, budgeting, financing, purchasing, staffing, and evaluation of the libraries;
(2) in the selection, acquisition, processing, and maintenance of the collections of materials and the related bibliographic records; and
(3) in the promotion, interpretation, servicing, and use of the library materials and facilities.

Sec. 4. As used in this chapter, "qualified entities" include the following:

(1) A public library.
(2) A library that is supported by public funds but not established under this article.
(3) A private corporation or organization that provides library services.
(4) A library service authority established under this chapter.

Sec. 5. (a) Two (2) or more qualified entities, less than one-half (1/2) of which may be private corporations or organizations, may initiate a library services authority under this chapter by adopting a written joint agreement. The body or officer having the authority to sign contracts on behalf of a corporation or an organization may sign the joint agreement on behalf of the corporation or organization.

(b) The joint agreement must include the following details of the proposed library services authority:

(1) The name, to be given as __________ Library Services Authority.
(2) The official address and county of location of the principal place of business.
(3) A description of the library facilities to be operated and the library services to be provided.
(4) Specification of the place and of the convening chairperson who shall set the date and the time of the organizational meeting of the board of directors established under this chapter and who shall serve as temporary chairperson.
(5) The names of the qualified entities signing the agreement, which are to become participants in the library services authority.
(6) The date of the agreement.

Sec. 6. (a) Upon the adoption of the joint agreement calling for the establishment of the library services authority by two (2) or more of the qualified entities, the agreement shall be submitted to the attorney
general, who shall determine whether the agreement is:

(1) in proper form; and
(2) compatible with Indiana law.

The attorney general shall approve each agreement submitted unless the attorney general finds that the agreement is not legal. If the attorney general finds that an agreement is not legal, the attorney general shall detail in writing, addressed to each of the qualified entities adopting the agreement for the establishment of the library services authority, the specific respects in which the proposed agreement fails to meet the requirements of law. Failure to disapprove an agreement submitted under this chapter not more than thirty (30) days after the submission of the agreement constitutes approval of the agreement.

(b) The library services authority initiated by the joint agreement is legally established when the attorney general has approved the agreement either by:

(1) specific written approval; or
(2) the failure to indicate disapproval within the required time.

The qualified entities originally signing the agreement are members of the library services authority. A copy of the agreement and originally signed copies of the adopted resolutions, ordinances, orders, statements of participation, or other recorded acts must be filed with the Indiana state library not more than forty (40) days after the date of the submission of the agreement to the attorney general for action.

Sec. 7. The board of directors of the library services authority may change any detail of the joint agreement under this section upon the recommendation of the executive committee or petition of three (3) directors if notice of the proposed change is sent to each qualified entity that is a participant in the library services authority at least sixty (60) days before the meeting at which the change is to be considered. However, the application of a new qualified entity may be considered at any time. Upon approval of the change of the joint agreement, a notice of the action taken by the board of the library services authority must be filed with the Indiana state library.

Sec. 8. (a) After the legal establishment of the library services authority under this chapter, a qualified entity may become a participant in the library services authority after:

(1) adoption by resolution, ordinance, order, statement of participation, or other recorded act of the joint agreement as then in force;
(2) providing for the qualified entity's pro rata share, if any, of the library services authority's budget for the fiscal year in which the applicant wishes to join the authority;
(3) meeting all conditions provided in the bylaws or in the rules;
and
(4) approval by a majority of the board of directors.

(b) If the qualified entity is a private corporation or organization and the qualified entity's participation would create the same number or more private participants than other participants in the library services authority, the qualified entity's participation does not take effect until there are sufficient other participants, after the admission of the applicant, to comply with section 5(a) of this chapter.

(c) The library services authority shall file with the Indiana state library an originally signed copy of the joint agreement and adopting action.

Sec. 9. (a) A qualified entity that is a participant in the library services authority may withdraw from the authority by a recorded act of the qualified entity:

(1) after the qualified entity has made provisions for the payment and performance of the qualified entity's obligations; and
(2) upon notification to the library services authority, six (6) months before the end of the fiscal year in which the qualified entity is participating in the library services authority, that the qualified entity is discontinuing the qualified entity's participation in the library services authority.

(b) Upon discontinuing participation in the library services authority, the discontinuing qualified entity relinquishes the qualified entity's rights to any funds, supplies, materials, equipment, or other real or personal property held by or belonging to the authority and in which the qualified entity had a right by virtue of the qualified entity's participation, unless provision to the contrary is made by the official action of the board of directors.

(c) Upon the receipt of notification to discontinue participation and the satisfaction of all obligations by the withdrawing participant, the board of directors shall officially note the withdrawal and shall file notice of the resulting change in the joint agreement:

(1) in the office of the recorder of the county in which the authority's principal place of business is located; and
(2) with the Indiana state library.

(d) The library services authority is dissolved when:
(1) the board of directors of the authority votes to dissolve the library services authority;
(2) the action is de facto by the notice of discontinuance of participation by the next to last remaining participant; or
(3) there is an excessive number of private qualified entities participating in the authority.

Upon the occurrence of any of the conditions listed in this subsection, the board of directors shall dispose of the assets by division among the participants at the time of dissolution and in the proportion and in the manner determined by the board of directors.

(e) A dissolution does not take effect until all legal and fiscal obligations of the library services authority have been satisfied and an official record of the dissolution is filed in the office of the recorder of the county in which the authority's principal place of business is located. Until the satisfaction of obligations has occurred and the record of dissolution has been filed, the final members of the authority continue to be members.

Sec. 10. (a) Not later than ten (10) days after the legal establishment of the library services authority, each qualified entity that is participating shall appoint a representative or representatives to the board of directors of the library services authority as follows:

(1) If there are fewer than four (4) participants in the library services authority, each qualified entity shall appoint four (4) directors to the board of directors.
(2) If there are more than three (3) but fewer than ten (10) participants in the library services authority, each qualified entity shall appoint two (2) directors.
(3) If there are ten (10) or more participants in the library services authority, each qualified entity shall appoint one (1) director.

(b) A director may be a member of the governing body of the qualified entity, a librarian, or any other person who in the opinion of the qualified entity will best serve the library interests of the qualified entity.

Sec. 11. (a) Upon the expiration of the ten (10) day period prescribed by section 10 of this chapter, the directors who have been appointed shall meet as specified in the joint agreement and determine by lot, in as nearly equal groups as possible, as follows:

(1) The one-third (1/3) of the directors who have an initial term of one (1) year.
(2) The one-third (1/3) of the directors who have an initial term of two (2) years.
(3) The one-third (1/3) of the directors who have an initial term of three (3) years.

(b) The determination under subsection (a) is for the initial terms of office for all directors. After the initial terms end, all appointments to the board of directors are for three (3) years. Appointments to fill vacancies are for the unexpired term only.

Sec. 12. (a) Upon the determination of the initial terms of office of the directors, an executive committee shall be elected for a term of one (1) year from the membership of the board of directors by vote on nominations from the floor. The executive committee consists of:

(1) a president;
(2) a vice president;
(3) a secretary;
(4) a treasurer; and
(5) if the total number of directors for the library services authority exceeds eight (8), three (3) members at large.

The named offices have the duties and powers normally incumbent upon the offices.

(b) A director may not serve on the executive committee for more than four (4) consecutive years or in the same office for more than two (2) consecutive years. Executive committee elections shall be held annually in the manner prescribed by the bylaws of the library services authority.

(c) The treasurer:

(1) is the official custodian of all library services authority funds;
(2) is responsible for the proper safeguarding and accounting for all library services authority funds;
(3) shall issue warrants approved by the executive committee or the board in payment of expenses lawfully incurred in behalf of the library services authority; and
(4) shall make financial reports of library services authority funds and present the reports to the executive committee or board of directors as requested by the executive committee or board.

(d) The board of directors may prescribe the powers and duties of the treasurer consistent with this chapter.

(e) The treasurer shall give a surety bond for the faithful performance of the treasurer’s duties and for the accurate accounting
of all money coming into the treasurer's custody. The bond must be:
(1) written by an insurance company licensed to do business in Indiana;
(2) for the term of office of the treasurer;
(3) in an amount determined by the board of directors;
(4) paid for with money from library services authority funds;
(5) payable to the state;
(6) approved by the board of directors; and
(7) deposited in the office of the recorder of the county in which the library services authority is located.

(f) The executive committee, with the approval of the board of directors, may appoint a person, who may be an employee of the library services authority, to serve as assistant treasurer. The assistant treasurer:
(1) has the duties specified by the executive committee or the board;
(2) may be compensated for the performance of the treasurer's duties; and
(3) may be removed by the executive committee or the board of directors at any meeting of the committee or board by a majority vote of the entire membership of the body.

Sec. 13. (a) Not later than ten (10) days after the approval of a new participant under section 8 of this chapter, the new participant shall appoint as many directors as each of the other participants has appointed. The initial terms of the new directors shall be determined by the executive committee so that, as nearly as possible, the terms of one-third (1/3) of the total board of directors end each year.

(b) If the addition of a new participant increases the number of participants in the library services authority so that each participant would appoint fewer representatives to the board of directors, the board of directors shall be reestablished in the manner prescribed by section 10 of this chapter.

(c) Immediately after the organizational meeting of the board of directors, the board shall adopt bylaws providing for the board's procedures and management.

Sec. 14. (a) The board of directors of the library services authority:
(1) shall nominate and elect the board of directors' officers and participants of the executive committee;
(2) shall adopt bylaws, administrative procedures, and rules for the conduct of business of the board, the executive committee,
and the library services authority;
(3) shall adopt a fiscal year;
(4) may change the address of the principal place of business of
the authority;
(5) may consider and act upon recommendations of the executive
committee in the matters specified in this section;
(6) may adopt rules governing the termination of directors for
cause; and
(7) may deal with other appropriate matters.

(b) The board of directors shall meet at least annually. Special
meetings may be called by the president or any three (3) directors. A
quorum of appointed members of the board is required for the
transaction of business. A concurrence of two-thirds (2/3) of the
directors present is necessary to approve or to authorize any action.
A director may designate an individual to vote as proxy for that
director if written authorization is delivered to the secretary of the
executive committee before a board of directors meeting. If a director
votes by means of a proxy, the director shall be considered present at
the meeting of the board of directors for purposes of constituting a
quorum under this subsection and section 8 of this chapter.

(c) The executive committee of the library services authority shall
manage and conduct the business of the library services authority.
However, unless otherwise properly delegated to the executive
committee or administrative personnel in the bylaws, the board of
directors must approve:

(1) amendments to the joint agreement;
(2) the budget;
(3) statements of policy;
(4) rules;
(5) the development program and plans;
(6) the appointment of or arrangement for the chief
administrative officer;
(7) legal matters;
(8) purchases of property and equipment in accordance with
IC 5-22;
(9) contracts for the purchase of services, materials, equipment,
and other real or personal property;
(10) sales of services or material other than sales of services for
which the library services authority was created; and
(11) the acceptance or release of participants in the authority and
related matters.
(d) In the discharge of the executive committee's duties, the
executive committee shall meet at least quarterly. Special meetings
may be called by the president or any two (2) participants of the
executive committee. A majority of the committee participants
constitutes a quorum for the transaction of business, and a
concurrence of a majority of the participants of the executive
committee is necessary to authorize any action.
(e) Except for the election of officers and adoption or amendment
of the bylaws, the bylaws may provide that any action required or
permitted to be taken at any meeting of the board of directors may be
taken without a meeting if before the action a written consent to the
action is signed by a majority of the board of directors appointed
under section 10 of this chapter.
Sec. 15. For purposes of this chapter, a quorum consists of:
(1) a majority of the appointed members of the board of directors
when there are one hundred (100) or fewer participants in the
library services authority; or
(2) fifty-one (51) appointed members of the board of directors
when there are more than one hundred (100) participants in the
library services authority.
Chapter 9. Powers and Duties of Library Services Authorities
Sec. 1. This chapter applies to library services authorities
established under IC 36-12-8.
Sec. 2. A library services authority is a municipal corporation and
may exercise any powers, privileges, or authority exercised or capable
of being exercised by a public agency of the state, except that of
levying taxes.
Sec. 3. A library services authority may sue and be sued, and plead
and be impleaded.
Sec. 4. A library services authority may establish, manage,
maintain, and operate the library facilities and provide the library
services specified in the joint agreement creating the library services
authority.
Sec. 5. (a) A library services authority may:
(1) employ and delegate duties and responsibilities to a chief
administrative officer and other employees that may be
necessary for the performance of the authority's functions, or
provide for a chief administrative officer or other employees by
contract with:
(A) a library participant of the authority;
(B) another organization, institution, or company;
(C) an agency of government; or
(D) an individual;
(2) fix and pay the compensation of the employees;
(3) determine the number and duties of the employees; and
(4) remove or discharge employees.

(b) In exercising the powers under subsection (a)(1), the board of
directors of the library services authority may reimburse:
(1) candidates for employment for expenses reasonably incurred
while interviewing; and
(2) new employees for reasonable moving expenses.

If the board of directors exercises authority under this subsection, the
board shall establish reasonable levels of reimbursement for the
purposes of this subsection.

Sec. 6. A library services authority may purchase supplies,
materials, and equipment to carry out the powers and duties of the
board of directors.

Sec. 7. A library services authority may acquire and hold property,
real or personal, by purchase, devise, lease, gift, or otherwise, and sell,
exchange, or otherwise dispose of property, real or personal, no longer
needed for purposes of the authority.

Sec. 8. (a) The executive committee of the library services authority
shall prepare and adopt a budget annually for the operating
expenditures of the library services authority and shall calculate the
share of the budget to be charged to each participant in the authority
according to the pro rata formula in rules adopted by the board of
directors. The budget shall be submitted to the board of directors for
adoption. After adoption of the budget by the board, the board shall
submit a contract with the appropriate pro rata charges to each
participant at least three (3) months before the fiscal year for which
the budget of the participant is to be adopted.

(b) Each participant in the library services authority that signs a
contract for pro rata charges in the ensuing fiscal year shall:
(1) include the charges in the participant’s budget for the ensuing
fiscal year; and
(2) provide the necessary funds with which to pay the contractual
obligations under the participant’s contract with the library
services authority.

Sec. 9. (a) The library services authority shall deposit, hold, and
expend all funds coming into the possession of the library services authority in accordance with IC 5-11.

(b) An officer or employee of the library services authority who is authorized to receive or disburse or in any other way handle funds and securities of the authority shall give a corporate surety bond, in an amount specified in the rules, for the faithful performance of the duties of the officer or employee and the proper accounting of all money and other property that may be under the control of the officer or employee. The cost of the bond, including the cost of filing and recording, shall be paid out of funds of the library services authority.

(c) A library services authority may invest excess funds:

(1) in securities lawfully issued by any municipal corporation; or

(2) in accordance with IC 5-13-9.

However, deposits may not be made in excess of the amount of insurance protection afforded a participant or investor of any of these institutions.

(d) A library services authority may establish any special funds that may be necessary for the purpose of accumulating sufficient money over two (2) or more fiscal years for:

(1) the purchase of specified real property or major equipment;

(2) making improvements to real property owned by the library services authority; or

(3) providing fee based services to members.

Each special fund must be established for a specific purpose and named for that purpose. Any funds accumulated but not expended under this subsection may be transferred and expended for any other legitimate purpose of the authority.

(e) The records of a library services authority are public records. All funds received, unless specifically excluded, are the property of the library services authority receiving them.

Sec. 10. A library services authority may establish and maintain or participate in programs of employee benefits, which may include the lawful disbursement of funds for expenses related to the educational or professional development of an individual employed by the library services authority, including:

(1) inservice training;

(2) attending seminars or other special courses of instruction; and

(3) tuition reimbursement;

if the library services authority determines that the expenditures
under this section directly benefit the operation of the library facilities or the provision of library services.

Sec. 11. A library services authority may report annually to each participant in the authority on the budget and expenditures, services rendered, program, plans for development, and any other information that may be appropriate.

Sec. 12. A library services authority may enter into all contracts and agreements necessary to the performance of the authority's duties and the execution of the library services authority's powers under this chapter.

Sec. 13. A library services authority may:
   (1) establish and collect reasonable rates and charges for services rendered to the participants in the authority or others using the services of the authority; and
   (2) require participants in the authority or others using the services of the authority to make prepayments for certain services.

Sec. 14. A library services authority may join and participate in, through designated employees or representatives, the meetings and activities of state and national associations of a civic, educational, professional, or governmental nature that have as their purpose the betterment and improvement of library operations.

Sec. 15. All property owned by the library services authority and all revenues received by the authority are exempt from taxation for all purposes.

Chapter 10. Leasing of Library Property

Sec. 1. This chapter applies to the following public corporations:
   (1) A municipal corporation that operates and maintains library facilities.
   (2) Any other public corporation, established by statute, that operates and maintains library facilities.

Sec. 2. (a) A public corporation may lease a library building or buildings for the use of the public corporation or of any joint or consolidated public corporation of which the public corporation is a part or to which the public corporation contributes, under the following conditions:
   (1) A lease may not be entered into for a period of more than forty (40) years.
   (2) Before a lease is entered into, there must first be filed with the governing authority of the public corporation a petition signed
by fifty (50) or more resident taxpayers of the public
corporation.
(3) After investigation, the governing authority must determine
that a need exists for the library building or buildings.
(4) The governing authority must determine that the public
corporation cannot provide the necessary funds to pay the cost
or the public corporation's proportionate share of the cost of the
library building or buildings required to meet the present needs.
(b) If two (2) or more public corporations propose to enter into a
lease jointly, joint meetings of the governing authority of the
corporations may be held. Action taken is binding on a public
corporation only if the action is approved by the public corporation's
governing authority. A lease executed by two (2) or more public
corporations as joint lessees must set out the amount of the total lease
rental agreed upon to be paid by each. A lessee is entitled to occupancy
only if the total rental is paid as stipulated in the lease. All rights of
joint lessees under the lease must be proportionate to the amount of
lease rental paid by each.
Sec. 3. (a) A public corporation may enter into a lease under this
chapter only with a nonprofit corporation organized under Indiana
law for the sole purpose of:
(1) acquiring real property;
(2) building, improving, constructing, or renovating a suitable
library building or buildings, including the necessary equipment
and appurtenances;
(3) leasing the library facilities to the public corporation or
corporations; and
(4) collecting the rentals and applying the proceeds from the
rentals in the manner provided in this chapter.
(b) The lessor corporation shall act entirely without profit to the
corporation and the corporation's officers, directors, and members
but is entitled to the return of capital actually invested, which
includes:
(1) incorporation and organization expenses;
(2) financing costs;
(3) carrying charges;
(4) legal, contractors', and architects' fees; and
(5) any other capital cost.
The lessor corporation is also entitled to sums sufficient to pay interest
on outstanding securities or loans, and the cost of maintaining the
corporation's existence and keeping the corporation's property free of encumbrance.

(c) Upon receipt of any amount of lease rental by the lessor corporation above the amount necessary to meet incidental corporate expenses and to pay interest on corporate securities or loans, the excess funds shall be applied to the redemption and cancellation of the corporation's outstanding securities or loans as soon as this may be done.

Sec. 4. (a) All contracts of lease must provide that:

(1) the public corporation or corporations have an option to renew the lease for a further term, with like conditions; or
(2) the property covered by the lease may be purchased after six years from the execution of the lease and before the expiration of the term of the lease, on the date or dates in each year that are fixed, at a price equal to the amount required to enable the lessor corporation owning the site to:

(A) liquidate by paying all indebtedness, with accrued and unpaid interest; and

(B) recover the expenses and charges of liquidation.

(b) However, the purchase price prescribed by subsection (a)(2) may not exceed the capital actually invested in the property by the lessor corporation represented by outstanding securities or indebtedness plus the cost of transferring the property and liquidating the lessor corporation.

(c) A lease may not provide that any public corporation is under an obligation to purchase the leased library facilities or under an obligation in respect to the creditors, members, or other security holders of the lessor corporation.

Sec. 5. (a) The lessor corporation proposing to provide a library building or buildings, including necessary equipment and appurtenances, shall submit to the lessee or lessees, before the execution of a lease, preliminary plans, specifications, and estimates for the building or buildings.

(b) The final plans and specifications shall be submitted to the state department of health, state fire marshal, and any other agencies that are designated by law to pass on plans and specifications for library buildings. The final plans and specifications must be approved by these agencies and the lessee or lessees in writing before the construction of the building or buildings.

Sec. 6. The lease may provide that, as a part of the lease rental for
the library building or buildings, the lessee or lessees shall agree to:

1. pay all taxes and assessments levied against or on account of the leased property;
2. maintain insurance on the property for the benefit of the lessor corporation; and
3. assume all responsibilities for repair and alterations with regard to the building or buildings during the term of the lease.

Sec. 7. (a) The public corporation or corporations may, in anticipation of the acquisition of real property and any necessary construction of a library building or buildings, including the necessary equipment and appurtenances, enter into a lease with the lessor corporation before actual acquisition of real property and any construction of the building or buildings. However, the lease may not provide for the payment of lease rental by the lessee or lessees until the building or buildings are complete and ready for occupancy, at which time the stipulated lease rental payments may begin.

(b) The contractor must be required under the lease to furnish to the lessor corporation a bond satisfactory to the corporation conditioned upon the final completion of the building or buildings within a period that may be provided in the contract.

Sec. 8. (a) When the lessor corporation and the public corporation or corporations have agreed upon the terms and conditions of a lease proposed to be entered into under this chapter and before the final execution of the lease, notice of a hearing shall be given by publication to all interested persons. The hearing shall be held before the governing authority, on a day not earlier than ten (10) days after the publication of the notice.

(b) The notice of the hearing shall be published one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If a newspaper is not published in the district, the notice shall be published in any newspaper of general circulation published in the county. The notice must name the date, place, and time of the hearing and set forth a brief summary of the principal terms of the lease agreed upon, including:

1. the location;
2. the name of the proposed lessor corporation and character of the property to be leased;
3. the rental to be paid; and
The proposed lease, drawings, plans, specifications, and estimates for the library building or buildings must be available for inspection by the public during the ten (10) day period under subsection (a) and at the meeting. All interested persons are entitled to be heard at the hearing regarding the necessity for the execution of the lease, and whether the rental provided for in the lease to be paid to the lessor corporation is a fair and reasonable rental for the proposed building or buildings. The hearing may be adjourned to a later date or dates, and following the hearing, the governing authority may either authorize the execution of the lease as originally agreed upon or may make modifications that have been agreed upon by the lessor corporation. The lease rentals as set out in the published notice may not be increased. The cost of the publication of the notice shall be paid by the lessor corporation.

Sec. 9. (a) If the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the library board, the library board shall give notice of the signing of the lease by publication one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If a newspaper is not published in the district, the notice shall be published in any newspaper of general circulation published in the county.

(b) Fifty (50) or more taxpayers in the public corporation or corporations who will be affected by the proposed lease and who are of the opinion that the execution of the lease is not necessary or that the proposed rental is not a fair and reasonable rental may file a petition in the office of the county auditor of the county in which the public corporation or corporations are located. The petition must be filed not later than thirty (30) days after the publication of notice of the execution of the lease and must set forth objections and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable, as the case may be.

(c) Upon the filing of a petition, the county auditor shall immediately certify to the department of local government finance a copy of the petition, together with other data that may be necessary to present the questions involved. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing of the matter not less than five (5) or
more than thirty (30) days after the department's receipt of the petition and information. The hearing shall be held in the public corporation or corporations or in the county where the public corporations are located.

(d) Notice of the hearing shall be given by the department of local government finance to the members of the library board and to the first ten (10) taxpayer petitioners on the petition by a letter signed by the department of local government finance. The postage of the notice shall be prepaid, and the notice shall be addressed to the persons at their usual place of residence and mailed at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal regarding the necessity for the execution of the lease and whether the rental is fair and reasonable is final. A lease may be amended by the parties by following the procedure under this chapter.

(e) An action to contest the validity of the lease or an amendment to the lease or to enjoin the performance of any of the terms and conditions of the lease must be brought not later than thirty (30) days after publication of notice of the execution of the lease or an amendment to the lease by the library board of the public corporation or corporations. If an appeal has been taken to the department of local government finance, action must be brought not later than thirty (30) days after the decision of the department.

Sec. 10. (a) The lessor corporation shall hold in fee simple the real property on which the library building or buildings exists or will be constructed. A public corporation or corporations proposing to lease the library building or buildings, either alone or jointly with another public corporation that owns the property, may sell the property to the lessor corporation in fee simple.

(b) Before a sale under this section may take place, the governing authority of the public corporation shall file a petition with the circuit court of the county in which the public corporation is located requesting the appointment of three (3) disinterested freeholders of the public corporation as appraisers to determine the fair market value of the real property. Upon their appointment, the three (3) appraisers shall fix the fair market value of the real property and report this amount to the circuit court not later than two (2) weeks from the date of their appointment. The public corporation may then sell the real property to the lessor corporation for an amount not less than the amount fixed as the fair market value by the appraisers. The amount
shall be paid in cash upon delivery of the deed by the public corporation to the lessor corporation.

Sec. 11. (a) A corporation qualifying as a lessor corporation under this chapter may, in furtherance of the corporation's purposes, issue and sell bonds and other securities. Mortgage bonds issued by a lessor corporation that are a first lien on the leased property are legal and proper investments for state banks and trust companies, insurance companies, and fiduciaries. The bonds may be callable, with or without premiums, with accrued and unpaid interest upon notice provided in the mortgage indenture.

(b) All bonds and other securities issued by the lessor corporation must be advertised and sold in accordance with IC 5-1-11 at any interest rate.

(c) The approval of the securities division of the secretary of state is not required in connection with the issuance and sale of bonds or other securities of a public corporation.

Sec. 12. A public corporation may issue the corporation's general obligation bonds to procure funds to pay the cost of acquisition of real property. The bonds must be authorized, issued, and sold in accordance with IC 6-1.1-20.

Sec. 13. A public corporation that executes a lease under this chapter shall annually levy a special tax, in addition to other taxes authorized by law, sufficient to produce each year the necessary funds with which to pay the lease rental stipulated to be paid by the public corporation under the lease. A levy under this section shall be reviewed in accordance with IC 6-1.1-17. The first tax levy shall be made at the first annual tax levy period following the date of the execution of the lease. The first annual levy must be sufficient to pay the estimated amount of the first annual lease rental payment to be made under the lease.

Sec. 14. All property owned by a lessor corporation contracting with a public corporation or corporations under this chapter and all stock and other securities, including the interest or dividends issued by a lessor corporation, are exempt from all state, county, and other taxes, excluding the financial institutions tax and the inheritance taxes.

Chapter 11. Library Certification Board

Sec. 1. This chapter applies to both Class 1 and Class 2 libraries.
Sec. 2. As used in this chapter, "board" refers to the Indiana library and historical board established by IC 4-23-7-2.
Sec. 3. As used in this chapter, "director" refers to the director of
the Indiana state library appointed under IC 4-23-7.1-37.

Sec. 4. As used in this chapter, "practitioner" means an individual certified under this chapter.

Sec. 5. The board shall do the following:

1. Prescribe and define grades of public library service and prescribe the qualifications that individuals must possess who are employed in each of the grades of public library service, giving due consideration to the population served and the income and salary schedule of each library.

2. Make available the requirements for certification of all grades upon request and without charge to all prospective applicants.

3. Issue certificates to candidates who apply for certificates and who, by reason of their academic or technical training and experience, are found to be suitable individuals to certify.

4. Prescribe and define the qualifications of a library director, a head of a department or branch, or a professional assistant of a public library.

5. Adopt rules under IC 4-22-2 that the board determines are necessary to administer this chapter.

Sec. 6. All library directors, library department or branch heads, and professional assistants, except those who are employed at school libraries or libraries of educational institutions, must hold a certificate under section 7 of this chapter.

Sec. 7. (a) An individual who:

1. desires to be certified as a librarian in a designated division, grade, or type of public library service; and

2. possesses the qualifications prescribed in the rules of the board as essential to enable an individual to apply for a certificate;

may apply to the board for a certificate in any grade or grades of public library service.

(b) The application must be:

1. made on a form prescribed and supplied by the board; and

2. accompanied by the fee set by the board under section 11 of this chapter.

(c) If the application is found to be satisfactory, the applicant is entitled to a certificate in the grade or grades of public library service for which the applicant applied.

Sec. 8. (a) An individual who is actively engaged or expects to
engage actively in:
   (1) a grade or class of private library service; or
   (2) the library service of a school or another educational institution;
whether the individual is or expects to be a library director, or the head of a department or branch of a private library or of the library of a school or an educational institution, may apply for a certificate of a grade or class.

   (b) If an individual is found to be competent and qualified, the individual shall be granted the certificate applied for in the same manner and subject to the same conditions as are provided for the certification of librarians in public libraries under section 7 of this chapter.

Sec. 9. To prevent unjust and arbitrary exclusions by other states of certified librarians who have complied with the requirements of Indiana law, the board may adopt rules necessary for the reciprocal recognition of certificates for librarians issued by other states whose qualifications for library service are at least as high as the qualifications in Indiana. To effect this section, the board shall consider the recommendations of the American Library Association.

Sec. 10. All fees collected under this chapter constitute a separate account of the state general fund, known as the library certification account, which shall be used to defray expenses incurred in the administration of this chapter. The balance in this account at the end of any fiscal year does not revert to the state general fund but is carried forward and available for the succeeding fiscal year.

Sec. 11. (a) The board shall adopt rules under IC 4-22-2 to set fees to be paid by an individual who applies for certification under section 7 of this chapter. If the board has not set a fee by rule for a particular type of application, the fee is one dollar ($1).

   (b) Payment of fees set under this section may be made by any of the following:
      (1) Cash.
      (2) A draft.
      (3) A money order.
      (4) A cashier's check.
      (5) A certified check.
      (6) A personal check.
If an individual pays a fee with an uncertified personal check and the check does not clear the bank, the board may void the certificate for
which the check was received.

(c) Unless specified by the rules of the board, a fee is not refundable or transferable.

(d) Fees shall be paid to the library certification account established under section 10 of this chapter.

Sec. 12. The office of the attorney general, under the conditions specified in this chapter, may receive, investigate, and prosecute complaints concerning a practitioner.

Sec. 13. The director is responsible for investigation of complaints concerning a practitioner.

Sec. 14. All complaints concerning a practitioner must be written, signed by the complainant, and initially filed with the director. Except for an employee of the attorney general’s office acting in an official capacity, a complaint may be filed by any individual, including a member of the board.

Sec. 15. The director has the following duties and powers:

(1) The director shall make an initial determination as to the merit of a complaint. The director shall submit a copy of a complaint having merit to the board. Except as otherwise provided by this chapter, the board acquires jurisdiction over the complaint upon submission of the complaint to the board by the director.

(2) The director shall notify the practitioner of the nature and ramifications of the complaint and of the duty of the board to attempt to resolve the complaint through negotiation.

(3) The director shall report any pertinent information regarding the status of the complaint to the complainant.

(4) The director may investigate any written complaint against a practitioner. The director shall limit the investigation to areas that appear to be in violation of this chapter or rules adopted under this chapter.

(5) The director may:

(A) subpoena witnesses; or

(B) send for and compel the production of books, records, papers, and documents;

in relation to an investigation under this chapter. The circuit or superior court located in the county where a subpoena is to be issued shall enforce the subpoena.

Sec. 16. For thirty (30) days after the director has notified the board and the practitioner that a complaint has been filed, the
director shall not conduct an investigation or take any action, unless requested by the board. If, during the thirty (30) days, the board requests an extension of the thirty (30) day period, the director shall extend the period for not more than twenty (20) days.

Sec. 17. If before the director files a report with the attorney general under section 19 of this chapter, the director receives a statement:

(1) signed by the practitioner and the complainant; and
(2) stating that the complaint has been resolved;
the director may not take further action.

Sec. 18. If at any time during the thirty (30) day period or an extension period described in section 16 of this chapter the board notifies the director of the board's intention not to proceed further to resolve the complaint, the director may proceed immediately to continue to pursue the complaint under this chapter.

Sec. 19. If there has not been a statement filed under section 17 of this chapter, and if after conducting an investigation the director believes the practitioner should be subject to disciplinary sanctions by the board, the director shall file a report with the attorney general. Upon receiving the director's report, the attorney general may prosecute the matter before the board on behalf of the state.

Sec. 20. Notwithstanding section 19 of this chapter, if the board requests, the attorney general shall prosecute the matter before the board on behalf of the state.

Sec. 21. (a) IC 4-21.5 applies to proceedings to discipline a practitioner under this chapter.
(b) The board is the ultimate authority under IC 4-21.5.

Sec. 22. (a) A complaint and information pertaining to the complaint are confidential until the attorney general files notice with the board of intent to prosecute the practitioner.
(b) Unless required to do so under law or in furtherance of an investigation, an individual employed by the office of the attorney general, the board, or the director may not disclose or further the disclosure of information concerning a complaint.

Sec. 23. A practitioner may be disciplined under section 26 of this chapter if after a hearing the board finds any of the following:

(1) The practitioner has:
(A) employed or knowingly cooperated in fraud or material deception in order to obtain a certificate issued under this chapter;
(B) engaged in fraud or material deception in the course of professional services or activities; or
(C) advertised services in a false or misleading manner.
(2) The practitioner has been convicted of a crime that has a direct bearing on the practitioner’s ability to practice competently.
(3) The practitioner has knowingly violated a rule adopted by the board.
(4) The practitioner has continued to practice although the practitioner has become unfit to practice due to:
   (A) professional incompetence;
   (B) failure to keep abreast of current professional theory or practice;
   (C) physical or mental disability; or
   (D) addiction or severe dependency upon alcohol or other drugs that endangers the public by impairing a practitioner’s ability to practice safely.
(5) The practitioner has engaged in a course of lewd or immoral conduct in connection with the practitioner’s practice.

Sec. 24. The board may order a practitioner to submit to a reasonable physical or mental examination if the practitioner's physical or mental capacity to practice safely is at issue in a disciplinary proceeding.

Sec. 25. Failure of a practitioner to comply with a board order to submit to a physical or mental examination renders the practitioner liable to the summary suspension procedures under section 27 of this chapter.

Sec. 26. The board may impose any of the following sanctions, singly or in combination, if the board finds a practitioner has committed an offense under section 23 of this chapter:
(1) Permanently revoke the practitioner’s certificate.
(2) Suspend the practitioner’s certificate.
(3) Censure the practitioner.
(4) Issue a letter of reprimand.
(5) Place the practitioner on probation status and require the practitioner to:
   (A) report regularly to the board upon the matters that are the basis of the probation;
   (B) limit practice to those areas prescribed by the board; or
   (C) continue or renew professional education under a
practitioner approved by the board until a satisfactory degree of skill has been attained in those areas that are the basis of the probation. The board may withdraw the probation if the board finds that the deficiency that required disciplinary action has been remedied.

Sec. 27. The board may summarily suspend a practitioner's certificate for ninety (90) days in advance of final adjudication or during the appeals process if the board finds that the practitioner represents a clear and immediate danger to the public health and safety if the practitioner is allowed to continue to practice. The summary suspension may be renewed upon a hearing before the board, and each renewal may be for ninety (90) days or less.

Sec. 28. The board may reinstate a certificate that has been suspended under this chapter if after a hearing the board is satisfied that the applicant is able to practice with reasonable skill and safety. As a condition of reinstatement, the board may impose disciplinary or corrective measures authorized under this chapter.

Sec. 29. The board shall seek to achieve consistency in the application of sanctions authorized in this chapter, and significant departures from prior decisions involving similar conduct shall be explained in the board's findings or orders.

Chapter 12. Library Capital Projects Fund

Sec. 1. As used in this chapter, "emergency" means:

1. when used with respect to repair or replacement, a fire, flood, windstorm, mechanical failure of any part of a structure, or other unforeseeable circumstance; and

2. when used with respect to site acquisition, the unforeseeable availability of real property for purchase.

Sec. 2. (a) A library district may establish a capital projects fund.

(b) With respect to a facility used or to be used by the library district, the fund may be used to pay for the following:

1. Planned construction, repair, replacement, or remodeling.

2. Site acquisition.

3. Site development.

4. Repair, replacement, or site acquisition that is necessitated by an emergency.

(c) Money in the fund may be used to pay for the purchase, lease, or repair of equipment to be used by the library district.

(d) The fund may be used to pay for the purchase, lease, upgrading, maintenance, or repair of computer hardware or software.
Sec. 3. (a) Before a library board may collect property taxes for a capital projects fund in a particular year, the library board must, after January 1 and before May 15 of the immediately preceding year, hold a public hearing on a proposed plan, pass a resolution to adopt a plan, and submit the plan for approval or rejection by the fiscal body designated in section 4 of this chapter.

(b) The department of local government finance shall prescribe the format of the plan. A plan must apply to at least the three (3) years immediately following the year the plan is adopted. A plan must estimate for each year to which the plan applies the nature and amount of proposed expenditures from the capital projects fund. A plan must estimate:

1. the source of all revenue to be dedicated to the proposed expenditures in the upcoming budget year; and
2. the amount of property taxes to be collected in that year and retained in the fund for expenditures proposed for a later year.

(c) If a hearing is scheduled under subsection (a), the governing body shall publish the proposed plan and a notice of the hearing in accordance with IC 5-3-1-2(b).

Sec. 4. (a) If the library board passes a resolution under section 3 of this chapter, not later than ten (10) days after passing the resolution the board shall transmit a certified copy of the plan to the appropriate fiscal body or fiscal bodies, whichever applies. The appropriate fiscal body is determined as follows:

1. If the library district is located entirely within the corporate boundaries of a municipality, the appropriate fiscal body is the fiscal body of the municipality.
2. If the library district is not described by subdivision (1) and the district is located entirely within the boundaries of a township, the appropriate fiscal body is the fiscal body of the township.
3. If the library district is not described by subdivision (1) or (2), the appropriate fiscal body is the fiscal body of each county in which the library district is located.

(b) The appropriate fiscal body shall hold a public hearing on the plan not later than thirty (30) days after receiving a certified copy of the plan and either reject or approve the plan before August 1 of the year that the plan is received.

Sec. 5. (a) If the library board passes a resolution under section 3 of this chapter and the appropriate fiscal body or bodies approve the
plan, the library board shall submit the resolution and the plan to the
department of local government finance. If the department of local
government finance determines that:
   (1) the library board has correctly advertised the plan under
section 3(c) of this chapter;
   (2) the plan was adopted by the library board and approved by
the appropriate fiscal body or bodies; and
   (3) the plan conforms to the format prescribed by the
department;
the department shall require notice of the submission to be given to
the taxpayers of the library district in accordance with IC 5-3-1-2(b).

(b) Ten (10) or more taxpayers who will be affected by the adopted
plan may file a petition with the county auditor of a county in which
the library district is located not later than ten (10) days after the
publication, setting forth the taxpayers’ objections to the proposed
plan. The county auditor shall immediately certify the petition to the
department of local government finance.

Sec. 6. The department of local government finance shall, within a
reasonable time, fix a date for a hearing on the petition filed under
section 5(b) of this chapter. The hearing shall be held in a county in
which the library district is located. The department of local
government finance shall notify:
   (1) the library board; and
   (2) the first ten (10) taxpayers whose names appear on the
petition;
at least five (5) days before the date fixed for the hearing.

Sec. 7. (a) After a hearing upon the petition under section 6 of this
chapter, the department of local government finance shall certify the
department's approval, disapproval, or modification of the plan to the
library board and the auditor of the county.

(b) A:
   (1) taxpayer who signed a petition filed under section 5 of this
chapter; or
   (2) library district against which a petition under section 5 of this
chapter is filed;
may petition for judicial review of the final determination of the
department of local government finance under subsection (a). The
petition must be filed in the tax court not more than forty-five (45)
days after the department certifies the department's action under
subsection (a).
Sec. 8. The department of local government finance may approve appropriations from the capital projects fund only if the appropriations conform to a plan that has been adopted and approved in compliance with this chapter.

Sec. 9. (a) A library board may amend an adopted and approved plan to:

(1) provide money for the purposes described in section 2(b)(4) of this chapter; or

(2) supplement money accumulated in the capital projects fund for those purposes.

(b) If an emergency arises that results in costs that exceed the amount accumulated in the fund for the purposes described in section 2(b)(4) of this chapter, the library board must immediately apply to the department of local government finance for a determination that an emergency exists. If the department of local government finance determines that an emergency exists, the library board may adopt a resolution to amend the plan. The amendment is not subject to the deadline and the procedures for adoption described in section 3 of this chapter. However, the amendment is subject to modification by the department of local government finance.

(c) An amendment adopted under this section may require the payment of eligible emergency costs from:

(1) money accumulated in the capital projects fund for other purposes; or

(2) money to be borrowed from other funds of the library board or from a financial institution.

The amendment may also provide for an increase in the property tax rate for the capital projects fund to restore money to the fund or to pay principal and interest on a loan. However, before the property tax rate for the fund may be increased, the library board must submit and obtain the approval of the appropriate fiscal body or bodies, as provided in section 4 of this chapter. An increase to the property tax rate for the capital projects fund is effective for property taxes first due and payable for the year next certified by the department of local government finance under IC 6-1.1-17-16. However, the property tax rate may not exceed the maximum rate established under section 10 of this chapter.

Sec. 10. To provide for the capital projects fund, the library board may, for each year in which a plan adopted under section 3 of this chapter is in effect, impose a property tax rate that does not exceed
one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of the library district. This rate must be advertised in the same manner as other property tax rates.

Sec. 11. Interest on the capital projects fund, including the fund's pro rata share of interest earned on the investment of total money on deposit, shall be deposited in the fund. The library board may allocate the interest among the accounts within the fund.

Sec. 12. The department of local government finance may adopt rules under IC 4-22-2 to implement this chapter.

Chapter 13. Interstate Library Compact

Sec. 1. This chapter applies to Indiana and any state bordering Indiana that joins in the interstate library compact.

Sec. 2. (a) The appropriate officials and agencies of the party states or a political subdivision as defined in IC 36-1-2-13 may, on behalf of the party states or political subdivision, enter into agreements under the interstate library compact for cooperative or joint conduct of library services if the party states or political subdivision finds that the distribution of population makes the provision of library service on an interstate basis the most effective way to provide adequate and efficient services.

(b) Agreements under the interstate library compact entered into on behalf of the state shall be made by the compact administrator.

(c) Agreements under the interstate library compact entered into on behalf of one of the state's political subdivisions shall be made after giving notice to the compact administrator and after consulting with the compact administrator about the agreement.

Sec. 3. The director of the Indiana state library, ex officio, is the compact administrator. The compact administrator shall:

(1) receive copies of all agreements entered into by the state or a political subdivision of the state and other party states or political subdivisions;

(2) consult with, advise, and aid the political subdivisions in the formulation of interstate library compact agreements;

(3) make recommendations to the governor, the general assembly, governmental agencies, and political subdivisions that are desirable to effectuate the purposes of this compact; and

(4) consult and cooperate with the compact administrators of other party states.

Sec. 4. An interstate library compact agreement must:

(1) detail the specific nature of the services, facilities, properties,
or personnel to which the compact is applicable;
(2) provide for the allocation of costs and other financial responsibilities;
(3) specify the respective rights, duties, obligations, and liabilities; and
(4) stipulate the terms and conditions for duration, renewal, termination, abrogation, disposal of joint or common property, if any, and all other matters that may be appropriate to the proper effectuation and performance of the agreement.

Sec. 5. A compact continues in force and remains binding on each party state until six (6) months after a state has given notice of repeal by the legislature. The repeal of an interstate library compact chapter does not relieve any party to an interstate library compact agreement from the obligation of that agreement before the end of the compact's stipulated period of duration.

Sec. 6. The agencies and officers of this state and political subdivisions of the state shall enforce the compact and do all things appropriate within their power to effect the compact's purpose and intent.

SECTION 50. IC 2-3.5-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A member of the general assembly who is serving on April 30, 1989, may elect to become a participant in both the defined benefit plan and the defined contribution plan of the legislators' retirement system, as provided by IC 2-3.5-3-1. If such a member does not elect to become a participant in the legislators' retirement system, that member is not affected by this article and is instead covered by IC 5-10.2, IC 5-10.3, and IC 21-6.1.

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

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

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

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

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

(4) IC 5-10.2-4-3.1 and the special provisions for members of the general assembly in IC 5-10.2-3-7.5, IC 5-10.3-7-3, IC 5-10.3-7-7, IC 5-10.3-8-2, IC 20-6.1-6-14, IC 20-28-10-16, and IC 21-6.1-5-7.5 do apply to the determination of the participant's benefits under PERF and TRF for benefits earned before July 1, 1989. IC 5-10.2-4-3.1 and the special provisions for members of the general assembly in IC 5-10.2-3-7.5, IC 5-10.3-7-3, IC 5-10.3-7-7, IC 5-10.3-8-2, IC 20-6.1-6-14(c), IC 20-28-10-16(b), and IC 21-6.1-5-7.5 do not apply to the determination of the participant's benefits under PERF or TRF for benefits earned after June 30, 1989.

SECTION 51. IC 2-3.5-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A member of the general assembly who:

(1) served as a member of the general assembly before April 30, 1989;
(2) was not serving as a member of the general assembly on April 30, 1989; and
(3) is subsequently elected or appointed to the general assembly;

is a participant in the defined contribution plan of the legislators' retirement system.

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

(1) The PERF board or TRF board shall include the participant's years of service in the general assembly in the determination of eligibility for benefits under PERF or TRF.
(2) The PERF board or TRF board shall not include in the computation of benefits from PERF or TRF the participant's:
   (A) salary as a member of the general assembly that is received after July 1, 1989; or
   (B) years of service as a member of the general assembly after July 1, 1989.
(3) The participant is not required to make annuity contributions to PERF or TRF for service as a member of the general assembly after July 1, 1989.
(4) If IC 5-10.2-4-3.1 or any of the special provisions for members of the general assembly in IC 5-10.2-3-7.5, IC 5-10.3-7-3, IC 5-10.3-7-7, IC 5-10.3-8-2, IC 20-6.1-6-14, IC 20-28-10-16, and IC 21-6.1-5-7.5 applied to the determination of the participant's benefits under PERF or TRF before July 1, 1989, those provisions do not apply to the determination of the participant's benefits under PERF or TRF for benefits earned after July 1, 1989.

SECTION 52. IC 3-7-24-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Each public library or county contractual public library established under IC 36-12 is a distribution site for registration by mail forms.

SECTION 53. IC 3-8-2-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.2. (a) A candidate for a school board office must file a petition of nomination in accordance with IC 3-8-6 and as required under IC 23-12, IC 20-23-14, or IC 20-4. IC 20-23-4. The petition of nomination, once filed, serves as the candidate's declaration of candidacy for a school board office.

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

SECTION 54. IC 3-12-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever a tie vote at an election for:

(1) a federal office;

(2) a state office (other than governor and lieutenant governor);

(3) a legislative office;

(4) a circuit office; or

(5) a school board office not covered under IC 20-23-4 or IC 20-23-7.

occurs, a special election shall be held.

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

SECTION 55. IC 4-1-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to
provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

(1) Department of state revenue.
(2) Department of workforce development.
(3) The programs administered by:
   (A) the division of family and children;
   (B) the division of mental health and addiction;
   (C) the division of disability, aging, and rehabilitative services; and
   (D) the office of Medicaid policy and planning;
   of the office of the secretary of family and social services.
(4) Auditor of state.
(5) State personnel department.
(6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.
(7) The legislative ethics commission, with respect to the registration of lobbyists.
(8) Indiana department of administration, with respect to bidders on contracts.
(9) Indiana department of transportation, with respect to bidders on contracts.
(10) Health professions bureau.
(11) Indiana professional licensing agency.
(12) Indiana department of insurance, with respect to licensing of insurance producers.
(13) A pension fund administered by the board of trustees of the public employees' retirement fund.
(14) The Indiana state teachers' retirement fund.
(15) The state police benefit system.
(16) The alcohol and tobacco commission.

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.
(2) That an individual include the individual's Social Security number on an application for registration.
(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number
on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, the health professions bureau, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

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

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

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

(f) Notwithstanding this chapter, the professional standards board established by IC 20-1-1.4-2 IC 20-28-2-1 may require an individual who applies to the board for a license or an endorsement to provide the individual's Social Security number. The Social Security number may be used by the board only for conducting a background investigation, if the board is authorized by statute to conduct a background investigation of an individual for issuance of the license or endorsement.

SECTION 56. IC 4-6-2-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) Whenever any state governmental official or employee, whether elected or appointed, is made a party to a suit, and the attorney general determines that said suit has arisen out of an act which such official or employee in good faith believed to be within the scope of his duties as prescribed by statute or duly adopted regulation, the attorney general shall defend such person throughout such action.

(b) Whenever a teacher (as defined in IC 20-6-1-8 IC 20-18-2-22) is made a party to a civil suit, and the attorney general determines that the suit has arisen out of an act that the teacher in good faith believed was within the scope of the teacher's duties in enforcing discipline policies developed under IC 20-8-1-5-2(e) IC 20-33-8-12, the attorney general shall defend the teacher throughout the action.

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

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

SECTION 57. IC 4-10-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The warrants may be drawn for the necessary and current expenses of the following:

(1) All psychiatric hospitals (as defined in IC 12-7-2-184).
(2) The Indiana School for the Deaf, established by IC 20-16.
(3) The Indiana School for the Blind, established by IC 20-15.
(4) The Indiana Veterans' Home.
(5) The Plainfield Juvenile Correctional Facility.

SECTION 58. IC 4-12-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) During the interval between sessions of the general assembly, the budget agency shall make regular or, at the request of the governor, special inspections of the respective institutions of the state supported by public funds. The budget agency shall report regularly to the governor relative to the physical condition of such institutions, and any contemplated action of the institution on a new or important matter, and on any other subject which such agency may deem pertinent or on which the governor may require information. The budget agency shall likewise familiarize itself with the best and approved practices in each of such institutions and supply such information to other institutions to make their operation more efficient and economical.

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

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

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

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

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

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

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

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

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

SECTION 59. IC 4-12-12-6 IS AMENDED TO READ AS FOLLOWS
Sec. 6. Money in the account that is not otherwise designated under section 3 of this chapter is annually dedicated to the following:

(1) The certified school to career program and grants under IC 22-4.1-8.
(2) The certified internship program and grants under IC 22-4.1-7.
(3) The Indiana economic development partnership fund under IC 4-12-10.
(4) Minority training program grants under IC 22-4-18.1-11.
(5) Technology apprenticeship grants under IC 20-1-18.7.
(6) The back home in Indiana program under IC 22-4-18.1-12.
(7) The Indiana schools smart partnership under IC 22-4-1.9.
(8) The scientific instrument project within the department of education.
(9) The coal technology research fund under IC 4-4-30-8.

SECTION 60. IC 4-13-1.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this chapter, "major equipment item" refers to any item that a school corporation considers:

(1) a significant equipment purchase; and
(2) reasonably likely to be purchased by several school corporations.
(b) The term does not include the following:

(1) A textbook that has been adopted under IC 20-10.1-9.
(2) A special purpose bus (as defined in IC 20-9.1-4-5).
(3) A school bus (as defined in IC 20-9.1-5).

SECTION 61. IC 4-13-1.6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "school corporation" has the meaning set forth in IC 20-10.1-16.

SECTION 62. IC 4-13-2-20, AS AMENDED BY HEA 1003-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) Except as otherwise provided in this section, IC 20-1-18-7, IC 12-17-19-19, or IC 12-8-10-7, payment for any services, supplies, materials, or equipment shall not be paid from any fund or state money in advance of receipt of such services, supplies, materials, or equipment by the state.
(b) With the prior approval of the budget agency, payment may be made in advance for any of the following:

(1) War surplus property.
(2) Property purchased or leased from the United States government or its agencies.
(3) Dues and subscriptions.
(4) License fees.
(5) Insurance premiums.
(6) Utility connection charges.
(7) Federal grant programs where advance funding is not prohibited and, except as provided in subsection (i), the contracting party posts sufficient security to cover the amount advanced.
(8) Grants of state funds authorized by statute.
(9) Employee expense vouchers.
(10) Beneficiary payments to the administrator of a program of self-insurance.
(11) Services, supplies, materials, or equipment to be received from an agency or from a body corporate and politic.
(12) Expenses for the operation of offices that represent the state under contracts with the Indiana economic development corporation and that are located outside Indiana.
(13) Services, supplies, materials, or equipment to be used for more than one (1) year under a discounted contractual arrangement funded through a designated leasing entity.
(14) Maintenance of equipment and maintenance of software not exceeding an annual amount of one thousand five hundred dollars ($1,500) for each piece of equipment or each software license.
(15) Exhibits, artifacts, specimens, or other unique items of cultural or historical value or interest purchased by the state museum.

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

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

(1) appoint a special disbursing officer for any state agency or group of agencies where it is necessary or expedient that a special record be kept of a particular class of disbursements or where disbursements are made from a special fund; and
(2) approve advances to the special disbursing officer or officers from any available appropriation for the purpose.
(e) The auditor of state shall issue the auditor's warrant to the special disbursing officer to be disbursed by the disbursing officer as provided in this section. Special disbursing officers shall in no event make disbursements or payments for supplies or current operating expenses of any agency or for contractual services or equipment not purchased or contracted for in accordance with this chapter and IC 5-22. No special disbursing officer shall be appointed and no money shall be advanced until procedures covering the operations of special disbursing officers have been adopted by the Indiana department of administration and approved by the budget agency. These procedures must include the following provisions:

1. Provisions establishing the authorized levels of special disbursing officer accounts and establishing the maximum amount which may be expended on a single purchase from special disbursing officer funds without prior approval.
2. Provisions requiring that each time a special disbursing officer makes an accounting to the auditor of state of the expenditure of the advanced funds, the auditor of state shall request that the Indiana department of administration review the accounting for compliance with IC 5-22.
3. A provision that, unless otherwise approved by the commissioner of the Indiana department of administration, the special disbursing officer must be the same individual as the procurements agent under IC 4-13-1.3-5.
4. A provision that each disbursing officer be trained by the Indiana department of administration in the proper handling of money advanced to the officer under this section.

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

(g) A special disbursing officer may issue a check to a person without requiring a certification under IC 5-11-10-1 if the officer:
   1. is authorized to make the disbursement; and
   2. complies with procedures adopted by the state board of accounts to govern the issuance of checks under this subsection.

(h) A special disbursing officer is not personally liable for a check issued under subsection (g) if:
   1. the officer complies with the procedures described in subsection (g); and
   2. funds are appropriated and available to pay the warrant.
(i) For contracts entered into between the department of workforce development or the Indiana commission on vocational and technical education and:

1. a school corporation (as defined in IC 20-10.1-1-1; IC 20-18-2-16); or
2. a state educational institution (as defined in IC 20-12-0.5-1); the contracting parties are not required to post security to cover the amount advanced.

SECTION 63. IC 4-15-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "officer or employee of the state" means the following:

1. An elected official or employee of a state administration, agency, authority, board, bureau, commission, committee, council, department, division, institution, office, service, or other similar body of state government created or established by law.
2. A teacher (as defined in IC 20-6.1-1-8; IC 20-18-2-22). The term does not include an employee of a state educational institution (as defined in IC 20-12-0.5-1).

SECTION 64. IC 4-23-7.1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:

1. "Advisory council" refers to the Indiana state library advisory council established by section 39 of this chapter.
2. "Agency" means any state administration, agency, authority, board, bureau, commission, committee, council, department, division, institution, office, service, or other similar body of state government.
3. "Board" means the Indiana library and historical board established by IC 4-23-7-2.
4. "Department" means the Indiana library and historical department established by IC 4-23-7-1.
5. "Director" means director of the Indiana state library.
6. "Historical bureau" means the Indiana historical bureau established by IC 4-23-7-3.
7. "Public library" has the meaning set forth in IC 20-14-1-2; IC 36-12-1-5.
8. "State library" means the Indiana state library established by IC 4-23-7-3.
9. "Statewide library card program" refers to the program established by section 5.1 of this chapter.

SECTION 65. IC 4-23-7.1-5.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.1. (a) The state library shall develop and implement a statewide library card program to enable individuals who hold a valid statewide library card to present the statewide library card to borrow:

1. library books; or
2. other items available for public borrowing from public libraries as established by rules adopted by the board under subsection (c); from any public library in Indiana. The statewide library card program is in addition to any reciprocal borrowing agreement entered into between public libraries under IC 20-14-3-6 IC 36-12-3-7 or IC 36-1-7.

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

1. To be an eligible cardholder of a statewide library card or to renew a statewide library card, the individual must:
   A. be a resident of Indiana;
   B. ask to receive or renew the statewide library card; and
   C. hold a valid resident or nonresident local library card issued to the individual by a public library under IC 20-14-2-8.

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

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

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

5. Statewide library cards shall be available to eligible cardholders at all public libraries.

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

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

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

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

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

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

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

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

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

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

(A) borrowed but not returned;

(B) returned to the inappropriate public library;

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

(D) damaged.

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

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

(6) Any other pertinent matter.

SECTION 66. IC 4-23-7.1-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.2. (a) As used in this section, "fund" refers to the statewide library card fund established by
subsection (b).

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

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

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

(1) meets the standards for public libraries established by rules of the board or the board has granted the public library a waiver from these standards; and
(2) charges a fee in the amount required under IC 20-14-2-8 IC 36-12-2-25 for issuing a local library card to a nonresident of the public library district.

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

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

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

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

SECTION 67. IC 4-23-7.1-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) The Indiana state library shall distribute to each eligible public library district the amount the district is entitled to under this section not later than August 1 of each year. The board shall determine each district's distribution, which may be based on:

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

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

(1) comply with the standards and rules established under section 11 of this chapter;

(2) comply with IC 20-14; IC 36-12; and

(3) submit an application on a form prescribed by the Indiana state library, including a summary of loan data for the previous year, to the Indiana state library no later than May 1 of each year.

(c) Any expenses incurred by the Indiana state library in the administration and distribution of funds under this section may not be charged against funds appropriated for the purposes of this section.

(d) The governing body of a public library district which receives funds under this section may appropriate the funds for library materials or expenses associated with the sharing of resources.

SECTION 68. IC 4-23-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The committee consists of the following members:

(1) The director of the children's special health care services program.

(2) The director of the first steps program.

(3) The chair of the governor's interagency coordinating council for early intervention.

(4) The chair of the children's special health care services advisory council under 410 IAC 3.2-11.

(5) The director of the division of special education created under IC 20-1-6-2.1. IC 20-35-2-1.

(6) The director of the division of mental health and addiction.

(7) One (1) representative of the Indiana chapter of the American Academy of Pediatrics.

(8) One (1) representative of a family advocacy group.

(9) Three (3) parents of children with special health needs.

(10) Three (3) parents of children who are enrolled in the:

(A) children's health insurance program under IC 12-17.6; or

(B) Medicaid managed care program for children.

(b) The members under subdivisions (1) and (2) are nonvoting members.

SECTION 69. IC 4-34-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Money in the fund shall be allocated annually to the technology grant plan program established under IC 20-10.1-25.3 IC 20-20-13 for the following purpose: For technology plan grants to school corporations under IC 20-10.1-25.3. IC 20-20-13.
SECTION 70. IC 4-34-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The allocation of money under sections 4 through 5 of this chapter is subject to:

1. the availability of money for allocation; and
2. a recommendation by the Indiana department of education (established by IC 20-19-3-1) to the state budget agency that a program is able to utilize the money.

SECTION 71. IC 5-1.4-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. "Qualified entity" means the following:

1. A city.
2. A county.
3. A special taxing district located wholly within a county.
4. Any entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.
5. A political subdivision (as defined in IC 36-1-2-13) that is located wholly within a county:
   (A) that has a population of:
      (i) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
      (ii) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); or
   (B) containing a city that:
      (i) is described in section 5(3) of this chapter; and
      (ii) has a public improvement bond bank under this article.
6. A charter school established under IC 20-5.5 IC 20-24 that is sponsored by the executive of a consolidated city.
7. Any authority created under IC 36 that leases land or facilities to any qualified entity listed in subdivisions (1) through (6).

SECTION 72. IC 5-2-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) The sex and violent offender directory established under section 3 of this chapter must include the names of each offender who is or has been required to register under IC 5-2-12.

(b) The institute shall do the following:
1. Update the directory at least one (1) time every six (6) months.
2. Publish the directory on the Internet through the computer gateway administered by the intelenet commission under IC 5-21-2 and known as Access Indiana.
3. Make the directory available on a computer disk and, at least one
(1) time every six (6) months, send a copy of the computer disk to the following:
   (A) All school corporations (as defined in IC 20-16-14).
   (B) All nonpublic schools (as defined in IC 20-10.1-1-3).
   (C) All state agencies that license individuals who work with children.
   (D) The state personnel department to screen individuals who may be hired to work with children.
   (E) All child care facilities licensed by or registered in the state.
   (F) Other entities that:
      (i) provide services to children; and
      (ii) request the directory.
(4) Maintain a hyperlink on the institute's computer web site that permits users to connect to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5.
(5) Make a paper copy of the directory available upon request.
(c) A copy of the directory:
   (1) provided to a child care facility under subsection (b)(3)(E);
   (2) provided to another entity that provides services to children under subsection (b)(3)(F); or
   (3) that is published on the Internet under subsection (b)(2);
   must include the home address of an offender whose name appears in the directory.
   (d) When the institute publishes on the Internet or distributes a copy of the directory under subsection (b), the institute shall include a notice using the following or similar language:
   "Based on information submitted to the criminal justice institute, a person whose name appears in this directory has been convicted of a sex offense or a violent offense or has been adjudicated a delinquent child for an act that would be a sex offense or violent offense if committed by an adult."

SECTION 73. IC 5-3-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town during the preceding calendar year.
   (b) Not earlier than August 1 or later than August 15 of each year, the secretary of each school corporation in Indiana shall publish an annual
financial report.
(c) In the annual financial report the school corporation shall include the following:

1. Actual receipts and expenditures by major accounts as compared to the budget advertised under IC 6-1.1-17-3 for the prior calendar year.
2. The salary schedule for all certificated employees (as defined in IC 20-7.5-1-2) as of June 30, with the number of employees at each salary increment. However, the listing of salaries of individual teachers is not required.
3. The extracurricular salary schedule as of June 30.
4. The range of rates of pay for all noncertificated employees by specific classification.
5. The number of employees who are full-time certificated, part-time certificated, full-time noncertificated, and part-time noncertificated.
6. The lowest, highest, and average salary for the administrative staff and the number of administrators without a listing of the names of particular administrators.
7. The number of students enrolled at each grade level and the total enrollment.
8. The assessed valuation of the school corporation for the prior and current calendar year.
9. The tax rate for each fund for the prior and current calendar year.
10. In the general fund, capital projects fund, and transportation fund, a report of the total payment made to each vendor for the specific fund in excess of two thousand five hundred dollars ($2,500) during the prior calendar year. However, a school corporation is not required to include more than two hundred (200) vendors whose total payment to each vendor was in excess of two thousand five hundred dollars ($2,500). A school corporation shall list the vendors in descending order from the vendor with the highest total payment to the vendor with the lowest total payment above the minimum listed in this subdivision.
11. A statement providing that the contracts, vouchers, and bills for all payments made by the school corporation are in its possession and open to public inspection.
12. The total indebtedness as of the end of the prior calendar year showing the total amount of notes, bonds, certificates, claims due, total amount due from such corporation for public improvement
assessments or intersections of streets, and any and all other evidences of indebtedness outstanding and unpaid at the close of the prior calendar year.

(d) The school corporation may provide an interpretation or explanation of the information included in the financial report.

(e) The department of education shall do the following:
   (1) Develop guidelines for the preparation and form of the financial report.
   (2) Provide information to assist school corporations in the preparation of the financial report.

(f) The annual reports required by this section and IC 36-2-2-19 and the abstract required by IC 36-6-4-13 shall each be published one (1) time only, in accordance with this chapter.

(g) Each school corporation shall submit to the department of education a copy of the financial report required under this section. The department of education shall make the financial reports available for public inspection.

SECTION 74. IC 5-9-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided in subsection (b) or (c), an officeholder who elects to take the leave of absence described in section 6 of this chapter shall give written notice that the officeholder is taking a leave of absence for military service to the person or entity designated in IC 5-8-3.5-1 to receive a resignation for the office the officeholder holds.

(b) An officeholder who is:
   (1) a justice of the supreme court, a judge of the court of appeals, or a judge of the tax court; or
   (2) a judge of a circuit, city, county, probate, or superior court; shall give the written notice required by subsection (a) to the clerk of the supreme court.

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

(d) The written notice required by subsection (a) must state that the officeholder is taking a leave of absence because the officeholder:
   (1) has been called for active duty in: the
      (A) armed forces of the United States; or
      (B) the national guard; and
(2) will be temporarily unable to perform the duties of the officeholder's office.

SECTION 75. IC 5-9-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in subsection (b), during the officeholder's leave of absence the officeholder's office must be filled by a temporary appointment made under:

1. IC 3-13-4;
2. IC 3-13-5;
3. IC 3-13-6;
4. IC 3-13-7;
5. IC 3-13-8;
6. IC 3-13-9;
7. IC 3-13-10;
8. IC 3-13-11;
9. IC 20-3;
10. IC 20-4; or
11. IC 20-5;
9. IC 20-23-4;
10. IC 20-26;
11. IC 20-23-12;
12. IC 20-23-14;
13. IC 20-23-15;
14. IC 20-25-3;
15. IC 20-25-4; or
16. IC 20-25-5;

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

(b) For an officeholder who:

1. is:
   1. a justice of the supreme court, a judge of the court of appeals, or a judge of the tax court; or
   2. a judge of a circuit, city, county, probate, or superior court; and
2. is taking a leave of absence under this chapter;

the supreme court shall appoint a judge pro tempore to fill the officeholder's office in accordance with the court's rules and procedures.

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

1. the date the officeholder's leave of absence ends as provided in section 10 of this chapter; or
2. the officeholder's term of office expires.
(d) The person selected or appointed to an office under subsection (a) or (b):
   (1) assumes all the rights and duties of; and
   (2) is entitled to the compensation established for;
the office for the period of the temporary appointment.

SECTION 76. IC 5-10-8-2.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.6. (a) This section applies only to local unit public employers and their employees. This section does not apply to public safety employees, surviving spouses, and dependents covered by section 2.2 of this chapter.

(b) A public employer may provide programs of group insurance for its employees and retired employees. The public employer may, however, exclude part-time employees and persons who provide services to the unit under contract from any group insurance coverage that the public employer provides to the employer’s full-time employees. A public employer may provide programs of group health insurance under this section through one (1) of the following methods:
   (1) By purchasing policies of group insurance.
   (2) By establishing self-insurance programs.
   (3) By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.

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

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

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

(e) After June 30, 1986, a public employer shall provide a group health insurance program under subsection (g) to each retired employee:
   (1) whose retirement date is:
   (A) after May 31, 1986, for a retired employee who was a teacher
(as defined in IC 20-6.1-1-8) IC 20-18-2-22) for a school corporation; or

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

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

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

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

(f) A group health insurance program required by subsection (e) must be equal in coverage to that offered active employees and must permit the retired employee to participate if the retired employee pays an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active employee and if the employee, within ninety (90) days after the employee's retirement date files a written request with the employer for insurance coverage. However, the employer may elect to pay any part of the retired employee's premiums.

(g) A retired employee's eligibility to continue insurance under subsection (e) ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under subsection (e) may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

(1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program.

(3) Two (2) years after the date of the employee's death.

(4) The date of the spouse's remarriage.

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-6.1-6-1(c). IC 20-28-10-2(b). An
employee who is on leave without pay is entitled to participate for ninety
(90) days in any group health insurance program maintained by the public
employer for active employees if the employee pays an amount equal to
the total of the employer's and the employee's premiums for the insurance.
However, the employer may pay all or part of the employer's premium for
the insurance.

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

SECTION 77. IC 5-10-8-8 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies only to the
state and employees who are not covered by a plan established under
section 6 of this chapter.

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

(1) whose retirement date is:

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

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

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

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

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

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

(c) The state shall provide a group health insurance program to each
retired employee:
(1) who is a retired judge;
(2) whose retirement date is after June 30, 1990;
(3) who is at least sixty-two (62) years of age;
(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
(5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

(d) The state shall provide a group health insurance program to each retired employee:
   (1) who is a retired participant under the prosecuting attorneys retirement fund;
   (2) whose retirement date is after January 1, 1990;
   (3) who is at least sixty-two (62) years of age;
   (4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
   (5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

(e) The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:
   (1) is no longer a member of the general assembly;
   (2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
   (3) has at least ten (10) years of service credit as a member in the general assembly.

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

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

(g) Except as provided in subsection (j), a retired employee's eligibility to continue insurance under this section ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under this section may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

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

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-6.1-6-1(c). An employee who is on leave without pay is entitled to participate for ninety (90) days in any health insurance program maintained by the employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance.

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

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

SECTION 78. IC 5-11-10-1.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.6. (a) As used in this section, "governmental entity" refers to any of the following:

1. A municipality (as defined in IC 36-1-2-11).
2. A school corporation (as defined in IC 36-1-2-17), including a school extracurricular account.
3. A county.
4. A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
5. A municipally owned utility that is subject to IC 8-1.5-3 or IC 8-1.5-4.
6. A board of an airport authority under IC 8-22-3.
8. A conservancy district.
10. A commuter transportation district under IC 8-5-15.
11. The state.
12. A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
15. A soil and water conservation district established under IC 14-32.

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

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

1. there is a fully itemized invoice or bill for the claim;
2. the invoice or bill is approved by the officer or person receiving the goods and services;
3. the invoice or bill is filed with the governmental entity's fiscal officer;
4. the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
5. payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim.

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim,
from making payment in advance of receipt of services as allowed by guidelines developed under §20-10.1-25-3. §20-20-13-10.

d) The fiscal officer of a governmental entity shall issue checks or warrants for claims by the governmental entity that meet all of the requirements of this section. The fiscal officer does not incur personal liability for disbursements:
   (1) processed in accordance with this section; and
   (2) for which funds are appropriated and available.

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

SECTION 79. §5-13-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In a county having a consolidated city, the county board of finance is composed of:
   (1) the county treasurer;
   (2) the county auditor;
   (3) the county assessor;
   (4) the mayor of the consolidated city;
   (5) the controller of the consolidated city; and
   (6) the president of the board of school commissioners of the school city described by §20-25-3-1.

(b) The board has supervision of the revocation of public depositories for all public funds of the following:
   (1) The county.
   (2) The consolidated city.
   (3) The school city.
   (4) Any other political subdivision in the county whose local board of finance designates the county board of finance for those purposes.

SECTION 80. §5-14-1.5-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) Whenever a governing body, or any person authorized to act for a governing body, meets with an employee organization, or any person authorized to act for an employee organization, for the purpose of collective bargaining or discussion, the following apply:
   (1) Any party may inform the public of the status of collective bargaining or discussion as it progresses by release of factual information and expression of opinion based upon factual information.
   (2) If a mediator is appointed, any report the mediator may file at the conclusion of mediation is a public record open to public inspection.
   (3) If a factfinder is appointed, any hearings the factfinder holds
must be open at all times for the purpose of permitting members of the public to observe and record them. Any findings and recommendations the factfinder makes are public records open to public inspection as provided by IC 20-7.5-1-13(e) IC 20-29-8-13 or any other applicable statute relating to factfinding in connection with public collective bargaining.

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

SECTION 81. IC 5-21-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. "Authorized user" means:

(1) any board, commission, department, agency, or authority, by whatever name designated, exercising a portion of the executive, administrative, legislative, or judicial power of the state;
(2) any county, city, town, township, school corporation, political subdivision, or other entity, by whatever name designated, exercising in a limited geographical area the executive, administrative, legislative, or judicial power of the state or a local governmental power;
(3) any entity that is subject to:
   (A) budget review by the department of local government finance or the governing body of a county, city, town, township, or school corporation; or
   (B) audit by the state board of accounts;
(4) any building corporation of a political subdivision of the state that issues bonds for the purpose of constructing public facilities;
(5) any advisory commission, committee, or body created by statute, ordinance, or executive order and requiring the use of the intelenet system;
(6) the Indiana higher education telecommunications system (IC 20-12-12) and all of the colleges and universities included in that system;
(7) any Indiana broadcasting station licensed by the Federal Communications Commission as a noncommercial radio or television station for the purposes of educational programming;
(8) any community network; or
(9) any nonpublic school (as defined in IC 20-10.1-1-3).

SECTION 82. IC 5-22-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Except as provided in this article, this article does not apply to the following:
(1) The commission for higher education.
(2) A state educational institution. However, IC 5-22-15 applies to a state educational institution.
(3) Military officers and military and armory boards of the state.
(4) An entity established by the general assembly as a body corporate and politic. However, IC 5-22-15 applies to a body corporate and politic.
(5) A local hospital authority under IC 5-1-4.
(6) A municipally owned utility under IC 8-1-11.1 or IC 8-1.5.
(7) Hospitals organized or operated under IC 16-22-1 through IC 16-22-5, IC 16-23-1, or IC 16-24-1.
(8) A library board under IC 20-14-3-14(b), IC 36-12-3-16(b).
(9) A local housing authority under IC 36-7-18.
(10) Tax exempt Indiana nonprofit corporations leasing and operating a city market owned by a political subdivision.
(11) A person paying for a purchase or lease with funds other than public funds.
(12) A person that has entered into an agreement with a governmental body under IC 5-23.
(13) A municipality for the operation of municipal facilities used for the collection, treatment, purification, and disposal in a sanitary manner of liquid and solid waste, sewage, night soil, and industrial waste.

SECTION 83. IC 5-22-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this section, "board" refers to either of the following:

   (1) With respect to the Indiana School for the Blind, the board established by IC 20-15-3-1, IC 20-21-3-1.
   (2) With respect to the Indiana School for the Deaf, the board established by IC 20-16-3-1, IC 20-22-3-1.

(b) As used in this section, "school" refers to either of the following:

   (1) The Indiana School for the Blind established by IC 20-15-2-1, IC 20-21-2-1.
   (2) The Indiana School for the Deaf established by IC 20-16-2-1, IC 20-22-2-1.

(c) As used in this section, "superintendent" refers to the superintendent of the school.

   (d) Except as provided in subsection (f), the school is the purchasing agency for the school.
   (e) Except as provided in subsection (f), the superintendent is the
purchasing agent for the school for purchases with a value of not more than twenty-five thousand dollars ($25,000).

(f) Not later than October 1, 1999; The Indiana department of administration and the board shall develop and implement a written policy for purchases by the school with a value of more than twenty-five thousand dollars ($25,000).

SECTION 84. IC 5-22-21-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) This section applies to surplus computer hardware that:

(1) is not usable by a state agency as determined under section 6 of this chapter; and
(2) has market value.

(b) As used in this section, "educational entity" refers to the following:

(1) A school corporation (as defined in IC 36-1-2-17) or nonpublic schools (as defined in IC 20-10.1-3. IC 20-18-2-12).
(2) The corporation for educational technology described in IC 20-10.1-25.4. IC 20-20-15.

(c) As used in this section, "market value" means the value of the property is more than the estimated costs of sale and transportation of the property.

(d) Surplus computer hardware available for sale must be offered first to an educational entity. Notice of the sale must be given to the corporation for educational technology and to each school corporation through publication in a publication of the department of education or other appropriate association or department.

(e) Sealed bids shall be delivered by educational entities to the office of the commissioner before the date of the sale to educational entities. Surplus personal property shall be sold to the highest responsible bidder as determined by the commissioner. The department shall deliver possession of the surplus property to the successful bidder after the bidder submits an executed purchase order to the department.

(f) If the surplus computer hardware:

(1) is not sold to an educational entity under this section; and
(2) had an original purchase price of more than two thousand five hundred dollars ($2,500);

the property shall be offered for sale to political subdivisions as described in section 7 of this chapter.

SECTION 85. IC 5-22-21-7.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.6. (a) This section applies to surplus computer hardware that is:
(1) not usable by a state agency as determined under section 6 of this chapter; and
(2) not sold to an educational entity or political subdivision after being offered for sale.

(b) The department may donate the surplus computer hardware to an educational entity or a school corporation (as defined by IC 36-1-2-17) or nonpublic schools (as defined in IC 30-18-2-12).

SECTION 86. IC 5-22-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This chapter applies only to personal property owned by a governmental body.

(b) This chapter does not apply to dispossession of property described in any of the following:
(1) IC 5-22-21-1(b).
(2) IC 36-1-11-5.5.

(c) This chapter does not apply to any of the following:
(1) The disposal of property under an urban homesteading program under IC 36-7-17.
(2) The lease of school buildings under IC 21-5.
(3) The sale of land to a lessor in a lease-purchase contract under IC 36-1-10.
(4) The disposal of property by a redevelopment commission established under IC 36-7.
(5) The leasing of property by a board of aviation commissioners established under IC 8-22-2 or an airport authority established under IC 8-22-3.
(6) The disposal of a municipally owned utility under IC 8-1-5.
(7) The sale or lease of property by a unit (as defined in IC 36-1-2-23) to an Indiana nonprofit corporation organized for educational, literary, scientific, religious, or charitable purposes that is exempt from federal income taxation under Section 501 of the Internal Revenue Code or the sale or reletting of that property by the nonprofit corporation.
(8) The disposal of property by a hospital organized or operating under IC 16-22-1 through IC 16-22-5, IC 16-23-1, or IC 16-24-1.
(9) The sale or lease of property acquired under IC 36-7-13 for industrial development.
(10) The sale, lease, or disposal of property by a local hospital authority under IC 5-1-4.
(11) The sale or other disposition of property by a county or municipality to finance housing under IC 5-20-2.
(12) The disposition of property by a soil and water conservation district under IC 14-32.
(13) The sale of surplus or unneeded property by the board of trustees of the health and hospital corporation under IC 16-22-8.
(14) The disposal of personal property by a library board under IC 20-14-3-4(e), IC 36-12-3-5(c).
(15) The sale or disposal of property by the historic preservation commission under IC 36-7-11.1.
(16) The disposal of an interest in property by a housing authority under IC 36-7-18.
(18) The disposal of property used for park purposes under IC 36-10-7-8.
(19) The disposal of textbooks that will no longer be used by school corporations under IC 20-10.1-10, IC 20-26-12.
(20) The disposal of residential structures or improvements by a municipal corporation without consideration to:
   (A) a governmental body; or
   (B) a nonprofit corporation that is organized to expand the supply or sustain the existing supply of good quality, affordable housing for residents of Indiana having low or moderate incomes.
(21) The disposal of historic property without consideration to a nonprofit corporation whose charter or articles of incorporation allows the corporation to take action for the preservation of historic property. As used in this subdivision, "historic property" means property that is:
   (A) listed on the National Register of Historic Places; or
   (B) eligible for listing on the National Register of Historic Places, as determined by the division of historic preservation and archeology of the department of natural resources.
(22) The disposal of real property without consideration to:
   (A) a governmental body; or
   (B) a nonprofit corporation that exists for the primary purpose of enhancing the environment; when the property is to be used for compliance with a permit or an order issued by a federal or state regulatory agency to mitigate an adverse environmental impact.
(23) The disposal of property to a person under an agreement between the person and a governmental body under IC 5-23.

SECTION 87. IC 6-1.1-18-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) For purposes of this section, "maximum rate" refers to the maximum:

(1) property tax rate or rates; or
(2) special benefits tax rate or rates;
referred to in the statutes listed in subsection (d).

(b) The maximum rate for taxes first due and payable after 2003 is the maximum rate that would have been determined under subsection (e) for taxes first due and payable in 2003 if subsection (e) had applied for taxes first due and payable in 2003.

(c) The maximum rate must be adjusted:

(1) each time an annual adjustment of the assessed value of real property takes effect under IC 6-1.1-4-4.5; and
(2) each time a general reassessment of real property takes effect under IC 6-1.1-4-4.

(d) The statutes to which subsection (a) refers are:

(1) IC 8-10-5-17;
(2) IC 8-22-3-11;
(3) IC 8-22-3-25;
(4) IC 12-29-1-1;
(5) IC 12-29-1-2;
(6) IC 12-29-1-3;
(7) IC 12-29-3-6;
(8) IC 13-21-3-12;
(9) IC 13-21-3-15;
(10) IC 14-27-6-30;
(11) IC 14-33-7-3;
(12) IC 14-33-21-5;
(13) IC 15-1-6-2;
(14) IC 15-1-8-1;
(15) IC 15-1-8-2;
(16) IC 16-20-2-18;
(17) IC 16-20-4-27;
(18) IC 16-20-7-2;
(19) IC 16-23-1-29;
(20) IC 16-23-3-6;
(21) IC 16-23-3-6;
(22) IC 16-23-5-6;
(23) IC 16-23-7-2;
(24) IC 16-23-8-2;
(25) IC 16-23-9-2;
(26) IC 16-41-15-5;
(27) IC 16-41-33-4;
(28) IC 20-5-17.5-2;
(29) IC 20-26-8-4;
(30) IC 20-5-17.5-3;
(31) IC 20-14-7.5-1;
(32) IC 20-14-7.6;
(33) IC 20-14-13-12;
(34) (29) IC 21-1-11-3;
(35) (30) IC 21-2-17-2;
(36) (31) IC 23-13-17-1;
(37) (32) IC 23-14-66-2;
(38) (33) IC 23-14-67-3;
(39) (34) IC 23-13-17-1;
(40) (35) IC 36-7-14-28;
(41) (36) IC 36-7-15.1-16;
(42) (37) IC 36-8-19-8.5;
(43) (38) IC 36-9-6.1-2;
(44) (39) IC 36-9-17.5-4;
(45) (40) IC 36-9-27-73;
(46) (41) IC 36-9-29-31;
(47) (42) IC 36-9-29.1-15;
(48) (43) IC 36-10-6-2;
(49) (44) IC 36-10-7-7;
(50) (45) IC 36-10-7-8;
(51) (46) IC 36-10-7.5-19; and
(47) IC 36-10-13-5;
(48) IC 36-10-13-7;
(49) IC 36-12-7-7;
(50) IC 36-12-7-8;
(51) IC 36-12-12-10; and
(52) any statute enacted after December 31, 2003, that:
   (A) establishes a maximum rate for any part of the:
      (i) property taxes; or
      (ii) special benefits taxes;
      imposed by a political subdivision; and
   (B) does not exempt the maximum rate from the adjustment
      under this section.
(e) The new maximum rate under a statute listed in subsection (d) is the tax rate determined under STEP SEVEN of the following STEPS:

STEP ONE: Determine the maximum rate for the political subdivision levying a property tax or special benefits tax under the statute for the year preceding the year in which the annual adjustment or general reassessment takes effect.

STEP TWO: Determine the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the year preceding the year the annual adjustment or general reassessment takes effect to the year that the annual adjustment or general reassessment takes effect.

STEP THREE: Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first take effect.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Determine the greater of the following:

(A) Zero (0).

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

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

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

SECTION 88. IC 6-1.1-18.5-10.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.3. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a library board for a capital projects fund under IC 20-14-13. IC 36-12-3. However, the maximum amount that is exempt from the levy limits under this section may not
exceed the property taxes that would be raised in the ensuing calendar year with a property tax rate of one and thirty-three hundredths cents ($0.0133) per one hundred dollars ($100) of assessed valuation.

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

SECTION 89. IC 6-1.1-19-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A school corporation that did not impose a general fund tax levy for the preceding calendar year may not collect a general fund tax levy for the ensuing calendar year until that general fund tax levy (and the related budget, appropriations, and general fund tax rate), after being adopted and advertised and considered by the proper county board of tax adjustment as provided by law, is reviewed by the tax control board, which shall make its recommendations in respect thereof to the department of local government finance, and is approved by the department.

(b) For all purposes relevant to this chapter:
   (1) the adjusted base levy for a school corporation that must have its levy approved under subsection (a) is the total dollar amount of the ad valorem tax levy for its general fund that, after being approved, is made by the school corporation for taxes collectible in the first full calendar year after the approval; and
   (2) the ADA ratio for a school corporation that must have its levy approved under subsection (a) is the quotient resulting from a division of the school corporation's current ADA by the ADA first determined after the approval for the school corporation in accordance with the rules and regulations established by the state board of education.

(c) For purposes of this chapter:
   (1) where territory is transferred from one (1) school corporation to another after April 4, 1973, under IC 20-4-4 (before its repeal), or IC 20-3-14 (before its repeal), IC 20-23-5, or IC 20-25-5, ADA, current ADA, and ADA ratio shall be interpreted, insofar as possible, as though the pupils in the territory had been transferred in the school year ending in 1973; and
   (2) where territory is transferred from one (1) school corporation to another after June 1, 1978, under IC 20-4-4 (before its repeal), or
IC 20-3-14 (before its repeal), IC 20-23-5, or IC 20-25-5, adjusted base levy, normal tax levy, and the other terms used in this chapter shall be interpreted, insofar as possible, as though the assessed valuation of the territory had been transferred prior to March 1, 1977, in accordance with rules and a final determination by the department of local government finance.

SECTION 90. IC 6-1.1-19-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A school corporation must file a petition requesting approval from the department of local government finance to incur bond indebtedness, enter into a lease rental agreement, or repay from the debt service fund loans made for the purchase of school buses under IC 20-9.1-6-5 IC 20-27-4-5 not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under IC 6-1.1-20-3.1(2), unless the school corporation demonstrates that a longer period is reasonable in light of the school corporation’s facts and circumstances. A school corporation must obtain approval from the department of local government finance before the school corporation may:

1. incur the indebtedness;
2. enter into the lease agreement; or
3. repay the school bus purchase loan.

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

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

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

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

1. establishes that additional classroom space is necessary; and
2. conducts a feasibility study, holds public hearings, and hears public testimony on using a twelve (12) month school term (instead of the nine (9) month school term (as defined in IC 20-10.1-2-2)) rather than expanding classroom space.

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

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

SECTION 91. IC 6-1.1-19-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Not later than the date on which the department of local government finance certifies a final action under IC 6-1.1-17-16, the department of local government finance shall provide to each county auditor the amount determined under IC 20-5.5-7-3(c)(6) for each charter school attended by a student who has legal settlement in both the county and a school corporation located in the county.

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

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

SECTION 92. IC 6-1.1-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

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

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

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

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

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

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

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

(1) the remainder of:

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

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

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

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

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

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

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

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

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

   (iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 (repealed) were satisfied prior to
January 1, 1984; minus
(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
(F) the remainder of:
   (i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
   (ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
(G) the amount of property taxes imposed in the county for the stated assessment year under:
   (i) IC 21-2-15 for a capital projects fund; plus
   (ii) IC 6-1.1-19-10 for a racial balance fund; plus
   (iii) IC 20-14-13 IC 36-12-12 for a library capital projects fund; plus
   (iv) IC 20-5-17.5-3 IC 36-10-13-7 for an art association fund; plus
   (v) IC 21-2-17 for a special education preschool fund; plus
   (vi) IC 21-2-11.6 for a referendum tax levy fund; plus
   (vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus
   (viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus
(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the
adjustment set forth in IC 6-1.1-19-1.5 or any other law; minus
(I) for each township in the county, the lesser of:
   (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
   STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's
   ad valorem property tax levy for calendar year 1989 that
   represents increases in that levy that resulted from an appeal
   described in IC 6-1.1-18.5-13(4) filed after December 31,
   1982; or
   (ii) the amount of property taxes imposed in the township for
   the stated assessment year under the authority of IC 36-8-13-4;
   minus
(J) for each participating unit in a fire protection territory
established under IC 36-8-19-1, the amount of property taxes
levied by each participating unit under IC 36-8-19-8 and
IC 36-8-19-8.5 less the maximum levy limit for each of the
participating units that would have otherwise been available for
fire protection services under IC 6-1.1-18.5-3 and
IC 6-1.1-18.5-19 for that same year; minus
(K) for each county, the sum of:
   (i) the amount of property taxes imposed in the county for the
   repayment of loans under IC 12-19-5-6 (repealed) that is
   included in the amount determined under IC 12-19-7-4(a)
   STEP SEVEN for property taxes payable in 1995, or for
   property taxes payable in each year after 1995, the amount
determined under IC 12-19-7-4(b); and
   (ii) the amount of property taxes imposed in the county
   attributable to appeals granted under IC 6-1.1-18.6-3 that is
   included in the amount determined under IC 12-19-7-4(a)
   STEP SEVEN for property taxes payable in 1995, or the
amount determined under IC 12-19-7-4(b) for property taxes
payable in each year after 1995; plus
(2) all taxes to be paid in the county in respect to mobile home
assessments currently assessed for the year in which the taxes stated
in the abstract are to be paid; plus
(3) the amounts, if any, of county adjusted gross income taxes that
were applied by the taxing units in the county as property tax
replacement credits to reduce the individual levies of the taxing units
for the assessment year, as provided in IC 6-3.5-1.1; plus
(4) the amounts, if any, by which the maximum permissible ad
valorem property tax levies of the taxing units of the county were
reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
assessment year; plus
(5) the difference between:
(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
minus
(B) the amount the civil taxing units' levies were increased
because of the reduction in the civil taxing units' base year
certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement
filed by the county auditor with the auditor of state, as required under
IC 6-1.1-27-3.

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

(j) "Eligible property tax replacement amount" is equal to the sum of
the following:
(1) Sixty percent (60%) of the total county tax levy imposed by each
school corporation in a county for its general fund for a stated
assessment year.
(2) Twenty percent (20%) of the total county tax levy (less sixty
percent (60%) of the levy for the general fund of a school
corporation that is part of the total county tax levy) imposed in a
county on real property for a stated assessment year.
(3) Twenty percent (20%) of the total county tax levy (less sixty
percent (60%) of the levy for the general fund of a school
corporation that is part of the total county tax levy) imposed in a
county on tangible personal property, excluding business personal
property, for an assessment year.

(k) "Business personal property" means tangible personal property
(other than real property) that is being:
(1) held for sale in the ordinary course of a trade or business; or
(2) held, used, or consumed in connection with the production of
income.

(l) "Taxpayer's property tax replacement credit amount" means the sum
of the following:
(1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year
for taxes imposed by a school corporation for its general fund for a
stated assessment year.
(2) Twenty percent (20%) of a taxpayer's tax liability for a stated
assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property.

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

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

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

SECTION 93. IC 6-1.1-21.8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall determine the terms of a loan made under this chapter. However, the interest charged on the loan may not exceed the percent of increase in the United States Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers during the most recent twelve (12) month period for which data is available as of the date that the unit applies for a loan under this chapter. In the case of a qualified taxing unit that is not a school corporation or a public library (as defined in IC 20-14-1-2), IC 36-12-1-5), a loan must be repaid not later than ten (10) years after the date on which the loan was made. In the case of a qualified taxing unit that is a school corporation or a public library (as defined in IC 20-14-1-2), IC 36-12-1-5), a loan must be repaid not later than eleven (11) years after the date on which the loan was made. A school corporation or a public library (as defined in IC 20-14-1-2) IC 36-12-1-5) is not required to begin making payments to repay a loan until after June 30, 2004. The total amount of all the loans made under this chapter may not exceed twenty-eight million dollars ($28,000,000). The board may disburse the proceeds of a loan in installments. However, not more than one-third (1/3) of the total amount to be loaned under this chapter may be disbursed at any particular time without the review of the budget committee and the approval of the budget agency.

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

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

(2) any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.
The payment of any installment of principal constitutes a first charge against the property tax revenues described in subdivision (1) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

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

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

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

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

(1) The county adjusted gross income tax under IC 6-3.5-1.1.
(2) The county option income tax under IC 6-3.5-6.
(3) The county economic development income tax under IC 6-3.5-7.

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

SECTION 94. IC 6-3.1-2-1 IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, the following terms have the following meanings:

(1) "Eligible teacher" means a teacher:
(A) certified in a shortage area by the professional standards board established by IC 20-1-1.4; IC 20-28-2-1; and
(B) employed under contract during the regular school term by a school corporation in a shortage area.

(2) "Qualified position" means a position that:
(A) is relevant to the teacher's academic training in a shortage area; and
(B) has been approved by the Indiana state board of education under section 6 of this chapter.

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

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

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

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

SECTION 95. IC 6-3.1-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "buddy system project" has the meaning set forth in IC 20-10.1-25.1-4(1)(A).

SECTION 96. IC 6-3.1-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "service center" means an educational service center established under IC 20-1-11.3.

SECTION 97. IC 6-3.1-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The state board shall, in consultation with the corporation for educational technology if the corporation is established under IC 20-10.1-25.1-3, establish minimum standards for qualified computer equipment. Upon receipt of computer equipment, a service center shall promptly inspect the equipment. If the computer equipment meets the minimum standards established by the state board, the service center shall accept the computer equipment as qualified computer equipment and shall, subject to section 11(b) of this chapter, promptly send a certification to the computer equipment owner for the tax credit available under this chapter.

SECTION 98. IC 6-3.1-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. Before July 1 of each year, the state department of education shall notify each school that complies with the minimum instructional days required by IC 20-30-2-3 for the preceding school year that the program created by this chapter exists, including how the school may participate in the program.

SECTION 99. IC 9-18-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A person who owns a vehicle subject to registration shall register each vehicle owned by the person as follows:

   (1) A vehicle subject to section 8 of this chapter shall be registered under section 8.
(2) A vehicle not subject to section 8 of this chapter or to the International Registration Plan shall be registered before:
   (A) March 1 of each year; or
   (B) an earlier date subsequent to January 1 of each year as set by the bureau.

(3) School buses owned by a school corporation are exempt from annual registration but are subject to registration under IC 20-9-1-4. IC 20-27-7.

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

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

(c) License plates for a vehicle subject to this section may be displayed during:
   (1) the calendar year for which the vehicle is registered; and
   (2) the period of time:
       (A) subsequent to the calendar year; and
       (B) before the date that the vehicle must be re-registered.

(d) A person who owns or operates a vehicle may not operate or permit the operation of a vehicle that:
   (1) is required to be registered under this chapter; and
   (2) has expired license plates.

(e) If a vehicle that is required to be registered under this chapter has:
   (1) been operated on the highways; and
   (2) not been properly registered under this chapter;
the bureau shall, before the vehicle is re-registered, collect the registration fee that the owner of the vehicle would have paid if the vehicle had been properly registered.

(f) The department of state revenue may adopt rules under IC 4-22-2 to issue staggered registration to motor vehicles subject to the International Registration Plan.

SECTION 100. IC 9-18-31-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The fees collected under this chapter shall be distributed as follows:
   (1) Twenty-five percent (25%) to the state superintendent of public instruction to administer the school intervention and career counseling development program and fund under IC 20-10-1-28.
   IC 20-20-17.
(2) Seventy-five percent (75%) as provided under section 7 of this
chapter.

SECTION 101. IC 9-19-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The state school bus committee established under IC 20-9.1-4 by IC 20-27-3-1 shall adopt and enforce rules under IC 4-22-2 not inconsistent with this chapter to govern the design and operation of all school buses used for the transportation of school children when owned and operated by a school corporation or privately owned and operated under contract with an Indiana school corporation. The rules must by reference be made a part of such a contract with a school corporation. Each school corporation, officer and employee of the school corporation, and person employed under contract by a school district is subject to those rules.

SECTION 102. IC 9-19-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A bus used to transport school children must be equipped as follows:

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

(2) As required by the state school bus committee under IC 20-9.1-4. IC 20-27-3-4.


SECTION 103. IC 9-21-8-52 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 52. (a) A person who operates a vehicle and who recklessly:

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

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

(B) block the proper flow of traffic;

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

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

(4) speeds up or refuses to give one-half (1/2) of the roadway to a driver overtaking and desiring to pass; or

(5) passes a school bus stopped on a roadway when the arm signal device specified in IC 20-9.1-5-14 IC 9-21-12-13 is in the device's extended position;
commits a Class B misdemeanor.

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

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

SECTION 104. IC 9-21-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who drives a vehicle that:

(1) meets or overtakes from any direction a school bus stopped on a roadway and is not stopped before reaching the school bus when the arm signal device specified in IC 20-9.1-5-14 IC 9-21-12-13 is in the device's extended position; or
(2) proceeds before the arm signal device is no longer extended;

commits the offense described in section 9 of this chapter.

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

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

SECTION 105. IC 9-21-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The state school bus committee established under IC 20-1-4 by IC 20-27-3-1 shall adopt and enforce rules that are consistent with this chapter to govern the design and operation of all school buses used for the transportation of school children that are:

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

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

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

SECTION 106. IC 9-24-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A driver's license or a learner's permit may not be issued to an individual less than eighteen (18) years of age if the individual:

(1) has previously been convicted of a Class B or Class C

...
age who meets any of the following conditions:

1. Is a habitual truant under IC 20-8.1-3-17.2. IC 20-33-2-11.
2. Is under at least a second suspension from school for the school year under IC 20-8.1-5.1-8 IC 20-33-8-14 or IC 20-8.1-5.1-9. IC 20-33-8-15.
4. Has withdrawn from school, for a reason other than financial hardship and the withdrawal was reported under IC 20-8.1-3-24(a) IC 20-33-2-21(a) before graduating.

(b) At least five (5) days before holding an exit interview under IC 20-8.1-3-17(b)(2); IC 20-33-2-6(a)(3), the school corporation shall give notice by certified mail or personal delivery to the student, the student's parent, or the student's guardian of the following:

1. That the exit interview will include a hearing to determine if the reason for the student's withdrawal is financial hardship.
2. If the principal determines that the reason for the student's withdrawal is not financial hardship:
   A. the student and the student's parent or guardian will receive a copy of the determination; and
   B. the student's name will be submitted to the bureau for the bureau's use in denying or invalidating a driver's license or learner's permit under this section.

SECTION 107. IC 9-24-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If a person is less than eighteen (18) years of age and is a habitual truant, is under a suspension or an expulsion or has withdrawn from school as described in section 1 of this chapter, the bureau shall, upon notification by the person's principal, invalidate the person's license or permit until the earliest of the following:

1. The person becomes eighteen (18) years of age.
2. One hundred twenty (120) days after the person is suspended, or the end of a semester during which the person returns to school, whichever is longer.
3. The suspension, expulsion, or exclusion is reversed after the person has had a hearing under IC 20-8.1-5.1. IC 20-33-8.

(b) The bureau shall promptly mail a notice to the person's last known address that states the following:

1. That the person's driving privileges will be invalidated for a specified period commencing five (5) days after the date of the
notice.
(2) That the person has the right to appeal the invalidation of a license or permit.

(c) If an aggrieved person believes that:
   (1) the information provided was technically incorrect; or
   (2) the bureau committed a technical or procedural error;
the aggrieved person may appeal the invalidation of a license under IC 9-25.

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

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

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

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

(h) The bureau shall revalidate the license or permit of a person whose license or permit was invalidated under this section who does the following:
   (1) Establishes to the satisfaction of the principal of the school where the action occurred that caused the invalidation of the person's license or permit that the person has:
       (A) enrolled in a full-time or part-time program of education; and
       (B) participated for thirty (30) or more days in the program of education.
   (2) Submits to the bureau a form developed by the bureau that contains:
       (A) the verified signature of the principal or the president of the governing body of the school described in subdivision (1); and
       (B) notification to the bureau that the person has complied with subdivision (1).

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

SECTION 108. IC 9-24-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A person whose driving privileges have been invalidated under section 4 of this chapter is entitled to a prompt judicial hearing. The person may file a petition that requests
a hearing in a circuit, superior, county, or municipal court in the county where:

(1) the person resides; or
(2) the school attended by the person is located.

(b) The petition for review must:

(1) be in writing; and
(2) be verified by the person seeking review and:
   (A) allege specific facts that indicate the suspension or expulsion was improper; or
   (B) allege that due to the person's emancipation or dependents that an undue hardship exists that requires the granting of a restricted driving permit.

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

(1) Whether the school followed proper procedures when suspending or expelling the person from school, including affording the person due process under IC 20-8.1-5.5. IC 20-33-8.
(2) Whether the bureau followed proper procedures in invalidating the person's license or permit.
(3) Whether an undue hardship exists that requires the granting of a restricted driving permit.

(d) If the court finds:

(1) that the school failed to follow proper procedures when suspending or expelling the person from school; or
(2) that the bureau failed to follow proper procedures in invalidating the person's license or permit;

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

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

(1) Include in the order a finding of facts that states the petitioner's driving restrictions.
(2) Enter the findings of fact and order in the order book of the court.
(3) Send the bureau a signed copy of the order.

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

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

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

SECTION 109. IC 9-24-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The following, if committed while driving a commercial motor vehicle, are serious traffic violations:

1) Operating a vehicle at least fifteen (15) miles per hour above the posted speed limit in violation of IC 9-21-5, IC 9-21-6, or IC 20-9-1-5-10: IC 9-21-5-14.

2) Operating a vehicle recklessly as provided in IC 9-21-8-50 and IC 9-21-8-52.

3) Improper or erratic traffic lane changes in violation of IC 9-21-8-2 through IC 9-21-8-13 and IC 9-21-8-17 through IC 9-21-8-18.

4) Following a vehicle too closely in violation of IC 9-21-8-14 through IC 9-21-8-16.

5) In connection with a fatal accident, violating any statute, ordinance, or rule concerning motor vehicle traffic control other than parking statutes, ordinances, or rules.

6) Operating a vehicle while disqualified under this chapter.

7) For drivers who are not required to always stop at a railroad crossing, failing to do any of the following:

(A) Slow down and determine that the railroad tracks are clear of an approaching train, in violation of IC 9-21-5-4, IC 9-21-8-39, IC 35-42-2-4, or any similar statute.

(B) Stop before reaching the railroad crossing, if the railroad tracks are not clear of an approaching train, in violation of IC 9-21-4-16, IC 9-21-8-39, or any similar statute.

8) For all drivers, whether or not they are required to always stop at a railroad crossing, to do any of the following:

(A) Stopping in a railroad crossing, in violation of IC 9-21-8-50 or any similar statute.

(B) Failing to obey a traffic control device or failing to obey the directions of a law enforcement officer at a railroad crossing, in violation of IC 9-21-8-1 or any similar statute.

(C) Stopping in a railroad crossing because of insufficient undercarriage clearance, in violation of IC 35-42-2-4,
IC 9-21-8-50, or any similar statute.

(b) Subsection (a)(1) and (a)(8) is intended to comply with the provisions of 49 U.S.C. 31311(a)(10) and regulations adopted under that statute.

SECTION 110. IC 9-27-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) To establish or operate a commercial driver training school, the school must obtain a license from the bureau in the manner and form prescribed by the bureau.

(b) Subject to subsection (c), the bureau shall adopt rules under IC 4-22-2 that state the requirements for obtaining a school license, including the following:

1. Location of the school.
2. Equipment required.
3. Courses of instruction.
4. Instructors.
5. Previous records of the school and instructors.
6. Financial statements.
7. Schedule of fees and charges.
8. Character and reputation of the operators and instructors.
9. Insurance in the amount and with the provisions the bureau considers necessary to adequately protect the interests of the public.
10. Other matters the bureau prescribes for the protection of the public.

(c) The rules adopted under subsection (b) must permit a licensed school to conduct classroom training in a county outside the county where the school is located to the students of:

1. a school corporation (as defined in IC 36-1-2-17);
2. a nonpublic secondary school that voluntarily becomes accredited under IC 20-1-1-6; IC 20-19-2-8; or
3. a nonpublic secondary school recognized under IC 20-1-1-6.2; IC 20-19-2-10;

if the governing body of the school corporation or the nonpublic secondary school approves the delivery of the training to its students.

SECTION 111. IC 9-27-4-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) To receive an instructor's license under subsection (d), an individual must complete at least sixty (60) semester hours at a college. The individual must complete at least twelve (12) semester hours in driver education courses, of which three (3) semester hours must consist of supervised student teaching experience under the direction of an individual who has:
(1) a driver and traffic safety education endorsement issued by the professional standards board established by IC 20-1-1.4; IC 20-28-2-1; and

(2) at least five (5) years of teaching experience in driver education.

(b) The three (3) semester hours of supervised student teaching experience required under subsection (a) may only be undertaken by an individual who will be at least twenty-one (21) years of age upon completion and may only be performed at a high school, a commercial driving school, or the college providing the courses for the individual to become an instructor. The remaining nine (9) hours of driver education courses required under subsection (a) must include a combination of theoretical and behind-the-wheel instruction that is consistent with nationally accepted standards in traffic safety.

(c) The driver education semester hours required under subsection (a) do not satisfy the requirements of subsection (d) or (e) unless the driver education curriculum is approved by the commission for higher education.

(d) The bureau shall issue an instructor's license to an individual who satisfies all of the following:

(1) The individual meets the requirements of subsection (a).

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

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

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

(1) during 1995, held an instructor's license;

(2) meets the requirements of subsection (d)(2) and (d)(3); and

(3) completes the twelve (12) semester hours of driver education courses required under subsection (a) not later than July 1, 1999.

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

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

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

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

SECTION 112. IC 9-29-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The fee for the registration of a motorcycle is seventeen dollars ($17). The revenue from this fee shall be allocated as follows:

1. Seven dollars ($7) to the motorcycle operator safety education fund established under IC 20-10.1-7-14 by IC 20-30-13-11.
2. An amount prescribed as a license branch service charge under IC 9-29-3.
3. The balance to the state general fund for credit to the motor vehicle highway account.

SECTION 113. IC 10-13-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "certificated employee" has the meaning set forth in IC 20-7.5-1-2.

SECTION 114. IC 10-13-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. As used in this chapter, "noncertificated employee" has the meaning set forth in IC 20-7.5-1-2.

SECTION 115. IC 10-13-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. As used in this chapter, "school corporation" has the meaning set forth in IC 20-10.1-14.

SECTION 116. IC 10-13-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. As used in this chapter, "special education cooperative" has the meaning set forth in IC 20-1-6-20.

SECTION 117. IC 10-13-3-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) Except as provided in subsection (b), on request, law enforcement agencies shall release or allow inspection of a limited criminal history to noncriminal justice organizations or individuals only if the subject of the request:

1. has applied for employment with a noncriminal justice organization or individual;
2. has applied for a license and criminal history data as required by law to be provided in connection with the license;
3. is a candidate for public office or a public official;
4. is in the process of being apprehended by a law enforcement
agency;
(5) is placed under arrest for the alleged commission of a crime;
(6) has charged that the subject’s rights have been abused repeatedly by criminal justice agencies;
(7) is the subject of a judicial decision or determination with respect to the setting of bond, plea bargaining, sentencing, or probation;
(8) has volunteered services that involve contact with, care of, or supervision over a child who is being placed, matched, or monitored by a social services agency or a nonprofit corporation;
(9) has volunteered services at a public school (as defined in IC 20-10.1-1-2) or nonpublic school (as defined in IC 20-10.1-1-3) that involve contact with, care of, or supervision over a student enrolled in the school;
(10) is being investigated for welfare fraud by an investigator of the division of family and children or a county office of family and children;
(11) is being sought by the parent locator service of the child support bureau of the division of family and children;
(12) is or was required to register as a sex and violent offender under IC 5-2-12; or
(13) has been convicted of any of the following:
   (A) Rape (IC 35-42-4-1), if the victim is less than eighteen (18) years of age.
   (B) Criminal deviate conduct (IC 35-42-4-2), if the victim is less than eighteen (18) years of age.
   (C) Child molesting (IC 35-42-4-3).
   (D) Child exploitation (IC 35-42-4-4(b)).
   (E) Possession of child pornography (IC 35-42-4-4(c)).
   (F) Vicarious sexual gratification (IC 35-42-4-5).
   (G) Child solicitation (IC 35-42-4-6).
   (H) Child seduction (IC 35-42-4-7).
   (I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).
   (J) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age.

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

(b) A law enforcement agency shall allow inspection of a limited criminal history by and release a limited criminal history to the following noncriminal justice organizations:
(1) Federally chartered or insured banking institutions.
(2) Officials of state and local government for any of the following purposes:
  (A) Employment with a state or local governmental entity.
  (B) Licensing.

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

SECTION 118. IC 10-13-3-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. (a) The department may not charge a fee for responding to a request for the release of a limited criminal history record if the request is made by a nonprofit organization:
  (1) that has been in existence for at least ten (10) years; and
  (2) that:
    (A) has a primary purpose of providing an individual relationship for a child with an adult volunteer if the request is made as part of a background investigation of a prospective adult volunteer for the organization;
    (B) is a home health agency licensed under IC 16-27-1;
    (C) is a community mental retardation and other developmental disabilities center (as defined in IC 12-7-2-39);
    (D) is a supervised group living facility licensed under IC 12-28-5;
    (E) is an area agency on aging designated under IC 12-10-1;
    (F) is a community action agency (as defined in IC 12-14-23-2);
    (G) is the owner or operator of a hospice program licensed under IC 16-25-3; or
    (H) is a community mental health center (as defined in IC 12-7-2-38).

(b) Except as provided in subsection (d), the department may not charge a fee for responding to a request for the release of a limited criminal history record made by the division of family and children or a county office of family and children if the request is made as part of a background investigation of an applicant for a license under IC 12-17.2 or IC 12-17.4.

  (c) The department may not charge a fee for responding to a request for the release of a limited criminal history if the request is made by a school corporation, special education cooperative, or nonpublic school (as defined in IC 20-18-2-12) as part of a background

(b) Except as provided in subsection (d), the department may not charge a fee for responding to a request for the release of a limited criminal history record if the request is made by the division of family and children or a county office of family and children if the request is made as part of a background investigation of an applicant for a license under IC 12-17.2 or IC 12-17.4.

(c) The department may not charge a fee for responding to a request for the release of a limited criminal history if the request is made by a school corporation, special education cooperative, or nonpublic school (as defined in IC 20-18-2-12) as part of a background
investigation of an employee or adult volunteer for the school corporation, 
special education cooperative, or nonpublic school.

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

(1) by a state agency; and

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

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

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

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

SECTION 119. IC 10-13-3-38.5 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. (a) Under federal 
P.L.92-544 (86 Stat. 1115), the department may use an individual's 
fingerprints submitted by the individual for the following purposes:

(1) Determining the individual's suitability for employment with the 
state, or as an employee of a contractor of the state, in a position:
(A) that has a job description that includes contact with, care of, 
or supervision over a person less than eighteen (18) years of age;
(B) that has a job description that includes contact with, care of, 
or supervision over an endangered adult (as defined in 
IC 12-10-3-2), except the individual is not required to meet the 
standard for harmed or threatened with harm set forth in 
IC 12-10-3-2(a)(3);
(C) at a state institution managed by the office of the secretary of 
family and social services or state department of health;
(D) at the Indiana School for the Deaf established by
(E) at the Indiana School for the Blind established by IC 20-16-1-1; IC 20-21-2-1;
(F) at a juvenile detention facility;
(G) with the gaming commission under IC 4-33-3-16;
(H) with the department of financial institutions under IC 28-11-2-3; or
(I) that has a job description that includes access to or supervision over state financial or personnel data, including state warrants, banking codes, or payroll information pertaining to state employees.

(2) Identification in a request related to an application for a teacher’s license submitted to the professional standards board established under IC 20-1-1.4 by IC 20-28-2-1.

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

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

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

SECTION 120. IC 10-13-3-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) The department is designated as the authorized agency to receive requests for, process, and disseminate the results of national criminal history background checks that comply with this section and 42 U.S.C. 5119a.

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

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

(c) A qualified entity must submit a request under subsection (b) in the form required by the department and provide a set of the person’s fingerprints and any required fees with the request.

(d) If a qualified entity makes a request in conformity with subsection (b), the department shall submit the set of fingerprints provided with the request to the Federal Bureau of Investigation for a national criminal history background check for convictions described in IC 20-5-2-8, IC 20-26-5-11. The department shall respond to the request in conformity with:

(1) the requirements of 42 U.S.C. 5119a; and
(2) the regulations prescribed by the Attorney General of the United States under 42 U.S.C. 5119a.

(e) This subsection applies to a qualified entity that:
(1) is not a school corporation or a special education cooperative; or
(2) is a school corporation or a special education cooperative and seeks a national criminal history background check for a volunteer.

After receiving the results of a national criminal history background check from the Federal Bureau of Investigation, the department shall make a determination whether the applicant has been convicted of an offense described in IC 20-5-2-8 IC 20-26-5-11 and convey the determination to the requesting qualified entity.

(f) This subsection applies to a qualified entity that:
(1) is a school corporation or a special education cooperative; and
(2) seeks a national criminal history background check to determine whether to employ or continue the employment of a certificated employee or a noncertificated employee of a school corporation or an equivalent position with a special education cooperative.

After receiving the results of a national criminal history background check from the Federal Bureau of Investigation, the department may exchange identification records concerning convictions for offenses described in IC 20-5-2-8 IC 20-26-5-11 with the school corporation or special education cooperative solely for purposes of making an employment determination. The exchange may be made only for the official use of the officials with authority to make the employment determination. The exchange is subject to the restrictions on dissemination imposed under P.L.92-544, (86 Stat. 1115) (1972).
SECTION 121. IC 11-10-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The department shall, after consulting with the state superintendent of public instruction and the Indiana commission on vocational and technical education of the department of workforce development, implement academic and vocational education curricula and programs for confined offenders, by utilizing qualified personnel employed by the department or by arranging for instruction to be given by public or private educational agencies in Indiana. The department shall include special education programs, which shall be governed under IC 20-1-6-2.1. To provide funding for development and implementation of academic and vocational education curricula and programs, the department may accept gifts and apply for and receive grants from any source.

SECTION 122. IC 11-10-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The professional standards board established by IC 20-1-1.4 shall, in accord with IC 20-6.1-3, IC 20-28-4 and IC 20-28-5, adopt rules under IC 4-22-2 for the licensing of teachers to be employed by the department.

SECTION 123. IC 11-10-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Limited certificates valid for one (1) year may be granted, upon the request of the commissioner, according to rules of the professional standards board established by IC 20-1-1.4. Modification of these rules may be made by the professional standards board in a way reasonably calculated to make available an adequate supply of qualified teachers. A limited certificate may be issued in cases where special training and qualifications warrant the waiver of part of the prerequisite professional training required for certification to teach in the public schools. The limited certificate, however, may be issued only to applicants who have graduated from an accredited college or university. Teachers of vocational education need not be graduates of an accredited college or university but shall meet requirements for conditional vocational certificates as determined by the professional standards board.

SECTION 124. IC 11-10-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Before an offender may be assigned to a minimum security release program:

(1) the offender must be assigned to a minimum security classification in accord with IC 35-38-3 (any change in the degree of security, from minimum to a higher degree, whether the change occurs before or after assignment to a release program, renders the
offender ineligible for participation in the release program, and the
department shall take appropriate action for the offender’s immediate
removal from the release program and reassignment to a facility or
program consistent with the offender’s degree of security
assignment); and
(2) the department must find that:
(A) the offender is likely to respond affirmatively to the program;
(B) it is reasonably unlikely that the offender will commit another
crime while assigned to the program; and
(C) the offender demonstrates reading and writing skills that meet
minimum literacy standards:
(i) developed by the department with the assistance of the
advisory adult literacy coalition established by the governor
under IC 20-11-3; IC 20-20-21; and
(ii) established under rules adopted by the department under
IC 4-22-2.
(b) The minimum literacy standards adopted by the department under
subsection (a)(2)(C) must provide that an offender is exempt from those
standards if the department determines that:
(1) the offender is unable to meet the minimum literacy standards as
a result of a disability; or
(2) the length of the offender’s sentence prevents the offender from
achieving the minimum literacy standards before the expiration of
the offender’s sentence.
SECTION 125. IC 11-13-1-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this
section, “board” refers to the board of directors of the judicial conference
of Indiana established by IC 33-38-9-3.
(b) The board shall adopt rules consistent with this chapter, prescribing
minimum standards concerning:
(1) educational and occupational qualifications for employment as
a probation officer;
(2) compensation of probation officers;
(3) protection of probation records and disclosure of information
contained in those records; and
(4) presentence investigation reports.
(c) The conference shall prepare a written examination to be used in
establishing lists of persons eligible for appointment as probation officers.
The conference shall prescribe the qualifications for entrance to the
examination and establish a minimum passing score and rules for the
administration of the examination after obtaining recommendations on these matters from the probation standards and practices advisory committee. The examination must be offered at least once every other month.

(d) The conference shall, by its rules, establish an effective date for the minimum standards and written examination for probation officers.

(e) The conference shall provide probation departments with training and technical assistance for:

(1) the implementation and management of probation case classification; and

(2) the development and use of workload information.

The staff of the Indiana judicial center may include a probation case management coordinator and probation case management assistant.

(f) The conference shall, in cooperation with the division of family and children and the department of education, provide probation departments with training and technical assistance relating to special education services and programs that may be available for delinquent children or children in need of services. The subjects addressed by the training and technical assistance must include the following:

(1) Eligibility standards.

(2) Testing requirements and procedures.

(3) Procedures and requirements for placement in programs provided by school corporations or special education cooperatives under IC 20-1-6. IC 20-35-5.

(4) Procedures and requirements for placement in residential special education institutions or facilities under IC 20-1-6-19 IC 20-35-6-2 and 511 IAC 7-27-12.

(5) Development and implementation of individual education programs for eligible children in:

(A) accordance with applicable requirements of state and federal laws and rules; and

(B) in coordination with:

(i) individual case plans; and

(ii) informal adjustment programs or dispositional decrees entered by courts having juvenile jurisdiction under IC 31-34 and IC 31-37.

(6) Sources of federal, state, and local funding that is or may be available to support special education programs for children for whom proceedings have been initiated under IC 31-34 and IC 31-37. Training for probation departments may be provided jointly with training.
provided to child welfare caseworkers relating to the same subject matter.

(g) The conference shall, in cooperation with the division of mental health and addiction (IC 12-21) and the division of disability, aging, and rehabilitative services (IC 12-9-1), provide probation departments with training and technical assistance concerning mental illness, addictive disorders, mental retardation, and developmental disabilities.

(h) The conference shall make recommendations to courts and probation departments concerning:

(1) selection, training, distribution, and removal of probation officers;
(2) methods and procedure for the administration of probation, including investigation, supervision, workloads, record keeping, and reporting; and
(3) use of citizen volunteers and public and private agencies.

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

SECTION 126. IC 11-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The department shall adopt rules under IC 4-22-2 that ensure the boot camp provides the following for participants:

(1) A paramilitary environment emphasizing discipline, physical development, value modification, treatment intervention, and meaningful assignments.
(2) An opportunity for a participant to:
   (A) learn self-discipline, self-respect, and personal accountability;
   (B) acquire a positive work ethic and job skills; and
   (C) form habits of cleanliness and hygiene.
(3) Treatment and counseling, if necessary, for the following:
   (A) Drug and alcohol abuse.
   (B) Emotional or mental problems.
(4) Education, including the following:
   (A) Remedial programs.
   (B) Programs in preparation for a state of Indiana general educational development (GED) diploma under IC 20-10.1-12.1.
   (C) Life skills.
(5) Vocational assessment designed to evaluate a participant's skill level and aptitudes for vocational and technical skill development.

SECTION 127. IC 12-8-10-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) When a state agency selects a grantee agency under section 6 of this chapter, the state agency shall determine whether the purchase of service format can be used as the procedure for reimbursing the grantee agency. The state agency has exclusive authority to make this determination, but the state agency shall seek to use the purchase of service format whenever possible.

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

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

(d) Notwithstanding IC 4-13-2-20, IC 20-1-1.8-17.2, IC 12-17-19-19, or any other law, a contract format selected under subsection (b) or (c) may include provisions for advance funding as follows:

1. For not more than one-sixth (1/6) of the contract amount if the annual contract amount is at least fifty thousand dollars ($50,000).
2. For not more than one-half (1/2) of the contract amount if the annual contract amount is less than fifty thousand dollars ($50,000).
3. For interim payments, with subsequent reconciliation of the amounts paid under the contract and the cost of the services actually provided.

SECTION 128. IC 12-9-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. IC 20-1-6-2.1 ap 1 IC 20-35-2 applies to the operation of each education program for children with disabilities (as defined in IC 20-1-6-1) IC 20-35-12 conducted by a state owned and operated developmental center or furnished under an agreement with the division.

SECTION 129. IC 12-13-15.2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Each county office of family and children shall provide to the following entities in the county a list of dentists practicing in the county who provide dental services under the Medicaid program (IC 12-15) or the children’s health insurance program (IC 12-17.6):

1. Head Start programs (42 U.S.C. 9831 et seq.).
2. Women, infants, and children nutrition programs (as defined in
IC 16-35-1.5-5).
(3) Maternal and child health clinics (as defined in IC 16-46-5-5).
(4) The local health department.
(5) School nurses appointed under IC 20-8.1-7-5. IC 20-34-3-6.
(6) Child care centers licensed under IC 12-17.2-4.
(7) The township trustees.

SECTION 130. IC 12-14-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) To retain eligibility for AFDC assistance under this article, a recipient of AFDC assistance and a dependent child who is a recipient of AFDC assistance must attend school if all of the following apply:

(1) The recipient or the dependent child meets the compulsory attendance requirements under IC 20-8.1-3-17. IC 20-33-2.
(2) The recipient or the dependent child has not graduated from a high school or has not obtained a high school equivalency certificate (as defined in IC 12-14-5-2).
(3) The recipient or the dependent child is not excused from attending school under IC 20-8.1-3-18. IC 20-33-2-14 through IC 20-33-2-17.
(4) The recipient or the dependent child does not have good cause for failing to attend school, as determined by rules adopted by the director under IC 4-22-2.
(5) If the recipient or the dependent child is the mother of a child, a physician has not determined that the recipient or the dependent child should delay returning to school after giving birth.

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

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

SECTION 131. IC 12-14-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "state of Indiana general educational development (GED) diploma" means the state credential issued to a qualified applicant under IC 20-10.1-12.1. IC 20-20-6.

SECTION 132. IC 12-17-2-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) When the Title IV-D agency finds that an obligor is delinquent and can demonstrate that
all previous enforcement actions have been unsuccessful, the Title IV-D agency shall send, to a verified address, a notice to the obligor that includes the following:

(1) Specifies that the obligor is delinquent.
(2) Describes the amount of child support that the obligor is in arrears.
(3) States that unless the obligor:
   (A) pays the obligor's child support arrearage in full;
   (B) requests the activation of an income withholding order under IC 31-16-15-2 and establishes a payment plan with the Title IV-D agency to pay the arrearage; or
   (C) requests a hearing under section 35 of this chapter;

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

(4) Explains that the obligor has twenty (20) days after the notice is mailed to do one (1) of the following:
   (A) Pay the obligor's child support arrearage in full.
   (B) Request the activation of an income withholding order under IC 31-16-15-2 and establish a payment plan with the Title IV-D agency to pay the arrearage.
   (C) Request a hearing under section 35 of this chapter.

(5) Explains that if the obligor has not satisfied any of the requirements of subdivision (4) within twenty (20) days after the notice is mailed, that the Title IV-D agency shall issue a notice to:
   (A) the board that regulates the obligor's profession or occupation, if any, that the obligor is delinquent and that the obligor may be subject to sanctions under IC 25-1-1.2, including suspension or revocation of the obligor's professional or occupational license;
   (B) the supreme court disciplinary commission if the obligor is licensed to practice law;
   (C) the professional standards board as established by IC 20-28-2-1 if the obligor is a licensed teacher;
   (D) the Indiana horse racing commission if the obligor holds or applies for a license issued under IC 4-31-6;
   (E) the Indiana gaming commission if the obligor holds or applies for a license issued under IC 4-33;
   (F) the commissioner of the department of insurance if the
obligor holds or is an applicant for a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3; or
(G) the director of the department of natural resources if the obligor holds or is an applicant for a license issued by the department of natural resources under the following:
   (i) IC 14-22-12 (fishing, hunting, and trapping licenses).
   (ii) IC 14-22-14 (Lake Michigan commercial fishing license).
   (iii) IC 14-22-16 (bait dealer's license).
   (iv) IC 14-22-17 (mussel license).
   (v) IC 14-22-19 (fur buyer's license).
   (vi) IC 14-24-7 (nursery dealer's license).
   (vii) IC 14-31-3 (ginseng dealer's license).
(6) Explains that the only basis for contesting the issuance of an order under subdivision (3) or (5) is a mistake of fact.
(7) Explains that an obligor may contest the Title IV-D agency's determination to issue an order under subdivision (3) or (5) by making written application to the Title IV-D agency within twenty (20) days after the date the notice is mailed.
(8) Explains the procedures to:
   (A) pay the obligor's child support arrearage in full;
   (B) establish a payment plan with the Title IV-D agency to pay the arrearage; and
   (C) request the activation of an income withholding order under IC 31-16-15-2.
(b) Whenever the Title IV-D agency finds that an obligor is delinquent and has failed to:
   (1) pay the obligor's child support arrearage in full;
   (2) establish a payment plan with the Title IV-D agency to pay the arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
   (3) request a hearing under section 35 of this chapter within twenty (20) days after the date the notice described in subsection (a) is mailed;
the Title IV-D agency shall issue an order to the bureau of motor vehicles stating that the obligor is delinquent.
(c) An order issued under subsection (b) must require the following:
   (1) If the obligor who is the subject of the order holds a driving license or permit on the date the order is issued, that the driving privileges of the obligor be suspended until further order of the Title IV-D agency.
(2) If the obligor who is the subject of the order does not hold a driving license or permit on the date the order is issued, that the bureau of motor vehicles may not issue a driving license or permit to the obligor until the bureau of motor vehicles receives a further order from the Title IV-D agency.

(d) The Title IV-D agency shall provide the:
   (1) full name;
   (2) date of birth;
   (3) verified address; and
   (4) Social Security number or driving license number;

of the obligor to the bureau of motor vehicles.

(e) When the Title IV-D agency finds that an obligor who is an applicant (as defined in IC 25-1-1.2-1) or a practitioner (as defined in IC 25-1-1.2-6) is delinquent and the applicant or practitioner has failed to:
   (1) pay the obligor's child support arrearage in full;
   (2) establish a payment plan with the Title IV-D agency to pay the arrearage or request the activation of an income withholding order under IC 31-16-15; or
   (3) request a hearing under section 35 of this chapter;
the Title IV-D agency shall issue an order to the board regulating the practice of the obligor's profession or occupation stating that the obligor is delinquent.

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

(g) When the Title IV-D agency finds that an obligor who is an attorney or a licensed teacher is delinquent and the attorney or licensed teacher has failed to:
   (1) pay the obligor's child support arrearage in full;
   (2) establish a payment plan with the Title IV-D agency to pay the arrearage or request the activation of an income withholding order under IC 31-16-15-2; or
   (3) request a hearing under section 35 of this chapter;
the Title IV-D agency shall notify the supreme court disciplinary commission if the obligor is an attorney, or the professional standards board if the obligor is a licensed teacher, that the obligor is delinquent.

(h) When the Title IV-D agency finds that an obligor who holds a license issued under IC 4-31-6 or IC 4-33 has failed to:
   (1) pay the obligor's child support arrearage in full;
   (2) establish a payment plan with the Title IV-D agency to pay the
arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
(3) request a hearing under section 35 of this chapter;
the Title IV-D agency shall issue an order to the Indiana horse racing commission if the obligor holds a license issued under IC 4-31-6, or to the Indiana gaming commission if the obligor holds a license issued under IC 4-33, stating that the obligor is delinquent and directing the commission to impose the appropriate sanctions described in IC 4-31-6-11 or IC 4-33-8.5-3.
(i) When the Title IV-D agency finds that an obligor who holds a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3 has failed to:
(1) pay the obligor's child support arrearage in full;
(2) establish a payment plan with the Title IV-D agency to pay the arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
(3) request a hearing under section 35 of this chapter;
the Title IV-D agency shall issue an order to the commissioner of the department of insurance stating that the obligor is delinquent and directing the commissioner to impose the appropriate sanctions described in IC 27-1-15.6-29 or IC 27-10-3-20.
(j) When the Title IV-D agency finds that an obligor who holds a license issued by the department of natural resources under IC 14-22-12, IC 14-22-14, IC 14-22-16, IC 14-22-17, IC 14-22-19, IC 14-24-7, or IC 14-31-3 has failed to:
(1) pay the obligor's child support arrearage in full;
(2) establish a payment plan with the Title IV-D agency to pay the arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
(3) request a hearing under section 35 of this chapter;
the Title IV-D agency shall issue an order to the director of the department of natural resources stating that the obligor is delinquent and directing the director to suspend or revoke a license issued to the obligor by the department of natural resources as provided in IC 14-11-3.

SECTION 133. IC 12-17-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. As used in this chapter, "school corporation" has the meaning set forth in IC 20-8.1-1-1.

SECTION 134. IC 12-17-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) To the extent that
the services are appropriate, the council shall advise and assist the department of education regarding the transition of toddlers with disabilities to preschool special education services under IC 20-1-6.

IC 20-35.

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

SECTION 135. IC 12-17.2-2-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) The division shall require all child care centers or child care homes to submit a report containing the names and birth dates of all children who are enrolled in the child care center or child care home within three (3) months from the date the child care center or child care home accepts its first child, upon receiving the consent of the child's parent, guardian, or custodian as required under subsection (b). The division shall require all child care centers and child care homes that receive written consent as described under subsection (b) to submit a monthly report of the name and birth date of each additional child who has been enrolled in or withdrawn from the child care center or child care home during the preceding thirty (30) days.

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

"I give my permission for _____________________ (name of day care center or home) to report the name and birth date of my child or children to the division of family and children pursuant to IC 12-17.2-2-1.5.
Name of child _______________________________________
Birth date _________________________________________
Signature of parent, guardian, or custodian ________________________________
Date ____________________________________________"

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

(d) The division shall require that a person who transports children who
are in the care of the child care center on a public highway (as defined in IC 9-25-2-4) within or outside Indiana in a vehicle designed and constructed for the accommodation of more than ten (10) passengers must comply with the same requirements set forth in IC 20-9.1-5-6.6 IC 20-27-9-12 for a public elementary or secondary school or a preschool operated by a school corporation.

SECTION 136. IC 12-17.2-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The division shall exempt from licensure the following programs:

1. A program for children enrolled in grades kindergarten through 12 that is operated by the department of education or a public or private school.
2. A program for children who become at least three (3) years of age as of December 1 of a particular school year (as defined in IC 20-10.1-2-1 IC 20-18-2-17) that is operated by the department of education or a public or private school.
3. A nonresidential program for a child that provides child care for less than four (4) hours a day.
4. A recreation program for children that operates for not more than ninety (90) days in a calendar year.
5. A program whose primary purpose is to provide social, recreational, or religious activities for school age children, such as scouting, boys club, girls club, sports, or the arts.
6. A program operated to serve migrant children that:
   (A) provides services for children from migrant worker families; and
   (B) is operated during a single period of less than one hundred twenty (120) consecutive days during a calendar year.
7. A child care ministry registered under IC 12-17.2-6.
8. A child care home if the provider:
   (A) does not receive regular compensation;
   (B) cares only for children who are related to the provider;
   (C) cares for less than six (6) children, not including children for whom the provider is a parent, stepparent, guardian, custodian, or other relative; or
   (D) operates to serve migrant children.
9. A child care program operated by a public or private secondary school that:
   (A) provides day care on the school premises for children of a student or an employee of the school;
(B) complies with health, safety, and sanitation standards as
determined by the division under section 4 of this chapter for
child care centers or in accordance with a variance or waiver of
a rule governing child care centers approved by the division
under section 10 of this chapter; and

(C) substantially complies with the fire and life safety rules as
determined by the state fire marshal under rules adopted by the
division under section 4 of this chapter for child care centers or
in accordance with a variance or waiver of a rule governing child
care centers approved by the division under section 10 of this
chapter.

(10) A school age child care program (commonly referred to as a
latch key program) established under IC 20-5-2-1.5 IC 20-26-5-2
that is operated by:

(A) the department of education;
(B) a public or private school; or
(C) a public or private organization under a written contract with:
   (i) the department of education; or
   (ii) a public or private school.

SECTION 137. IC 12-19-7-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter,
"child services" means the following:

(1) Child welfare services specifically provided for children who are:
   (A) adjudicated to be:
      (i) children in need of services; or
      (ii) delinquent children; or
   (B) recipients of or are eligible for:
      (i) informal adjustments;
      (ii) service referral agreements; and
      (iii) adoption assistance;

   including the costs of using an institution or facility in Indiana for
   providing educational services as described in either IC 20-8.1-3-36
   IC 20-33-2-29 (if applicable) or IC 20-8.1-6.1-8 IC 20-26-11-13 (if
   applicable), all services required to be paid by a county under
   IC 31-40-1-2, and all costs required to be paid by a county under
   IC 20-8.1-6.1-7 IC 20-26-11-12.

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

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

SECTION 138. IC 12-20-11-3 IS AMENDED TO READ AS
FOLLOW [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If a poor relief township assistance recipient, after referral by the township trustee, is accepted and attends adult education courses under IC 20-10.1-7-1 or courses at Ivy Tech State College established by IC 20-12-61, the poor relief township assistance recipient is exempt from performing work or searching for work for not more than one hundred eighty (180) days.

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

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

SECTION 139. IC 12-21-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. IC 20-1-6-2.1 IC 20-35-2 applies to the operation of each education program for children with disabilities (as defined in IC 20-1-6-1) IC 20-35-1-2) conducted by a state owned and operated mental health institution or furnished under an agreement with the division.

SECTION 140. IC 12-24-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Whenever placement of a child with a disability (as defined in IC 20-1-6-1) IC 20-35-1-2) in a state institution is necessary for the provision of special education for that child, the cost of the child's education program, nonmedical care, and room and board shall be paid by the division rather than by the child's parents, guardian, or other responsible party.

(b) The child's parents, guardian, or other responsible party shall pay the cost of any transportation not required by the child's individualized education program (as defined in IC 20-1-6-1 IC 20-18-2-9). The school corporation in which the child has legal settlement (as determined by IC 20-8.1-6.1-1 under IC 20-26-11) shall pay the cost of transportation required by the student's individualized education program under IC 20-1-6-18.2; IC 20-35-8.2. However, this section does not relieve an insurer or other third party from an otherwise valid obligation to provide or pay for the services provided to the child.

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

SECTION 141. IC 13-11-2-142.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 142.6. "Nonpublic school", for purposes of IC 13-20-17.5, has the meaning set forth in IC 20-10.1-1-3.

SECTION 142. IC 13-11-2-176.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 176.5. "Public school", for purposes of IC 13-20-17.5, has the meaning set forth in IC 20-10.1-1-2.

SECTION 143. IC 14-21-1-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.5. (a) The division may conduct a program to survey and register in a registry of Indiana cemeteries and burial grounds that the division establishes and maintains all cemeteries and burial grounds in each county in Indiana. The division may conduct the program alone or by entering into an agreement with one (1) or more of the following entities:

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

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

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

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

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

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

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

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

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

SECTION 144. IC 16-33-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The state department shall administer the center. The state health commissioner, subject to IC 20-1-6-2.1, IC 20-35-2, has complete administrative control and responsibility for the center.

SECTION 145. IC 16-33-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Subject to the review and approval of the department of education and the state health commissioner or the commissioner's designee, the director of the center shall receive as clients in the center children with multiple disabilities who meet the following conditions:

(1) Are expected to benefit from residence in the center as part of an individualized education program (as defined in IC 20-1-6-1(5)).

IC 20-18-2-9).

(2) Are residents of Indiana.

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

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

(5) Whose admissions have been approved by the department of education in accordance with the procedures implementing IC 20-1-6-19. IC 20-35-6-2.

SECTION 146. IC 16-33-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The center shall provide tuition, board, room, laundry, and ordinary medical attention, including emergencies.

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

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

(d) The client's parent or guardian shall bear the cost of transportation
not required by the client's individualized education program (as defined by IC 20-1-6-1; IC 20-18-2-9). The school corporation in which the client has legal settlement shall bear the cost of transportation required by the client's individualized education program under IC 20-1-6-18.2.

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

SECTION 147. IC 16-33-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) After an adequate investigation as determined by the superintendent of the home or the superintendent's designee, including consideration of appropriateness of placement, and with the approval of the state health commissioner or the commissioner's designee, the superintendent of the home shall receive as a resident in the home a child if the child meets the requirements under subsection (b).

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

(1) The parent or parents of the child are Indiana residents immediately before application or the child is physically present in Indiana immediately before application.
(2) The child is at least three (3) years of age but less than eighteen (18) years of age.
(3) The child is in need of residential care and education.

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

(1) grandchildren;
(2) stepchildren;
(3) brothers;
(4) sisters;
(5) nephews; and
(6) nieces;

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

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

(1) by the division of family and children established by IC 12-13-1-1; or
subject to an adequate investigation as determined by the superintendent of the home or the superintendent's designee, including a consideration of appropriateness of placement, and the approval of the state health commissioner or the commissioner's designee.

SECTION 148. IC 16-41-37-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "public building" means an enclosed structure or the part of an enclosed structure that is one (1) of the following:

1. Occupied by an agency of state or local government.
2. Used as a classroom building or a dining area at a state educational institution (as defined in IC 20-12-0.5-1).
3. Used as a public school (as defined in IC 20-10.1-1-2).
4. Licensed as a health facility under IC 16-21 or IC 16-28.
5. Used as a station for paid firefighters.
6. Used as a station for paid police officers.
7. Licensed as a child care center or child care home or registered as a child care ministry under IC 12-17.2.
8. Licensed as a hospital under IC 16-21 or a county hospital subject to IC 16-22.
9. Used as a provider's office.

SECTION 149. IC 21-1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) It is the duty of the general assembly under the Constitution of the State of Indiana to encourage by all suitable means moral, intellectual, scientific, and agricultural improvement and to provide, by law, for a general and uniform system of common schools, wherein tuition shall be without charge, and equally open to all.

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

1. The common school fund should be used to:
   (A) Assist school corporations and school townships in financing their school building construction and educational technology programs; and
   (B) Assist charter schools in financing their operations; as authorized by law and under circumstances such that the principal of the fund remains inviolate;
2. To the end described in subdivision (1), the common school fund may be used to make advances to:
(A) school corporations and school townships under IC 21-1-5; and
(B) charter schools under IC 20-5.5-7-3.5(f) and IC 21-1-32; and
(3) this chapter is in furtherance of the duties which are imposed exclusively upon the general assembly by the Constitution of the State of Indiana in connection with the maintenance of a general and uniform system of common schools and the investment and reinvestment of the common school fund and shall be liberally construed to carry out the purposes of the Constitution of the State of Indiana.

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

SECTION 150. IC 21-1-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The administration of the common school fund and the responsibility for carrying out and making effective this chapter are vested in the Indiana state board of education established by IC 20-1-1-1.

SECTION 151. IC 21-1-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies to school corporations organized and formed through reorganization under IC 20-4-1, IC 20-23-4, IC 20-23-6, or IC 20-4-8 IC 20-23-7 and school townships under IC 20-2-8. IC 20-23-3. However, if a school corporation or school township sustains loss by fire, wind, cyclone, or other disaster, of all or a major portion of its school building or school buildings, sections 4 and 9 of this chapter do not apply.

SECTION 152. IC 21-1-5.1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Unless otherwise provided, as used in this chapter, "school corporation" has the meaning set forth in IC 20-10-1-1-1 IC 20-18-2-16.

SECTION 153. IC 21-1-5.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. To assist a school corporation in providing the school corporation's educational program to a student placed in a facility or home as described in IC 20-8.1-6.1-5(a) IC 20-26-11-8(a) or IC 20-8.1-6.1-5(b) IC 20-26-11-8(b) and not later than October 1 of each school year, the Indiana state board of education may advance money from the common school fund to a school corporation in anticipation of the school corporation's receipt of transfer tuition for students described in IC 20-8.1-6.1-5(a) IC 20-26-11-8(a) or IC 20-8.1-6.1-5(b) IC 20-26-11-8(b) in an amount not to exceed the STEP
TWO amount of the following formula:

STEP ONE: Estimate for the current school year the number of students described in IC 20-8.1-6.1-5(a) IC 20-26-11-8(a) or IC 20-8.1-6.1-5(b) IC 20-26-11-8(b) that are transferred to the school corporation.

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

SECTION 154. IC 21-1-5.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A school corporation receiving an advancement under this chapter shall notify the school corporation or auditor of state from which the school corporation receives transfer tuition under IC 20-8.1-6.1 IC 20-26-11 for students described in IC 20-8.1-6.1-5(a) IC 20-26-11-8(a) or IC 20-8.1-6.1-5(b) IC 20-26-11-8(b) of the amount of interest withheld under section 3 of this chapter. The school corporation or auditor of state shall reimburse the school corporation for the interest expense at the same time the transfer tuition is paid.

SECTION 155. IC 21-1-5.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A school corporation’s obligation to repay the advancement may not be construed to be diminished or otherwise affected if the school corporation in which the student has legal settlement fails to pay the transfer tuition as required under IC 20-8.1-6.1 IC 20-26-11 to the transferee school corporation in a timely manner.

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

SECTION 156. IC 21-1-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. There is created a fund to be known as the veterans memorial school construction fund. The administrative control of the fund and the responsibility for carrying out and making effective the provisions of this chapter are vested in the Indiana state board of education established by IC 20-19-2-2. The superintendent of public instruction shall, from funds appropriated for administering this chapter, provide office space and employees to enable the state board of education to perform the duties required of it by this chapter. The state board of education shall have the power to make rules necessary for the proper administration of the fund and for carrying out the provisions of this chapter.
SECTION 157. IC 21-1-11-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) The state board of education may make a disaster loan to a school corporation that has suffered loss by fire, flood, tornado, wind, or other disaster which makes all or part of the school building or buildings unfit for school purposes as defined in IC 20-5-44. IC 20-26-7-29 through IC 20-26-7-34.

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

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

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

SECTION 158. IC 21-1-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The state board of education shall compute and ascribe to such applicant school or school corporation a school building index, which shall be the ratio of the school building need, in terms of money, to the school corporation tax ability, in terms of money, both as defined in this section as follows:

(a) The school building need, in terms of money, of a school or school corporation shall be determined by adding to the average daily attendance of school children in grades one (1) through twelve (12) of such school or school corporation during the current school year in which application for an advancement is made, twice the average daily attendance increase of said school or school corporation for the preceding three (3) years. However, the state board of education shall have authority to make adjustments to reflect the effect of changes of boundary lines, loss of transfer pupils, or loss of resident pupils to private, parochial, or cooperative program schools within such three (3) year period. The sum so obtained shall then be divided by twenty-five (25) to determine the number of classrooms needed to house the estimated enrollment increase. From the quotient so obtained there shall be subtracted the number of classrooms which are owned, or under a lease-rental arrangement, or under construction in said school corporation and
which were constructed for and normally used for classroom purposes, at the time of making application for an advancement. However, there shall not be subtracted classrooms in a building or buildings found to be inadequate for the proper education of pupils under standards and procedures prescribed by the Indiana state board of education, or which have been condemned under the provisions of IC 20-5-44 IC 20-26-7-29 through IC 20-26-7-34 and which are to be replaced by funds applied for. The remainder so obtained shall be multiplied by the amount of twenty thousand dollars ($20,000), and the product thereof shall be the school building need of such school or school corporation in the terms of money.

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

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

SECTION 159. IC 21-2-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The governing body of each school corporation in Indiana shall establish a debt service fund for the payment of:

(1) all debt and other obligations arising out of funds borrowed or advanced for school buildings when purchased from the proceeds of a bond issue for capital construction;
(2) a lease to provide capital construction;
(3) interest on emergency and temporary loans;
(4) all debt and other obligations arising out of funds borrowed or advanced for the purchase or lease of school buses when purchased or leased from the proceeds of a bond issue, or from money obtained from a loan made under IC 20-9-1-6.5, IC 20-27-4-5, for that
purpose;
(5) all debt and other obligations arising out of funds borrowed to pay judgments against the school corporation; or
(6) all debt and other obligations arising out of funds borrowed to purchase equipment.

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

SECTION 160. IC 21-2-5.6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The self-insurance fund may be used to provide monies for the following purposes:

(1) the payment of any judgment rendered against the school corporation, or rendered against any officer or employee of the school corporation for which the school corporation is liable under IC 34-13-1, IC 34-13-3, or IC 34-13-4 (or IC 34-4-16.5, IC 34-4-16.6, or IC 34-4-16.7 before their repeal);
(2) the payment of any claim or settlement for which the school corporation is liable pursuant to IC 34-13-2, IC 34-13-3, or IC 34-13-4 (or IC 34-4-16.5, IC 34-4-16.6, or IC 34-4-16.7 before their repeal);
(3) the payment of any premium, management fee, claim, or settlement for which the school corporation is liable pursuant to any federal or state statute including but not limited to payments pursuant to IC 22-3 and IC 22-4; or
(4) the payment of any settlement or claim for which insurance coverage is permitted under IC 20-26-5-4(14); IC 20-26-5-4(15).

SECTION 161. IC 21-2-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Any lawful school expenses payable from any other fund of the school corporation, including without limitation debt service and capital outlay, but excluding costs attributable to transportation (as defined in IC 21-2-11.5-2), may be budgeted in and paid from the general fund. However, after June 30, 2003, and before July 1, 2005, a school corporation may budget for and pay
costs attributable to transportation (as defined in IC 21-2-11.5-2) from the general fund.

(b) In addition, remuneration for athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-6.1-3) may be budgeted in and paid from the school corporation’s general fund.

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

1. a source other than a state distribution or local property taxation;

or

2. a state distribution or a property tax levy that is required to be deposited in the fund;

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

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

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

2. For the period beginning July 1, 2004, and ending June 30, 2005, the product of:

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

   B. two (2).

SECTION 162. IC 21-2-11.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Each calendar year, the governing body of each school corporation shall establish a school
transportation fund which shall be the exclusive fund used by the school corporation for the payment of costs attributable to transportation listed in subdivisions (1) through (7), as authorized under IC 20, of school children during the school year ending in the calendar year:

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

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

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

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

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

(e) Before the last Thursday in August in the year preceding the first school year in which a proposed contract commences, the governing body of a school corporation may elect to designate a portion of a transportation contract (as defined in IC 20-9.1-1-8), fleet contract (as defined in IC 20-9.1-1-8.2), or common carrier contract (as
defined in IC 20-9.1-1-9) as an expenditure payable from the school bus replacement fund. An election under this section must be made in a transportation plan approved by the department of local government finance under section 3.1 of this chapter. The election applies throughout the term of the contract. The amount that may be paid from the school bus replacement fund in a school year is equal to the fair market lease value in the school year of each school bus, school bus chassis, or school bus body used under the contract, as substantiated by invoices, depreciation schedules, and other documented information available to the school corporation. The allocation of costs under this subsection to the school bus replacement fund must comply with the allocation guidelines adopted by the department of local government finance and the accounting standards prescribed by the state board of accounts.

SECTION 163. IC 21-2-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. It is hereby declared to be the policy of this chapter:

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

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

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

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

SECTION 164. IC 21-2-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. It is hereby declared to be the policy of this chapter:

(a) that in certain areas in this state there exists a condition created by the large concentration of taxable property in a single township away from outlying areas which has created administrative and financial problems in the maintenance and operation of school systems in such areas, resulting in maladjustment of taxable wealth in such areas for the levying of taxes for the operation of the schools;
(b) that improvement in the administrative and financial structures of the school corporations existing on March 12, 1965, in such outlying areas is essential for the establishment and maintenance of a general uniform and efficient system of public schools to provide a more equalized educational opportunity for public school pupils, the achievement of greater equity in school tax rates among the inhabitants of the various school corporations existing on March 12, 1965, in such areas, and the provision for more use of the public funds expended for the support of the public school systems;
(c) that statutes existing on March 12, 1965, with respect to the granting of financial assistance on a countywide school basis, allowing a more favorable use of the taxable wealth of the county for the support of the various school districts within or attached to the county, are inadequate to effectuate the need for this improvement in those areas described in this chapter; and
(d) that modification in the statutory provisions existing on March 12, 1965, pertaining to the levying of tax rates for school purposes for such areas as qualify within the definitions in this chapter is essential to carry out the purposes of IC 20-4-1, IC 20-23-4, and the tax levied under this chapter shall be deemed a county tax within the meaning of IC 20-4-1, IC 20-23-4, and to that end it is the intent of this general assembly, by this chapter, to make provision for a more satisfactory use of the taxable wealth of counties that qualify under this chapter for the promotion, betterment, and improvement of their educational systems.

SECTION 165. IC 21-2-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The following terms wherever used and referred to in this chapter shall have the following meanings unless otherwise indicated by the context:
(a) The term "average daily membership (ADM)" has the same meaning as defined in IC 21-3-1.6-1.1(d).

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

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

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

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

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

(g) "Assessed valuation" of any school corporation means the net assessed value of its real and taxable personal property adjusted by a percentage factor. This factor shall be computed by the department of local government finance on a township-wide basis for each township in the county and areas assigned thereto for school purposes in the same manner that the department of local government finance computes a factor for the various counties of the state under IC 6-1.1-34. In determining the assessed valuation of any school corporation, the factor for any township shall be applied to the assessed valuation of the real and taxable personal property of each school corporation lying within such township and school areas attached thereto.

(h) "School year" means school year as defined in IC 20-10.1-2-1.

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

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

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

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

SECTION 166. IC 21-2-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The loan provided in section 4 of this chapter shall be initiated by a resolution of the governing body of the school corporation in an amount which, together with the outstanding obligations of the school corporation, shall not exceed its maximum permissible debt under the Indiana constitution. Such resolution shall not be effective until it is approved by the State Board upon petition of the governing body of the school corporation.

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

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

SECTION 167. IC 21-2-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this subsection, "calendar year distribution" means the sum of:

(1) all distributions to a school corporation under:
   (A) IC 6-1.1-19-1.5;
   (B) IC 21-1-30;
   (C) IC 21-3-1.7;
   (D) IC 21-3-2.1; and
   (E) IC 21-3-12;
for the calendar year; plus
(2) the school corporation's excise tax revenue (as defined in IC 21-3-1.7-2) for the immediately preceding calendar year.

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

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

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

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

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

(1) To purchase, lease, upgrade, maintain, or repair one (1) or more of the following:
   (A) Computer hardware.
   (B) Computer software.
   (C) Wiring and computer networks.
   (D) Communication access systems used to connect with computer networks or electronic gateways.

(2) To pay for the services of full-time or part-time computer maintenance employees.

(3) To conduct nonrecurring inservice technology training of school employees.

(4) To fund the payment of advances, together with interest on the advances, from the common school fund for educational technology programs under IC 21-1-5.

(5) To fund the acquisition of any equipment or services necessary:
   (A) to implement the technology preparation curriculum under IC 20-10.1-5.6; IC 20-30-12;
   (B) to participate in a program to provide educational technologies, including computers, in the homes of students (commonly referred to as "the buddy system project") under IC 20-10.1-25, IC 20-20-13-6, the 4R's technology program
under IC 20-10.1-25, IC 20-20-15-4, or any other program under the educational technology program described in IC 20-10.1-25; IC 20-20-13; or
(C) to obtain any combination of equipment or services described in clauses (A) and (B).

(f) The fund may be used to purchase:

1. building sites;
2. buildings in need of renovation;
3. building materials; and
4. equipment;

for the use of vocational building trades classes to construct new buildings and to remodel existing buildings.

(g) The fund may be used for leasing or renting of existing real estate, excluding payments authorized under IC 21-5-11 and IC 21-5-12.

(h) The fund may be used to pay for services of the school corporation employees that are bricklayers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos removers, painters, paperhangers, drywall applicators and tapers, plasterers, pipe fitters, roofers, structural and steel workers, metal building assemblers, heating and air conditioning installers, welders, carpenters, electricians, or plumbers, as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991, if:

1. the employees perform construction of, renovation of, remodeling of, repair of, or maintenance on the facilities and equipment specified in subsections (b) and (c);
2. the school corporation's total annual salary and benefits paid by the school corporation to employees described in this subsection are at least six hundred thousand dollars ($600,000); and
3. the payment of the employees described in this subsection is included as part of the proposed capital projects fund plan described in section 5(a) of this chapter.

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

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

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

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

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

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

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

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

(1) One percent (1%) of the school corporation's 2003 calendar year distribution.
(2) The greater of zero (0) or the difference between:
   (A) the sum of:
      (i) the school corporation's calendar year distribution;
      (ii) the amount determined for the school corporation under subsection (l); plus
      (iii) the amount determined for the school corporation under this subsection, if any;
   for the immediately preceding calendar year; minus
   (B) the school corporation's calendar year distribution for the calendar year.

(3) The difference between:
   (A) one hundred percent (100%) of the school corporation's costs
for utility services and property or casualty insurance; minus
(B) the amount determined for the school corporation under
subsection (l) for the calendar year.
(n) Notwithstanding subsection (l), a school corporation's expenditures
under subsection (l) in the 2005 calendar year may exceed two percent
(2%) of the school corporation's 2003 calendar year distribution if the
school corporation's 2005 calendar year distribution is less than the school
corporation's 2003 calendar year distribution. The amount by which a
school corporation's expenditures under subsection (l) in the 2005 calendar
year may exceed two percent (2%) of the school corporation's 2003
calendar year distribution is the least of the following:
(1) Two percent (2%) of the school corporation's 2003 calendar year
distribution.
(2) The greater of zero (0) or the difference between:
   (A) the sum of:
      (i) the school corporation's calendar year distribution;
      (ii) the amount determined for the school corporation under
           subsection (l); plus
      (iii) the amount determined for the school corporation under
           this subsection, if any;
   for the immediately preceding calendar year; minus
   (B) the school corporation's calendar year distribution for the
       calendar year.
(3) The difference between:
   (A) one hundred percent (100%) of the school corporation's costs
       for utility services and property or casualty insurance; minus
   (B) the amount determined for the school corporation under
       subsection (l) for the calendar year.

SECTION 168. IC 21-2-17-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. To implement
IC 20-1-6-14.1 and IC 20-35-4-9, each school
corporation shall establish a fund to be known as the special education
preschool fund. The fund consists of property taxes imposed under this
chapter and distributions to the school from the state under this chapter.
Money in the fund may be used only for special education programs for
preschool age children, as required under IC 20-1-6-14.1. IC 20-35-4-9.

SECTION 169. IC 21-2-18-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided
in subsection (b), the fund may be used for one (1) or more of the purposes
described in IC 20-5-62-6(4)(B), IC 20-10.1-25, IC 20-10.1-25.3,
IC 20-20-13, IC 20-26-15-6(4)(B), or IC 21-2-15-4(e).

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

SECTION 170. IC 21-3-1.6-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 1.1. As used in this chapter:
(a) "School corporation" means any local public school corporation established under Indiana law. Except as otherwise indicated, the term includes a charter school.
(b) "School year" means a year beginning July 1 and ending the next succeeding June 30.
(c) "State distribution" due a school corporation means the amount of state funds to be distributed to a school corporation in any calendar year under this chapter.
(d) "Average daily membership" or "ADM" of a school corporation means the number of eligible pupils enrolled in the school corporation or in a transeree corporation on a day to be fixed annually by the Indiana state board of education and, beginning in the school year that ends in the 2005 calendar year, as subsequently adjusted not later than January 30 under the rules adopted by the state board of education. The initial day of the count shall fall within the first thirty (30) days of the school term. If, however, extreme patterns of student in-migration, illness, natural disaster, or other unusual conditions in a particular school corporation's enrollment on either the day fixed by the Indiana state board of education or on the subsequent adjustment date, cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the Indiana state board of education may designate another day for determining the school corporation's enrollment. The Indiana state board of education shall monitor changes that occur after the fall count, in the number of students enrolled in programs for children with disabilities and shall, before December 2 of that same year and, beginning in the 2004 calendar year, before April 2 of the following calendar year, make an
adjusted count of students enrolled in programs for children with disabilities. The superintendent of public instruction shall certify the December adjusted count to the budget committee before February 5 of the following year and the April adjusted count not later than May 31 immediately after the date of the April adjusted count. In determining the ADM, each kindergarten pupil shall be counted as one-half (1/2) pupil. Where a school corporation commences kindergarten in a school year, the ADM of the current and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils. In determining the ADM, each pupil enrolled in a public school and a nonpublic school is to be counted on a full-time equivalency basis as provided in section 1.2 of this chapter.

(e) "Additional count" of a school corporation, or comparable language, means the aggregate of the additional counts of the school corporation for certain pupils as set out in section 3 of this chapter (repealed) and as determined at the times for calculating ADM. "Current additional count" means the initial computed additional count of the school corporation for the school year ending in the calendar year. "Prior year additional count" of a school corporation used in computing its state distribution in a calendar year means the initial computed additional count of the school corporation for the school year ending in the preceding calendar year.

(f) For purposes of this subsection, "school corporation" does not include a charter school. "Adjusted assessed valuation" of any school corporation used in computing state distribution for a calendar year means the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the department of local government finance to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, then the state superintendent of public instruction shall prescribe adjustments in the distributions of state funds pursuant to this chapter as are thereafter to become due to a school corporation affected by the delinquency as will ensure that the school corporation will not have been unjustly enriched under the provisions of P.L.382-1987(ss). The amount of the valuation shall also be adjusted downward by the department of local government finance to the
extent it consists of real or personal property described in IC 6-1.1-17-0.5(b).

(g) "General fund" means a fund established under IC 21-2-11-2.

(h) "Teacher" means every person who is required as a condition of employment by a school corporation to hold a teacher's license issued or recognized by the state, except substitutes and any person paid entirely from federal funds.

(i) For purposes of this subsection, "school corporation" does not include a charter school. "Teacher ratio" of a school corporation used in computing state distribution in any calendar year means the ratio assigned to the school corporation pursuant to section 2 of this chapter.

(j) "Eligible pupil" means a pupil enrolled in a school corporation if:
   (1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;
   (2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition under IC 20-8.1-6.1, IC 20-26-11, because the pupil is transferred for education to another school corporation (the "transferee corporation");
   (3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3 IC 20-26-11-6 or entitled to be counted for ADM or additional count purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;
   (4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-8.1-6.1; IC 20-26-11; or
   (5) all of the following apply:
      (A) The school corporation is a transferee corporation.
      (B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).
      (C) The transferee corporation's attendance area includes a state licensed private or public health care facility, child care facility, or foster family home where the pupil was placed:
         (i) by or with the consent of the division of family and children;
         (ii) by a court order;
         (iii) by a child placing agency licensed by the division of family and children; or
         (iv) by a parent or guardian under IC 20-8.1-6.1-5. IC 20-26-11-8.
For purposes of IC 21-3-12, the term includes a student enrolled in a charter school.

(k) "General fund budget" of a school corporation means the amount of the budget approved for a given year by the department of local government finance and used by the department of local government finance in certifying a school corporation's general fund tax levy and tax rate for the school corporation's general fund as provided for in IC 21-2-11. The term does not apply to a charter school.

(l) "At risk index" means the following:

(1) For a school corporation that is not a charter school, the sum of:
   (A) the product of sixteen-hundredths (0.16) multiplied by the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income below the federal income poverty level (as defined in IC 12-15-2-1);
   (B) the product of four-tenths (0.4) multiplied by the percentage of families in the school corporation with a single parent; and
   (C) the product of forty-four hundredths (0.44) multiplied by the percentage of the population in the school corporation who are at least twenty (20) years of age with less than a twelfth grade education.

   The data to be used in making the calculations under this subdivision must be the data from the 2000 federal decennial census.

(2) For a charter school, the index determined under subdivision (1) for the school corporation in which the charter school is located.

(m) "ADM of the previous year" or "ADM of the prior year" used in computing a state distribution in a calendar year means the initial computed ADM for the school year ending in the preceding calendar year.

(n) "Current ADM" used in computing a state distribution in a calendar year means the initial computed ADM for the school year ending in the calendar year.

SECTION 171. IC 21-3-1.6-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. (a) This section applies only to a pupil who:

(1) is enrolled in a public school and a nonpublic school;
(2) has legal settlement in a school corporation; and
(3) receives instructional services from the school corporation.

(b) A pupil described in subsection (a) may be considered in a school corporation's ADM count on a full-time equivalency basis as determined under subsection (c).
(c) For purposes of this section, full-time equivalency is calculated as follows:

STEP ONE: Determine the result of:
(A) the number of days instructional services will be provided to the pupil, not to exceed one hundred eighty (180); divided by
(B) one hundred eighty (180).

STEP TWO: Determine the result of:
(A) the pupil's public school instructional time (as defined in IC 20-10.1-2-1(b)), IC 20-30-2-1), rounded to the nearest one-hundredth (0.01); divided by
(B) the actual public school regular instructional day (as defined in IC 20-10.1-2-1(b)); IC 20-30-2-2), rounded to the nearest one-hundredth (0.01).

STEP THREE: Determine the result of:
(A) the STEP ONE result; multiplied by
(B) the STEP TWO result.

STEP FOUR: Determine the lesser of one (1) or the result of:
(A) the STEP THREE result; multiplied by
(B) one and five hundredths (1.05).

(d) If the computation for a pupil under subsection (c) results in a fraction, the fraction must be rounded to the nearest one-hundredth (0.01).

SECTION 172. IC 21-3-1.7-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) As used in this chapter, "previous year revenue" for calculations with respect to a school corporation equals:

(1) the school corporation's tuition support for regular programs, including basic tuition support, and excluding:
   (A) special education grants;
   (B) vocational education grants;
   (C) at-risk programs;
   (D) the enrollment adjustment grant;
   (E) the academic honors diploma award;
   (F) the primetime distribution; and
   (G) for 2005 and thereafter, the supplemental remediation grant; for the year that precedes the current year; plus

(2) the school corporation's tuition support levy for the year that precedes the current year before the reductions required under section 5(1) and 5(2) of this chapter; plus

(3) distributions received by the school corporation under IC 6-1.1-21.6 for the year that precedes the current year; plus
(4) the school corporation’s excise tax revenue for the year that precedes the current year by two (2) years; minus
(5) an amount equal to the reduction in the school corporation’s tuition support under subsection (b) or IC 20-10.1-2-1, IC 20-30-2, or both; plus
(6) in calendar year 2003, the amount determined for calendar year 2002 under section 8.2 of this chapter, STEP TWO (C); plus
(7) in calendar year 2004, the amount determined for calendar year 2002 under section 8.2 of this chapter, STEP TWO (D); plus
(8) notwithstanding subdivision (1), in calendar year 2004, the school corporation’s distribution under section 9.7 of this chapter for calendar year 2003.

(b) A school corporation’s previous year revenue shall be reduced if:
(1) the school corporation’s state tuition support for special or vocational education was reduced as a result of a complaint being filed with the department of education after December 31, 1988, because the school program overstated the number of children enrolled in special or vocational education programs; and
(2) the school corporation’s previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received in tuition support for special and vocational education because of the overstatement.

(c) A school corporation’s previous year revenue shall be reduced if an existing elementary or secondary school located in the school corporation converts to a charter school under IC 20-5.5-11, IC 20-24-11. The amount of the reduction equals the product of:
(1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(c), IC 20-24-7-3(c) and IC 20-5.5-7-3.5(d), IC 20-24-7-3(d); multiplied by
(2) two (2).

SECTION 173. IC 21-3-3.1-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) For each calendar year, the allowable transportation distribution for each school corporation shall be based on the following formula:
(1) The sum of two hundred seventy-five dollars ($275) for 1988, and two hundred eighty dollars ($280) for 1989 and thereafter, less the product of twenty dollars ($20) multiplied by the linear density of the school corporation.
(2) This remainder is then multiplied by the number of the school corporation's eligible pupils.

(3) From this product is subtracted the product of thirteen and sixty-seven hundredths cents ($0.1367) multiplied by each one hundred dollars ($100) of the school corporation's assessed value for taxes first due and payable in the preceding year.

(b) Application of the formula in subsection (a) shall be governed and modified by the following provisions:

(1) In calendar year 1976, and subsequent years, no school corporation that receives funds under this chapter shall receive less money than the school corporation was entitled to receive in calendar year 1975 under IC 21-3-3 (repealed December 31, 1975).

(2) The linear density of the school corporation shall be determined by dividing the total number of eligible pupils by the round trip mileage of all vehicles used by or for the school corporation in transporting pupils.

(3) Eligible pupils are those counted in ADM, enrolled in grades K-12, and transported more than one (1) mile or a preschool child who is transported for purposes of attending a special education program under IC 20-35-4-9, regardless of the distance transported.

(4) The round trip mileage of a vehicle shall be the total miles traveled by the vehicle measured from the first point the vehicle picks up an eligible pupil to the last point at which an eligible pupil disembarks at school, multiplied by two (2).

(5) A kindergarten pupil, to the extent the pupil constitutes an eligible pupil, shall be counted as one-half (1/2) an eligible pupil. A preschool pupil attending a special education program under IC 20-35-4-9 is counted as one (1) eligible pupil.

(6) All the factors, applied in sections 1 and 3 of this chapter for determining the transportation distribution for any school corporation for any calendar year, shall be those existing in the school year ending in the preceding calendar year.

(7) If subsection (a)(3) requires the use of the assessed valuation for a year in which a general reassessment becomes effective, the state shall make an adjustment in the assessed value used to neutralize the effect of the general reassessment. The adjustment applies to all subsequent years before another general reassessment becomes effective.

SECTION 174. IC 21-3-4.5-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) For purposes of this section, "debt service" does not include interest on temporary borrowing made in anticipation of the receipt of tax revenues or state tuition support distributions under IC 20-5-4-8. IC 21-2-21-8.

(b) Each school corporation shall use the distribution in the following manner:

(1) The school corporation may use for its current operating expenses no more than the greatest total dollars it used for operating expenses from the ADA flat grant distribution account in any of the following calendar years: 1973 through 1993.

(2) The school corporation, if it has debt service, shall use for debt service any remaining amount in the distribution after subtracting any amount used under subdivision (1).

(3) The school corporation may use for the capital projects fund or current operating expense any remaining amount in the distribution after subtracting the amount used under subdivision (2).

(c) The budgets of the various school corporations must reflect the anticipated receipts from the state ADA flat grant distribution account. Appropriations shall be made as other appropriations are made.

SECTION 175. IC 21-3-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "alternative education program" means an alternative education program (as defined in IC 20-10.1-4.6-1. IC 20-30-8-1).

SECTION 176. IC 21-3-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "eligible student" means an eligible pupil (as defined in IC 21-3-1.6-1.1) who meets the criteria for enrollment in an alternative education program under IC 20-10.1-4.6-3. IC 20-30-8-9.

SECTION 177. IC 21-3-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "qualifying school corporation" means a school corporation that has been approved under IC 20-10.1-4.6-6 IC 20-30-8-8 to receive a grant under this chapter.

SECTION 178. IC 21-5-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The sale price of an existing school building shall be determined under the provisions of IC 21-5-11 or IC 21-5-12 relating to the sale of land to a lessor corporation. Except as provided in this section, neither IC 20-5-5 IC 20-26-7 nor any other law relating to the sale of the property of school corporations or other public property applies to the sale of existing school buildings to lessor.
corporations pursuant to this chapter.

SECTION 179. IC 21-6.1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The members of the fund include:

(1) legally qualified and regularly employed teachers in the public schools;
(2) persons employed by a governing body, who were qualified before their election or appointment;
(3) legally qualified and regularly employed teachers at Ball State University, Indiana State University, University of Southern Indiana, or Vincennes University;
(4) legally qualified and regularly employed teachers in a state educational institution supported wholly by public money and whose teachers devote their entire time to teaching;
(5) legally qualified and regularly employed teachers in state benevolent, charitable, or correctional institutions;
(6) legally qualified and regularly employed teachers in an experimental school in a state university who teach elementary or high school students;
(7) as determined by the board, certain instructors serving in a university extension division not covered by a state retirement law;
(8) employees and officers of the department of education and of the fund who were qualified before their election or appointment;
(9) a person:
   (A) who is employed as a nurse appointed under IC 20-8.1-7-5 IC 20-34-3-6 by a school corporation located in a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000); and
   (B) who participated in the fund before December 31, 1991, in the position described in clause (A); and
(10) persons who are employed by the fund.

(b) Teachers in any state institution who accept the benefits of a state supported retirement benefit system comparable to the fund’s benefits may not come under the fund unless permitted by law or the rules of the board.

(c) The members of the fund do not include substitute teachers who have not obtained an associate degree or a baccalaureate degree.

SECTION 180. IC 21-6.1-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in IC 21-6.1-4-6.1, a member may be given credit for leaves of absence for study, professional improvement, and temporary disability so long as the
leave credit does not exceed one-seventh of the total years of service claimed for retirement, referred to as the one-seventh rule. A member granted a leave in these instances for exchange teaching and for other educational employment approved individually by the board is considered a teacher and is entitled to the benefits of the fund if for or during the leave the member pays into the fund the member's contributions. A leave for other educational employment is not subject to the one-seventh rule.

(b) In each case of a teacher requesting a leave of absence to work in a federally supported educational project, the board must determine that the project is educational in nature and serves state citizens who might otherwise be served by the public schools or public institutions of higher education. The board shall make this determination for a one (1) year period, which is later subject to review and reapproval.

(c) Subject to this chapter, leaves of absence specified in IC 20-6.1-6-1, IC 20-6.1-6-2, or IC 20-6.1-6-3 and adoption leave of not more than one (1) year must be credited to retirement.

(d) Notwithstanding any law, this section must be administered in a manner consistent with the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.). A member on a leave of absence that qualifies for the benefits and protections afforded by the Family and Medical Leave Act is entitled to receive credit for vesting and eligibility purposes to the extent required by the Family and Medical Leave Act, but is not entitled to receive credit for service for benefit purposes unless the leave is described in subsection (a), (b), or (c).

SECTION 181. IC 21-6.1-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) After December 31, 1994, creditable service does not accrue under this chapter, IC 5-10.2-3-1, IC 20-6.1-6-1, IC 20-6.1-6-2, IC 20-28-10-1, IC 20-28-10-2, IC 20-28-10-3, or IC 20-28-10-4 and adoption leave of not more than one (1) year must be credited to retirement.

(b) After June 30, 1995, for members receiving credit for leave for other educational employment under section 5 of this chapter or subsection (a), the board shall assess an actuarially determined employer share amount against the appropriate entity to be paid to the state general fund.

SECTION 182. IC 22-3-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. In IC 22-3-2 through IC 22-3-6,
P.L. 1—2005 909

unless the context otherwise requires:

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

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

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

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

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

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

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

(6) Real estate professionals are not employees under IC 22-3-2 through IC 22-3-6 if:
   (A) they are licensed real estate agents;
   (B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
   (C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

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

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

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

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

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

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

(2) If the employee is a minor who, at the time of the accident, is employed, required, suffered, or permitted to work in violation of IC 20-8-1-4-25, IC 20-33-3-35, the amount of compensation and death benefits, as provided in IC 22-3-2 through IC 22-3-6, shall be double the amount which would otherwise be recoverable. The insurance carrier shall be liable on its policy for one-half (1/2) of the compensation or benefits that may be payable on account of the injury or death of the minor, and the employer shall be liable for the other one-half (1/2) of the compensation or benefits. If the employee is a minor who is not less than sixteen (16) years of age and who has not reached seventeen (17) years of age and who at the time of the accident is employed, suffered, or permitted to work at any occupation which is not prohibited by law, this subdivision does not apply.

(3) A minor employee who, at the time of the accident, is a student performing services for an employer as part of an approved program under IC 20-10.1-6-7 IC 20-37-2-7 shall be considered a full-time
employee for the purpose of computing compensation for permanent
impairment under IC 22-3-3-10. The average weekly wages for such
a student shall be calculated as provided in subsection (d)(4).

(4) The rights and remedies granted in this subsection to a minor
under IC 22-3-2 through IC 22-3-6 on account of personal injury or
death by accident shall exclude all rights and remedies of the minor,
the minor's parents, or the minor's personal representatives,
dependents, or next of kin at common law, statutory or otherwise, on
account of the injury or death. This subsection does not apply to
minors who have reached seventeen (17) years of age.

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

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

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

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

(4) In computing the average weekly wages to be used in calculating
an award for permanent impairment under IC 22-3-3-10 for a student
employee in an approved training program under IC 20-10.1-6-7,
IC 20-37-2-7, the following formula shall be used. Calculate the
product of:

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

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

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

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

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

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

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

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

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

SECTION 183. IC 22-3-7-9.2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.2. As used in section
9(c) of this chapter, the term "violation of the child labor laws of this
state" means a violation of IC 20-8.1-4-25. IC 20-33-3-35. The term does
not include a violation of any other provision of IC 20-8.1-4. IC 20-33-3.

SECTION 184. IC 22-4-18-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) There is created a
department under IC 22-4.1-2-1 which shall be known as the department
of workforce development.

(b) The department of workforce development may:

(1) Administer the unemployment insurance program, the
Wagner-Peyser program, the Workforce Investment Act, the Job
Training Partnership Act program, including a free public labor
exchange, and related federal and state employment and training
programs as directed by the governor.

(2) Formulate and implement an employment and training plan as
required by the Workforce Investment Act (29 U.S.C. 2801 et seq.),
the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and the
Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(3) Coordinate activities with all state agencies and departments that
either provide employment and training related services or operate
appropriate resources or facilities, to maximize Indiana's efforts to
provide employment opportunities for economically disadvantaged
individuals, dislocated workers, and others with substantial barriers
to employment.

(4) Apply for, receive, disburse, allocate, and account for all funds,
grants, gifts, and contributions of money, property, labor, and other
things of value from public and private sources, including grants
from agencies and instrumentalities of the state and the federal
government.

(5) Enter into agreements with the United States government that
may be required as a condition of obtaining federal funds related to
activities of the department.

(6) Enter into contracts or agreements and cooperate with local
governmental units or corporations, including profit or nonprofit
corporations, or combinations of units and corporations to carry out
the duties of this agency imposed by this chapter, including contracts
for the establishment and administration of employment and training offices and the delegation of its administrative, monitoring, and program responsibilities and duties set forth in this article. Before executing contracts described by this subdivision, the department shall give preferential consideration to using departmental personnel for the provision of services through local public employment and training offices. Contracting of Wagner-Peyser services is prohibited where state employees are laid off due to the diversion of Wagner-Peyser funds.

(7) Perform other services and activities that are specified in contracts for payments or reimbursement of the costs made with the Secretary of Labor or with any federal, state, or local public agency or administrative entity under the Workforce Investment Act (29 U.S.C. 2801 et seq.), the Job Training Partnership Act (29 U.S.C. 1501 et seq.), or private nonprofit organization.

(8) Enter into contracts or agreements and cooperate with entities that provide vocational education to carry out the duties imposed by this chapter.

(c) The department of workforce development may not enter into contracts for the delivery of services to claimants or employers under the unemployment insurance program. The payment of unemployment compensation must be made in accordance with 26 U.S.C. 3304.

(d) The department of workforce development may do all acts and things necessary or proper to carry out the powers expressly granted under this article, including the adoption of rules under IC 4-22-2.

(e) The department of workforce development may not charge any claimant for benefits for providing services under this article, except as provided in IC 22-4-17-12.

(f) The department of workforce development shall distribute federal funds made available for employment training in accordance with:

(1) 29 U.S.C. 2801 et seq., 29 U.S.C. 1501 et seq., and other applicable federal laws; and

(2) the plan prepared by the department under subsection (g)(1).

However, the Indiana commission on vocational and technical education within the department of workforce development shall distribute federal funds received under 29 U.S.C. 1533.

(g) In addition to the duties prescribed in subsections (a) through (f), the department of workforce development shall do the following:

(1) Implement to the best of its ability its employment training programs (as defined in IC 22-4.1-13-3), IC 22-4.1-13-3, the
comprehensive vocational education program in Indiana developed under the long range plan under IC 20-1-18.3-10, IC 22-4.1-13-9, and the skills 2016 training program established under IC 22-4-10.5.

(2) Upon request of the budget director, prepare a legislative budget request for state and federal funds for employment training. The budget director shall determine the period to be covered by the budget request.

(3) Evaluate its programs according to criteria established by the Indiana commission on vocational and technical education within the department of workforce development under IC 20-1-18.3-13.


(4) Make or cause to be made studies of the needs for various types of programs that are related to employment training and authorized under the Workforce Investment Act and the Job Training Partnership Act.

(5) Distribute state funds made available for employment training that have been appropriated by the general assembly in accordance with:

(A) the general assembly appropriation; and

(B) the plan prepared by the department under subdivision (1).

(6) Establish, implement, and maintain a training program in the nature and dynamics of domestic and family violence for training of all employees of the department who interact with a claimant for benefits to determine whether the claim of the individual for unemployment benefits is valid and to determine that employment separations stemming from domestic or family violence are reliably screened, identified, and adjudicated and that victims of domestic or family violence are able to take advantage of the full range of job services provided by the department. The training presenters shall include domestic violence experts with expertise in the delivery of direct services to victims of domestic violence, including using the staff of shelters for battered women in the presentation of the training. The initial training shall consist of instruction of not less than six (6) hours. Refresher training shall be required annually and shall consist of instruction of not less than three (3) hours.

SECTION 185. IC 22-4-18-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The department shall develop a uniform system for assessing workforce skills strengths and weaknesses in individuals.

(b) The uniform assessment system shall be used at the following:
Workforce development centers under IC 22-4-42 if established.

(2) Ivy Tech State College under IC 20-12-61.

(3) Vocational education (as defined in IC 20-1-18.3-5) programs at the secondary level.

SECTION 186. IC 22-4.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The department is comprised of the following entities reorganized within the department:

(1) The department of employment and training services, including the following:

(A) The unemployment insurance board.

(B) The unemployment insurance review board.

(2) The office of workforce literacy established under IC 20-11-6-6.

(3) The Indiana commission on vocational and technical education established under IC 20-1-18.3.

(4) The workforce proficiency panel established under IC 20-1-20-2.

SECTION 187. IC 22-4.1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The department may undertake duties identified by the commissioner as related to workforce development initiatives that were required of or authorized to be undertaken before July 1, 1994, by:

(1) the department of employment and training services;

(2) the office of workforce literacy established under IC 20-11-6-6;

(3) the Indiana commission on vocational and technical education established under IC 20-1-18.3;

(4) the workforce proficiency panel established under IC 20-1-20-2.

SECTION 188. IC 22-9-1-12.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.1. (a) As used in this section, the term "state agency" means every office, officer, board, commission, department, division, bureau, committee, fund, agency, and without limitation by reason of any enumeration in this section, every other instrumentality of the state, every hospital, every penal institution, and every other institutional enterprise and activity of the state, wherever located; the universities supported in whole or in part by state funds; and the judicial department of the state. "State agency" does not mean counties, county offices of family and children, cities, towns, townships, school corporations (as defined in IC 20-10.1-1-1, IC 20-18-2-16), or
other municipal corporations, political subdivisions, or units of local government.

(b) Any city, town, or county is hereby authorized to adopt an ordinance or ordinances, which may include establishment or designation of an appropriate local commission, office, or agency to effectuate within its territorial jurisdiction the public policy of the state as declared in section 2 of this chapter without conflict with any of the provisions of this chapter. Any city or town may adopt such an ordinance or ordinances jointly with any other city or town located in the same county or jointly with that county. A city ordinance that establishes a local commission may provide that the members of the commission are to be appointed solely by the city executive or solely by the city legislative body or may provide for a combination of appointments by the city executive and the city legislative body. The board of commissioners of each county is also authorized to adopt ordinances in accordance with this section. An agency established or designated under this section has no jurisdiction over the state or any of its agencies.

(c) An ordinance adopted under this section may grant to the local agency the power to:

1. investigate, conciliate, and hear complaints;
2. subpoena and compel the attendance of witnesses or production of pertinent documents and records;
3. administer oaths;
4. examine witnesses;
5. appoint hearing examiners or panels;
6. make findings and recommendations;
7. issue cease and desist orders or orders requiring remedial action;
8. order payment of actual damages, except that damages to be paid as a result of discriminatory practices relating to employment shall be limited to lost wages, salaries, commissions, or fringe benefits;
9. institute actions for appropriate legal or equitable relief in a circuit or superior court;
10. employ an executive director and other staff personnel;
11. adopt rules and regulations;
12. initiate complaints, except that no person who initiates a complaint may participate as a member of the agency in the hearing or disposition of the complaint; and
13. conduct programs and activities to carry out the public policy of the state, as provided in section 2 of this chapter, within the territorial boundaries of a local agency.
(d) Any person who files a complaint with any local agency may not also file a complaint with the civil rights commission concerning any of the matters alleged in such complaint, and any person who files a complaint with the civil rights commission may not also file a complaint with any local agency concerning any of the matters alleged in such complaint. Any complaint filed with the commission may be transferred by the commission to any local agency having jurisdiction. The local agency shall proceed to act on the complaint as if it had been originally filed with the local agency as of the date that the complaint was filed with the commission. Any complaint filed with a local agency may be transferred by the local agency to the commission if the commission has jurisdiction. The commission shall proceed to act on the complaint as if it had been originally filed with the commission as of the date that the complaint was filed with the local agency. Nothing in this subsection shall affect such person's right to pursue any and all other rights and remedies available in any other state or federal forum.

(e) A decision of the local agency may be appealed under the terms of IC 4-21.5 the same as if it was a decision of a state agency.

SECTION 189. IC 22-12-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section does not apply to a nonpublic school (as defined in IC 20-10.1-1-3) or a school operated by a school corporation (as defined in IC 20-6.1-1-5).

(b) The office of the state fire marshal shall charge an application fee set by rules adopted by the commission under IC 4-22-2 for amusement and entertainment permits issued under IC 22-14-3.

(c) The office of the state fire marshal shall collect an inspection fee set by rules adopted by the commission under IC 4-22-2 whenever the office conducts an inspection for a special event endorsement under IC 22-14-3.

(d) Halls, gymnasiums, or places of assembly in which contests, drills, exhibitions, plays, displays, dances, concerts, or other types of amusement are held by colleges, universities, social or fraternal organizations, lodges, farmers organizations, societies, labor unions, trade associations, or churches are exempt from the fees charged or collected under subsections (b) and (c), unless rental fees are charged or collected.

(e) The fees set for applications or inspections under this section must be sufficient to pay all the direct and indirect costs of processing an application or performing an inspection for which the fee is set. In setting the fees, the commission may consider differences in the degree or complexity of the activity being performed for each fee.
SECTION 190. IC 22-14-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (c), this chapter does not apply to a nonpublic school (as defined in IC 20-10.1-1-3) or a school operated by a school corporation (as defined in IC 20-6.1-1-5).

(b) The office shall carry out an inspection program to periodically inspect regulated places of amusement or entertainment. These inspections shall be conducted at least annually.

(c) A school that holds amusement or entertainment events shall be inspected at least one (1) time each year. The inspection may be performed by either the office or the fire department that has jurisdiction over the school.

(d) At the time of each annual inspection performed by the office of the state fire marshal, the office shall provide a fire safety checklist to each school that holds amusement or entertainment events. Each such school shall be responsible for ensuring compliance with the items on the fire safety checklist for each amusement or entertainment event held at the school.

SECTION 191. IC 25-1-1.2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "board" means an entity that regulates occupations or professions under this title and the professional standards board as established by IC 20-1-1.4.

SECTION 192. IC 25-20-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The board shall issue a hearing aid dealer certificate of registration to any person who makes application on forms provided by the board if the board has determined to its satisfaction that the applicant:

(1) is eighteen (18) years of age or older;
(2) if the applicant applies after June 29, 1992:
   (A) is a high school graduate; or
   (B) has a:
      (i) high school equivalency certificate; or
      (ii) state of Indiana general educational development (GED) diploma issued under IC 20-10.1-12.1; IC 20-20-6;
(3) has not been convicted of:
   (A) an act which would constitute a ground for disciplinary sanction under IC 25-1-9; or
   (B) a crime that has a direct bearing on the applicant's ability to practice competently;
(4) has passed the examination prepared by the committee and given by the board to determine that the applicant has the qualifications to properly fit hearing aids; and
(5) held a student hearing aid dealer certificate of registration issued under section 5 of this chapter at the time the applicant applied for a hearing aid dealer certificate of registration.

SECTION 193. IC 25-20.5-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) There is created a six (6) member Indiana hypnotist committee to assist the board in carrying out this chapter regarding the qualifications and examinations of hypnotists. The committee is comprised of:
   (1) three (3) hypnotists;
   (2) one (1) physician licensed under IC 25-22.5;
   (3) one (1) licensed psychologist who has received a health service provider endorsement under IC 25-33-1-5.1; and
   (4) one (1) individual who is a resident of Indiana and who is not associated with hypnotism in any way, other than as a consumer.
(b) The governor shall make each appointment for a term of three (3) years. Each hypnotist appointed must:
   (1) be a certified hypnotist for at least one (1) year under this chapter;
   (2) have at least five hundred (500) supervised classroom hours of hypnotism education from a school that is approved by the Indiana commission on proprietary education under IC 20-1-19 or by any other state that has requirements as stringent as required in Indiana;
   (3) have at least one (1) year of experience in the actual practice of hypnotism immediately preceding appointment; and
   (4) be a resident of Indiana and actively engaged in the practice of hypnotism while a member of the committee.
(c) Not more than three (3) members of the committee may be from the same political party. A member of the committee is not required to be a member of a professional hypnosis association. However, no two (2) hypnotist members appointed to the committee may belong to the same professional hypnosis association.
(d) A member of the committee may be removed for cause by the governor.
(e) The board shall appoint a chairman from among the members of the committee.

SECTION 194. IC 25-20.5-1-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) An individual who applies for a certificate as a hypnotist must do the following:

1. Present satisfactory evidence to the committee that the individual:
   (A) does not have a conviction for a crime that has a direct bearing on the individual's ability to practice competently;
   (B) has not been the subject of a disciplinary action by a licensing or certification agency of another state or jurisdiction on the grounds that the individual was not able to practice as a hypnotist without endangering the public; and
   (C) has at least five hundred (500) classroom hours of hypnotism education from an Indiana school or program of hypnotism that is approved by the Indiana commission on proprietary education (referred to as "the commission" in this clause) under IC 20-1-19 or from any other state approved school or program that is found by the commission to have requirements as stringent as necessary for the commission's approval of an Indiana school or program of hypnotism. A classroom hour may not be less than a fifty (50) minute period of instruction with both the instructor and student in attendance. Classroom instruction does not include video tape correspondence courses or other forms of electronic presentation.

2. Pay the fee established by the board.

(b) An individual may not enroll in a school or program of hypnotism to satisfy the requirement under subsection (a)(1)(C) unless the individual:

1. is at least eighteen (18) years of age; and
2. has graduated from high school or received a:
   (A) high school equivalency certificate; or
   (B) state of Indiana general education development (GED) diploma under IC 20-10.1-12.1.

SECTION 195. IC 25-20.5-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. The committee shall issue a certificate to an individual who:

1. pays a fee;
2. achieves a passing score, as determined by the committee, on the examination provided under section 15 of this chapter;
3. has at least:
   (A) graduated from high school;
   (B) a high school equivalency certificate; or
   (C) a state of Indiana general education developmental (GED)
diploma under IC 20-10-1-12.1; IC 20-20-6; and
(4) is otherwise qualified under this chapter.

SECTION 196. IC 25-33-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is created a board to be known as the "state psychology board". The board shall consist of seven (7) members appointed by the governor. Six (6) of the board members shall be licensed under this article and shall have had at least five (5) years of experience as a professional psychologist prior to their appointment. The seventh member shall be appointed to represent the general public, must be a resident of this state, must never have been credentialed in a mental health profession, and must in no way be associated with the profession of psychology other than as a consumer. All members shall be appointed for a term of three (3) years. All members may serve until their successors are duly appointed and qualified. A vacancy occurring on the board shall be filled by the governor by appointment. The member so appointed shall serve for the unexpired term of the vacating member. Each member of the board is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

(b) The members of the board shall organize by the election of a chairman and a vice chairman from among its membership. Such officers shall serve for a term of one (1) year. The board shall meet at least once in each calendar year and on such other occasions as it considers necessary and advisable. A meeting of the board may be called by its chairman or by a majority of the members on the board. Four (4) members of the board constitute a quorum. A majority of the quorum may transact business.

(c) The board is empowered to do the following:

(1) Establish reasonable application, examination, and renewal procedures and set fees for licensure under this article. However, no fee collected under this article shall, under any circumstances, be refunded.

(2) Adopt and enforce rules concerning assessment of costs in disciplinary proceedings before the board.

(3) Establish examinations of applicants for licensure under this article and issue, deny, suspend, revoke, and renew licenses.

(4) Subject to IC 25-1-7, investigate and conduct hearings, upon complaint against individuals licensed or not licensed under this
article, concerning alleged violation of this article, under procedures conducted in accordance with IC 4-21.5.

(5) Initiate the prosecution and enjoiner of any person violating this article.

(6) Adopt rules which are necessary for the proper performance of its duties, in accordance with IC 4-22-2.

(7) Establish a code of professional conduct.

(d) The board shall adopt rules establishing standards for the competent practice of psychology.

(e) All expenses incurred in the administration of this article shall be paid from the general fund upon appropriation being made in the manner provided by law for the making of such appropriations.

(f) The bureau shall do the following:

(1) Carry out the administrative functions of the board.

(2) Provide necessary personnel to carry out the duties of this article.

(3) Receive and account for all fees required under this article.

(4) Deposit fees collected with the treasurer of the state for deposit in the state general fund.

(g) The board shall adopt rules under IC 4-22-2 to establish, maintain, and update a list of restricted psychology tests and instruments (as defined in section 14(b) of this chapter) containing those psychology tests and instruments that, because of their design or complexity, create a danger to the public by being improperly administered and interpreted by an individual other than:

(1) a psychologist licensed under IC 25-33-1-5.1;

(2) an appropriately trained mental health provider under the direct supervision of a health service provider endorsed under IC 25-33-1-5.1(c);

(3) a qualified physician licensed under IC 25-22.5;

(4) a school psychologist who holds a valid:

   (A) license issued by the professional standards board under IC 20-28-2; or

   (B) endorsement under IC 20-1-1.9; IC 20-28-12;

practicing within the scope of the school psychologist's license or endorsement; or

(5) a minister, priest, rabbi, or other member of the clergy providing pastoral counseling or other assistance.

(h) The board shall provide to:

(1) the social work certification and marriage and family therapists credentialing board; and
(2) any other interested party upon receiving the request of the
interested party;
a list of the names of tests and instruments proposed for inclusion on the
list of restricted psychological tests and instruments under subsection (g)
at least sixty (60) days before publishing notice of intent under
IC 4-22-2-23 to adopt a rule regarding restricted tests and instruments.

(i) The social work certification and marriage and family therapists
credentialing board and any other interested party that receives the list
under subsection (h) may offer written comments or objections regarding
a test or instrument proposed for inclusion on the list of restricted tests and
instruments within sixty (60) days after receiving the list. If:
(1) the comments or objections provide evidence indicating that a
proposed test or instrument does not meet the criteria established for
restricted tests and instruments, the board may delete that test from
the list of restricted tests; and
(2) the board determines that a proposed test or instrument meets the
criteria for restriction after reviewing objections to the test or
instrument, the board shall respond in writing to justify its decision
to include the proposed test or instrument on the list of restricted
tests and instruments.

(j) This section may not be interpreted to prevent a licensed or certified
health care professional from practicing within the scope of the health care
professional's:
(1) license or certification; and
(2) training or credentials.

SECTION 197. IC 25-33-1-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section does
not apply to an individual who is:
(1) a member of a teaching faculty, at a public or private institution
of higher learning for the purpose of teaching, research, or the
exchange or dissemination of information and ideas as an assigned
duty of the institution;
(2) a commissioned psychology officer in the regular United States
armed services;
(3) licensed by the professional standards board (established by
IC 20-1-1.4-2) as a school psychologist and using the
title "school psychologist" or "school psychometrist" as an employee
of a school corporation; or
(4) endorsed as an independent practice school psychologist under
IC 20-1-1.9. IC 20-28-12.
(b) As used in this section, "restricted psychology test or instrument" means a measurement instrument or device used for treatment planning, diagnosing, or classifying intelligence, mental and emotional disorders and disabilities, disorders of personality, or neuropsychological, neurocognitive, or cognitive functioning. The term does not apply to an educational instrument used in a school setting to assess educational progress or an appraisal instrument.

(c) It is unlawful for an individual to:

(1) claim that the individual is a psychologist; or
(2) use any title which uses the word "psychologist", "clinical psychologist", "Indiana endorsed school psychologist" or "psychometrist", or any variant of these words, such as "psychology", or "psychological", or "psychologic";

unless that individual holds a valid license issued under this article or a valid endorsement issued under IC 20-1-1.9.

(d) It is unlawful for any individual, regardless of title, to render, or offer to render, psychological services to individuals, organizations, or to the public, unless the individual holds a valid license issued under this article or a valid endorsement issued under IC 20-1-1.9, IC 20-28-12 or is exempted under section 1.1 of this chapter.

(e) It is unlawful for an individual, other than:

(1) a psychologist licensed under IC 25-33-1-5.1;
(2) an appropriately trained mental health provider under the direct supervision of a health service provider endorsed under IC 25-33-1-5.1(c);
(3) a qualified physician licensed under IC 25-22.5;
(4) a school psychologist who holds a valid:
    (A) license issued by the professional standards board under IC 20-1-1.4-2; IC 20-28-2; or
    (B) endorsement under IC 20-1-1.9; IC 20-28-12;
who practices within the scope of the school psychologist's license or endorsement; or
(5) a minister, priest, rabbi, or other member of the clergy providing pastoral counseling or other assistance;

to administer or interpret a restricted psychology test or instrument as established by the board under IC 25-33-1-3(g) in the course of rendering psychological services to individuals, organizations, or to the public.

(f) This section may not be interpreted to prevent a licensed or certified health care professional from practicing within the scope of the health care professional's:
(1) license or certification; and
(2) training or credentials.

SECTION 198. IC 31-9-2-75 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 75. "Legal settlement", for purposes of IC 31-34-20-5, IC 31-34-21-10, IC 31-37-19-26, and IC 31-37-20-6, has the meaning set forth in IC 20-8.1-1-7.1.

SECTION 199. IC 31-9-2-80 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 80. "Member agency", for purposes of IC 31-38, means:
(1) a county office of family and children;
(2) a school corporation (as defined in IC 20-5.1-3(a));
(3) a community mental health center (as defined in IC 12-7-2-38);
or
(4) a managed care provider (as defined in IC 12-7-2-127(b));
that is represented on a local coordinating committee by a voting member.

SECTION 200. IC 31-9-2-113.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 113.5. "School", for purposes of IC 31-39-2-13.8, means a:
(1) public school (including a charter school as defined in IC 20-5.5-1-4); or
(2) nonpublic school (as defined in IC 20-10.1-1-3);
that must comply with the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) to be eligible to receive designated federal education funding.

SECTION 201. IC 31-19-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The division of family and children shall annually compile a list of:
(1) licensed child placing agencies; and
(2) county offices of family and children;
that conduct the inspection and supervision required for adoption of a child by IC 31-19-7-1 and section 1 of this chapter.
(b) The list of licensed child placing agencies and county offices of family and children must include a description of the following:
(1) Fees charged by each agency and county office of family and children.
(2) Geographic area served by each agency and county office of family and children.
(3) Approximate waiting period for the inspection or supervision by
each agency and county office of family and children.
(4) Other relevant information regarding the inspection and supervision provided by an agency or a county office of family and children under IC 31-19-7-1 and section 1 of this chapter.
(c) The division of family and children shall do the following:
(1) Maintain in its office sufficient copies of the list compiled under this section for distribution to individuals who request a copy.
(2) Provide the following persons with sufficient copies of the list prepared under this section for distribution to individuals who request a copy:
   (A) Each clerk of a court having probate jurisdiction in a county.
   (B) Each county office of family and children.
(3) Provide a copy of the list to each public library organized under IC 20-14; IC 36-12.
(d) The division of family and children and each:
   (1) county office of family and children;
   (2) clerk of a court having probate jurisdiction in a county; and
   (3) public library organized under IC 20-14; IC 36-12;
shall make the list compiled under this section available for public inspection.

SECTION 202. IC 31-30-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A juvenile court has concurrent original jurisdiction in cases involving adults charged with the crime of:
(1) neglect of a dependent (IC 35-46-1-4);
(2) contributing to delinquency (IC 35-46-1-8);
(3) violating the compulsory school attendance law (IC 20-8.1-3); IC 20-33-2);
(4) criminal confinement of a child (IC 35-42-3-3); or
(5) interference with custody (IC 35-42-3-4).

SECTION 203. IC 31-34-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A child is a child in need of services if before the child becomes eighteen (18) years of age:
(1) the child's parent, guardian, or custodian fails to participate in a disciplinary proceeding in connection with the student's improper behavior, as provided for by IC 20-8.1-5.1-19; IC 20-33-8-26, if the behavior of the student has been repeatedly disruptive in the school; and
(2) the child needs care, treatment, or rehabilitation that: the child:
   (A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

SECTION 204. IC 31-34-18-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. If a child in need of services is known to be eligible for special education services or placement under IC 20-1-6 and 511 IAC 7, the conference described in section 1.1 of this chapter must include a representative from the child's school.

SECTION 205. IC 31-34-20-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies if a juvenile court:
   (1) places a child; 
   (2) changes the placement of a child; or
   (3) reviews the implementation of a decree under IC 31-34-21 of a child placed;
   in a state licensed private or public health care facility, child care facility, or foster family home.

(b) The juvenile court shall do the following:
   (1) Make findings of fact concerning the legal settlement of the child.
   (2) Apply IC 20-8.1-6.1-1(a) through IC 20-8.1-6.1-7 to determine where the child has legal settlement.
   (3) Include the findings of fact required by this section in:
      (A) the dispositional order;
      (B) the modification order; or
      (C) the other decree; making or changing the placement of the child.

(c) The juvenile court shall comply with the reporting requirements under IC 20-8.1-6.1-5.5 concerning the legal settlement of the child.

SECTION 206. IC 31-34-20-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The juvenile court may emancipate a child under section 1(5) of this chapter if the court finds that the child:
   (1) wishes to be free from parental control and protection and no longer needs that control and protection;
   (2) has sufficient money for the child's own support;
   (3) understands the consequences of being free from parental control and protection; and
(4) has an acceptable plan for independent living.

(b) If the juvenile court partially or completely emancipates the child, the court shall specify the terms of the emancipation, which may include the following:

1. Suspension of the parent's or guardian's duty to support the child. In this case the judgment of emancipation supersedes the support order of a court.

2. Suspension of the following:
   A. The parent's or guardian's right to the control or custody of the child.
   B. The parent's right to the child's earnings.

3. Empowering the child to consent to marriage.

4. Empowering the child to consent to military enlistment.

5. Empowering the child to consent to:
   A. Medical;
   B. Psychological;
   C. Psychiatric;
   D. Educational;
   E. Social;

6. Empowering the child to contract.

7. Empowering the child to own property.

(c) An emancipated child remains subject to the following:

1. IC 20-8.1-3 concerning compulsory school attendance.

2. The continuing jurisdiction of the court.

SECTION 207. IC 31-34-21-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section applies when a juvenile court reviews the implementation of a decree under this chapter or any other law concerning a child placed in a state licensed private or public health care facility, child care facility, or foster family home.

(b) The juvenile court shall review the court's findings under IC 31-34-20-5 and determine whether circumstances have changed the legal settlement of the child.

(c) If the child's legal settlement has changed, the court shall issue an order that modifies the court's findings of fact concerning the legal settlement of the child.

(d) If the court has not previously made findings of fact concerning legal settlement as provided in IC 31-34-20-5, the court shall make the
appropriate findings in its order entered under this chapter.

(e) The juvenile court shall comply with the reporting requirements under IC 20-8.1-6.1-5.5 IC 20-26-11-9 concerning the legal settlement of the child.

SECTION 208. IC 31-34-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. In preparing the plan, the team shall review and consider existing publicly and privately funded programs that are available or that could be made available in the county to provide supportive services to or for the benefit of children described in section 3 of this chapter without removing the child from the family home, including programs funded through the following:

(1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
(2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
(3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
(4) The Child Abuse Prevention and Treatment Act (42 U.S.C. 5106 et seq.).
(5) Community corrections programs under IC 11-12.
(6) Special education programs under IC 20-1-6-19. IC 20-35-6-2.
(7) All programs designed to prevent child abuse, neglect, or delinquency, or to enhance child welfare and family preservation administered by, or through funding provided by, the division of family and children, county offices, prosecutors, or juvenile courts, including programs funded under IC 12-19-7 and IC 31-40.
(8) Probation user's fees under IC 31-40-2-1.
(9) Child advocacy fund under IC 12-17-17.

SECTION 209. IC 31-37-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A child commits a delinquent act if, before becoming eighteen (18) years of age, the child violates IC 20-8.1-3 IC 20-33-2 concerning compulsory school attendance.

SECTION 210. IC 31-37-17-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. If a delinquent child is known to be eligible for special education services or placement under IC 20-1-6 IC 20-35-2 and 511 IAC 7, the conference described in section 1.1 of this chapter must include a representative from the child's school.

SECTION 211. IC 31-37-19-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) This section applies if a juvenile court:

(1) places a child;
(2) changes the placement of a child; or
(3) reviews the implementation of a decree under IC 31-37-20 (or IC 31-6-4-19 before its repeal) of a child placed; in a state licensed private or public health care facility, child care facility, or foster family home.

(b) The juvenile court shall do the following:

(1) Make findings of fact concerning the legal settlement of the child.

(2) Apply IC 20-8.1-6.1-1(a)(1) through IC 20-8.1-6.1-1(a)(7) to determine where the child has legal settlement.

(3) Include the findings of fact required by this section in the:
   (A) dispositional order;
   (B) modification order; or
   (C) other decree; making or changing the placement of the child.

(c) The juvenile court shall comply with the reporting requirements under IC 20-8.1-6.1-5.5 concerning the legal settlement of the child.

SECTION 212. IC 31-37-19-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) The juvenile court may emancipate a child under section 1(5) or 5(b)(5) of this chapter if the court finds that the child:

(1) wishes to be free from parental control and protection and no longer needs that control and protection;
(2) has sufficient money for the child's own support;
(3) understands the consequences of being free from parental control and protection; and
(4) has an acceptable plan for independent living.

(b) Whenever the juvenile court partially or completely emancipates the child, the court shall specify the terms of the emancipation, which may include the following:

(1) Suspension of the parent's or guardian's duty to support the child. In this case the judgment of emancipation supersedes the support order of a court.
(2) Suspension of:
   (A) the parent's or guardian's right to the control or custody of the child; and
   (B) the parent's right to the child's earnings.
(3) Empowering the child to consent to marriage.
(4) Empowering the child to consent to military enlistment.
(5) Empowering the child to consent to:
   (A) medical;
   (B) psychological;
   (C) psychiatric;
   (D) educational; or
   (E) social;
   services.
(6) Empowering the child to contract.
(7) Empowering the child to own property.
(c) An emancipated child remains subject to:
   (1) IC 20-8.1-3 IC 20-33-2 concerning compulsory school
   attendance; and
   (2) the continuing jurisdiction of the court.
SECTION 213. IC 31-37-20-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]; Sec. 6. (a) This section applies
if a juvenile court reviews the implementation of a decree under this
chapter (or IC 31-6-4-19 before its repeal) or any other law concerning a
child placed in a state licensed private or public health care facility, child
care facility, or foster family home.
   (b) The juvenile court shall review the court's findings under
IC 31-37-19-26 (or IC 31-6-4-18.5(b) before its repeal) and determine
whether circumstances have changed the legal settlement of the child.
   (c) If the child's legal settlement has changed, the court shall issue an
order that modifies the court's findings of fact concerning the legal
settlement of the child.
   (d) If the court has not previously made findings of fact concerning
legal settlement as provided in IC 31-37-19-26 the court shall make the
appropriate findings in the court's order entered under this chapter.
   (e) The juvenile court shall comply with the reporting requirements
under IC 20-8.1-6.1-5.5 IC 20-26-11-9 concerning the legal settlement of
the child.
SECTION 214. IC 31-37-22-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]; Sec. 6. If:
   (1) a child fails to comply with IC 20-8.1-3 IC 20-33-2 concerning
compulsory school attendance as part of a court order with respect
to a delinquent act under IC 31-37-2-3 (or IC 31-6-4-1(a)(3) before
its repeal);
   (2) the child received a written warning of the consequences of a
violation of the court order;
   (3) the issuance of the warning was reflected in the records of the
(4) the child is not held in a juvenile detention facility for more than twenty-four (24) hours, excluding Saturdays, Sundays, and legal holidays, before the hearing at which it is determined that the child violated that part of the order concerning the child’s school attendance; and

(5) the child's mental and physical condition may be endangered if the child is not placed in a secure facility;

the juvenile court may modify its disposition order with respect to the delinquent act and place the child in a public or private facility for children under section 7 of this chapter.

SECTION 215. IC 31-37-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. In preparing the plan, the team shall review and consider existing publicly and privately funded programs that are available or that could be made available in the county to provide supportive services to or for the benefit of children described in section 3 of this chapter without removing the child from the family home, including programs funded through the following:

(1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
(2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
(3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
(4) The Child Abuse Prevention and Treatment Act (42 U.S.C. 5106 et seq.).
(5) Community corrections programs under IC 11-12.
(6) Special education programs under IC 20-1-6-19. IC 20-35-6-2.
(7) All programs designed to prevent child abuse, neglect, or delinquency, or to enhance child welfare and family preservation administered by, or through funding provided by, the division of family and children, county offices, prosecutors, or juvenile courts, including programs funded under IC 12-19-7 and IC 31-40.
(8) Probation user's fees under IC 31-40-2-1.
(9) The child advocacy fund under IC 12-17-17.

SECTION 216. IC 33-28-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A person shall be excused from acting as a juror if the person:

(1) is at least sixty-five (65) years of age;
(2) is a member in active service of the armed forces of the United States;
(3) is an elected or appointed official of the executive, legislative, or judicial branches of government of:
(A) the United States;
(B) Indiana; or
(C) a unit of local government;

who is actively engaged in the performance of the person's official
duties;

(4) is a member of the general assembly who makes the request to be
excused before being sworn as a juror;

(5) is an honorary military staff officer appointed by the governor
under IC 10-16-2-5;

(6) is an officer or enlisted person of the guard reserve forces
authorized by the governor under IC 10-16-8;

(7) is a veterinarian licensed under IC 15-5-1.1;

(8) is serving as a member of the board of school commissioners of
the city of Indianapolis under IC 20-3-11-2; IC 20-25-3-3;

(9) is a dentist licensed under IC 25-14-1;

(10) is a member of a police or fire department or company under
IC 36-8-3 or IC 36-8-12; or

(11) would serve as a juror during a criminal trial and the person is:

(A) an employee of the department of correction whose duties
require contact with inmates confined in a department of
correction facility; or

(B) the spouse or child of a person described in clause (A);

and desires to be excused for that reason.

(b) A prospective juror is disqualified to serve on a jury if any of the
following conditions exist:

(1) The person is not a citizen of the United States, at least eighteen
years of age, and a resident of the county.

(2) The person is unable to read, speak, and understand the English
language with a degree of proficiency sufficient to fill out
satisfactorily a juror qualification form.

(3) The person is incapable of rendering satisfactory jury service due
to physical or mental disability. However, a person claiming this
disqualification may be required to submit a physician's or
authorized Christian Science practitioner's certificate confirming the
disability, and the certifying physician or practitioner is then subject
to inquiry by the court at the court's discretion.

(4) The person is under a sentence imposed for an offense.

(5) A guardian has been appointed for the person under IC 29-3
because the person has a mental incapacity.

(6) The person has had rights revoked by reason of a felony
conviction and the rights have not been restored.

(c) A person may not serve as a petit juror in any county if the person served as a petit juror in the same county within the previous three hundred sixty-five (365) days. The fact that a person’s selection as a juror would violate this subsection is sufficient cause for challenge.

(d) A grand jury, a petit jury, or an individual juror drawn for service in one (1) court may serve in another court of the county, in accordance with orders entered on the record in each of the courts.

(e) The same petit jurors may be used in civil cases and in criminal cases.

(f) A person may not be excluded from jury service on account of race, color, religion, sex, national origin, or economic status.

(g) Notwithstanding IC 35-47-2, IC 35-47-2.5, or the restoration of the right to serve on a jury under this section and except as provided in subsections (e); (d); (h), (i), and (l), a person who has been convicted of a crime of domestic violence (as defined in IC 35-41-1-6.3) may not possess a firearm:

1) after the person is no longer under a sentence imposed for an offense; or
2) after the person has had the person’s rights restored following a conviction.

(h) Not earlier than five (5) years after the date of conviction, a person who has been convicted of a crime of domestic violence (as defined in IC 35-41-1-6.3) may petition the court for restoration of the person’s right to possess a firearm. In determining whether to restore the person’s right to possess a firearm, the court shall consider the following factors:

1) Whether the person has been subject to:
   (A) a protective order;
   (B) a no contact order;
   (C) a workplace violence restraining order; or
   (D) any other court order that prohibits the person from possessing a firearm.
2) Whether the person has successfully completed a substance abuse program, if applicable.
3) Whether the person has successfully completed a parenting class, if applicable.
4) Whether the person still presents a threat to the victim of the crime.
5) Whether there is any other reason why the person should not possess a firearm, including whether the person failed to complete a
specified condition under subsection (i) or whether the person has committed a subsequent offense.

(i) The court may condition the restoration of a person's right to possess a firearm upon the person's completion of specified conditions.

(j) If the court denies a petition for restoration of the right to possess a firearm, the person may not file a second or subsequent petition until one (1) year has elapsed.

(k) A person has not been convicted of a crime of domestic violence for purposes of subsection (h) if the conviction has been expunged or if the person has been pardoned.

(l) The right to possess a firearm shall be restored to a person whose conviction is reversed on appeal or on post-conviction review at the earlier of the following:

(1) At the time the prosecuting attorney states on the record that the charges that gave rise to the conviction will not be refiled.

(2) Ninety (90) days after the final disposition of the appeal or the post-conviction proceeding.

SECTION 217. IC 33-33-53-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. In accordance with rules adopted by the judges of the court under section 6 of this chapter, the presiding judge shall do the following:

(1) Ensure that the court operates efficiently and judicially under rules adopted by the court.

(2) Annually submit to the fiscal body of Monroe County a budget for the court, including amounts necessary for:
   (A) the operation of the circuit's probation department;
   (B) the defense of indigents; and
   (C) maintaining an adequate law library.

(3) Make the appointments or selections required of a circuit or superior court judge under the following statutes:
   IC 8-4-21-2
   IC 11-12-2-2
   IC 16-22-2-4
   IC 16-22-2-11
   IC 16-22-7
   IC 20-4-4
   IC 20-23-4
   IC 20-4-8
   IC 20-23-16-19
   IC 20-23-16-21
(4) Make appointments or selections required of a circuit or superior court judge by any other statute, if the appointment or selection is not required of the court because of an action before the court.

SECTION 218. IC 34-13-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A governmental entity or an employee acting within the scope of the employee's employment is not liable if a loss results from the following:

(1) The natural condition of unimproved property.
(2) The condition of a reservoir, dam, canal, conduit, drain, or similar structure when used by a person for a purpose that is not foreseeable.
(3) The temporary condition of a public thoroughfare or extreme sport area that results from weather.
(4) The condition of an unpaved road, trail, or footpath, the purpose of which is to provide access to a recreation or scenic area.
(5) The design, construction, control, operation, or normal condition of an extreme sport area, if all entrances to the extreme sport area are marked with:
   (A) a set of rules governing the use of the extreme sport area;
   (B) a warning concerning the hazards and dangers associated with the use of the extreme sport area; and
   (C) a statement that the extreme sport area may be used only by persons operating extreme sport equipment.

This subdivision shall not be construed to relieve a governmental entity from liability for the continuing duty to maintain extreme sports areas in a reasonably safe condition.
(6) The initiation of a judicial or an administrative proceeding.
(7) The performance of a discretionary function; however, the provision of medical or optical care as provided in IC 34-6-2-38 shall be considered as a ministerial act.
(8) The adoption and enforcement of or failure to adopt or enforce a law (including rules and regulations), unless the act of enforcement constitutes false arrest or false imprisonment.
(9) An act or omission performed in good faith and without malice under the apparent authority of a statute which is invalid if the employee would not have been liable had the statute been valid.
(10) The act or omission of anyone other than the governmental entity or the governmental entity's employee.
(11) The issuance, denial, suspension, or revocation of, or failure or refusal to issue, deny, suspend, or revoke any permit, license, certificate, approval, order, or similar authorization, where the authority is discretionary under the law.
(12) Failure to make an inspection, or making an inadequate or negligent inspection, of any property, other than the property of a governmental entity, to determine whether the property complied with or violates any law or contains a hazard to health or safety.
(13) Entry upon any property where the entry is expressly or impliedly authorized by law.
(14) Misrepresentation if unintentional.
(15) Theft by another person of money in the employee's official custody, unless the loss was sustained because of the employee's own negligent or wrongful act or omission.
(16) Injury to the property of a person under the jurisdiction and control of the department of correction if the person has not exhausted the administrative remedies and procedures provided by section 7 of this chapter.
(17) Injury to the person or property of a person under supervision of a governmental entity and who is:
   (A) on probation; or
   (B) assigned to an alcohol and drug services program under IC 12-23, a minimum security release program under IC 11-10-8, a pretrial conditional release program under IC 35-33-8, or a community corrections program under IC 11-12.
(18) Design of a highway (as defined in IC 9-13-2-73) if the claimed loss occurs at least twenty (20) years after the public highway was designed or substantially redesigned; except that this subdivision
shall not be construed to relieve a responsible governmental entity from the continuing duty to provide and maintain public highways in a reasonably safe condition.

(19) Development, adoption, implementation, operation, maintenance, or use of an enhanced emergency communication system.

(20) Injury to a student or a student's property by an employee of a school corporation if the employee is acting reasonably under a discipline policy adopted under IC 20-8.1-5.1-7(b); IC 20-33-8-7(b).

(21) An error resulting from or caused by a failure to recognize the year 1999, 2000, or a subsequent year, including an incorrect date or incorrect mechanical or electronic interpretation of a date, that is produced, calculated, or generated by:
   (A) a computer;
   (B) an information system; or
   (C) equipment using microchips;
that is owned or operated by a governmental entity. However, this subdivision does not apply to acts or omissions amounting to gross negligence, willful or wanton misconduct, or intentional misconduct. For purposes of this subdivision, evidence of gross negligence may be established by a party by showing failure of a governmental entity to undertake an effort to review, analyze, remediate, and test its electronic information systems or by showing failure of a governmental entity to abate, upon notice, an electronic information system error that caused damage or loss. However, this subdivision expires June 30, 2003.

(22) An act or omission performed in good faith under the apparent authority of a court order described in IC 35-46-1-15.1 that is invalid, including an arrest or imprisonment related to the enforcement of the court order, if the governmental entity or employee would not have been liable had the court order been valid.

SECTION 219. IC 34-30-2-85 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85. IC 20-8.1-12-5 IC 20-33-9-8 (Concerning a person who reports or supervises a person who reports a violation of alcoholic beverage or controlled substance laws on school property).

SECTION 220. IC 34-30-2-85.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85.1. IC 20-8.1-12-5-7 IC 20-33-9-14 (Concerning a person who reports or causes a report to be made of a threat against, or intimidation of, a school employee).
SECTION 221. IC 34-30-2-85.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85.2. IC 20-8.1-13-3 IC 20-33-2-47(d) (Concerning attendance officer or officer's designee for failure to contact a parent or guardian regarding a student's absences).

SECTION 222. IC 34-30-2-85.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85.5. IC 20-10.1-22-4-3 IC 20-33-7-3 (Concerning the disclosure or reporting of education records of a child).

SECTION 223. IC 34-30-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. A school or school board is not liable for civil damages as a result of a student's self-administration of medication for an acute or chronic disease or medical condition as provided under IC 20-8.1-5.1-7.5 IC 20-33-8-13 except for an act or omission amounting to gross negligence or willful and wanton misconduct.

SECTION 224. IC 34-46-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. IC 20-1-1.9-6 IC 20-28-12-5 (Concerning information school psychologist acquires in professional capacity).

SECTION 225. IC 34-46-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. IC 20-6.1-6-15 IC 20-28-10-17 (Concerning communications made to a school counselor).

SECTION 226. IC 34-46-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. IC 20-8.1-12-2 IC 20-33-9-5 and IC 20-8.1-12-4 IC 20-33-9-7 (Concerning reports of elementary and secondary school students suspected of alcohol and controlled substance violations).

SECTION 227. IC 35-41-1-24.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24.7. "School property" means the following:

1) A building or other structure owned or rented by:
   (A) a school corporation;
   (B) an entity that is required to be licensed under IC 12-17.2 or IC 12-17.4;
   (C) a private school (as defined in IC 20-9.1-1-3); that is not supported and maintained by funds realized from the imposition of a tax on property, income, or sales; or
   (D) a federal, state, local, or nonprofit program or service operated to serve, assist, or otherwise benefit children who are at
least three (3) years of age and not yet enrolled in kindergarten, including the following:
(i) A Head Start program under 42 U.S.C. 9831 et seq.
(ii) A special education preschool program.
(iii) A developmental child care program for preschool children.
(2) The grounds adjacent to and owned or rented in common with a building or other structure described in subdivision (1).

SECTION 228. IC 35-42-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) As used in this section, "adoptive parent" has the meaning set forth in IC 31-9-2-6.
(b) As used in this section, "adoptive grandparent" means the parent of an adoptive parent.
(c) As used in this section, "child care worker" means a person who:
(1) provides care, supervision, or instruction to a child within the scope of the person's employment in a shelter care facility; or
(2) is employed by a:
   (A) school corporation; or
   (B) nonpublic school;
   attended by a child who is the victim of a crime under this chapter.
(d) As used in this section, "custodian" means any person who resides with a child and is responsible for the child's welfare.
(e) As used in this section, "nonpublic school" has the meaning set forth in IC 20-10.1-1-3. IC 20-18-2-12.
(f) As used in this section, "school corporation" has the meaning set forth in IC 20-10.1-1-1. IC 20-18-2-16.
(g) As used in this section, "stepparent" means an individual who is married to a child's custodial or noncustodial parent and is not the child's adoptive parent.
(h) If a person who is:
(1) at least eighteen (18) years of age; and
(2) the:
   (A) guardian, adoptive parent, adoptive grandparent, custodian, or stepparent of; or
   (B) child care worker for;
   a child at least sixteen (16) years of age but less than eighteen (18) years of age;
engages with the child in sexual intercourse, deviate sexual conduct (as defined in IC 35-41-1-9), or any fondling or touching with the intent to arouse or satisfy the sexual desires of either the child or the adult, the
person commits child seduction, a Class D felony.

SECTION 229. IC 35-50-6-3.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.3. (a) In addition to any credit time a person earns under subsection (b) or section 3 of this chapter, a person earns credit time if the person:

1) is in credit Class I;
2) has demonstrated a pattern consistent with rehabilitation; and
3) successfully completes requirements to obtain one (1) of the following:
   (A) A general educational development (GED) diploma under IC 20-10.1-12-1, IC 20-20-6, if the person has not previously obtained a high school diploma.
   (B) A high school diploma.
   (C) An associate's degree from an approved institution of higher learning (as defined under IC 20-12-21-3).
   (D) A bachelor's degree from an approved institution of higher learning (as defined under IC 20-12-21-3).

(b) In addition to any credit time that a person earns under subsection (a) or section 3 of this chapter, a person may earn credit time if, while confined by the department of correction, the person:

1) is in credit Class I;
2) demonstrates a pattern consistent with rehabilitation; and
3) successfully completes requirements to obtain at least one (1) of the following:
   (A) A certificate of completion of a vocational education program approved by the department of correction.
   (B) A certificate of completion of a substance abuse program approved by the department of correction.
   (C) A certificate of completion of a literacy and basic life skills program approved by the department of correction.

(c) The department of correction shall establish admissions criteria and other requirements for programs available for earning credit time under subsection (b). A person may not earn credit time under both subsections (a) and (b) for the same program of study.

(d) The amount of credit time a person may earn under this section is the following:

1) Six (6) months for completion of a state of Indiana general educational development (GED) diploma under IC 20-10.1-12-1, IC 20-20-6.
2) One (1) year for graduation from high school.
(3) One (1) year for completion of an associate's degree.
(4) Two (2) years for completion of a bachelor's degree.
(5) Not more than a total of six (6) months of credit, as determined by the department of correction, for the completion of one (1) or more vocational education programs approved by the department of correction.
(6) Not more than a total of six (6) months of credit, as determined by the department of correction, for the completion of one (1) or more substance abuse programs approved by the department of correction.
(7) Not more than a total of six (6) months credit, as determined by the department of correction, for the completion of one (1) or more literacy and basic life skills programs approved by the department of correction.

However, a person who does not have a substance abuse problem that qualifies the person to earn credit in a substance abuse program may earn not more than a total of twelve (12) months of credit, as determined by the department of correction, for the completion of one (1) or more vocational education programs approved by the department of correction. If a person earns more than six (6) months of credit for the completion of one (1) or more vocational education programs, the person is ineligible to earn credit for the completion of one (1) or more substance abuse programs.

(e) Credit time earned by a person under this section is subtracted from the release date that would otherwise apply to the person after subtracting all other credit time earned by the person.

(f) A person does not earn credit time under subsection (a) unless the person completes at least a portion of the degree requirements after June 30, 1993.

(g) A person does not earn credit time under subsection (b) unless the person completes at least a portion of the program requirements after June 30, 1999.

(h) Credit time earned by a person under subsection (a) for a diploma or degree completed before July 1, 1999, shall be subtracted from:

(1) the release date that would otherwise apply to the person after subtracting all other credit time earned by the person, if the person has not been convicted of an offense described in subdivision (2); or
(2) the period of imprisonment imposed on the person by the sentencing court, if the person has been convicted of one (1) of the following crimes:

(A) Rape (IC 35-42-4-1).
(B) Criminal deviate conduct (IC 35-42-4-2).
(C) Child molesting (IC 35-42-4-3).
(D) Child exploitation (IC 35-42-4-4(b)).
(E) Vicarious sexual gratification (IC 35-42-4-5).
(F) Child solicitation (IC 35-42-4-6).
(G) Child seduction (IC 35-42-4-7).
(H) Sexual misconduct with a minor as a Class A felony, Class B felony, or Class C felony (IC 35-42-4-9).
(I) Incest (IC 35-46-1-3).
(J) Sexual battery (IC 35-42-4-8).
(K) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.
(L) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age.
(M) An attempt or a conspiracy to commit a crime listed in clauses (A) through (L).

(i) The maximum amount of credit time a person may earn under this section is the lesser of:
   (1) four (4) years; or
   (2) one-third (1/3) of the person's total applicable credit time.

(j) The amount of credit time earned under this section is reduced to the extent that application of the credit time would otherwise result in:
   (1) postconviction release (as defined in IC 35-40-4-6); or
   (2) assignment of the person to a community transition program; in less than forty-five (45) days after the person earns the credit time.

(k) A person may earn credit time for multiple degrees at the same education level under subsection (d) only in accordance with guidelines approved by the department of correction. The department of correction may approve guidelines for proper sequence of education degrees under subsection (d).

SECTION 230. IC 36-1-7-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. Whenever an agreement authorized by this chapter is between school corporations, teachers employed under the agreement have the same rights and privileges as teachers employed under IC 20-5-11-3.5; IC 20-5-11-3.6; IC 20-26-10-5, IC 20-26-10-6, and IC 20-5-11-3.7. IC 20-26-10-7.

SECTION 231. IC 36-1-8-10.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) This section does not apply to the following:
   (1) An elected or appointed officer.
(2) An individual described in IC 20-5-3-11; IC 20-26-4-11.

(b) An employee of a political subdivision may:

   (1) be a candidate for any elected office and serve in that office if elected; or

   (2) be appointed to any office and serve in that office if appointed; without having to resign as an employee of the political subdivision.

SECTION 232. IC 36-1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to:

   (1) political subdivisions and agencies of political subdivisions that determine to acquire structures, transportation projects, or systems by lease or lease-purchase;

   (2) a convention and visitor bureau established under IC 6-9-2 that determines to acquire a visitor center by lease or lease purchase; and

   (3) a convention and visitor commission established by IC 6-9-11 that determines to acquire a sports and recreation facility by lease or lease purchase.

(b) This chapter does not apply to:

   (1) the lease of library buildings under IC 20-14-10; IC 36-12-10, unless the library board of the public library adopts a resolution to proceed under this chapter instead of IC 20-14-10; IC 36-12-10;

   (2) the lease of school buildings under IC 21-5;

   (3) county hospitals organized or operating under IC 16-22-1 through IC 16-22-5;

   (4) municipal hospitals organized or operating under IC 16-23-1; or

   (5) boards of aviation commissioners established under IC 8-22-2.

SECTION 233. IC 36-1-10.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to:

   (1) political subdivisions; and

   (2) their agencies.

(b) This chapter does not apply to the purchase of:

   (1) real property having a total price (including land and structures, if any) of twenty-five thousand dollars ($25,000) or less;

   (2) airport land or structures under IC 8-22;

   (3) library land or structures under IC 20-14; IC 36-12;

   (4) school land or structures under IC 21-5;

   (5) hospital land or structures by hospitals organized or operated under IC 16-22-1 through IC 16-22-5 or IC 16-23-1;

   (6) land or structures acquired for a road or street right-of-way for a
federal-aid project funded in any part under 23 U.S.C. 101 et seq.;
(7) land or structures by redevelopment commissions under IC 36-7-14 or IC 36-7-15.1, or redevelopment authorities under IC 36-7-14.5; or
(8) land by a municipally owned water utility, if:
   (A) the municipally owned water utility has performed or contracted with another party to perform sampling and drilling tests of the land; and
   (B) the sampling and drilling tests indicate the land has water resources.

SECTION 234. IC 36-1-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to the disposal of property by:
   (1) political subdivisions; and
   (2) their agencies.

(b) This chapter does not apply to the following:
   (1) The disposal of property under an urban homesteading program under IC 36-7-17.
   (2) The lease of school buildings under IC 21-5.
   (3) The sale of land to a lessor in a lease-purchase contract under IC 36-1-10.
   (4) The disposal of property by a redevelopment commission established under IC 36-7.
   (5) The leasing of property by a board of aviation commissioners established under IC 8-22-2 or an airport authority established under IC 8-22-3.
   (6) The disposal of a municipally owned utility under IC 8-1.5.
   (7) The sale or lease of property by a unit to an Indiana nonprofit corporation organized for educational, literary, scientific, religious, or charitable purposes that is exempt from federal income taxation under Section 501 of the Internal Revenue Code or the sale or reletting of that property by the nonprofit corporation.
   (8) The disposal of property by a hospital organized or operating under IC 16-22-1 through IC 16-22-5, IC 16-23-1, or IC 16-24-1.
   (9) The sale or lease of property acquired under IC 36-7-13 for industrial development.
   (10) The sale, lease, or disposal of property by a local hospital authority under IC 5-1-4.
   (11) The sale or other disposition of property by a county or municipality to finance housing under IC 5-20-2.
(12) The disposition of property by a soil and water conservation district under IC 14-32.
(13) The sale of surplus or unneeded property by the board of trustees of the health and hospital corporation under IC 16-22-8.
(14) The disposal of personal property by a library board under IC 20-14-3-4(e), IC 36-12-3-5(e).
(15) The sale or disposal of property by the historic preservation commission under IC 36-7-11.1.
(16) The disposal of an interest in property by a housing authority under IC 36-7-18.
(18) The disposal of property used for park purposes under IC 36-10-7-8.
(19) The disposal of textbooks that will no longer be used by school corporations under IC 20-10-4-10, IC 20-26-12.
(20) The disposal of residential structures or improvements by a municipal corporation without consideration to:
   (A) a governmental entity; or
   (B) a nonprofit corporation that is organized to expand the supply or sustain the existing supply of good quality, affordable housing for residents of Indiana having low or moderate incomes.
(21) The disposal of historic property without consideration to a nonprofit corporation whose charter or articles of incorporation allows the corporation to take action for the preservation of historic property. As used in this subdivision, "historic property" means property that is:
   (A) listed on the National Register of Historic Places; or
   (B) eligible for listing on the National Register of Historic Places, as determined by the division of historic preservation and archeology of the department of natural resources.
(22) The disposal of real property without consideration to:
   (A) a governmental agency; or
   (B) a nonprofit corporation that exists for the primary purpose of enhancing the environment;
when the property is to be used for compliance with a permit or an order issued by a federal or state regulatory agency to mitigate an adverse environmental impact.
(23) The disposal of property to a person under an agreement between the person and a political subdivision or an agency of a political subdivision under IC 5-23.
(24) The disposal of residential real property pursuant to a federal aviation regulation (14 CFR 150) Airport Noise Compatibility Planning Program as approved by the Federal Aviation Administration.

SECTION 235. IC 36-1-12.5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. As used in this chapter, "governing body" means the following:

1. With respect to school corporations, the governing body (as defined in IC 20-10.1-1-5; IC 20-18-2-5).
2. With respect to a public library, the library board (as defined in IC 20-14-1-2; IC 36-12-1-3).
3. With respect to a library described in IC 20-14-7-6; IC 36-12-7-8, the trustees of the library.
4. With respect to other political subdivisions, the legislative body (as defined in IC 36-1-2-9).

SECTION 236. IC 36-1-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section does not apply to donations of proceeds from riverboat gaming to a public school endowment corporation under IC 20-5-6-9; IC 20-26-5-19.

(b) As used in this section, "riverboat gaming revenue" means tax revenue received by a unit under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city’s or county’s part of the tax revenue.

(c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, an endowment, a bequest, a trust, or riverboat gaming revenue to a foundation under the following conditions:

1. The foundation is a charitable nonprofit community foundation.
2. The foundation retains all rights to the donation, including investment powers.
3. The foundation agrees to do the following:
   (A) Hold the donation as a permanent endowment.
   (B) Distribute the income from the donation only to the unit as directed by resolution of the fiscal body of the unit.
   (C) Return the donation to the general fund of the unit if the foundation:
      (i) loses the foundation’s status as a public charitable organization;
      (ii) is liquidated; or
      (iii) violates any condition of the endowment set by the fiscal body of the unit.
SECTION 237. IC 36-3-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The city-county legislative body may review and modify the operating and maintenance budgets and the tax levies of the following entities in the county:

1. An airport authority operating under IC 8-22-3.
2. A health and hospital corporation operating under IC 16-22-8.
3. A public library operating under IC 20-14. IC 36-12.
4. A capital improvement board of managers operating under IC 36-10.
5. A public transportation corporation operating under IC 36-9-4.

(b) The board of each entity listed in subsection (a) shall, after adoption of its budget and tax levies, submit them, along with detailed accounts, to the city clerk before the first day of September of each year.

(c) The city-county legislative body may review the issuance of bonds of an entity listed in subsection (a), but approval of the city-county legislative body is not required for the issuance of bonds.

SECTION 238. IC 36-9-4-29.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29.4. (a) This section does not apply to a public transportation corporation located in a county having a consolidated city.

(b) A public transportation corporation may provide regularly scheduled passenger service to specifically designated locations outside the system's operational boundaries as described in IC 36-9-1-9 if all of the following conditions are met:

1. The legislative body of the municipality approves any expansion of the service outside the municipality's corporate boundaries.
2. The expanded service is reasonably required to do any of the following:
   - (A) Enhance employment opportunities in the new service area or the existing service area.
   - (B) Serve the elderly, disabled, or other persons who are in need of public transportation.
3. The rates or compensation for the expanded service are sufficient, on a fully allocated cost basis, to prevent a property tax increase in the taxing district solely as a result of the expanded service.
4. Except as provided in subsection (e), the expanded service does not extend beyond the boundary of the county in which the corporation is located.
5. The corporation complies with sections 29.5 and 29.6 of this chapter.
(c) Notwithstanding section 39 of this chapter, a public transportation corporation may provide demand responsive service outside of the system's operational boundaries as described in IC 36-9-1-9 if the conditions listed in subsection (b) are met.

(d) The board may contract with a private operator for the operation of an expanded service under this section.

(e) Subsection (b)(4) does not apply to a special purpose bus (as defined in IC 20-9.1-1-4.5) or a school bus (as defined in IC 20-9.1-1-5) that provides expanded service for a purpose permitted under IC 20-9.1-5.

SECTION 239. IC 36-9-4-54 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 54. An urban mass transportation system operating under this chapter may be used for the transportation of pupils to and from schools under a contract made with any school corporation having jurisdiction within the taxing district of the public transportation corporation. The system is solely responsible for the bus drivers' employment and actions, but the bus drivers must meet the qualifications for drivers of school buses as provided in IC 20-9.1-3.

IC 20-27-8. The buses used for the rendition of service under this section need not meet the requirements of the statutes relating to the construction, equipment, and painting of school buses.

SECTION 240. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-1; IC 20-2; IC 20-3; IC 20-3.1; IC 20-4; IC 20-5; IC 20-5.5; IC 20-6.1; IC 20-7; IC 20-7.5; IC 20-8.1; IC 20-9.1; IC 20-10.1; IC 20-10.2; IC 20-11; IC 20-14; IC 20-15; IC 20-16; IC 34-30-2-84.5.
ACTS 2005

Laws enacted by the

114th GENERAL ASSEMBLY

at the

FIRST REGULAR SESSION
(2005)

VOLUME II
(P.L.2-2005 through P.L.81-2005)

By the authority of
INDIANA LEGISLATIVE COUNCIL
(IC 2-6-1.5)

Office of Code Revision
Legislative Services Agency
AN ACT to amend the Indiana Code concerning technical corrections.

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

SECTION 1. IC 1-2-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A state flag, when it is in such condition that it is no longer a fitting emblem for display, should be destroyed using the same method provided for the retiring and disposing of the flag of the United States under 36 U.S.C. 176. 4 U.S.C. 8(k).

SECTION 2. IC 3-8-1-33, AS AMENDED BY P.L.14-2004, SECTION 52, AND AS AMENDED BY P.L.98-2004, SECTION 31, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 33. (a) A candidate for an office listed in subsection (b) must file a statement of economic interests.

(b) Whenever a candidate for any of the following offices is also required to file a declaration of candidacy or is nominated by petition, the candidate shall file a statement of economic interests before filing the declaration of candidacy or declaration of intent to be a write-in candidate, before the petition of nomination is filed, before the certificate of nomination is filed, or before being appointed to fill a candidate vacancy under IC 3-13-1 or IC 3-13-2:

(1) Governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general, and state superintendent of public instruction, in accordance with IC 4-2-6-8.
(2) Senator and representative in the general assembly, in accordance with IC 2-2.1-3-2.
(3) Justice of the supreme court, clerk of the supreme court, judge of the court of appeals, judge of the tax court, judge of a circuit court, judge of a superior court, judge of a county court, judge of
a probate court, and prosecuting attorney, in accordance with IC 33-23-11-14 and IC 33-23-11-15.

SECTION 3. IC 3-11-1.5-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) This section applies to a county that has a precinct that crosses a boundary in violation of section 4(5), 4(4), 4(6), 4(5), or 4(7) 4(6) of this chapter.

(b) Notwithstanding section 25 of this chapter, if the county does not issue a precinct establishment order that establishes precincts in compliance with section 4(5), 4(4), 4(6), 4(5), and 4(7) 4(6) of this chapter by the January 31 following the last effective date described in section 25(2) of this chapter, the commission may issue an order establishing precincts as provided under subsection (c).

(c) An order issued by the commission under this section must comply with section 4(5), 4(4), 4(6), 4(5), and 4(7) 4(6) of this chapter.

(d) The co-directors shall send a copy of the commission’s order to the office.

SECTION 4. IC 3-11-2-12, AS AMENDED BY P.L.14-2004, SECTION 98, AND AS AMENDED BY P.L.98-2004, SECTION 37, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The following offices shall be placed on the general election ballot in the following order:

1) Federal and state offices:
   (A) President and Vice President of the United States.
   (B) United States Senator.
   (C) Governor and lieutenant governor.
   (D) Secretary of state.
   (E) Auditor of state.
   (F) Treasurer of state.
   (G) Attorney general.
   (H) Superintendent of public instruction.
   (I) Clerk of the supreme court.
   (J) United States Representative.

2) Legislative offices:
   (A) State senator.
   (B) State representative.

3) Circuit offices and county judicial offices:
   (A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than
one (1) judge of the circuit court.
(B) Judge of the superior court, and unless otherwise specified
under IC 33, with each division separate if there is more than
one (1) judge of the superior court.
(C) Judge of the probate court.
(D) Judge of the county court, with each division separate, as
required by IC 33-30-3-3.
(E) Prosecuting attorney.
(F) Clerk of the circuit court.

(4) County offices:
(A) County auditor.
(B) County recorder.
(C) County treasurer.
(D) County sheriff.
(E) County coroner.
(F) County surveyor.
(G) County assessor.
(H) County commissioner.
(I) County council member.

(5) Township offices:
(A) Township assessor.
(B) Township trustee.
(C) Township board member.
(D) Judge of the small claims court.
(E) Constable of the small claims court.

(6) City offices:
(A) Mayor.
(B) Clerk or clerk-treasurer.
(C) Judge of the city court.
(D) City-county council member or common council member.

(7) Town offices:
(A) Clerk-treasurer.
(B) Judge of the town court.
(C) Town council member.

SECTION 5. IC 3-13-2-8 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The chairman or
chairmen filling a candidate vacancy under this chapter shall
immediately file a written certificate of candidate selection on a form
prescribed by the commission stating the following information for each candidate selected:

1. The name of each candidate as:
   (A) the candidate wants the candidate's name to appear on the ballot; and
   (B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

2. The residence address of each candidate.

(b) The certificate shall be filed with:

1. the election division for:
   (A) one (1) or more chairmen acting under section 2, 3, 4, or 5(b) of this chapter; or
   (B) a committee acting under section 5(b) of this chapter to fill a candidate vacancy for the office of judge of a circuit, superior, probate, county, or small claims court or prosecuting attorney; or

2. the circuit court clerk of the county in which the greatest percentage of the population of the election district is located, for a chairman acting under section 5(a) of this chapter to fill a candidate vacancy for a local office not described in subdivision (1).

(c) The certificate required by section subsection (a) shall be filed not more than three (3) days (excluding Saturdays and Sundays) after selection of the candidate.

SECTION 6. IC 4-1.5-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Subject to section 4 of this chapter, voting members of the board appointed by the governor serve for terms of four (4) years. Each member shall hold office for the term of appointment and shall continue to serve after expiration of the appointment until a successor is appointed and qualified. Members are eligible for reappointment.

SECTION 7. IC 4-3-14-4, AS AMENDED BY P.L.28-2004, SECTION 19, AND AS AMENDED BY P.L.96-2004, SECTION 8, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The articles of incorporation or bylaws of the corporation, as appropriate, must provide that:

1. the exclusive purpose of the corporation is to contribute to the
strengthening of the economy of the state by:
   (A) coordinating the activities of all parties having a role in the
       state's economic development through evaluating, overseeing,
       and appraising those activities on an ongoing basis;
   (B) overseeing the implementation of the state's economic
devlopment plan and monitoring the updates of that plan; and
   (C) educating and assisting all parties involved in improving
       the long range vitality of the state's economy;
(2) the board must include:
   (A) the governor;
   (B) the lieutenant governor;
   (C) the chief operating officer of the corporation;
   (D) the chief operating officer of the corporation for Indiana's
       international future; and
   (E) additional persons appointed by the governor, who are
       actively engaged in Indiana in private enterprise, organized
       labor, state or local governmental agencies, and education, and
       who represent the diverse economic and regional interests
       throughout Indiana;
(3) the governor shall serve as chairman of the board of the
    corporation, and the lieutenant governor shall serve as the chief
    executive officer of the corporation;
(4) the governor shall appoint as vice chairman of the board a
    member of the board engaged in private enterprise;
(5) the lieutenant governor shall be responsible as chief executive
    officer for overseeing implementation of the state's economic
development plan as articulated by the corporation and shall
    oversee the activities of the corporation's chief operating officer;
(6) the governor may appoint an executive committee composed
    of members of the board (size and structure of the executive
    committee shall be set by the articles and bylaws of the
    corporation);
(7) the corporation may receive funds from any source and may
    expend funds for any activities necessary, convenient, or
    expedient to carry out its purposes;
(8) any amendments to the articles of incorporation or bylaws of
    the corporation must be approved by the governor;
(9) the corporation shall submit an annual report to the governor
and to the Indiana general assembly on or before the first day of November for each year;

(10) the annual report submitted under subdivision (9) to the general assembly must be in an electronic format under IC 5-14-6;

(11) the corporation shall conduct an annual public hearing to receive comment from interested parties regarding the annual report, and notice of the hearing shall be given at least fourteen (14) days prior to the hearing in accordance with IC 5-14-1.5-5(b); and

(12) the corporation is subject to an annual audit by the state board of accounts, and the corporation shall bear the full costs of this audit.

(b) The corporation may perform other acts and things necessary, convenient, or expedient to carry out the purposes identified in this section, and it has all rights, powers, and privileges granted to corporations by IC 23-17 and by common law.

(c) The corporation shall:

(1) approve and administer loans from the microenterprise partnership program fund established under IC 4-3-13-9;

(2) establish and administer the nontraditional entrepreneur program under IC 4-3-13;

(3) establish and administer the small and minority business financial assistance program under IC 4-3-16; and

(4) establish and administer the microenterprise partnership program under IC 4-4-32.4.

SECTION 8. IC 4-4-3-8, AS AMENDED BY P.L.28-2004, SECTION 23, AND AS AMENDED BY P.L.73-2004, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The department shall develop and promote programs designed to make the best use of the resources of the state so as to assure a balanced economy and continuing economic growth for Indiana and for those purposes may do the following:

(1) Cooperate with federal, state, and local governments and agencies in the coordination of programs to make the best use of the resources of the state.

(2) Receive and expend all funds, grants, gifts, and contributions
of money, property, labor, interest accrued from loans made by
the department, and other things of value from public and private
sources, including grants from agencies and instrumentalities of
the state and the federal government. The department:
(A) may accept federal grants for providing planning
assistance, making grants, or providing other services or
functions necessary to political subdivisions, planning
commissions, or other public or private organizations;
(B) shall administer these grants in accordance with their
terms; and
(C) may contract with political subdivisions, planning
commissions, or other public or private organizations to carry
out the purposes for which the grants were made.
(3) Direct that assistance, information, and advice regarding the
duties and functions of the department be given the department by
any officer, agent, or employee of the state. The head of any other
state department or agency may assign one (1) or more of the
department's or agency's employees to the department on a
temporary basis, or may direct any division or agency under the
department's or agency's supervision and control to make any
special study or survey requested by the director.
(b) The department shall perform the following duties:
(1) Disseminate information concerning the industrial,
commercial, governmental, educational, cultural, recreational,
agricultural, and other advantages of Indiana.
(2) Plan, direct, and conduct research activities.
(3) Develop and implement industrial development programs to
encourage expansion of existing industrial, commercial, and
business facilities within Indiana and to encourage new industrial,
commercial, and business locations within Indiana.
(4) Assist businesses and industries in acquiring, improving, and
developing overseas markets and encourage international plant
locations within Indiana. The director, with the approval of the
governor, may establish foreign offices to assist in this function.
(5) Promote the growth of minority business enterprises by doing
the following:
(A) Mobilizing and coordinating the activities, resources, and
efforts of governmental and private agencies, businesses, trade
associations, institutions, and individuals.

(B) Assisting minority businesses in obtaining governmental or commercial financing for expansion, establishment of new businesses, or individual development projects.

(C) Aiding minority businesses in procuring contracts from governmental or private sources, or both.

(D) Providing technical, managerial, and counseling assistance to minority business enterprises.

(6) Assist in community economic development planning and the implementation of programs designed to further this development.

(7) Assist in the development and promotion of Indiana's tourist resources, facilities, attractions, and activities.

(8) Assist in the promotion and marketing of Indiana's agricultural products, and provide staff assistance to the director in fulfilling the director's responsibilities as commissioner of agriculture.

(9) Perform the following energy related functions:

(A) Assist in the development and promotion of alternative energy resources, including Indiana coal, oil shale, hydropower, solar, wind, geothermal, and biomass resources.

(B) Encourage the conservation and efficient use of energy, including energy use in commercial, industrial, residential, governmental, agricultural, transportation, recreational, and educational sectors.

(C) Assist in energy emergency preparedness.

(D) Not later than January 1, 1994. Establish:

   (i) specific goals for increased energy efficiency in the operations of state government and for the use of alternative fuels in vehicles owned by the state; and

   (ii) guidelines for achieving the goals established under item (i).

(E) Establish procedures for state agencies to use in reporting to the department on energy issues.

(F) Carry out studies, research projects, and other activities required to:

   (i) assess the nature and extent of energy resources required to meet the needs of the state, including coal and other fossil fuels, alcohol fuels produced from agricultural and forest products and resources, renewable energy, and other energy
resources;
(ii) promote cooperation among government, utilities, industry, institutions of higher education, consumers, and all other parties interested in energy and recycling market development issues; and
(iii) promote the dissemination of information concerning energy and recycling market development issues.

(10) Implement any federal program delegated to the state to effectuate the purposes of this chapter.

(11) Promote the growth of small businesses by doing the following:
   (A) Assisting small businesses in obtaining and preparing the permits required to conduct business in Indiana.
   (B) Serving as a liaison between small businesses and state agencies.
   (C) Providing information concerning business assistance programs available through government agencies and private sources.

(12) Assist the Indiana commission for agriculture and rural development in performing its functions under IC 4-4-22.

(13) Develop and promote markets for the following recyclable items:
   (A) Aluminum containers.
   (B) Corrugated paper.
   (C) Glass containers.
   (D) Magazines.
   (E) Steel containers.
   (F) Newspapers.
   (G) Office waste paper.
   (H) Plastic containers.
   (I) Foam polystyrene packaging.
   (J) Containers for carbonated or malt beverages that are primarily made of a combination of steel and aluminum.

(14) Produce an annual recycled products guide and at least one time each year distribute the guide to the following:
   (A) State agencies.
   (B) The judicial department of state government.
   (C) The legislative department of state government.
(D) State educational institutions (as defined in IC 20-12-0.5-1).
(E) Political subdivisions (as defined in IC 36-1-2-13).
(F) Bodies corporate and politic created by statute.

A recycled products guide distributed under this subdivision must include a description of supplies and other products that contain recycled material and information concerning the availability of the supplies and products.

(15) Beginning July 1, 2005, the department shall identify, promote, assist, and fund home ownership education programs conducted throughout Indiana by nonprofit counseling agencies certified by the department using funds appropriated under IC 4-4-3-23(e). The department shall adopt rules under IC 4-22-2 governing certification procedures and counseling requirements for nonprofit home ownership counselors. The attorney general and the entities listed in IC 4-6-12-4(a)(1) through IC 4-6-12-4(a)(10) shall cooperate with the department in implementing this subdivision.

(c) The department shall submit a report in an electronic format under IC 5-14-6 to the general assembly before October 1 of each year concerning the availability of and location of markets for recycled products in Indiana. The report must include the following:

1. A priority listing of recyclable materials to be targeted for market development. The listing must be based on an examination of the need and opportunities for the marketing of the following:
   (A) Paper.
   (B) Glass.
   (C) Aluminum containers.
   (D) Steel containers.
   (E) Bi-metal containers.
   (F) Glass containers.
   (G) Plastic containers.
   (H) Landscape waste.
   (I) Construction materials.
   (J) Waste oil.
   (K) Waste tires.
   (L) Coal combustion wastes.
   (M) Other materials.
(2) A presentation of a market development strategy that:
   (A) considers the specific material marketing needs of Indiana; and
   (B) makes recommendations for legislative action.
(3) An analysis that examines the cost and effectiveness of future market development options.

SECTION 9. IC 4-23-29-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) As used in this chapter, for an individual who is at least five (5) years of age, "developmental disability" means a severe, chronic disability that:
   (1) is attributable to a mental or physical impairment or combination of mental and physical impairments;
   (2) is manifested before the individual is twenty-two (22) years of age;
   (3) is likely to continue indefinitely;
   (4) results in substantial functional limitation in three (3) or more areas of major life activity; and
   (5) reflects the individual's need for special, interdisciplinary services, supports, or assistance that are of lifelong or extended duration and are individually planned and coordinated.
   (b) As used in this chapter, for an individual less than five (5) years of age, "developmental disability" means:
   (1) substantial developmental delay; or
   (2) specific congenital or acquired conditions;
   with high probability of resulting in a developmental disability described in subsection (a) if services are not provided.

SECTION 10. IC 4-33-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:
   (1) The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).
   (2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be
paid:
(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:
   (i) a city described in IC 4-33-12-6(b)(1)(A); or
   (ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).
(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. In each state fiscal year beginning after June 30, 2003, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.
(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter as follows:
   (1) Thirty-seven and one half percent (37.5%) shall be paid to the property tax replacement fund established under IC 6-1.1-21.
   (2) Thirty-seven and one-half percent (37.5%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars ($20,000,000), the amount described in this subdivision shall be paid to the property tax replacement fund established under IC 6-1.1-21.
(3) Five percent (5%) shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.
(4) Ten percent (10%) shall be paid in equal amounts to each town that:
   (A) is located in the county in which the riverboat docks; and
   (B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.

(5) Ten percent (10%) shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:
   (A) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.
   (B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.
   (C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this
clause to the following under a formula established by the county fiscal body:

(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(c) For each city and county receiving money under subsection (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city or county's base year revenue; and
(2) would otherwise be due to the city or county under this section;

to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars ($250,000,000):

(1) Surplus lottery revenues under IC 4-30-17-3.
(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.
(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement
fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of 2003 and each year thereafter, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

1. To each city located in the county according to the ratio the city's population bears to the total population of the county.
2. To each town located in the county according to the ratio the town's population bears to the total population of the county.
3. After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

1. To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5);
2. For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property tax replacement in property tax increment allocation areas or debt repayment.
3. To fund sewer and water projects, including storm water management projects.
4. For police and fire pensions.
5. To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.
(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of 2003 and each year thereafter, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (d) as follows:

1. To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

2. To each town located in the county according to the ratio that the town's population bears to the total population of the county.

3. After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

SECTION 11. IC 5-1-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The contract entered into by the board of commissioners of any county and any such bondholder shall be signed by the parties to such contract, shall be attested on behalf of the county by the county auditor, and shall stipulate and agree that the board of commissioners of the county will pay all interest on such matured bond to the date of the maturity thereof, and that a new bond (referred to in this chapter as a redemption bond) in the same amount as the matured bond, will be issued to pay and retire such matured bond, and that such redemption bond will be and continue to be a valid and binding obligation of the county and that during the period fixed in the contract not exceeding ten (10) years the board of commissioners will pay annually to the owner of such redemption
bond, one-tenth (1/10) of the principal amount of such redemption bond and, in addition thereto, will pay semiannually all interest which shall have accrued thereon to the date when such payment is to be made. The date on which such partial payments of the principal of such bond will be made shall be fixed and prescribed in such contract and may be on June 1 or December 1 of the year next succeeding the year in which such contract is executed and signed and June 1 or December 1 of each and every year thereafter until paid. The interest accrued on such bond shall be paid semiannually on June 1 and December 1, beginning on the same date as the first partial payment on such bond. The board of commissioners shall further agree to levy a tax on the taxable property of such county in an amount sufficient to make the payments on such redemption bonds as they fall due, together with all interest which shall have accrued thereon. Any bondholder who elects to avail himself or herself of the provisions of this chapter shall agree that in consideration of the privilege hereby afforded he the bondholder will not maintain or attempt to maintain a suit for the collection or the enforcement of the lien of any such bond, other than in accordance with the remedies afforded by the provisions of this chapter. The form of the contract herein contemplated shall be prescribed by the state board of accounts with the approval of the attorney general. At the time when the contract is executed and the redemption bond is issued, the matured bond shall be surrendered to the county auditor and shall be canceled by writing across the face of the matured bond the words "Canceled by issuing to ______ a redemption bond in the same principal sum as this bond, due and payable on the______ day of______, 19____, 20____.".

SECTION 12. IC 5-2-1-9, AS AMENDED BY P.L.62-2004, SECTION 1, AND AS AMENDED BY P.L.85-2004, SECTION 40, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The board shall adopt in accordance with IC 4-22-2 all necessary rules to carry out the provisions of this chapter. Such rules, which shall be adopted only after necessary and proper investigation and inquiry by the board, shall include the establishment of the following:

(1) Minimum standards of physical, educational, mental, and moral fitness which shall govern the acceptance of any person for training by any law enforcement training school or academy
meeting or exceeding the minimum standards established pursuant to this chapter.

(2) Minimum standards for law enforcement training schools administered by towns, cities, counties, the northwest Indiana law enforcement training center, agencies, or departments of the state.

(3) Minimum standards for courses of study, attendance requirements, equipment, and facilities for approved town, city, county, and state law enforcement officer, police reserve officer, and conservation reserve officer training schools.

(4) Minimum standards for a course of study on cultural diversity awareness that must be required for each person accepted for training at a law enforcement training school or academy.

(5) Minimum qualifications for instructors at approved law enforcement training schools.

(6) Minimum basic training requirements which law enforcement officers appointed to probationary terms shall complete before being eligible for continued or permanent employment.

(7) Minimum basic training requirements which law enforcement officers not appointed for probationary terms but appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent appointment.

(8) Minimum basic training requirements which law enforcement officers appointed on a permanent basis shall complete in order to be eligible for continued employment.

(9) Minimum basic training requirements for each person accepted for training at a law enforcement training school or academy that include six (6) hours of training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board.

(b) Except as provided in subsection (l), a law enforcement officer appointed after July 5, 1972, and before July 1, 1993, may not enforce the laws or ordinances of the state or any political subdivision unless the officer has, within one (1) year from the date of appointment, successfully completed the minimum basic training requirements established under this chapter by the board. If a person fails to successfully complete the basic training requirements within one (1)
year from the date of employment, the officer may not perform any of the duties of a law enforcement officer involving control or direction of members of the public or exercising the power of arrest until the officer has successfully completed the training requirements. This subsection does not apply to any law enforcement officer appointed before July 6, 1972, or after June 30, 1993.

(c) Military leave or other authorized leave of absence from law enforcement duty during the first year of employment after July 6, 1972, shall toll the running of the first year, which in such cases shall be calculated by the aggregate of the time before and after the leave, for the purposes of this chapter.

(d) Except as provided in subsections (e) and (l), a law enforcement officer appointed to a law enforcement department or agency after June 30, 1993, may not:

(1) make an arrest;
(2) conduct a search or a seizure of a person or property; or
(3) carry a firearm;

unless the law enforcement officer successfully completes, at a board certified law enforcement academy, at the southwest Indiana law enforcement training academy under section 10.5 of this chapter, or at the northwest Indiana law enforcement training center under section 15.2 of this chapter, the basic training requirements established by the board under this chapter.

(e) Before a law enforcement officer appointed after June 30, 1993, completes the basic training requirements, the law enforcement officer may exercise the police powers described in subsection (d) if the officer successfully completes the pre-basic course established in subsection (f). Successful completion of the pre-basic course authorizes a law enforcement officer to exercise the police powers described in subsection (d) for one (1) year after the date the law enforcement officer is appointed.

(f) The board shall adopt rules under IC 4-22-2 to establish a pre-basic course for the purpose of training:

(1) law enforcement officers;
(2) police reserve officers (as described in IC 36-8-3-20); and
(3) conservation reserve officers (as described in IC 14-9-8-27);

regarding the subjects of arrest, search and seizure, use of force, and firearm qualification. The pre-basic course must be offered on a
periodic basis throughout the year at regional sites statewide. The pre-basic course must consist of forty (40) hours of course work. The board may prepare a pre-basic course on videotape that must be used in conjunction with live instruction. The board shall provide the course material, the instructors, and the facilities at the regional sites throughout the state that are used for the pre-basic course. In addition, the board may certify pre-basic courses that may be conducted by other public or private training entities, including colleges and universities.

(g) The board shall adopt rules under IC 4-22-2 to establish a mandatory inservice training program for police officers. After June 30, 1993, a law enforcement officer who has satisfactorily completed the basic training and has been appointed to a law enforcement department or agency on either a full-time or part-time basis is not eligible for continued employment unless the officer satisfactorily completes a minimum of sixteen (16) hours each year of inservice training in any subject area included in the law enforcement academy's basic training course or other job related subjects that are approved by the board as determined by the law enforcement department's or agency's needs. Inservice training must include training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board. In addition, a certified academy staff may develop and make available inservice training programs on a regional or local basis. The board may approve courses offered by other public or private training entities, including colleges and universities, as necessary in order to ensure the availability of an adequate number of inservice training programs. The board may waive an officer's inservice training requirements if the board determines that the officer's reason for lacking the required amount of inservice training hours is due to any of the following:

(1) An emergency situation.
(2) The unavailability of courses.

(h) The board shall also adopt rules establishing a town marshal basic training program, subject to the following:

(1) The program must require fewer hours of instruction and class attendance and fewer courses of study than are required for the mandated basic training program.
(2) Certain parts of the course materials may be studied by a candidate at the candidate's home in order to fulfill requirements of the program.

(3) Law enforcement officers successfully completing the requirements of the program are eligible for appointment only in towns employing the town marshal system (IC 36-5-7) and having not more than one (1) marshal and two (2) deputies.

(4) The limitation imposed by subdivision (3) does not apply to an officer who has successfully completed the mandated basic training program.

(5) The time limitations imposed by subsections (b) and (c) for completing the training are also applicable to the town marshal basic training program.

(i) The board shall adopt rules under IC 4-22-2 to establish a police chief executive training program. The program must include training in the following areas:
   (1) Liability.
   (2) Media relations.
   (3) Accounting and administration.
   (4) Discipline.
   (5) Department policy making.
   (6) Firearm policies.
   (7) Department programs.

(j) A police chief shall apply for admission to the police chief executive training program within two (2) months of the date the police chief initially takes office. A police chief must successfully complete the police chief executive training program within six (6) months of the date the police chief initially takes office. However, if space in the program is not available at a time that will allow the police chief to complete the program within six (6) months of the date the police chief initially takes office, the police chief must successfully complete the next available program that is offered to the police chief after the police chief initially takes office.

(k) A police chief who fails to comply with subsection (j) may not serve as the police chief until the police chief has completed the police chief executive training program. For the purposes of this subsection and subsection (j), "police chief" refers to:
   (1) the police chief of any city; and
(2) the police chief of any town having a metropolitan police department.
A town marshal is not considered to be a police chief for these purposes, but a town marshal may enroll in the police chief executive training program.

(l) An investigator in the arson division of the office of the state fire marshal appointed:
    (1) before January 1, 1994, is not required; or
    (2) after December 31, 1993, is required;

to comply with the basic training standards established under this section.

(m) The board shall adopt rules under IC 4-22-2 to establish a program to certify handgun safety courses, including courses offered in the private sector, that meet standards approved by the board for training probation officers in handgun safety as required by IC 11-13-1-3.5(3).

SECTION 13. IC 5-2-1-10.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.5. (a) The board may adopt rules under IC 4-22-2 to establish a southwest Indiana law enforcement training academy.
(b) If the board adopts rules under subsection (a) to establish a southwest Indiana law enforcement training academy, the board shall in accordance with IC 4-22-2 adopt rules establishing minimum standards for the southwest Indiana law enforcement training academy.
(c) The southwest Indiana law enforcement training academy may provide:
    (1) basic training to a law enforcement officer who is not accepted by the law enforcement academy for the next basic training course because the academy does not have a space for the officer in the next basic training course;
    (2) pre-basic courses described in section 9(f) of this chapter;
    (3) inservice training described in section 9(g) of this chapter; and
    (4) other law enforcement training approved by the board;

if the training academy meets or exceeds the minimum standards established under subsection (b) by the board.

(d) The southwest Indiana law enforcement training academy established under this section may receive funding only from the following:
(1) A local unit of government (as defined in IC 14-22-31.5-1).
(2) A unit of a fraternal order or a similar association.
(3) Charitable contributions.
(4) Federal grants.

SECTION 14. IC 5-9-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A leave of absence under this chapter begins on the date the officeholder enters active duty and ends on the earliest of:
   (1) the date of the officeholder's death;
   (2) the thirtieth day after the date of the discharge or release of the officeholder from active duty; or
   (3) the date the officeholder provides the written notice required by subsection (b).

(b) An officeholder returning from a leave of absence under this chapter shall give written notice that the officeholder's leave of absence has ended to the person or entity to which the officeholder provided notice under section 7 of this chapter.

(c) The person or entity that receives the written notice under subsection (b) shall, not later than seventy-two (72) hours after receipt of the officeholder's notice, give written notice that the officeholder's leave of absence has ended to: the:

   (1) the person temporarily appointed to the officeholder's office; and

   (2) any person or entity that received the written notice of the leave of absence under section 9(b) of this chapter.

(d) On the date an officeholder's leave of absence ends, as determined under subsection (a), the officeholder shall resume the duties of the officeholder's office for the remainder of the term for which the officeholder was elected.

SECTION 15. IC 5-10-8-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.2. (a) As used in this section, "dependent" means a natural child, stepchild, or adopted child of a public safety employee who:

   (1) is less than eighteen (18) years of age;

   (2) is eighteen (18) years of age or older and physically or mentally disabled (using disability guidelines established by the Social Security Administration); or

   (3) is at least eighteen (18) and less than twenty-three (23) years
of age and is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university.

(b) As used in this section, "public safety employee" means a full-time firefighter, police officer, county police officer, or sheriff.

(c) This section applies only to local unit public employers and their public safety employees.

(d) A local unit public employer may provide programs of group health insurance for its active and retired public safety employees through one (1) of the following methods:

1. By purchasing policies of group insurance.
2. By establishing self-insurance programs.
3. By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.

A local unit public employer may provide programs of group insurance other than group health insurance for the local unit public employer's active and retired public safety employees by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(e) A local unit public employer may pay a part of the cost of group insurance for its active and retired public safety employees. However, a local unit public employer that provides group life insurance for its active and retired public safety employees shall pay a part of the cost of that insurance.

(f) A local unit public employer may not cancel an insurance contract under this section during the policy term of the contract.

(g) After June 30, 1989, a local unit public employer that provides a group health insurance program for its active public safety employees shall also provide a group health insurance program to the following persons:

1. Retired public safety employees.
2. Public safety employees who are receiving disability benefits under IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-8, or IC 36-8-10.
3. Surviving spouses and dependents of public safety employees who die while in active service or after retirement.

(h) A retired or disabled public safety employee who is eligible for
group health insurance coverage under subsection (g)(1) or (g)(2):
(1) may elect to have the person's spouse, dependents, or spouse and dependents covered under the group health insurance program at the time the person retires or becomes disabled;
(2) must file a written request for insurance coverage with the employer within ninety (90) days after the person retires or begins receiving disability benefits; and
(3) must pay an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active public safety employee (however, the employer may elect to pay any part of the person's premiums).

(i) Except as provided in IC 36-8-6-9.7(f), IC 36-8-6-10.1(h), IC 36-8-7-12.3(g), IC 36-8-7-12.4(j), IC 36-8-7.5-13.7(h), IC 36-8-7.5-14.1(i), IC 36-8-8-13.9(d), IC 36-8-14.1(h), IC 36-8-8-14.1(h), and IC 36-8-10-16.5 for a surviving spouse or dependent of a public safety employee who dies in the line of duty, a surviving spouse or dependent who is eligible for group health insurance under subsection (g)(3):
(1) may elect to continue coverage under the group health insurance program after the death of the public safety employee;
(2) must file a written request for insurance coverage with the employer within ninety (90) days after the death of the public safety employee; and
(3) must pay the amount that the public safety employee would have been required to pay under this section for coverage selected by the surviving spouse or dependent (however, the employer may elect to pay any part of the surviving spouse's or dependents' premiums).

(j) A retired or disabled public safety employee's eligibility for group health insurance under this section ends on the earlier of the following:
(1) When the public safety employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
(2) When the employer terminates the health insurance program for active public safety employees.

(k) A surviving spouse's eligibility for group health insurance under this section ends on the earliest of the following:
(1) When the surviving spouse becomes eligible for Medicare
coverage as prescribed by 42 U.S.C. 1395 et seq.
(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.
(3) The date of the surviving spouse's remarriage.
(4) When health insurance becomes available to the surviving spouse through employment.
(l) A dependent's eligibility for group health insurance under this section ends on the earliest of the following:
(1) When the dependent becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.
(3) When the dependent no longer meets the criteria set forth in subsection (a).
(4) When health insurance becomes available to the dependent through employment.
(m) A public safety employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the local unit public employer for active public safety employees if the public safety employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.
(n) A local unit public employer may provide group health insurance for retired public safety employees or their spouses not covered by subsections (g) through (l) and may provide group health insurance that contains provisions more favorable to retired public safety employees and their spouses than required by subsections (g) through (l). A local unit public employer may provide group health insurance to a public safety employee who is on leave without pay for a longer period than required by subsection (m), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 16. IC 5-14-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in (a) The definitions set forth in this section apply throughout this chapter.
(b) "Copy" includes transcribing by handwriting, photocopying,
xerography, duplicating machine, duplicating electronically stored data onto a disk, tape, drum, or any other medium of electronic data storage, and reproducing by any other means.

(e) "Direct cost" means one hundred five percent (105%) of the sum of the cost of:
   (1) the initial development of a program, if any;
   (2) the labor required to retrieve electronically stored data; and
   (3) any medium used for electronic output;
for providing a duplicate of electronically stored data onto a disk, tape, drum, or other medium of electronic data retrieval under section 8(g) of this chapter, or for reprogramming a computer system under section 6(c) of this chapter.

(d) "Electronic map" means copyrighted data provided by a public agency from an electronic geographic information system.

(e) "Enhanced access" means the inspection of a public record by a person other than a governmental entity and that:
   (1) is by means of an electronic device other than an electronic device provided by a public agency in the office of the public agency; or
   (2) requires the compilation or creation of a list or report that does not result in the permanent electronic storage of the information.

(f) "Facsimile machine" means a machine that electronically transmits exact images through connection with a telephone network.

(g) "Inspect" includes the right to do the following:
   (1) Manually transcribe and make notes, abstracts, or memoranda.
   (2) In the case of tape recordings or other aural public records, to listen and manually transcribe or duplicate, or make notes, abstracts, or other memoranda from them.
   (3) In the case of public records available:
       (A) by enhanced access under section 3.5 of this chapter; or
       (B) to a governmental entity under section 3(c)(2) of this chapter;
   to examine and copy the public records by use of an electronic device.
   (4) In the case of electronically stored data, to manually transcribe and make notes, abstracts, or memoranda or to duplicate the data onto a disk, tape, drum, or any other medium of electronic storage.
(h) "Investigatory record" means information compiled in the course of the investigation of a crime.

(i) "Patient" has the meaning set out in IC 16-18-2-272(d).

(j) "Person" means an individual, a corporation, a limited liability company, a partnership, an unincorporated association, or a governmental entity.

(k) "Provider" has the meaning set out in IC 16-18-2-295(a) and includes employees of the state department of health or local boards of health who create patient records at the request of another provider or who are social workers and create records concerning the family background of children who may need assistance.

(l) "Public agency" means the following:

1. Any board, commission, department, division, bureau, committee, agency, office, instrumentality, or authority, by whatever name designated, exercising any part of the executive, administrative, judicial, or legislative power of the state.

2. Any:
   (A) county, township, school corporation, city, or town, or any board, commission, department, division, bureau, committee, office, instrumentality, or authority of any county, township, school corporation, city, or town;
   (B) political subdivision (as defined by IC 36-1-2-13); or
   (C) other entity, or any office thereof, by whatever name designated, exercising in a limited geographical area the executive, administrative, judicial, or legislative power of the state or a delegated local governmental power.

3. Any entity or office that is subject to:
   (A) budget review by either the department of local government finance or the governing body of a county, city, town, township, or school corporation; or
   (B) an audit by the state board of accounts.

4. Any building corporation of a political subdivision that issues bonds for the purpose of constructing public facilities.

5. Any advisory commission, committee, or body created by statute, ordinance, or executive order to advise the governing body of a public agency, except medical staffs or the committees of any such staff.

6. Any law enforcement agency, which means an agency or a
department of any level of government that engages in the investigation, apprehension, arrest, or prosecution of alleged criminal offenders, such as the state police department, the police or sheriff's department of a political subdivision, prosecuting attorneys, members of the excise police division of the alcohol and tobacco commission, conservation officers of the department of natural resources, and the security division of the state lottery commission.

(7) Any license branch staffed by employees of the bureau of motor vehicles commission under IC 9-16.

(8) The state lottery commission established by IC 4-30-3-1, including any department, division, or office of the commission.

(9) The Indiana gaming commission established under IC 4-33, including any department, division, or office of the commission.

(10) The Indiana horse racing commission established by IC 4-31, including any department, division, or office of the commission.

(m) "Public record" means any writing, paper, report, study, map, photograph, book, card, tape recording, or other material that is created, received, retained, maintained, or filed by or with a public agency and which is generated on paper, paper substitutes, photographic media, chemically based media, magnetic or machine readable media, electronically stored data, or any other material, regardless of form or characteristics.

(n) "Standard-sized documents" includes all documents that can be mechanically reproduced (without mechanical reduction) on paper sized eight and one-half (8 1/2) inches by eleven (11) inches or eight and one-half (8 1/2) inches by fourteen (14) inches.

(o) "Trade secret" has the meaning set forth in IC 24-2-3-2.

(p) "Work product of an attorney" means information compiled by an attorney in reasonable anticipation of litigation. The term includes the attorney's:

(1) notes and statements taken during interviews of prospective witnesses; and

(2) legal research or records, correspondence, reports, or memoranda to the extent that each contains the attorney's opinions, theories, or conclusions.

This definition does not restrict the application of any exception under section 4 of this chapter.
SECTION 17. IC 6-1.1-5.5-4.7, AS AMENDED BY P.L.1-2004, SECTION 10, AND AS AMENDED BY P.L.23-2004, SECTION 11, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) The assessment training fund is established for the purpose of receiving fees deposited under section 4 of this chapter. Money in the fund may be used by the department of local government finance to cover expenses incurred in the development and administration of programs for the training of assessment officials and employees of the department, including the examination and certification program required by IC 6-1.1-35.5. The fund shall be administered by the treasurer of state.

(b) The expenses of administering the fund shall be paid from money in the fund.

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

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

SECTION 18. IC 6-1.1-22.5-10, AS ADDED BY P.L.1-2004, SECTION 37, AND AS ADDED BY P.L.23-2004, SECTION 40, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. If a provisional statement is used, the county treasurer shall give notice of tax rates required under IC 6-1.1-22-4 for the reconciling statement.

SECTION 19. IC 6-1.1-28-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Before performing any of his duties, each member of the county property tax assessment board of appeals shall take and subscribe to the following oath:

STATE OF INDIANA

COUNTY OF _______________

I, ________________, do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of Indiana, and that I will faithfully and impartially discharge my duty under the law as a member of the Property Tax Assessment Board of Appeals for said County; that I will, according to my best knowledge
and judgment, assess, and review the assessment of all the property of
said county, and I will in no case assess any property at more or less
than is provided by law, so help me God.

_________________________
Member of The Board

Subscribed and sworn to before me this ___ day of ___________,
19____, 20____.

_________________________
County Auditor

This oath shall be administered by and filed with the county auditor.

SECTION 20. IC 6-2.5-4-11, AS AMENDED BY P.L.81-2004,
SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 11. (a) A person is a retail merchant making
a retail transaction when the person furnishes cable television or radio
service or satellite television or radio service that terminates in Indiana.
(b) Notwithstanding subsection (a), a person is not a retail merchant
making a retail transaction when the person provides, installs,
constructs, services, or removes tangible personal property which is
used in connection with the furnishing of cable television or radio
service or satellite or radio service.

SECTION 21. IC 6-3-2-2.6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.6. (a) This
section applies to a corporation or a nonresident person.
(b) Corporations and nonresident persons are entitled to a net
operating loss deduction. The amount of the deduction taken in a
taxable year may not exceed the taxpayer's unused Indiana net
operating losses carried back or carried over to that year.
(c) An Indiana net operating loss equals the taxpayer's federal net
operating loss for a taxable year as calculated under Section 172 of the
Internal Revenue Code, derived from sources within Indiana and
adjusted for the modifications required by IC 6-3-1-3.5.
(d) The following provisions apply for purposes of subsection (c):
(1) The modifications that are to be applied are those
modifications required under IC 6-3-1-3.5 for the same taxable
year in which each net operating loss was incurred.
(2) The amount of the taxpayer's net operating loss that is derived
from sources within Indiana shall be determined in the same
manner that the amount of the taxpayer's adjusted income derived
from sources within Indiana is determined under section 2 of this chapter for the same taxable year during which each loss was incurred.

(3) An Indiana net operating loss includes a net operating loss that arises when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal taxable income (as defined in Section 63 of the Internal Revenue Code), if the taxpayer is a corporation, or when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal adjusted gross income (as defined by Section 62 of the Internal Revenue Code), if the taxpayer is a nonresident person, for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryback or carryover shall be available as a deduction from the taxpayer's adjusted gross income derived from sources within Indiana (as defined in section 2 of this chapter) in the carryback or carryover year provided in subsection (f).

(f) Carrybacks and carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryback to each of the carryback years preceding the taxable year of the loss.

(2) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years following the taxable year of the loss.

(3) Carryback years shall be determined by reference to the number of years allowed for carrying back a net operating loss under Section 172(b) of the Internal Revenue Code.

(4) Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.

(5) A taxpayer who makes an election under Section 172(b)(3) of the Internal Revenue Code to relinquish the carryback period with respect to a net operating loss for any taxable year shall be considered to have also relinquished the carryback of the Indiana net operating loss for purposes of this section.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which
(as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried back or carried over as provided in subsection (f). The amount of the Indiana net operating loss carried back or carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryback or carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.
(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

(h) An Indiana net operating loss deduction determined under this section shall be allowed notwithstanding the fact that in the year the taxpayer incurred the net operating loss the taxpayer was not subject to the tax imposed under section 1 of this chapter because the taxpayer was:

(1) a life insurance company (as defined in Section 816(a) of the Internal Revenue Code); or
(2) an insurance company subject to tax under Section 831 of the Internal Revenue Code.

(i) In the case of a life insurance company that claims an operations loss deduction under Section 810 of the Internal Revenue Code, this section shall be applied by:

(1) substituting the corresponding provisions of Section 810 of the Internal Revenue Code in place of references to Section 172 of the Internal Revenue Code; and
(2) substituting life insurance company taxable income (as defined in Section 801 of the Internal Revenue Code) in place of references to taxable income (as defined in Section 63 of the Internal Revenue Code).

(j) For purposes of an amended return filed to carry back an Indiana net operating loss:

(1) the term "due date of the return", as used in IC 6-8.1-9-1(a)(1), means the due date of the return for the taxable year in which the net operating loss was incurred; and
(2) the term "date the payment was due", as used in IC 6-8.1-9-2(c), means the due date of the return for the taxable
year in which the net operating loss was incurred.

SECTION 22. IC 6-8.1-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections (f) and (g), in order to obtain the refund, the person must file the claim with the department within three (3) years after the latter of the following:

(1) The due date of the return.
(2) The date of payment.

For purposes of this section, the due date for a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax is the end of the calendar year which contains the taxable period for which the return is filed. The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(b) When the department receives a claim for refund, the department shall consider the claim for refund and may hold a hearing on the claim for refund to obtain and consider additional evidence. After considering the claim and all evidence relevant to the claim, the department shall issue a decision on the claim, stating the part, if any, of the refund allowed and containing a statement of the reasons for any part of the refund that is denied. The department shall mail a copy of the decision to the person who filed the claim. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision.

(c) If the person disagrees with any part of the department's decision, the person may appeal the decision, regardless of whether or not he protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal suit, if:

(1) the appeal is filed more than three (3) years after the date the claim for refund was filed with the department;
(2) the appeal is filed more than ninety (90) days after the date the department mails the decision of denial to the person; or
(3) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person
files the claim for refund with the department.

(d) The tax court shall hear the appeal de novo and without a jury, and after the hearing may order or deny any part of the appealed refund. The court may assess the court costs in any manner that it feels is equitable. The court may enjoin the collection of any of the listed taxes under IC 33-26-6-2. The court may also allow a refund of taxes, interest, and penalties that have been paid to and collected by the department.

(e) With respect to the motor vehicle excise tax, this section applies only to penalties and interest paid on assessments of the motor vehicle excise tax. Any other overpayment of the motor vehicle excise tax is subject to IC 6-6-5.

(f) If a taxpayer's federal income tax liability for a taxable year is modified by the Internal Revenue Service, and the modification would result in a reduction of the tax legally due, the due date by which the taxpayer must file a claim for refund with the department is the later of:

(1) the date determined under subsection (a); or

(2) the date that is six (6) months after the date on which the taxpayer is notified of the modification by the Internal Revenue Service.

(g) If an agreement to extend the assessment time period is entered into under IC 6-8.1-5-2(e), the period during which a person may file a claim for a refund under subsection (a) is extended to the same date to which the assessment time period is extended.  

SECTION 23. IC 6-8.1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on his return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:

(1) the full amount of the unpaid tax due if the person failed to file the return;

(2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or
(3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. The adjusted rates of interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(e) Except as provided by IC 6-8.1-5-2(e)(2), The department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.

SECTION 24. IC 8-1-19.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The 211 services account is established in the state general fund to make 211 services available throughout Indiana. The account shall be administered by the commission.

(b) The account consists of the following:

(1) Money appropriated to the account by the general assembly.

(2) Funds received from the federal government for the support of 211 services in Indiana.

(3) Investment earnings, including interest, on money in the account.

(4) Money from any other source, including gifts and grants.

(c) Money in the account is continuously appropriated for the purposes of this section.

(d) The commission shall annually prepare a plan for the expenditure of the money in the account. The plan must be reviewed by
the state budget committee before the commission may make expenditures from the fund.

(e) Money in the account may be spent for the following purposes:
   (1) The creation of a structure for a statewide 211 resources data base that:
       (A) meets the Alliance for Information Referral Systems standards for information and referral systems data bases; and
       (B) is integrated with a local resources data base maintained by a recognized 211 service provider.
   Permissible expenditures under this subdivision include expenditures for planning, training, accreditation, and system evaluation.
   (2) The development and implementation of a statewide 211 resources data base described in subdivision (1). Permissible expenditures under this subdivision include expenditures for planning, training, accreditation, and system evaluation.
   (3) Collecting, organizing, and maintaining information from state agencies, departments, and programs that provide human services, for access by a recognized 211 service provider.
   (4) Providing grants to a recognized 211 service provider for any of the following purposes:
       (A) The design, development, and implementation of 211 services in a recognized 211 service provider's 211 service area. Funds provided under this subdivision may be used for planning, public awareness, training, accreditation, and evaluation.
       (B) The provision of 211 services on an ongoing basis after the design, development, and implementation of 211 services in a recognized 211 service provider's 211 service area.
       (C) The provision of 211 services on a twenty-four (24) hour per day, seven (7) day per week basis.
   (f) The expenses of administering the account shall be paid from money in the account.
   (g) The treasurer of state shall invest the money in the account not currently needed to meet the obligations of the account in the same manner as other public money may be invested.
   (h) Money that is in the account under subsection (b)(2) through (b)(4) at the end of a state fiscal year does not revert to the state
SECTION 25. IC 8-1-19.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) The commission shall, after June 30 and before November 1 of each year, report to the general assembly on the following:

1. The total amount of money deposited in the account during the most recent state fiscal year.
2. The amount of funds, if any, received from the federal government during the most recent state fiscal year for the support of 211 services in Indiana. The information provided under this subdivision must include the amount of any matching funds, broken down by source, contributed by any source to secure the federal funds.
3. The amount of money, if any, disbursed from the account for the following:
   A. The creation of a structure for a statewide 211 resources data base described in section 11(e)(1) of this chapter.
   B. The development and implementation of a statewide 211 resources data base described in section 11(e)(1) of this chapter.
   C. Collecting, organizing, and maintaining information from state agencies, departments, and programs that provide human services, for access by a recognized 211 service provider. The information provided under this subdivision must identify any recognized 211 service provider or other organization that received funds for the purposes set forth in this subdivision.
4. The amount of money, if any, disbursed from the account as grants to a recognized 211 service provider for any of the purposes described in section 11(e)(4) of this chapter. The information provided under this subdivision must identify the recognized 211 service provider that received the grant and the amount and purpose of the grant received.
5. The expenses incurred by the commission in complying with this chapter during the most recent state fiscal year.
6. The projected budget required by the commission to comply with this chapter during the current state fiscal year.
(b) The report required under this section must be in an electronic
SECTION 26. IC 8-1.5-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this section, chapter, "unusually large bill" means a residential water bill that reflects monthly water usage, in whatever units measured, that is at least two (2) times the customer's average monthly usage at the premises.

SECTION 27. IC 8-1.5-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this section, chapter, "utility" refers to a water utility owned or operated by a municipality.

SECTION 28. IC 8-21-3-19.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.5. (a) Each person offering an aircraft for rental shall, at the time the aircraft is rented, provide the renter of the aircraft with written notice of the nature and extent of any insurance covering the aircraft as specified in subsection (b).

(b) The form of the notice required by subsection (a) must be as follows:

NOTICE OF INSURANCE COVERAGE
As a renter of aircraft, you are hereby notified that:
(1) You (are)(are not) (strike phrase not applicable) insured under a policy or policies of insurance provided by the undersigned and providing liability coverage to renters of aircraft. If coverage is provided, it is in the amount of $______.
(a) The above insurance is subject to a deductible amount of $______.
(2) You (are)(are not) (strike phrase not applicable) insured for hull damage to the aircraft. If hull insurance is provided, it is in the amount of $______.
(a) The above insurance is subject to a deductible amount of $______.
(3) Although insurance may be provided for liability or hull coverage (or both), the undersigned's insurance carrier has full rights to subrogate against you for any payments it may be required to make on account of any damage or loss arising out of your operation of the aircraft. It is suggested that you carry insurance to protect you to partially or fully cover this possibility.
(Signature of Person or Officer of
Company Renting Aircraft)

Dated ______________________, 19______, 20______
(Month) (Day) (Year)

I acknowledge receipt of this notice of insurance coverage.

Dated ______________________, 19______, 20______
(Month) (Day) (Year)

(c) The notice required by this section constitutes a part of a rental
agreement, whether written or oral. Each renter must provide written
acknowledgment of receipt of the notice.

d) Receipt of notice under this section constitutes notice for a
subsequent rental of the same aircraft to the same person unless the
amount of insurance coverage has been reduced or eliminated (as
specified in the original notice), in which case a new notice is required.

e) A person offering an aircraft for rental shall maintain a copy of
the notice provided to each renter for at least three (3) years from the
date of the last rental to that renter.

(f) A person offering an aircraft for rental who fails to provide
notice as required by this section commits a Class A infraction.

SECTION 29. IC 8-23-9-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The bond
provided in this section must be in substantially the following form:

"KNOW ALL PERSONS BY THESE PRESENTS, THAT
___________________ as principal and ___________________ as
surety, are firmly bound unto the state of Indiana in the penal sum of
an amount equal to ____ percent of the principal's bid or the contract
price, if the proposal is accepted for the payment of which, well and
truly to be made, we bind ourselves, jointly and severally, and our joint
and several heirs, executors, administrators, and assigns, firmly by
these presents, this ____ day of _________, ____.

"THE CONDITIONS OF THE ABOVE OBLIGATIONS ARE
SUCH That, Whereas, the principal is herewith submitting a bid and
proposal for the erection, construction, and completion of
____________________ in accordance with the plans and
specifications approved and adopted by the department, which are
made a part of this bond:

"NOW, THEREFORE, if the department shall award the principal
the contract for work and the principal shall promptly enter into a contract with the department in the name of the state of Indiana for the work and shall well and faithfully do and perform the same in all respects according to the plans and specifications adopted by the department, and according to the time, terms, and conditions specified in the contract to be entered into, and in accordance with all requirements of law, and shall promptly pay all debts incurred by the principal or any subcontractor in the construction of the work, including labor, service, and materials furnished, then this obligation shall be void; otherwise to remain in full force, virtue, and effect.

"IT IS AGREED that no modifications, omissions, or additions in or to the terms of such contract or in or to the plans or specifications therefor shall in any wise affect the obligation of such sureties on its bond.

"IN WITNESS WHEREOF, we hereunto set our hands and seals this ___ day of __________, 19__."

SECTION 30. IC 9-14-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The bureau may establish a driving record for an Indiana resident who does not hold any type of valid driving license, as provided in IC 9-24-18-9.

(b) The bureau shall establish a driving license record for an unlicensed driver when an abstract of court conviction is received by the bureau, as provided in IC 9-24-18-9.

(c) A driving record under this section may not include voter registration information.

SECTION 31. IC 9-18-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If a person who has registered a vehicle and has been issued a personalized license plate for use on a leased vehicle, and:

1) the person cancels the lease; or

2) the lease expires during the registration year;

the person may transfer the registration to another vehicle eligible to be registered under this chapter.

(b) A transfer of a license plate under subsection (a) must take place not more than thirty-one (31) days after the expiration of the lease.

(c) The bureau may reissue the license plate with the combination of numerals and letters returned under subsection (a) upon receiving an application for registration under this chapter.
SECTION 32. IC 9-18-25-1.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.7. Sections 14, 15 and 16 of this chapter do not apply to a college or university special group recognition license plate.

SECTION 33. IC 9-19-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person who:
(1) holds an Indiana driver's license; and
(2) operates a motor vehicle in which there is a child less than eight (8) years of age who is not properly fastened and restrained according to the child restraint system manufacturer's instructions by a child restraint system; commits a Class D infraction, unless it is reasonably determined that the child will not fit in a child passenger restraint system.

(b) Notwithstanding IC 34-28-5-5(c), funds collected as judgments for violations under this section shall be deposited in the child restraint system account established by section 9 of this chapter.

SECTION 34. IC 9-24-15-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) The court shall grant a petition for a restricted driving permit filed under this chapter if all of the following conditions exist:
(1) The person was not convicted of one (1) or more of the following:
(A) A Class D felony under IC 9-30-5-4 before July 1, 1996, or a Class D felony or a Class C felony under IC 9-30-5-4 after June 30, 1996.
(B) A Class C felony under IC 9-30-5-5 before July 1, 1996, or a Class C felony or a Class B felony under IC 9-30-5-5 after June 30, 1996.
(2) The person's driving privileges were suspended under IC 9-30-6-9(b) or IC 35-48-4-15.
(3) The driving that was the basis of the suspension was not in connection with the person's work.
(4) The person does not have a previous conviction for operating while intoxicated.
(5) The person is participating in a rehabilitation program certified by either the division of mental health and addiction or the Indiana judicial center as a condition of the person's probation.
(b) The person filing the petition for a restricted driving permit shall include in the petition the information specified in subsection (a) in addition to the information required by sections 3 through 4 of this chapter.

(c) Whenever the court grants a person restricted driving privileges under this chapter, that part of the court's order granting probationary driving privileges shall not take effect until the person's driving privileges have been suspended for at least thirty (30) days under IC 9-30-6-9. In a county that provides for the installation of an ignition interlock device under IC 9-30-8, installation of an ignition interlock device is required as a condition of probationary driving privileges for the entire duration of the probationary driving privileges.

(d) If a court requires installation of a certified ignition interlock device under subsection (c), the court shall order the bureau to record this requirement in the person's operating record in accordance with IC 9-14-3-7. When the person is no longer required to operate only a motor vehicle equipped with an ignition interlock device, the court shall notify the bureau that the ignition interlock use requirement has expired and order the bureau to update its records accordingly.

SECTION 35. IC 9-24-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Except as provided in subsection (b) and section 6.5 of this chapter, an individual may not receive a restricted driving permit if the individual's driving privileges are suspended under IC 9-30-5 through IC 9-30-9 or IC 9-30-13-3.

(b) If the individual's driving privileges are suspended under IC 9-30-6-9(b) or IC 9-30-6-9(c) and the individual does not have a previous conviction for operating while intoxicated, the individual may receive a restricted driving permit if the individual otherwise qualifies for the permit.

SECTION 36. IC 9-30-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A person who causes the death of another person when operating a motor vehicle:

(1) with an alcohol concentration equivalent to at least eight-hundredths (0.08) gram of alcohol per:

(A) one hundred (100) milliliters of the person's blood; or

(B) two hundred ten (210) liters of the person's breath;
(2) with a controlled substance listed in schedule I or II of IC 35-48-2 or its metabolite in the person's blood; or
(3) while intoxicated;

commits a Class C felony. However, the offense is a Class B felony if the person has a previous conviction of operating while intoxicated within the five (5) years preceding the commission of the offense, or if the person operated the motor vehicle when the person knew that the person's driver's license, driving privilege, or permit is suspended or revoked for a previous conviction for operating a vehicle while intoxicated.

(b) A person at least twenty-one (21) years of age who causes the death of another person when operating a motor vehicle:
   (1) with an alcohol concentration equivalent to at least fifteen-hundredths (0.15) gram of alcohol per:
       (A) one hundred (100) milliliters of the person's blood; or
       (B) two hundred ten (210) liters of the person's breath; or
   (2) with a controlled substance listed in schedule I or II of IC 35-48-2 or its metabolite in the person's blood;

commits a Class B felony.

(c) A person who violates subsection (a) or (b) commits a separate offense for each person whose death is caused by the violation of subsection (a) or (b).

(d) It is a defense under subsection (a)(2) or subsection (b)(2) that the accused person consumed the controlled substance under a valid prescription or order of a practitioner (as defined in IC 35-48-1) who acted in the course of the practitioner's professional practice.

SECTION 37. IC 9-30-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 14. (a) A person whose driving privileges are suspended under section 10 of this chapter:
   (1) is entitled to credit for any days during which the license was suspended under IC 9-30-6-9(b); IC 9-30-6-9(c); and
   (2) may not receive any credit for days during which the person's driving privileges were suspended under IC 9-30-6-9(a); IC 9-30-6-9(b).

(b) A period of suspension of driving privileges imposed under section 10 of this chapter must be consecutive to any period of suspension imposed under IC 9-30-6-9(a); IC 9-30-6-9(b). However,
if the court finds in the sentencing order that it is in the best interest of society, the court may terminate all or any part of the remaining suspension under IC 9-30-6-9(a). IC 9-30-6-9(b).

SECTION 38. IC 9-30-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A person against whom an ignition interlock device order has been issued under section 8.5 of this chapter or whose driving privileges have been suspended under section 9 of this chapter is entitled to a prompt judicial hearing. The person may file a petition that requests a hearing:

(1) in the court where the charges with respect to the person's operation of a vehicle are pending; or
(2) if charges with respect to the person's operation of a vehicle have not been filed, in any court of the county where the alleged offense or refusal occurred that has jurisdiction over crimes committed in violation of IC 9-30-5.

(b) The petition for review must:

(1) be in writing;
(2) be verified by the person seeking review; and
(3) allege specific facts that contradict the facts alleged in the probable cause affidavit.

(c) The hearing under this section shall be limited to the following issues:

(1) Whether the arresting law enforcement officer had probable cause to believe that the person was operating a vehicle in violation of IC 9-30-5.
(2) Whether the person refused to submit to a chemical test offered by a law enforcement officer.

(d) If the court finds:

(1) that there was no probable cause; or
(2) that the person's driving privileges were suspended under section 9(a) this chapter and that the person did not refuse to submit to a chemical test;
the court shall order the bureau to rescind the ignition interlock device requirement or reinstate the person's driving privileges.

(e) The prosecuting attorney of the county in which a petition has been filed under this chapter shall represent the state on relation of the bureau with respect to the petition.

(f) The petitioner has the burden of proof by a preponderance of the
(g) The court's order is a final judgment appealable in the manner of civil actions by either party. The attorney general shall represent the state on relation of the bureau with respect to the appeal.

SECTION 39. IC 9-30-6-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. Whenever a case filed under IC 9-30-5 is terminated in favor of the defendant and the defendant's driving privileges were suspended under section 9(b) section 9(c) of this chapter, the bureau shall remove any record of the suspension, including the reason for suspension, from the defendant's official driving record.

SECTION 40. IC 9-30-6-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. The bureau certificate must contain the following information and may be substantially in the following form:

BUREAU OF MOTOR VEHICLES
CERTIFICATE

Date of Arrest Time Driver's License No. License State
a.m. / /
/ / p.m.

Name: (first) (M.I.) (last) Date of Birth / /

CURRENT Address (street, city, state, zip)

Court Code Cause Number Sex Weight Height Eyes Hair

The above motorist BUREAU USE ONLY

REFUSED alcohol test

FAILED alcohol test 0.%

Court Determination

It has been determined there was probable cause the defendant violated IC 9-30-5 this __________ day of ________________, 19__ and that charges are pending herein.

_________________________ Court ______________________ County

______________________________ Judge's Signature

SECTION 41. IC 9-30-6-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) A person against whom an ignition interlock device order has been issued under section 8.5 of this chapter or whose driving privileges have been
suspended under section 9(b) section 9(c) of this chapter is entitled to rescission of the ignition interlock device requirement or reinstatement of driving privileges if the following occur:

(1) After a request for an early trial is made by the person at the initial hearing on the charges, a trial or other disposition of the charges for which the person was arrested under IC 9-30-5 is not held within ninety (90) days after the date of the person's initial hearing on the charges.

(2) The delay in trial or disposition of the charges is not due to the person arrested under IC 9-30-5.

(b) A person who desires rescission of the ignition interlock device requirement or reinstatement of driving privileges under this section must file a verified petition in the court where the charges against the petitioner are pending. The petition must allege the following:

(1) The date of the petitioner's arrest under IC 9-30-5.

(2) The date of the petitioner's initial hearing on the charges filed against the petitioner under IC 9-30-5.

(3) The date set for trial or other disposition of the matter.

(4) A statement averring the following:

(A) That the petitioner requested an early trial of the matter at the petitioner's initial hearing on the charges filed against the petitioner under IC 9-30-5.

(B) The trial or disposition date set by the court is at least ninety (90) days after the date of the petitioner's initial hearing on the charges filed against the petitioner under IC 9-30-5.

(C) The delay in the trial or disposition is not due to the petitioner.

(c) Upon the filing of a petition under this section, the court shall immediately examine the record of the court to determine whether the allegations in the petition are true.

(d) If the court finds the allegations of a petition filed under this section are true, the court shall order rescission of the ignition interlock device requirement or reinstatement of the petitioner's driving privileges under section 11 of this chapter. The reinstatement must not take effect until ninety (90) days after the date of the petitioner's initial hearing.

SECTION 42. IC 9-30-9-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) A person
commits a Class B infraction if the person:
   (1) operates a motor vehicle without a functioning certified ignition interlock device; and
   (2) is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 5(d) or 7(d) of this chapter.

(b) A person commits a Class B misdemeanor if the person:
   (1) operates a motor vehicle without a functioning certified ignition interlock device; and
   (2) knows the person is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 5(d) or 7(d) of this chapter.

SECTION 43. IC 10-18-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The county executive shall:
   (1) provide a fund as necessary for the:
      (A) management;
      (B) maintenance;
      (C) repair; and
      (D) improvement;
   of any county world war memorial;
   (2) pay its part of the cost of:
      (A) management;
      (B) maintenance;
      (C) repair; and
      (D) improvement;
   of any joint county and city world war memorial, as determined by contract; and
   (3) raise money for the fund by taxation in the manner as provided by law for all other county expenses.

SECTION 44. IC 11-13-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Where supervision of a parolee or probationer is being administered under IC 11-13-4 or IC 11-13-4.5, the appropriate judicial or administrative authorities in this state shall notify the compact administrator of the sending state whenever, in their view, consideration should be given to retaking or reincarceration for a parole or probation violation. Prior to
the giving of the notification, a hearing shall be held in accordance
with this chapter within a reasonable time, unless the hearing is waived
by the parolee or probationer. The appropriate officer or officers of this
state shall as soon as practicable, following termination of the hearing,
report to the sending state, furnish a copy of the hearing record, and
make recommendations regarding the disposition to be made of the
parolee or the probationer by the sending state. Pending any proceeding
pursuant to this section, the appropriate officers of this state may take
custody of and detain the parolee or probationer involved for a period
not to exceed fifteen (15) days prior to the hearing and, if it appears to
the hearing officer or officers that retaking or reincarceration is likely
to follow, for such reasonable period after the hearing or waiver as may
be necessary to arrange for the retaking or reincarceration.

SECTION 45. IC 12-7-2-64 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 64. "Director"
refers to the following:

(1) With respect to a particular division, the director of the
division.
(2) With respect to a particular state institution, the director who
has administrative control of and responsibility for the state
institution.
(3) For purposes of IC 12-10-15, the term refers to the director of
the division of disabilities.
(4) For purposes of IC 12-25, the term refers to the director of the
division of mental health and addiction.
(5) For purposes of IC 12-26, the term:
  (A) refers to the director who has administrative control of and
      responsibility for the appropriate state institution; and
  (B) includes the director's designee.
(6) If subdivisions (1) through (5) do not apply, the term refers to
the director of any of the divisions.

SECTION 46. IC 12-13-7-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division
shall administer the following:

(1) The Community Services Block Grant under 42 U.S.C. 9901
et seq.
(2) The Low Income Home Energy Assistance Block Grant under
(3) The United States Department of Energy money under 42 U.S.C. 6851 et seq.
(6) Title IV-B of the federal Social Security Act under 42 U.S.C. 620 et seq.
(7) Title IV-E of the federal Social Security Act under 42 U.S.C. 670 et seq.
(8) The federal Food Stamp Program under 7 U.S.C. 2011 et seq.
(9) The Social Services Block Grant under 42 U.S.C. 1397 et seq.
(10) Title IV-A of the federal Social Security Act.
(11) Any other funding source:
       (A) designated by the general assembly; or
       (B) available from the federal government under grants that are consistent with the duties of the division.

SECTION 47. IC 12-13-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division is the single state agency responsible for administering the following:
(1) The Child Care and Development Block Grant under 42 U.S.C. 658 et seq. 42 U.S.C. 9858 et seq. The division shall apply to the United States Department of Health and Human Services for a grant under the Child Care Development Block Grant.
(2) Title IV-B of the federal Social Security Act under 42 U.S.C. 620 et seq.
(3) Title IV-E of the federal Social Security Act under 42 U.S.C. 670 et seq.
(4) The federal Food Stamp Program under 7 U.S.C. 2011 et seq.
(5) The federal Social Services Block Grant under 42 U.S.C. 1397 et seq.

SECTION 48. IC 12-15-2-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) This section applies to a person who qualifies for assistance:
(1) under sections 13 through 16 of this chapter;
(2) under section 6 of this chapter when the person becomes ineligible for medical assistance under IC 12-14-2-5.1 or
IC 12-14-2-5.3; or
(2) (3) as a disabled person if the person is less than eighteen (18) years of age and otherwise qualifies for assistance.

(b) Notwithstanding any other law, the following may not be construed to limit health care assistance to a person described in subsection (a):

(1) IC 12-8-1-13.
(2) IC 12-14-1-1.
(3) IC 12-14-1-1.5.
(4) IC 12-14-2-5.1.
(5) IC 12-14-2-5.2.
(6) IC 12-14-2-5.3.
(7) IC 12-14-2-17.
(8) IC 12-14-2-18.
(9) IC 12-14-2-20.
(10) IC 12-14-2-21.
(11) IC 12-14-2-22.
(12) IC 12-14-2-24.
(13) IC 12-14-2-25.
(14) IC 12-14-2-26.
(15) IC 12-14-2.5.
(16) IC 12-14-5.5.
(17) Section 21 of this chapter.
(18) IC 12-15-5-3.

SECTION 49. IC 12-15-19-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) For the state fiscal year beginning July 1, 1999; and ending June 30, 2000; the state shall pay providers as follows:

(1) The state shall make disproportionate share provider payments to municipal disproportionate share providers qualifying under IC 12-15-16-1(b) until the state exceeds the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2));

(2) After the state makes all payments under subdivision (1); if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)); or the state limit on disproportionate share expenditures for institutions for mental diseases (as defined in 42 U.S.C. 1396r-4(h)); the state shall make community mental health center disproportionate share provider
payments to providers qualifying under IC 12-15-16-1(c). The total paid to the qualified community mental health center disproportionate share providers under section 9(a) of this chapter, including the amount of expenditures certified as being eligible for federal financial participation under IC 12-15-18-5.1(c), must be at least six million dollars ($6,000,000).

(3) After the state makes all payments under subdivision (2), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), the state shall make disproportionate share provider payments to providers qualifying under IC 12-15-16-1(a).

(b) For state fiscal years beginning after June 30, 2000, the state shall pay providers as follows:

(1) The state shall make municipal disproportionate share provider payments to providers qualifying under IC 12-15-16-1(b) until the state exceeds the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)).

(2) After the state makes all payments under subdivision (1), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), the state shall make disproportionate share provider payments to providers qualifying under IC 12-15-16-1(a).

(3) After the state makes all payments under subdivision (2), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), or the state limit on disproportionate share expenditures for institutions for mental diseases (as defined in 42 U.S.C. 1396r-4(h)), the state shall make community mental health center disproportionate share provider payments to providers qualifying under IC 12-15-16-1(c).

SECTION 50. IC 12-15-35-28, AS AMENDED BY P.L.28-2004, SECTION 104, AND AS AMENDED BY P.L.97-2004, SECTION 51, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) The board has the following duties:

(1) The adoption of rules to carry out this chapter, in accordance with the provisions of IC 4-22-2 and subject to any office approval that is required by the federal Omnibus Budget
(2) The implementation of a Medicaid retrospective and prospective DUR program as outlined in this chapter, including the approval of software programs to be used by the pharmacist for prospective DUR and recommendations concerning the provisions of the contractual agreement between the state and any other entity that will be processing and reviewing Medicaid drug claims and profiles for the DUR program under this chapter.
(3) The development and application of the predetermined criteria and standards for appropriate prescribing to be used in retrospective and prospective DUR to ensure that such criteria and standards for appropriate prescribing are based on the compendia and developed with professional input with provisions for timely revisions and assessments as necessary.
(4) The development, selection, application, and assessment of interventions for physicians, pharmacists, and patients that are educational and not punitive in nature.
(5) The publication of an annual report that must be subject to public comment before issuance to the federal Department of Health and Human Services and to the Indiana legislative council by December 1 of each year. The report issued to the legislative council must be in an electronic format under IC 5-14-6.
(6) The development of a working agreement for the board to clarify the areas of responsibility with related boards or agencies, including the following:
   (A) The Indiana board of pharmacy.
   (B) The medical licensing board of Indiana.
   (C) The SURLS staff.
(7) The establishment of a grievance and appeals process for physicians or pharmacists under this chapter.
(8) The publication and dissemination of educational information to physicians and pharmacists regarding the board and the DUR program, including information on the following:
   (A) Identifying and reducing the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and recipients.
(B) Potential or actual severe or adverse reactions to drugs.
(C) Therapeutic appropriateness.
(D) Overutilization or underutilization.
(E) Appropriate use of generic drugs.
(F) Therapeutic duplication.
(G) Drug-disease contraindications.
(H) Drug-drug interactions.
(I) Incorrect drug dosage and duration of drug treatment.
(J) Drug allergy interactions.
(K) Clinical abuse and misuse.
(9) The adoption and implementation of procedures designed to ensure the confidentiality of any information collected, stored, retrieved, assessed, or analyzed by the board, staff to the board, or contractors to the DUR program that identifies individual physicians, pharmacists, or recipients.
(10) The implementation of additional drug utilization review with respect to drugs dispensed to residents of nursing facilities shall not be required if the nursing facility is in compliance with the drug regimen procedures under 410 IAC 16.2-3-8 and 42 CFR 483.60.
(11) The research, development, and approval of a preferred drug list for:
   (A) Medicaid's fee for service program;
   (B) Medicaid's primary care case management program; and
   (C) the primary care case management component of the children's health insurance program under IC 12-17.6;
in consultation with the therapeutics committee.
(12) The approval of the review and maintenance of the preferred drug list at least two (2) times per year.
(13) The preparation and submission of a report concerning the preferred drug list at least two (2) times per year to the select joint commission on Medicaid oversight established by IC 2-5-26-3.
(14) The collection of data reflecting prescribing patterns related to treatment of children diagnosed with attention deficit disorder or attention deficit hyperactivity disorder.
(15) Advising the Indiana comprehensive health insurance association established by IC 27-8-10-2.1 concerning implementation of chronic disease management and
pharmaceutical management programs under IC 27-8-10-3.5.

(b) The board shall use the clinical expertise of the therapeutics committee in developing a preferred drug list. The board shall also consider expert testimony in the development of a preferred drug list.

(c) In researching and developing a preferred drug list under subsection (a)(11), the board shall do the following:

1. Use literature abstracting technology.
2. Use commonly accepted guidance principles of disease management.
3. Develop therapeutic classifications for the preferred drug list.
4. Give primary consideration to the clinical efficacy or appropriateness of a particular drug in treating a specific medical condition.
5. Include in any cost effectiveness considerations the cost implications of other components of the state's Medicaid program and other state funded programs.

(d) Prior authorization is required for coverage under a program described in subsection (a)(11) of a drug that is not included on the preferred drug list.

(e) The board shall determine whether to include a single source covered outpatient drug that is newly approved by the federal Food and Drug Administration on the preferred drug list not later than sixty (60) days after the date on which the manufacturer notifies the board in writing of the drug's approval. However, if the board determines that there is inadequate information about the drug available to the board to make a determination, the board may have an additional sixty (60) days to make a determination from the date that the board receives adequate information to perform the board's review. Prior authorization may not be automatically required for a single source drug that is newly approved by the federal Food and Drug Administration, and that is:

1. in a therapeutic classification:
   A. that has not been reviewed by the board; and
   B. for which prior authorization is not required; or
2. the sole drug in a new therapeutic classification that has not been reviewed by the board.

(f) The board may not exclude a drug from the preferred drug list based solely on price.

(g) The following requirements apply to a preferred drug list
developed under subsection (a)(11):

(1) Except as provided by IC 12-15-35.5-3(b) and IC 12-15-35.5-3(c), the office or the board may require prior authorization for a drug that is included on the preferred drug list under the following circumstances:

(A) To override a prospective drug utilization review alert.
(B) To permit reimbursement for a medically necessary brand name drug that is subject to generic substitution under IC 16-42-22-10.
(C) To prevent fraud, abuse, waste, overutilization, or inappropriate utilization.
(D) To permit implementation of a disease management program.
(E) To implement other initiatives permitted by state or federal law.

(2) All drugs described in IC 12-15-35.5-3(b) must be included on the preferred drug list.

(3) The office may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list without prior approval from the board.

(4) The board may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list.

(h) At least two (2) times each year, the board shall provide a report to the select joint commission on Medicaid oversight established by IC 2-5-26-3. The report must contain the following information:

(1) The cost of administering the preferred drug list.
(2) Any increase in Medicaid physician, laboratory, or hospital costs or in other state funded programs as a result of the preferred drug list.
(3) The impact of the preferred drug list on the ability of a Medicaid recipient to obtain prescription drugs.
(4) The number of times prior authorization was requested, and the number of times prior authorization was:

(A) approved; and
(B) disapproved.

(i) The board shall provide the first report required under subsection (h) not later than six (6) months after the board submits an initial preferred drug list to the office.
SECTION 51. IC 12-17-2-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) The Title IV-D agency shall provide incentive payments to counties for enforcing and collecting the support rights that have been assigned to the state. The incentive payments shall be made by the Title IV-D agency directly to the county and deposited in the county treasury for distribution on a quarterly basis and in equal shares to the following:

(1) The county general fund.
(2) The operating budget of the prosecuting attorney.
(3) The operating budget of the circuit court clerk.

(b) Notwithstanding IC 36-2-5-2(b), distribution from the county treasury under subsection (a) shall be made without the necessity of first obtaining an appropriation from the county fiscal body.

(c) The amount that a county receives and the terms under which the incentive payment is paid must be in accordance with 42 U.S.C. 658 and 42 U.S.C. 658A relevant federal statutes and the federal regulations promulgated under the statutes. However, amounts received as incentive payments may not, without the approval of the county fiscal body, be used to increase or supplement the salary of an elected official. The amounts received as incentive payments must be used to supplement, rather than take the place of, other funds used for Title IV-D program activities.

SECTION 52. IC 13-11-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) "Board", except as provided in subsections (b) through (j), (i), refers to:

(1) the air pollution control board;
(2) the water pollution control board; or
(3) the solid waste management board.

(b) "Board", for purposes of IC 13-13-6, refers to the northwest Indiana advisory board.

(c) "Board", for purposes of IC 13-17, refers to the air pollution control board.

(d) "Board", for purposes of IC 13-18, refers to the water pollution control board.

(e) "Board", for purposes of:

(1) IC 13-19;
(2) IC 13-20;
(3) IC 13-22;
(4) IC 13-23, except IC 13-23-11;
(5) IC 13-24; and
(6) IC 13-25;
refers to the solid waste management board.

(f) "Board", for purposes of IC 13-21, refers to the board of directors of a solid waste management district.

(g) "Board", for purposes of IC 13-23-11, refers to the underground storage tank financial assurance board.

(h) "Board", for purposes of IC 13-26, refers to the board of trustees of a regional water, sewage, or solid waste district.

(i) "Board", for purposes of IC 13-27 and IC 13-27.5, refers to the clean manufacturing technology board.

SECTION 53. IC 13-11-2-61 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 61. "Dredged material", for purposes of this chapter, and IC 13-18-22, means material that is dredged or excavated from an isolated wetland.

SECTION 54. IC 13-14-9-3, AS AMENDED BY P.L.240-2003, SECTION 4, AND AS AMENDED BY P.L.282-2003, SECTION 35, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), the department shall provide notice in the Indiana Register of the first public comment period required by section 2 of this chapter. A notice provided under this section must do the following:

1. Identify the authority under which the proposed rule is to be adopted.

2. Describe the subject matter and the basic purpose of the proposed rule. The description required by this subdivision must:

   (A) include a listing of all alternatives being considered by the department at the time of the notice; and

   (B) include:

   (i) a statement indicating whether each alternative listed under clause (A) is imposed under federal law;
   (ii) a statement explaining how each alternative listed under clause (A) that is not imposed under federal law differs from federal law; and
   (iii) any information known to the department about the potential fiscal impact of each alternative under clause (A) that is not imposed under federal law; and
(C) set forth the basis for each alternative listed under clause (A).

(3) Describe the relevant statutory or regulatory requirements or restrictions relating to the subject matter of the proposed rule that exist before the adoption of the proposed rule.

(4) Request the submission of alternative ways to achieve the purpose of the proposed rule.

(5) Request the submission of comments, including suggestions of specific language for the proposed rule.

(6) Include a detailed statement of the issue to be addressed by adoption of the proposed rule.

(b) This section does not apply to rules adopted under IC 13-18-22-2, IC 13-18-22-3, or IC 13-18-22-4.

SECTION 55. IC 13-18-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board may adopt rules under IC 4-22-2 and IC 13-14 not later than February 1, 2005, to implement the part of the definition of Class I wetland under IC 13-11-2-25.8(a)(B).

(b) Before the adoption of rules by the board under subsection (a), the department shall determine the class of a wetland in a manner consistent with the definitions of Class I, II, and III wetlands in IC 13-11-2-25.8.

(c) The classification of an isolated wetland that is based on the level of disturbance of the wetland by human activity or development may be improved to a higher numeric class if an action is taken to restore the isolated wetland, in full or in part, to the conditions that existed on the isolated wetland before the disturbance occurred.

SECTION 56. IC 14-30-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Subject to subsection (b), the upper Wabash River basin commission is established as a separate municipal corporation.

(b) If less than all of the executives of the counties that include territory within the upper Wabash River basin elect to participate in the commission before January 1, 2002; the commission expires on January 1, 2002.

SECTION 57. IC 16-38-4-8, AS AMENDED BY P.L.17-2004, SECTION 6, AND AS AMENDED BY P.L.28-2004, SECTION 138, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The state department shall establish a birth problems registry for the purpose of recording all cases of birth problems that occur in Indiana residents and compiling necessary and appropriate information concerning those cases, as determined by the state department, in order to:

(1) conduct epidemiologic and environmental studies and to apply appropriate preventive and control measures;

(2) inform the parents of children with birth problems:
   (A) at the time of discharge from the hospital; or
   (B) if a birth problem is diagnosed during a physician or hospital visit that occurs before the child is:
      (i) except as provided in item (ii), three (3) years of age at the time of diagnosis; or
      (ii) five (5) years of age at the time of diagnosis if the disorder is a pervasive developmental disorder or a fetal alcohol spectrum disorder; two (2) years of age at the time of diagnosis;

   about physicians, care facilities, and appropriate community resources, including local step ahead agencies and the infants and toddlers with disabilities program (IC 12-17-15); or

(3) inform citizens regarding programs designed to prevent or reduce birth problems.

(b) The state department shall record in the birth problems registry:

(1) all data concerning birth problems of children that are provided from the certificate of live birth; and

(2) any additional information that may be provided by an individual or entity described in section 7(a)(2) of this chapter concerning a birth problem that is:
   (A) designated in a rule adopted by the state department; and
   (B) recognized:
      (i) after the child is discharged from the hospital as a newborn; and
      (ii) before the child is five (5) years of age if the child is diagnosed with a pervasive developmental disorder or a fetal alcohol spectrum disorder; and
      (iii) before the child is three (3) years of age for any diagnosis not specified in item (ii).

(c) The state department shall:
(1) provide a physician and a local health department with necessary forms for reporting under this chapter; and
(2) report in an electronic format under IC 5-14-6 to the legislative council any birth problem trends that are identified through the data collected under this chapter.

SECTION 58. IC 16-42-19-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. (a) A person who knowingly violates this chapter, except sections 24 and 25(c) 25(b) of this chapter, commits a Class D felony. However, the offense is a Class C felony if the person has a prior conviction under this subsection or IC 16-6-8-10(a) before its repeal.
(b) A person who violates section 24 of this chapter commits a Class B misdemeanor.
(c) A person who violates section 25(b) of this chapter commits dealing in an anabolic steroid, a Class C felony. However, the offense is a Class B felony if the person delivered the anabolic steroid to a person who is:
(1) less than eighteen (18) years of age; and
(2) at least three (3) years younger than the delivering person.

SECTION 59. IC 16-46-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The council consists of the following twenty-one (21) members:
(1) Two (2) members of the house of representatives from different political parties appointed by the speaker of the house of representatives.
(2) Two (2) members of the senate from different political parties appointed by the president pro tempore of the senate.
(3) The governor or the governor's designee.
(4) The state health commissioner or the commissioner's designee.
(5) The director of the division of family and children or the director's designee.
(6) The director of the office of Medicaid policy and planning or the director's designee.
(7) The director of the division of mental health and addiction or the director's designee.
(8) The commissioner of the department of correction or the commissioner's designee.
(9) One (1) representative of a local health department **appointed by the governor.**

(10) One (1) representative of a public health care facility appointed by the governor.

(11) One (1) psychologist appointed by the governor who:
   (A) is licensed to practice psychology in Indiana; and
   (B) has knowledge and experience in the special health needs of minorities.

(12) One (1) member appointed by the governor based on the recommendation of the Indiana State Medical Association.

(13) One (1) member appointed by the governor based on the recommendation of the National Medical Association.

(14) One (1) member appointed by the governor based on the recommendation of the Indiana Hospital and Health Association.

(15) One (1) member appointed by the governor based on the recommendation of the American Cancer Society.

(16) One (1) member appointed by the governor based on the recommendation of the American Heart Association.

(17) One (1) member appointed by the governor based on the recommendation of the American Diabetes Association.

(18) One (1) member appointed by the governor based on the recommendation of the Black Nurses Association.

(19) One (1) member appointed by the governor based on the recommendation of the Indiana Minority Health Coalition.

(b) At least fifty-one percent (51%) of the members of the council must be minorities.

SECTION 60. IC 22-3-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. When any compensable injury requires the filing of a first report of injury by an employer, the employer's worker's compensation insurance carrier or the self-insured employer shall forward a copy of the report to the central office of the division of disability, aging, and rehabilitative services, **rehabilitation services** bureau at the earlier of the following occurrences:

(1) When the compensable injury has resulted in temporary total disability of longer than twenty-one (21) days.

(2) When it appears that the compensable injury may be of such a nature as to permanently prevent the injured employee from returning to the
injured employee's previous employment.

SECTION 61. IC 24-4.5-7-103 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 103. The following definitions apply to this chapter:

"Small loan" Section 7-104
"Principal" Section 7-105
"Check" Section 7-106
"Renewal" Section 7-107
"Consecutive small loan" Section 7-108
"Paid in full" Section 7-109
"Monthly net gross income" Section 7-110

SECTION 62. IC 24-5-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The seller shall put every contract in writing and shall give the investor a copy of the contract at the time the investor signs the contract.

(b) The seller shall include in every contract the following:

1. The seller's business address and the name and business address of the seller's agent in this state authorized to receive service of process.
2. The terms and conditions of payment.
3. A detailed description of any services that the seller undertakes to perform for the investor.
4. A detailed description of any training that the seller undertakes to provide to the investor.
5. The approximate delivery date of any goods the seller is to deliver to the investor.
6. A statement of the investor's right to cancel that must:
   A) appear under the conspicuous caption, "INVESTOR'S RIGHT TO CANCEL WITHIN 30 DAYS"; and
   B) contain the following statement in no smaller type than the body portion of the contract: "THE INVESTOR IN THIS BUSINESS OPPORTUNITY HAS THE RIGHT TO CANCEL THIS CONTRACT FOR ANY REASON AT ANY TIME BEFORE MIDNIGHT OF THE 30TH CALENDAR DAY AFTER THIS CONTRACT IS ENTERED INTO. YOU MAY CANCEL THIS CONTRACT BY MAILING A NOTICE THAT YOU DO NOT WANT THE BUSINESS OPPORTUNITY TO THE SELLER BEFORE __________,
(c) Subsection (b)(6) does not apply to a contract entered into by a substantial seller, unless required by the consumer protection division of the office of the attorney general for good cause shown after notice.

SECTION 63. IC 25-1-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The bureau licensing agency and the boards may allow the department of state revenue access to the name of each person who:

1. is licensed under this chapter; or
2. has applied for a license under this chapter.

(b) If the department of state revenue notifies the bureau licensing agency that a person is on the most recent tax warrant list, the bureau licensing agency may not issue or renew the person's license until:

1. the person provides to the bureau licensing agency a statement from the department of revenue that the person's delinquent tax liability has been satisfied; or
2. the bureau licensing agency receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

SECTION 64. IC 25-1-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "armed forces of the United States" means the active or reserve components of:

1. the Army;
2. the Navy;
3. the Air Force;
4. the Coast Guard;
5. the Marine Corps; or
6. the Merchant Marine.

SECTION 65. IC 25-1-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Notwithstanding any other law, a practitioner who is called to active duty out of state and meets the requirements of subsection (b) is entitled to an extension of time described in subsection (c) to:

1. renew; and
2. complete the continuing education required by;

the practitioner's license, certificate, registration, or permit.

(b) The practitioner must meet the following requirements to receive
the extension of time provided under subsection (a):

(1) On the date the practitioner enters active duty, the practitioner's license, certificate, registration, or permit may not be revoked, suspended, lapsed, or be the subject of a complaint under IC 25-1-7.

(2) The practitioner's license, certificate, registration, or permit must expire while the practitioner is out of state on active duty, (A) the practitioner's license, certificate, registration, or permit must expire; and (B) the practitioner must not have received the notice of expiration before the date the practitioner entered active duty.

(3) The practitioner shall provide proof of out of state active duty by providing a copy of the practitioner's:
   (A) discharge; or
   (B) government movement orders;
   to the agency, board, commission, or committee issuing the practitioner's license, certificate, registration, or permit at the time the practitioner renews the practitioner's license, certificate, registration, or permit under this chapter.

(c) The extension of time provided under subsection (a) is equal to one hundred eighty (180) days after the date of the practitioner's discharge or release from active duty.

(d) The agency, or board, commission, or committee that issued the practitioner's license, certificate, registration, or permit may extend the period provided in subsection (c) if the agency or board determines that an illness, an injury, or a disability related to the practitioner's active duty prevents the practitioner from renewing or completing the continuing education required for the practitioner's license, certificate, registration, or permit. However, the agency, board, commission, or committee may not extend the period for longer than three hundred sixty-five (365) days after the date of the practitioner's discharge or release from active duty.

SECTION 66. IC 25-28.5-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The commission shall do the following:

(1) Adopt a seal with the words "Indiana Plumbing Commission" and such other device as may be selected by which it shall authenticate the acts of the commission. Copies of all records and
papers, when certified by the secretary and issued under the seal of the commission, shall be received in evidence in all cases equally and with like effect as the original commission records.

(2) Prescribe the form of licenses and issue the same under its seal. All such licenses, while in force, shall be under the supervision and control of the commission.

(3) Issue licenses as plumbing contractors and journeymen plumbers, to any person who qualifies and complies with the provisions of this chapter and pay required license fees.

(4) Adopt rules in accordance with IC 4-22-2 which establish standards for the competent practice of plumbing.

SECTION 67. IC 25-28.5-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The commission may:

(1) Adopt and promulgate rules and regulations for its guidance and for the regulation of its business and procedure consistent with the provisions of this chapter and in the manner provided in IC 4-22-2.

(2) Enter into such other contracts and authorize expenditures as its duties require, subject to the provisions of this chapter and IC 25-1-6.

(3) Do all things necessary for carrying into effect the provisions of this chapter.

SECTION 68. IC 25-29-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. An applicant who satisfies the requirements under this chapter may take the examination under IC 25-9-4; IC 25-29-4.

SECTION 69. IC 25-29-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The board may issue a license to an applicant who pays a fee established by the board and who presents satisfactory evidence to the board that the applicant:

(1) meets the requirements under IC 25-9-3-1; IC 25-29-3-1;

(2) is licensed in a state, territory, or possession of the United States;

(3) has passed a podiatric medical licensing examination that is substantially equivalent to the examination under IC 25-9-3; IC 25-29-4; and
(4) has practiced podiatric medicine for at least five (5) years.
(b) The board may require an applicant under this section to do the following:
   (1) Personally appear before the board.
   (2) Pass a medical examination, approved by the board, if at least ten (10) years have elapsed since the applicant passed a medical licensing examination.

SECTION 70. IC 25-29-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The board may issue a limited license to an applicant who pays a fee established by the board and who presents satisfactory evidence to the board that the applicant:
   (1) except for the requirements under IC 25-9-3-1(3) IC 25-29-3-1(3) and IC 25-9-1-4; IC 25-29-3-1(4), meets the requirements under IC 25-9-3-1; IC 25-29-3-1;
   (2) meets the requirements established by the board; and
   (3) is enrolled in a graduate training program in an institution that is approved by the board.

SECTION 71. IC 25-34.1-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this article:
   (1) "Person" means an individual, a partnership, a corporation, or a limited liability company.
   (2) "Commission" means the Indiana real estate commission.
   (3) "Real estate" means any right, title, or interest in real property.
   (4) "Broker" means a person who, for consideration, sells, buys, trades, exchanges, options, leases, rents, manages, lists, or appraises real estate or negotiates or offers to perform any of those acts.
   (5) "Salesperson" means an individual, other than a broker, who, for consideration and in association with and under the auspices of a broker, sells, buys, trades, exchanges, options, leases, rents, manages, or lists real estate or negotiates or offers to perform any of those acts.
   (6) "Broker-salesperson" means an individual broker who is acting in association with and under the auspices of another broker.
   (7) "Principal broker" means a broker who is not acting as a
broker-salesperson.

(8) "License" means a broker or salesperson license issued under this article and which is not expired, suspended, or revoked.

(9) "Licensee" means a person who holds a license issued under this article. The term does not include a person who holds a real estate appraiser license or certificate issued under the real estate appraiser licensure and certification program established under IC 25-34.1-3-8.

(10) "Course approval" means approval of a broker or salesperson course granted under this article which is not expired, suspended, or revoked.

(11) "Licensing agency" means the Indiana professional licensing agency established by IC 25-1-6-3.

(12) "Board" refers to the real estate appraiser licensure and certification board established under IC 25-34.1-8-1.

(13) "Commercial real estate" means a parcel of real estate other than real estate containing one (1) to four (4) residential units. This term does not include single family residential units such as:

- (A) condominiums;
- (B) townhouses;
- (C) manufactured homes; or
- (D) homes in a subdivision;

when sold, leased, or otherwise conveyed on a unit-by-unit basis, even if those units are part of a larger building or parcel of real estate containing more than four (4) residential units.

(14) "Out-of-state commercial broker" includes a person, a partnership, an association, a limited liability company, a limited liability partnership, or a corporation that is licensed to do business as a broker in a jurisdiction other than Indiana.

(15) "Out-of-state commercial salesperson" includes a person affiliated with an out-of-state commercial broker who is not licensed as a salesperson under this article.

SECTION 72. IC 27-8-10-2.3, AS AMENDED BY P.L.28-2004, SECTION 168, AND AS AMENDED BY P.L.51-2004, SECTION 3, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.3. (a) A member shall, not later than October 31 of each year, certify an independently audited report to the:
of the amount of tax credits taken against assessments by the member
under section 2.1(n)(1) of this chapter during the previous calendar
year. A report certified under this section to the legislative council
must be in an electronic format under IC 5-14-6.

(b) A member shall, not later than October 31 of each year, certify
an independently audited report to the association of the amount of
assessments paid by the member against which a tax credit has not
been taken under section 2.1 (as in effect December 31, 2004) or 2.4
of this chapter as of the date of the report.

SECTION 73. IC 27-10-2-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a)
Recognizances for the appearance of prisoners shall in all cases and in
all courts be in writing, be taken with at least one (1) resident freehold
surety or be secured by a surety company, and be substantially in the
following form:
STATE OF INDIANA )
) SS:
COUNTY OF _________________ )
State of Indiana.
vs.
John Doe
We, A B and C D, jointly and severally acknowledge ourselves bound
to the state of Indiana in ______ dollars. If A B (the prisoner) shall
appear on the ____ day of ________, 19___,
20___,
in the
___________ court, to answer a charge of (here state the offense) and
from day to day and from term to term thereof, and abide the order of
the court until the cause is determined and not depart therefrom without
leave, then this recognizance shall be void, else to remain in full force.
If the above named defendant does not appear at any time fixed in this
bond, the court shall order CD (the surety) to produce the defendant.
The court shall mail notice of this order to CD, the surety at
____________ and __________ in __________ county and state of
Indiana. If the surety does not produce the defendant, and does not pay
all costs and late surrender fees in compliance with IC 27-10-2-12, the
court shall, three hundred sixty-five (365) days after the mailing of the
above notice to the surety, declare the bond forfeited, enter judgment forthwith against the surety, and certify the judgment to the clerk for record. Such forfeiture shall be without pleadings and without change of judge or change of venue. The obligors on such bond may appeal to the ruling of the court and appeal to the court of appeals as in other civil cases, and on appeal the evidence may be reviewed. Execution shall issue forthwith to the sheriff against the properties of each of us to be levied as other executions are levied.

Witness our hand and seals this ___ day of __________, 19___.

20___.

A B __________ (SEAL)
C D __________ (SEAL)

taken and approved this ___ day of __________, 19___.

20___.

(Officer taking surety)

Affidavits shall be taken from each personal surety substantially as follows:

State of Indiana )
County of ______________) 

I, C D, being duly sworn, on oath say, that I am worth in my personal rights and name, over and above all debts and liabilities of any and every kind, not less than _______ dollars, and that I possess real estate in my own name, located in the above-named county, which is worth over and above all encumbrances and liens, more than ______ dollars; that I am surety on the following recognizance bonds and none other, aggregating the total amount of ________ to-wit: (Here name bonds and amounts, if any) ________, And that I am not surety on any recognizance bond of any kind in any court which bond has been forfeited which judgment remains unpaid.

C D ______________ (SEAL)

Subscribed and sworn to before me, this ___ day of __________.

19___: 20___.

(Officer administering oath)

(b) Printed forms of the above bonds shall be kept by all clerks of court that are authorized by law to admit prisoners to bail and shall be supplied by the clerks to sheriffs.

(c) For the purposes of this article, a cause is determined when a:
(1) judgment of conviction or acquittal is entered for a misdemeanor;
(2) judgment is withheld in a misdemeanor case;
(3) judgment of acquittal is entered in a felony case;
(4) sentence is imposed in a felony case; or
(5) defendant has been ordered or admitted to a diversion program.

SECTION 74. IC 29-1-7.5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) As soon as letters testamentary or letters of administration have been issued, the clerk of the court shall serve by mail notice of the petition on each of the decedent's heirs at law, if the decedent died intestate, or the devisees and legatees under the decedent's will. The mailing of notice under this subsection may not be waived.

(b) The notice required under subsection (a) shall read substantially as follows:

NOTICE OF UNSUPERVISED ADMINISTRATION TO BE MAILED TO A DISTRIBUTEE

In the _________ Court of _________ County, Indiana.
Notice is hereby given that ____________, on the _____ day of ________, 20__, was appointed as the personal representative of the estate of ______________, who died on the ____ day of ________, 20__, {leaving a will} {not leaving a will}. The estate will be administered without court supervision.

As an heir, a devisee, or a legatee of the estate (a "distributee"), you are advised of the following information:

(1) The personal representative has the authority to take actions concerning the estate without first consulting you.
(2) The personal representative may be serving without posting a bond with the court. You have the right to petition the court to set a bond for your protection.
(3) The personal representative will not obtain court approval of any action, including the amount of attorney's or personal representative's fees.
(4) Within two (2) months after the appointment of the personal representative, the personal representative must prepare an inventory of the estate's assets. You have the right to request and receive a copy of this inventory from the personal representative.
(5) The personal representative is required to furnish you with a copy of the closing statement that will be filed with the court, and, if your interests are affected, with a full account in writing of the administration of the estate.

(6) You must file an objection to the closing statement within three (3) months after the closing statement is filed with the court if you want the court to consider your objection.

(7) If an objection to the closing statement is not filed with the court within three (3) months after the filing of the closing statement, the estate is closed and the court does not have a duty to audit or make an inquiry.

IF, AT ANY TIME BEFORE THE ESTATE IS CLOSED, YOU HAVE REASON TO BELIEVE THAT THE ADMINISTRATION OF THE ESTATE SHOULD BE SUPERVISED BY THE COURT, YOU HAVE THE RIGHT TO PETITION THE COURT FOR SUPERVISED ADMINISTRATION.

IF YOU DO NOT UNDERSTAND THIS NOTICE, YOU SHOULD ASK YOUR ATTORNEY TO EXPLAIN IT TO YOU.

The personal representative's address is ____________, and telephone number is ___________. The attorney for the personal representative is ______________, whose address is _______________ and telephone number is _________.

Dated at ______________, Indiana, this _____ day of _____________, 20__.  

CLERK OF THE _______________ COURT

SECTION 75. IC 31-16-12.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A court that receives a petition under section 1 of this chapter shall send an order requiring the department of state revenue to determine the obligor's eligibility for a state income tax refund, whether the obligor filed a joint state income tax return, and if the obligor filed a joint state income tax return, the name and address of the individual with whom the obligor filed the joint state income tax return, if the court preliminarily determines that probable cause exists to believe that the obligor named in the petition:

(1) was at least one thousand five hundred dollars ($1,500) in arrears on child support payments at the time the custodial parent filed the petition under section 2 of this chapter; and
(2) has intentionally violated the terms of the most recent support order.
(b) The department of state revenue, upon receiving an order under subsection (a), shall notify the court whether the obligor named in the order:

(1) is eligible for a state income tax refund; and
(2) has filed a joint state income tax return, and if the obligor has filed a joint state income tax return, the name and address of the individual with whom the obligor filed the joint state income tax return.

SECTION 76. IC 31-34-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. A child is a child in need of services if before the child becomes eighteen (18) years of age:

(1) the child's physical or mental condition is seriously impaired or seriously endangered as a result of the inability, refusal, or neglect of the child's parent, guardian, or custodian to supply the child with necessary food, clothing, shelter, medical care, education, or supervision; and
(2) the child needs care, treatment, or rehabilitation that: the child:

(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

SECTION 77. IC 31-34-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A child is a child in need of services if before the child becomes eighteen (18) years of age:

(1) the child's physical or mental health is seriously endangered due to injury by the act or omission of the child's parent, guardian, or custodian; and
(2) the child needs care, treatment, or rehabilitation that: the child:

(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

(b) Evidence that the illegal manufacture of a drug or controlled substance is occurring on property where a child resides creates a
rebuttable presumption that the child’s physical or mental health is seriously endangered.

SECTION 78. IC 31-34-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. A child is a child in need of services if before the child becomes eighteen (18) years of age:

(1) the child’s parent, guardian, or custodian allows the child to participate in an obscene performance (as defined by IC 35-49-2-2 or IC 35-49-3-2); and

(2) the child needs care, treatment, or rehabilitation that: the child:

   (A) the child is not receiving; and

   (B) is unlikely to be provided or accepted without the coercive intervention of the court.

SECTION 79. IC 31-34-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A child is a child in need of services if before the child becomes eighteen (18) years of age:

(1) the child’s parent, guardian, or custodian allows the child to commit a sex offense prohibited by IC 35-45-4; and

(2) the child needs care, treatment, or rehabilitation that: the child:

   (A) the child is not receiving; and

   (B) is unlikely to be provided or accepted without the coercive intervention of the court.

SECTION 80. IC 31-34-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A child is a child in need of services if before the child becomes eighteen (18) years of age:

(1) the child substantially endangers the child’s own health or the health of another individual; and

(2) the child needs care, treatment, or rehabilitation that: the child:

   (A) the child is not receiving; and

   (B) is unlikely to be provided or accepted without the coercive intervention of the court.

SECTION 81. IC 31-34-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. Except as
provided in sections 12 and 13 of this chapter, a child is a child in need of services if:

(1) the child:
   (A) has an injury;
   (B) has abnormal physical or psychological development; or
   (C) is at a substantial risk of a life threatening condition;
that arises or is substantially aggravated because the child's mother used alcohol, a controlled substance, or a legend drug during pregnancy; and

(2) the child needs care, treatment, or rehabilitation that: the child:
   (A) the child is not receiving; or
   (B) is unlikely to be provided or accepted without the coercive intervention of the court.

SECTION 82. IC 31-40-2-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 1.7. (a) A person may pay a monthly probation user's fee under section 1 or 1.5 of this chapter before the date the payment is required to be made without obtaining the prior approval of a court or a probation department. However, if a delinquent child is discharged from probation before the date the delinquent child was scheduled to be released from probation, any monthly probation user's fee paid in advance for the delinquent child may not be refunded.

(b) A probation department may petition a court to:
   (1) impose a probation user's fee on a person; or
   (2) increase a person's probation user's fee;
under section 1 or 1.5 of this chapter if the financial ability of the person to pay a probation user's fee changes while the person is on probation.

(c) An order to pay a probation user's fee under section 1 or 1.5 of this chapter:
   (1) is a judgment lien that:
      (A) attaches to the property of the person subject to the order;
      (B) may be perfected;
      (C) may be enforced to satisfy any payment that is delinquent under section 1 or 1.5 of this chapter; and
(D) expires;
in the same manner as a judgment lien created in a civil proceeding;
(2) is not discharged by the completion of the person's probationary period or other sentence imposed on the person; and
(3) is not discharged by the liquidation of a person's estate by a receiver under IC 32-30-5.
(d) A delinquent child placed on probation for more than one (1) delinquent act:
(1) may be required to pay more than one (1) initial probation user's fee; and
(2) may not be required to pay more than one (1) monthly probation user's fee per month;
to either the probation department or the clerk of the court.
(e) If a court orders a person to pay a probation user's fee under section 1 or 1.5 of this chapter, the court may garnish the wages, salary, and other income earned by the person to enforce the order.
(f) If:
(1) a person is delinquent in paying the person's probation user's fees required under section 1 or 1.5 of this chapter; and
(2) the person's driver's license or permit has been suspended or revoked or the person has never been issued a driver's license or permit;
the court may order the bureau of motor vehicles to not issue a driver's license or permit to the person until the person has paid the person's delinquent probation user's fees.
SECTION 83. IC 32-25-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The following are subject to this article and to declarations and bylaws of associations of co-owners adopted under this article:
(1) Condominium unit owners.
(2) Tenants of condominium unit owners.
(3) Employees of condominium unit owners.
(4) Employees of tenants of condominium owners.
(5) Any other persons that in any manner use property or any part of property submitted to this article.
(b) All agreements, decisions, and determinations lawfully made by
an association of co-owners in accordance with the voting percentages established in:

1. this chapter, article;
2. the declaration; or
3. the bylaws;

are binding on all condominium unit owners.

SECTION 84. IC 32-25-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. "Common expenses" means:

1. all sums lawfully assessed against the co-owners by the association of co-owners;
2. expenses of:
   A. administration;
   B. maintenance;
   C. repair; or
   D. replacement;
   of the common areas and facilities;
3. expenses agreed upon as common expenses by the association of co-owners; and
4. expenses declared common expenses by:
   A. this chapter, article;
   B. the declaration; or
   C. the bylaws.

SECTION 85. IC 32-25-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. "Condominium" means real estate:

1. lawfully subjected to this chapter article by the recordation of condominium instruments; and
2. with respect to which the undivided interests in the common areas and facilities are vested in the condominium unit owners.

SECTION 86. IC 32-29-1-11, AS AMENDED BY P.L.122-2003, SECTION 1, AND AS AMENDED BY P.L.151-2003, SECTION 2, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) This chapter does not limit:

1. the right to assign, mortgage, or pledge the rents and profits arising from real estate;
2. the right of an assignee, a mortgagee, or a pledgee to collect
rents and profits for application in accordance with an assignment, a mortgage, or a pledge; or
(3) the power of a court of equity to appoint a receiver to take charge of real estate to collect rents and profits for application in accordance with an assignment, a mortgage, or a pledge.
(b) A person may enforce an assignment, a mortgage, or a pledge of rents and profits arising from real property:
(1) whether the person has or does not have possession of the real estate; and
(2) regardless of the:
   (A) adequacy of the security; or
   (B) solvency of the assignor, mortgagor, or pledgor.
(c) If a person:
   (1) enforces an assignment, a mortgage, or a pledge of rents and profits arising from real estate; and
   (2) does not have possession of the real estate;
the obligations of a mortgagee in possession of real estate may not be imposed on the holder of the assignment, mortgage, or pledge.
(d) Except for those instances involving liens defined in IC 32-28-3-1, a mortgagee seeking equitable subrogation with respect to a lien may not be denied equitable subrogation solely because:
   (1) the mortgagee:
      (A) is engaged in the business of lending; and
      (B) had constructive notice of the intervening lien over which the mortgagee seeks to assert priority;
   (2) the lien for which the mortgagee seeks to be subrogated was released; or
   (3) the mortgagee obtained a title insurance policy.
(e) Subsection (d) does not apply to a municipal sewer lien under IC 36-9-23 or a mechanic's lien under IC 32-28-3-1.

SECTION 87. IC 33-28-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The circuit court shall appoint a person to fill a vacancy, or to act for a jury commissioner, as the case may require, if:
   (1) a vacancy occurs in the office of jury commissioner;
   (2) a jury commissioner fails to act when required; or
   (3) illness or any other cause renders a jury commissioner unable to act.
(b) A person appointed under subsection (a):
   (1) must possess the qualifications required for jury commissioners;
   (2) must be an adherent of the same political party as is the commissioner in whose stead the person is appointed to serve; and
   (3) shall take the oath required by this chapter.

c(For the time actually employed in the performance of jury commissioner’s duties, each jury commissioner shall be allowed a per diem to be fixed by the court and paid out of the county treasury upon the warrant of the county auditor.

SECTION 88. IC 33-30-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A county court is established in each county, except in the following counties:
   (1) Floyd County.
   (2) Madison County.
   (3) Montgomery County.

(b) However, a county for which: court listed in subsection (a) is abolished if:
   (1) IC 33-33 provides a small claims docket of the circuit court;
   (2) IC 33-33 provides a small claims docket of the superior court;
   or
   (3) IC 33-34 provides a small claims court;

for the county in which the county court was established.

SECTION 89. IC 33-30-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Notwithstanding section 1 of this chapter, Lake County does not have a county court. However, the county division of the superior court of Lake County shall maintain the dockets described in IC 33-30-5-1.

SECTION 90. IC 33-33-22-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A county court is established for Floyd County under IC 33-30-2-1.

SECTION 91. IC 33-33-48-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10 (a) The Madison superior court has:
   (1) original and appellate jurisdiction, concurrent and
coextensive with the Madison circuit court, in all civil, probate, and criminal cases; and
(2) jurisdiction concurrent and coextensive with the circuit court in all cases of appeal from the board of county commissioners and city courts.

(b) The Madison superior court has original and exclusive juvenile jurisdiction.

SECTION 92. IC 33-33-48-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. A county court is established for Madison County under IC 33-30-2-1.

SECTION 93. IC 33-33-49-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Each judge of the court shall be elected for a term of six (6) years that begins January 1 after the year of the judge's election and continues through December 31 in the sixth year. The judge shall hold office for the six (6) year term or until the judge's successor is elected and qualified. A candidate for judge shall run at large for the office of judge of the court and not as a candidate for judge of a particular room or division of the court.

(b) Beginning with the primary election held in 1996 and every six (6) years thereafter, a political party may nominate not more than eight (8) candidates for judge of the court. Beginning with the primary election held in 2000 and every six (6) years thereafter, a political party may nominate not more than nine (9) candidates for judge of the court. The candidates shall be voted on at the general election. Other candidates may qualify under IC 3-8-6 to be voted on at the general election.

(c) The names of the party candidates nominated and properly certified to the Marion County election board, along with the names of other candidates who have qualified, shall be placed on the ballot at the general election in the form prescribed by IC 3-11-2. Beginning with the 1996 general election and every six (6) years thereafter, persons eligible to vote at the general election may vote for fifteen (15) candidates for judge of the court. Beginning with the 2000 general election and every six (6) years thereafter, persons eligible to vote at the general election may vote for seventeen (17) candidates for judge of the court.
(d) The candidates for judge of the court receiving the highest number of votes shall be elected to the vacancies. The names of the candidates elected as judges of the court shall be certified to the county election board as provided by law.

SECTION 94. IC 33-33-54-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A county court is established for Montgomery County under IC 33-30-2-1.

SECTION 95. IC 33-33-55-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The Morgan superior court has concurrent jurisdiction, both original and appellate, with the Morgan circuit court in all civil actions and proceedings at law and in equity and in all criminal and probate matters, actions, and proceedings of which the Morgan circuit court has jurisdiction. However, the Morgan circuit court and one (1) judge of the Morgan superior court have exclusive jurisdiction in all juvenile matters, actions, and proceedings.

SECTION 96. IC 33-33-58-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. The Ohio and Switzerland superior court shall, during each calendar year, appoint one (1) resident of Ohio County and one (1) resident of Switzerland County to act as jury commissioners for the superior court. The jury commissioners shall:

1. be appointed by a judge of the superior court;
2. be qualified to act as jury commissioners; and
3. prepare and draw the jury for the superior court;

in the same manner as is required for jury commissioners of circuit courts in Ohio and Switzerland counties. The clerks of the circuit courts of Ohio and Switzerland counties and the sheriffs of Ohio and Switzerland counties shall issue and serve process for the superior court in relation to jury selection and summoning in the same manner as for those circuit courts. The superior court may order the time when jurors must attend court and may order the selection and summoning of other jurors for the superior court whenever necessary.

SECTION 97. IC 33-33-65-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The Posey superior court has a standard small claims and misdemeanor division: the same jurisdiction as the Posey circuit court.
SECTION 98. IC 33-33-71-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 38. The commission shall submit with the list of five (5) nominees to the governor its written evaluation of the qualifications of each candidate, and the names and written evaluations shall be publicly disclosed. Every eligible candidate whose name was not submitted to the governor is entitled to access to any evaluation of the candidate by the commission and the right to make the evaluation public. Otherwise, the evaluation, including the names of the candidates applying for the office, shall remain confidential. If the commission determines that there are less than five (5) persons qualified under section 40 of this chapter, the commission must submit a lesser number under section 40 of this chapter.

SECTION 99. IC 33-34-8-1, AS AMENDED BY P.L.85-2004, SECTION 15, AND AS AMENDED BY P.L.95-2004, SECTION 3, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The following fees and costs apply to cases in the small claims court:

1. A township docket fee of five dollars ($5) plus forty-five percent (45%) of the infraction or ordinance violation costs fee under IC 33-37-4-2.
2. The bailiff's service of process by registered or certified mail fee of thirteen dollars ($13) for each service.
3. The cost for the personal service of process by the bailiff or other process server of thirteen dollars ($13) for each service.
4. Witness fees, if any, in the amount provided by IC 33-37-10-3 to be taxed and charged in the circuit court.
5. A redocketing fee, if any, of five dollars ($5).
8. A late fee, if any, under IC 33-37-5-22.
10. A judicial insurance adjustment fee under IC 33-37-5-25.

The docket fee and the cost for the initial service of process shall be paid at the institution of a case. The cost of service after the initial service shall be assessed and paid after service has been made. The cost of witness fees shall be paid before the witnesses are called.

(b) If the amount of the township docket fee computed under
subsection (a)(1) is not equal to a whole number, the amount shall be rounded to the next highest whole number.

SECTION 100. IC 33-37-4-1, AS AMENDED BY P.L.85-2004, SECTION 16, AND AS AMENDED BY P.L.95-2004, SECTION 4, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) For each action that results in a felony conviction under IC 35-50-2 or a misdemeanor conviction under IC 35-50-3, the clerk shall collect from the defendant a criminal costs fee of one hundred twenty dollars ($120).

(b) In addition to the criminal costs fee collected under this section, the clerk shall collect from the defendant the following fees if they are required under IC 33-37-5:

2. A marijuana eradication program fee (IC 33-37-5-7).
3. An alcohol and drug services program user fee (IC 33-37-5-8(b)).
4. A law enforcement continuing education program fee (IC 33-37-5-8(c)).
5. A drug abuse, prosecution, interdiction, and correction fee (IC 33-37-5-9).
6. An alcohol and drug countermeasures fee (IC 33-37-5-10).
10. A deferred prosecution fee (IC 33-37-5-17).

(c) Instead of the criminal costs fee prescribed by this section, the clerk shall collect a pretrial diversion program fee if an agreement between the prosecuting attorney and the accused person entered into under IC 33-39-1-8 requires payment of those fees by the accused
person. The pretrial diversion program fee is:
   (1) an initial user's fee of fifty dollars ($50); and
   (2) a monthly user's fee of ten dollars ($10) for each month that
       the person remains in the pretrial diversion program.

(d) The clerk shall transfer to the county auditor or city or town
    fiscal officer the following fees, not later than thirty (30) days after the
    fees are collected:
       (1) The pretrial diversion fee.
       (2) The marijuana eradication program fee.
       (3) The alcohol and drug services program user fee.
       (4) The law enforcement continuing education program fee.

The auditor or fiscal officer shall deposit fees transferred under this
subsection in the appropriate user fee fund established under
IC 33-37-8.

(e) Unless otherwise directed by a court, if a clerk collects only part
    of a criminal costs fee from a defendant under this section, the clerk
    shall distribute the partial payment of the criminal costs fee as follows:
       (1) The clerk shall apply the partial payment to general court
           costs.
       (2) If there is money remaining after the partial payment is
           applied to general court costs under subdivision (1), the clerk
           shall distribute the remainder of the partial payment for deposit in
           the appropriate county user fee fund.
       (3) If there is money remaining after distribution under
           subdivision (2), the clerk shall distribute the remainder of the
           partial payment for deposit in the state user fee fund.
       (4) If there is money remaining after distribution under
           subdivision (3), the clerk shall distribute the remainder of the
           partial payment to any other applicable user fee fund.
       (5) If there is money remaining after distribution under
           subdivision (4), the clerk shall apply the remainder of the
           partial payment to any outstanding fines owed by the defendant.

SECTION 101. IC 33-37-4-2, AS AMENDED BY P.L.85-2004,
SECTION 17, AND AS AMENDED BY P.L.95-2004, SECTION 5, IS
CORRECTED AND AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in
subsections (d) and (e), for each action that results in a judgment:
       (1) for a violation constituting an infraction; or
for a violation of an ordinance of a municipal corporation (as defined in IC 36-1-2-10);

the clerk shall collect from the defendant an infraction or ordinance violation costs fee of seventy dollars ($70).

(b) In addition to the infraction or ordinance violation costs fee collected under this section, the clerk shall collect from the defendant the following fees, if they are required under IC 33-37-5:

2. An alcohol and drug services program user fee (IC 33-37-5-8(b)).
3. A law enforcement continuing education program fee (IC 33-37-5-8(c)).
4. An alcohol and drug countermeasures fee (IC 33-37-5-10).
5. A highway work zone fee (IC 33-37-5-14).
6. A deferred prosecution fee (IC 33-37-5-17).
10. A late payment fee (IC 33-37-5-22).
11. A judicial administration fee under (IC 33-37-5-21.2).

(c) The clerk shall transfer to the county auditor or fiscal officer of the municipal corporation the following fees, not later than thirty (30) days after the fees are collected:

1. The alcohol and drug services program user fee (IC 33-37-5-8(b)).
2. The law enforcement continuing education program fee (IC 33-37-5-8(c)).
3. The deferral program fee (subsection e).

The auditor or fiscal officer shall deposit the fees in the user fee fund established under IC 33-37-8.

(d) The defendant is not liable for any ordinance violation costs fee in an action if all the following apply:

1. The defendant was charged with an ordinance violation subject to IC 33-36.
2. The defendant denied the violation under IC 33-36-3.
(3) Proceedings in court against the defendant were initiated under IC 34-28-5 (or IC 34-4-32 before its repeal).
(4) The defendant was tried and the court entered judgment for the defendant for the violation.

(e) Instead of the infraction or ordinance violation costs fee prescribed by subsection (a), the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney or an attorney for a municipal corporation and the person charged with a violation entered into under IC 34-28-5-1 (or IC 34-4-32-1 before its repeal) requires payment of those fees by the person charged with the violation. The deferral program fee is:

   (1) an initial user's fee not to exceed fifty-two dollars ($52); and
   (2) a monthly user's fee not to exceed ten dollars ($10) for each month the person remains in the deferral program.

(f) The fees prescribed by this section are costs for purposes of IC 34-28-5-4 and may be collected from a defendant against whom judgment is entered. Any penalty assessed is in addition to costs.

SECTION 102. IC 33-37-4-3, AS AMENDED BY P.L.85-2004, SECTION 18, AND AS AMENDED BY P.L.95-2004, SECTION 6, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The clerk shall collect a juvenile costs fee of one hundred twenty dollars ($120) for each action filed under any of the following

   (1) IC 31-34 (children in need of services).
   (2) IC 31-37 (delinquent children).
   (3) IC 31-14 (paternity).

(b) In addition to the juvenile costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

   (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
   (2) A marijuana eradication program fee (IC 33-37-5-7).
   (3) An alcohol and drug services program user fee (IC 33-37-5-8(b)).
   (4) A law enforcement continuing education program fee (IC 33-37-5-8(c)).
   (5) An alcohol and drug countermeasures fee (IC 33-37-5-10).
(6) A document storage fee (IC 33-37-5-20).
(7) An automated record keeping fee (IC 33-37-5-21).
(8) A late payment fee (IC 33-37-5-22).
(9) A judicial administration fee under (IC 33-37-5-21.2).
(9) (10) A judicial insurance adjustment fee under (IC 33-37-5-25).
(c) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees not later than thirty (30) days after they are collected:
   (1) The marijuana eradication program fee (IC 33-37-5-7).
   (2) The alcohol and drug services program user fee (IC 33-37-5-8(b)).
   (3) The law enforcement continuing education program fee (IC 33-37-5-8(c)).
The auditor or fiscal officer shall deposit the fees in the appropriate user fee fund established under IC 33-37-8.

SECTION 103. IC 33-37-4-4, AS AMENDED BY P.L.85-2004, SECTION 19, AND AS AMENDED BY P.L.95-2004, SECTION 7, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 4. (a) The clerk shall collect a civil costs fee of one hundred dollars ($100) from a party filing a civil action. This subsection does not apply to the following civil actions:
   (1) Proceedings to enforce a statute defining an infraction under IC 34-28-5 (or IC 34-4-32 before its repeal).
   (2) Proceedings to enforce an ordinance under IC 34-28-5 (or IC 34-4-32 before its repeal).
   (3) Proceedings in juvenile court under IC 31-34 or IC 31-37.
   (4) Proceedings in paternity under IC 31-14.
   (5) Proceedings in small claims court under IC 33-34.
   (6) Proceedings in actions described in section 7 of this chapter.
(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:
   (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
   (2) A support and maintenance fee (IC 33-37-5-6).
   (3) A document storage fee (IC 33-37-5-20).
   (4) An automated record keeping fee (IC 33-37-5-21).
(5) A judicial administration fee under (IC 33-37-5-21.2).

(5)(6) A judicial insurance adjustment fee under (IC 33-37-5-25).

SECTION 104. IC 33-37-4-5, AS AMENDED BY P.L.85-2004, SECTION 20, AND AS AMENDED BY P.L.95-2004, SECTION 8, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) For each small claims action the clerk shall collect from the party filing the action a small claims costs fee of thirty-five dollars ($35). However, a clerk may not collect a small claims costs fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

3. An automated record keeping fee (IC 33-37-5-21).
4. A judicial administration fee under (IC 33-37-5-21.2).

(5) A judicial insurance adjustment fee under (IC 33-37-5-25).

(c) This section expires July 1, 2005.

SECTION 105. IC 33-37-4-6, AS AMENDED BY P.L.85-2004, SECTION 21, AND AS AMENDED BY P.L.95-2004, SECTION 9, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) For each small claims action, the clerk shall collect from the party filing the action both of the following fees:

1. A small claims costs fee of thirty-five dollars ($35).
2. A small claims service fee of five dollars ($5) for each defendant named or added in the small claims action.

However, a clerk may not collect a small claims costs fee or small claims service fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee and small claims service fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(3) An automated record keeping fee (IC 33-37-5-21).
(4) A judicial administration fee under (IC 33-37-5-21.2).
(4) A judicial insurance adjustment fee under (IC 33-37-5-25).
(c) This section applies after June 30, 2005.

SECTION 106. IC 33-37-4-7, AS AMENDED BY P.L.85-2004, SECTION 22, AND AS AMENDED BY P.L.95-2004, SECTION 10, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided under subsection (c), the clerk shall collect from the party filing the action a probate costs fee of one hundred twenty dollars ($120) for each action filed under any of the following:
(1) IC 6-4.1-5 (determination of inheritance tax).
(2) IC 29 (probate).
(3) IC 30 (trusts and fiduciaries).
(b) In addition to the probate costs fee collected under subsection (a), the clerk shall collect from the party filing the action the following fees, if they are required under IC 33-37-5:
(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
(2) A document storage fee (IC 33-37-5-20).
(3) An automated record keeping fee (IC 33-37-5-21).
(4) A judicial administration fee under (IC 33-37-5-21.2).
(4) A judicial insurance adjustment fee under (IC 33-37-5-25).
(c) A clerk may not collect a court costs fee for the filing of the following exempted actions:
(1) Petition to open a safety deposit box.
(2) Filing an inheritance tax return, unless proceedings other than the court's approval of the return become necessary.
(3) Offering a will for probate under IC 29-1-7, unless proceedings other than admitting the will to probate become necessary.

SECTION 107. IC 33-37-5-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) This subsection does not apply to the following:
(1) A criminal proceeding.
(2) A proceeding for an infraction violation.
(3) A proceeding for an ordinance violation.
In each action filed in a court described in IC 33-19-1-1, IC 33-37-1-1,
the clerk shall collect a judicial insurance adjustment fee of one dollar ($1).

(b) In each action in which a person is:
   (1) convicted of an offense;
   (2) required to pay a pretrial diversion fee;
   (3) found to have violated an infraction; or
   (4) found to have violated an ordinance;
the clerk shall collect a judicial insurance adjustment fee of one dollar ($1).

SECTION 108. IC 33-37-7-2, AS AMENDED BY P.L.85-2004, SECTION 25, AND AS AMENDED BY P.L.95-2004, SECTION 13, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The clerk of a circuit court shall distribute semiannually to the auditor of state as the state share for deposit in the state general fund seventy percent (70%) of the amount of fees collected under the following:
   (1) IC 33-37-4-1(a) (criminal costs fees).
   (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
   (3) IC 33-37-4-3(a) (juvenile costs fees).
   (4) IC 33-37-4-4(a) (civil costs fees).
   (5) IC 33-37-4-6(a)(1) (small claims costs fees).
   (6) IC 33-37-4-7(a) (probate costs fees).
   (7) IC 33-37-5-17 (deferred prosecution fees).

(b) The clerk of a circuit court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9-2 the following:
   (1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).
   (2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).
   (3) Fifty percent (50%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7).
   (4) One hundred percent (100%) of the domestic violence prevention and treatment fees collected under IC 33-37-4-1(b)(8).
   (5) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).
(6) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.

(7) One hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21).

(c) The clerk of a circuit court shall distribute monthly to the county auditor the following:

1. Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

2. Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(d) The clerk of a circuit court shall distribute monthly to the county auditor fifty percent (50%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7). The county auditor shall deposit fees distributed by a clerk under this subsection into the county child advocacy fund established under IC 12-17-17.

(e) The clerk of a circuit court shall distribute monthly to the county auditor one hundred percent (100%) of the late payment fees collected under IC 33-37-5-22. The county auditor shall deposit fees distributed by a clerk under this subsection as follows:

1. If directed to do so by an ordinance adopted by the county fiscal body, the county auditor shall deposit forty percent (40%) of the fees in the clerk’s record perpetuation fund established under IC 33-37-5-2 and sixty percent (60%) of the fees in the county general fund.

2. If the county fiscal body has not adopted an ordinance described in subdivision (1), the county auditor shall deposit all the fees in the county general fund.

(f) The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the sexual assault victims assistance fund established by IC 16-19-13-6 one hundred percent (100%) of the sexual assault victims assistance fees collected under IC 33-37-5-23.

(g) The clerk of a circuit court shall distribute monthly to the county auditor the following:
One hundred percent (100%) of the support and maintenance fees for cases designated as non-Title IV-D child support cases in the Indiana support enforcement tracking system (ISETS) collected under IC 33-37-5-6.

(2) The percentage share of the support and maintenance fees for cases designated as IV-D child support cases in ISETS collected under IC 33-37-5-6 that is reimbursable to the county at the federal financial participation rate.

The county clerk shall distribute monthly to the office of the secretary of family and social services the percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS collected under IC 33-37-5-6 that is not reimbursable to the county at the applicable federal financial participation rate.

(h) The clerk of a circuit court shall distribute monthly to the county auditor one hundred percent (100%) of the small claims service fee under IC 33-37-4-6(a)(2) for deposit in the county general fund.

(i) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the judicial administration fee collected under IC 33-37-5-21.2.

(j) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

This section applies after June 30, 2005.

SECTION 109. IC 33-37-7-8, AS AMENDED BY P.L.85-2004, SECTION 27, AND AS AMENDED BY P.L.95-2004, SECTION 15, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The clerk of a city or town court shall distribute semiannually to the auditor of state as the state share for deposit in the state general fund fifty-five percent (55%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).
(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
(3) IC 33-37-4-4(a) (civil costs fees).
(4) IC 33-37-4-6(a)(1) (small claims costs fees).
(5) IC 33-37-5-17 (deferred prosecution fees).
(b) The city or town fiscal officer shall distribute monthly to the county auditor as the county share twenty percent (20%) of the amount of fees collected under the following:
   (1) IC 33-37-4-1(a) (criminal costs fees).
   (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
   (3) IC 33-37-4-4(a) (civil costs fees).
   (4) IC 33-37-4-6(a)(1) (small claims costs fees).
   (5) IC 33-37-5-17 (deferred prosecution fees).

(c) The city or town fiscal officer shall retain twenty-five percent (25%) as the city or town share of the fees collected under the following:
   (1) IC 33-37-4-1(a) (criminal costs fees).
   (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
   (3) IC 33-37-4-4(a) (civil costs fees).
   (4) IC 33-37-4-6(a)(1) (small claims costs fees).
   (5) IC 33-37-5-17 (deferred prosecution fees).

(d) The clerk of a city or town court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9 the following:
   (1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-37-4-1(b)(5).
   (2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).
   (3) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).
   (4) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.
   (5) One hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21).

(e) The clerk of a city or town court shall distribute monthly to the county auditor the following:
   (1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-37-4-1(b)(5).
   (2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6),
IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).
The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(f) The clerk of a city or town court shall distribute monthly to the city or town fiscal officer (as defined in IC 36-1-2-7) one hundred percent (100%) of the late payment fees collected under IC 33-37-5-22. The city or town fiscal officer (as defined in IC 36-1-2-7) shall deposit fees distributed by a clerk under this subsection in the city or town general fund.

(g) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the judicial administration fee collected under IC 33-37-5-22.

(h) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(h) This section applies after June 30, 2005.

SECTION 110. IC 33-38-5-8.2, AS ADDED BY P.L.95-2004, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.2. (a) As used in this section, "account" refers to the judicial branch health care insurance adjustment account established by subsection (d).

(b) As used in this section, "employees of the judicial branch" includes the following:

(1) Each judge described in section 6 of this chapter.

(2) Each magistrate:

(A) described in section 7 of this chapter; and

(B) receiving a salary under IC 33-23-5-10.

(3) Each justice and judge described in section 8 of this chapter.

(4) The judge described in IC 33-26.

(5) A prosecuting attorney whose entire salary is paid by the state.

(c) Employees of the judicial branch are entitled to a health care adjustment in any year that the governor provides a health care adjustment to employees of the executive branch.

(d) The judicial branch insurance adjustment account within the
state general fund is established for the purpose of providing health
care adjustments under subsection (c). The account shall be
administered by the supreme court.

(e) The expenses of administering the account shall be paid from
money in the account.

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

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

(h) Money in the account is annually appropriated to the supreme
court for the purpose of this section.

(i) If the funds appropriated for compliance with this section are
insufficient, there is annually appropriated from the state general fund
sufficient funds to carry out the purpose of this section.

SECTION 111. IC 33-38-13-33 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 33. A master may
issue a subpoena for:

(1) the attendance of witnesses;
(2) the production of documentary evidence; or
(3) discovery;

in a proceeding before the masters. The master shall serve the
subpoena in the manner provided by law: All papers and pleadings
filed with the office of the chairman of the commission are
considered to have been filed with the commission.

SECTION 112. IC 33-42-6-1 IS AMENDED TO READ AS
FOLLOWs [EFFECTIVE UPON PASSAGE]: Sec. 1. A notary public
who is a stockholder or an officer of a cemetery association whose rules
or constitution prohibit an officer or a stockholder from becoming a
beneficiary from the sale of lots by the cemetery association may take
acknowledgments of sales of lots: The manager, officers, and
employees of a federal land bank association located in Indiana
may become and act as a notary public in the business of the
association to take acknowledgments of deeds and real estate
mortgages and to take and certify affidavits.

SECTION 113. IC 34-11-8-1 IS AMENDED TO READ AS
FOLLOWs [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This section
applies if a plaintiff commences an action and:

(1) the plaintiff fails in the action from any cause except (1) negligence in the prosecution of the action;
(2) the action abates or is defeated by the death of a party; or
(3) a judgment is arrested or reversed on appeal.

(b) If subsection (a) applies, a new action may be brought not later than the later of:

(1) three (3) years after the date of the determination under subsection (a); or
(2) the last date an action could have been commenced under the statute of limitations governing the original action;

and be considered a continuation of the original action commenced by the plaintiff.

SECTION 114. IC 34-30-2-125.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 125.5. IC 29-3-8.5-9 IC 29-3-8.5-8 (Concerning a volunteer advocate for seniors).

SECTION 115. IC 35-33-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A warrant of arrest shall:

(1) be in writing;
(2) specify the name of the person to be arrested, or if his name is unknown, shall designate such person by any name or description by which he can be identified with reasonable certainty;
(3) set forth the nature of the offense for which the warrant is issued;
(4) state the date and county of issuance;
(5) be signed by the clerk or the judge of the court with the title of his office;
(6) command that the person against whom the indictment or information was filed be arrested and brought before the court issuing the warrant, without unnecessary delay;
(7) specify the amount of bail, if any; and
(8) be directed to the sheriff of the county.

(b) An arrest warrant may be in substantially the following form:

TO:

You are hereby commanded to arrest __________ forthwith, and hold that person to bail in the sum of _______ dollars, to answer in the
______ Court of ________ County, in the State of Indiana, an information or indictment for ____________.

And for want of bail commit him to the jail of the County, and thereafter without unnecessary delay to bring him before the said court.

IN WITNESS WHEREOF, I, ___________ (Clerk/Judge) of said Court, hereto affix the seal thereof, and subscribe my name at __________ this ________ day of _______ A.D. 19__

______

Clerk or Judge of the Court

SECTION 116. IC 35-33-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) When an indictment or information is filed against a person charging him with a misdemeanor, the court may, in lieu of issuing an arrest warrant under IC 35-33-2, issue a summons. The summons must set forth substantially the nature of the offense, and command the accused person to appear before the court at a stated time and place. However, the date set by the court must be at least seven (7) days after the issuance of the summons. The summons may be served in the same manner as the summons in a civil action.

(b) If the person summoned fails, without good cause, to appear as commanded by the summons and the court has determined that there is probable cause to believe that a crime (other than failure to appear) has been committed, the court shall issue a warrant of arrest.

(c) If after issuing a summons the court:

(1) is satisfied that the person will not appear as commanded by the summons; and

(2) has determined that there is probable cause that a crime (other than failure to appear) has been committed;

it may at once issue a warrant of arrest.

(d) The summons may be in substantially the following form:

STATE OF INDIANA ) IN THE _______ COURT
vs. ) OF ________ COUNTY
________________ )
Defendant ) CAUSE NO. __________
SUMMONS
THE STATE OF INDIANA TO
THE ABOVE NAMED DEFENDANT:
YOU ARE HEREBY SUMMONED, to appear before the above
designated Court at ______, ______, ______ at ______ m.m. on (day)
______, ______, 19___, 20___, with respect to an (information or
indictment) for ____________.
If you do not so appear, an application may be made for the Issuance
of a Warrant for your arrest.

ISSUED: __________ ___,
+9— 20___
in
(City or County) _________, ______
BY THE CLERK OF SAID COURT:

CLERK

(e) When any law enforcement officer in the state serves a summons
on a person, he shall file a return of service with the court issuing the
summons. The return shall be in substantially the following form:

RETURN OF SERVICE

I hereby certify that I served this summons upon the above named
defendant by delivering a copy of it and of the Information to the
defendant personally or by certified mail return receipt requested, on
______, 19___, at _______.

DATED: _________ ___, 19___.

(Signature) ____________________________________

LAW ENFORCEMENT AGENCY

(f) In lieu of arresting a person who has allegedly committed a
misdemeanor (other than a traffic misdemeanor) in his presence, a law
enforcement officer may issue a summons and promise to appear. The
summons must set forth substantially the nature of the offense and
direct the person to appear before a court at a stated place and time.

(g) The summons and promise to appear may be in substantially the
following form:

STATE OF INDIANA ) IN THE _______ COURT
 )
vs. ) OF ___________ COUNTY
 )
_________________________ )
SUMMONS AND PROMISE TO APPEAR

YOU ARE HEREBY SUMMONED, to appear before the above designated Court at ________________________________

(Address)

at __________________________ __.m. on __________ _______, Month Day 19___, 20___, in respect to the charge of _______________________

__________________________________________________

If you do not so appear, an application may be made for the issuance of a warrant for your arrest.

ISSUED:_______, 19____, 20____, in ______________, Indiana

(City or County)

BY THE UNDERSIGNED LAW ENFORCEMENT OFFICER:

___________________________

Officer's Signature
I.D. No. ________________
Div. Dist. ________________
Police Agency _____________

COURT APPEARANCE

I promise to appear in court at the time and place designated above, or be subject to arrest.

Signature __________________

YOUR SIGNATURE IS NOT AN ADMISSION OF GUILT.

(h) When any law enforcement officer issues a summons and promise to appear, he shall:

(1) promptly file the summons and promise to appear and the certificate of service with the court designated in the summons and promise to appear; and

(2) provide the prosecuting attorney with a copy thereof.

SECTION 117. IC 35-33-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in section 8 of this chapter, no warrant for search or arrest shall be issued until there is filed with the judge an affidavit:

(1) particularly describing:
(A) the house or place to be searched and the things to be searched for; or
(B) particularly describing the person to be arrested;
(2) alleging substantially the offense in relation thereto and that the affiant believes and has good cause to believe that:
   (A) the things as are to be searched for are there concealed; or
   (B) the person to be arrested committed the offense; and
(3) setting forth the facts then in knowledge of the affiant or information based on hearsay, constituting the probable cause.

(b) When based on hearsay, the affidavit must either:
   (1) contain reliable information establishing the credibility of the source and of each of the declarants of the hearsay and establishing that there is a factual basis for the information furnished; or
   (2) contain information that establishes that the totality of the circumstances corroborates the hearsay.

(c) An affidavit for search substantially in the following form shall be treated as sufficient:

STATE OF INDIANA       )
) SS:
COUNTY OF ______________ )
A B swears (or affirms, as the case may be) that he believes and has good cause to believe (here set forth the facts and information constituting the probable cause) that (here describe the things to be searched for and the offense in relation thereto) are concealed in or about the (here describe the house or place) of C D, situated in the county of ________________, in said state.

Subscribed and sworn to before me this _____ day of 19__.

SECTION 118. IC 35-33-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A search warrant in substantially the following form shall be sufficient:

STATE OF INDIANA       )
) SS:
COUNTY OF _____________ ) IN THE _______ COURT OF

____________________
To _______________ (herein insert the name, department or classification of the law enforcement officer to whom it is addressed)

You are authorized and ordered, in the name of the State of Indiana, with the necessary and proper assistance to enter into or upon _______________________ (here describe the place to be searched), and there diligently search for ________________ (here describe property which is the subject of the search). You are ordered to seize such property, or any part thereof, found on such search.

Dated this ____ day of ______, 19___, 20___, at the hour of ___ __M.

_________________________
(Signature of Judge)

Executed this ___ day of ______, 19___, 20___, at the hour of ____ ___M.

________________________________ (Signature of Law Enforcement Officer)

SECTION 119. IC 35-34-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The indictment or information shall be in writing and allege the commission of an offense by:

(1) stating the title of the action and the name of the court in which the indictment or information is filed;
(2) stating the name of the offense in the words of the statute or any other words conveying the same meaning;
(3) citing the statutory provision alleged to have been violated, except that any failure to include such a citation or any error in such a citation does not constitute grounds for reversal of a conviction where the defendant was not otherwise misled as to the nature of the charges against him; the defendant;
(4) setting forth the nature and elements of the offense charged in plain and concise language without unnecessary repetition;
(5) stating the date of the offense with sufficient particularity to show that the offense was committed within the period of limitations applicable to that offense;
(6) stating the time of the offense as definitely as can be done if time is of the essence of the offense;
(7) stating the place of the offense with sufficient particularity to show that the offense was committed within the jurisdiction of the court where the charge is to be filed;
(8) stating the place of the offense as definitely as can be done if the place is of the essence of the offense; and
(9) stating the name of every defendant, if known, and if not known, by designating the defendant by any name or description by which he can be identified with reasonable certainty.

(b) An indictment shall be signed by:
(1) the foreman or five (5) members of the grand jury; and
(2) the prosecuting attorney or his deputy.

An information shall be signed by the prosecuting attorney or his deputy and sworn to or affirmed by him or any other person.

(c) An indictment or information shall have stated upon it the names of all the material witnesses. Other witnesses may afterwards be subpoenaed by the state, but unless the name of a witness is stated on the indictment or information, no continuance shall be granted to the state due to the absence of the witness.

(d) The indictment or information shall be a plain, concise, and definite written statement of the essential facts constituting the offense charged. It need not contain a formal commencement, a formal conclusion, or any other matter not necessary to the statement. Presumptions of law and matters of which judicial notice is taken need not be stated.

(e) The indictment may be substantially in the following form:

IN THE __________ COURT OF INDIANA, 19____ 20____

STATE OF INDIANA

vs. CAUSE NUMBER _______

A _________ B _________

The grand jury of the county of _________ upon their oath or affirmation do present that AB, on the _________ day of __________ 19____ 20____ at the county of _________ in the state of Indiana (HERE SET FORTH THE OFFENSE CHARGED).

(f) The information may be substantially in the same form as the indictment, substituting for the words, "the grand jury of the county of _________, upon their oath or affirmation so present" the following: "CD, being duly sworn on his oath or having affirmed, says." It is not necessary in an information to state the reason why the proceeding is by information rather than indictment.

(g) This section applies to a traffic offense (as defined in IC 9-30-3-5) if the traffic offense is:
(1) a felony; or
(2) a misdemeanor.

SECTION 120. IC 35-37-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section applies to a criminal action involving the following offenses where the victim is a protected person under subsection (c)(1) or (c)(2):

(1) Sex crimes (IC 35-42-4).
(2) Battery upon a child (IC 35-42-2-1(a)(2)(B)).
(3) Kidnapping and confinement (IC 35-42-3).
(4) Incest (IC 35-46-1-3).
(5) Neglect of a dependent (IC 35-46-1-4).
(6) An attempt under IC 35-41-5-1 for an offense listed in subdivisions (1) through (5).

(b) This section applies to a criminal action involving the following offenses where the victim is a protected person under subsection (c)(3):

(1) Exploitation of a dependent or endangered adult (IC 35-46-1-12).
(2) A sex crime (IC 35-42-4).
(3) Battery (IC 35-42-2-1).
(4) Kidnapping, confinement, or interference with custody (IC 35-42-3).
(5) Home improvement fraud (IC 35-42-6).
(6) Fraud (IC 35-43-5).
(7) Identity deception (IC 35-43-5-3.5).
(8) Theft (IC 35-43-4-2).
(9) Conversion (IC 35-43-4-3).
(10) Neglect of a dependent (IC 35-46-1-4).

(c) As used in this section, "protected person" means:
(1) a child who is less than fourteen (14) years of age;
(2) a mentally disabled individual who has a disability attributable to an impairment of general intellectual functioning or adaptive behavior that:
(A) is manifested before the individual is eighteen (18) years of age;
(B) is likely to continue indefinitely;
(C) constitutes a substantial impairment of the individual's ability to function normally in society; and
(D) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated; or

(3) an individual who is:
(A) at least eighteen (18) years of age; and
(B) incapable by reason of mental illness, mental retardation, dementia, or other physical or mental incapacity of:
   (i) managing or directing the management of the individual's property; or
   (ii) providing or directing the provision of self-care.

(d) A statement or videotape that:
   (1) is made by a person who at the time of trial is a protected person;
   (2) concerns an act that is a material element of an offense listed in subsection (a) or (b) that was allegedly committed against the person; and
   (3) is not otherwise admissible in evidence;

is admissible in evidence in a criminal action for an offense listed in subsection (a) or (b) if the requirements of subsection (e) are met.

(e) A statement or videotape described in subsection (d) is admissible in evidence in a criminal action listed in subsection (a) or (b) if, after notice to the defendant of a hearing and of the defendant's right to be present, all of the following conditions are met:

(1) The court finds, in a hearing:
   (A) conducted outside the presence of the jury; and
   (B) attended by the protected person;

   that the time, content, and circumstances of the statement or videotape provide sufficient indications of reliability.

(2) The protected person:
   (A) testifies at the trial; or
   (B) is found by the court to be unavailable as a witness for one of the following reasons:

      (i) From the testimony of a psychiatrist, physician, or psychologist, and other evidence, if any, the court finds that the protected person's testifying in the physical presence of the defendant will cause the protected person to suffer serious emotional distress such that the protected person
cannot reasonably communicate.
(ii) The protected person cannot participate in the trial for medical reasons.
(iii) The court has determined that the protected person is incapable of understanding the nature and obligation of an oath.

(f) If a protected person is unavailable to testify at the trial for a reason listed in subsection (e)(2)(B), a statement or videotape may be admitted in evidence under this section only if the protected person was available for cross-examination:
   (1) at the hearing described in subsection (e)(1); or
   (2) when the statement or videotape was made.

(g) A statement or videotape may not be admitted in evidence under this section unless the prosecuting attorney informs the defendant and the defendant's attorney at least ten (10) days before the trial of:
   (1) the prosecuting attorney's intention to introduce the statement or videotape in evidence; and
   (2) the content of the statement or videotape.

(h) If a statement or videotape is admitted in evidence under this section, the court shall instruct the jury that it is for the jury to determine the weight and credit to be given the statement or videotape and that, in making that determination, the jury shall consider the following:
   (1) The mental and physical age of the person making the statement or videotape.
   (2) The nature of the statement or videotape.
   (3) The circumstances under which the statement or videotape was made.
   (4) Other relevant factors.

(i) If a statement or videotape described in subsection (d) is admitted into evidence under this section, a defendant may introduce:
   (1) transcript; or
   (2) videotape;
of the hearing held under subsection (e)(1) into evidence at trial.

SECTION 121. IC 35-37-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to a criminal action under the following:
(1) Sex crimes (IC 35-42-4).
(2) Battery upon a child (IC 35-42-2-1(2)(B)).
(3) Kidnapping and confinement (IC 35-42-3).
(4) Incest (IC 35-46-1-3).
(5) Neglect of a dependent (IC 35-46-1-4).
(6) An attempt under IC 35-41-5-1 for an offense listed in subdivisions (1) through (5).

(b) As used in this section, "protected person" has the meaning set forth in section 6 of this chapter.

(c) On the motion of the prosecuting attorney, the court may order that the testimony of a protected person be taken in a room other than the courtroom, and that the questioning of the protected person by the prosecution and the defense be transmitted using a two-way closed circuit television arrangement that:

(1) allows the protected person to see the accused and the trier of fact; and
(2) allows the accused and the trier of fact to see and hear the protected person.

(d) On the motion of the prosecuting attorney or the defendant, the court may order that the testimony of a protected person be videotaped for use at trial. The videotaping of the testimony of a protected person under this subsection must meet the requirements of subsection (c).

(e) The court may not make an order under subsection (c) or (d) unless:

(1) the testimony to be taken is the testimony of a protected person who:

(A) is the alleged victim of an offense listed in subsection (a) for which the defendant is being tried or is a witness in a trial for an offense listed in subsection (a); and
(B) is found by the court to be a protected person who should be permitted to testify outside the courtroom because:

(i) the court finds from the testimony of a psychiatrist, physician, or psychologist and any other evidence that the protected person's testifying in the physical presence of the defendant would cause the protected person to suffer serious emotional harm and the court finds that the protected person could not reasonably communicate in the physical presence
of the defendant to the trier of fact;
(ii) a physician has certified that the protected person cannot be present in the courtroom for medical reasons; or
(iii) evidence has been introduced concerning the effect of the protected person's testifying in the physical presence of the defendant, and the court finds that it is more likely than not that the protected person's testifying in the physical presence of the defendant creates a substantial likelihood of emotional or mental harm to the protected person;
(2) the prosecuting attorney has informed the defendant and the defendant's attorney of the intention to have the protected person testify outside the courtroom; and
(3) the prosecuting attorney informed the defendant and the defendant's attorney under subdivision (2) at least ten (10) days before the trial of the prosecuting attorney's intention to have the protected person testify outside the courtroom.
(f) If the court makes an order under subsection (c), only the following persons may be in the same room as the protected person during the protected person's testimony:
(1) A defense attorney if:
   (A) the defendant is represented by the defense attorney; and
   (B) the prosecuting attorney is also in the same room.
(2) The prosecuting attorney if:
   (A) the defendant is represented by a defense attorney; and
   (B) the defense attorney is also in the same room.
(3) Persons necessary to operate the closed circuit television equipment.
(4) Persons whose presence the court finds will contribute to the protected person's well-being.
(5) A court bailiff or court representative.
(g) If the court makes an order under subsection (d), only the following persons may be in the same room as the protected person during the protected person's videotaped testimony:
(1) The judge.
(2) The prosecuting attorney.
(3) The defendant's attorney (or the defendant, if the defendant is not represented by an attorney).
(4) Persons necessary to operate the electronic equipment.
(5) The court reporter.
(6) Persons whose presence the court finds will contribute to the protected person's well-being.
(7) The defendant, who can observe and hear the testimony of the protected person with the protected person being able to observe or hear the defendant. However, if the defendant is not represented by an attorney, the defendant may question the protected person.

(h) If the court makes an order under subsection (c) or (d), only the following persons may question the protected person:
(1) The prosecuting attorney.
(2) The defendant's attorney (or the defendant, if the defendant is not represented by an attorney).
(3) The judge.

SECTION 122. IC 35-37-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "covered act" means any of the following offenses or an act that, if committed by a person less than eighteen (18) years of age, would be any of the following offenses if committed by an adult:
(1) A sex crime under IC 35-42-4.
(2) A battery against:
   (A) a child under IC 35-42-2-1(2)(B); IC 35-42-2-1(a)(2)(B);
   (B) a disabled person under IC 35-42-2-1(2)(C); IC 35-42-2-1(a)(2)(C);
   (C) an endangered adult under IC 35-42-2-1(2)(F); IC 35-42-2-1(a)(2)(F); or
   (D) a spouse under IC 35-42-2-1.
(3) Neglect of a dependent under IC 35-46-1-4.
(4) Incest (IC 35-46-1-3).

SECTION 123. IC 35-38-1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Within three hundred sixty-five (365) days after:
(1) the defendant a convicted person begins serving his the sentence imposed on the person;
(2) a hearing is held:
   (A) at which the defendant convicted person is present; and
   (B) of which the prosecuting attorney has been notified; and
(3) obtaining the court obtains a report from the department of
correction concerning the defendant's convicted person's conduct while imprisoned; the court may reduce or suspend the sentence. The court must incorporate its reasons in the record.

(b) If more than three hundred sixty-five (365) days have elapsed since the defendant convicted person began serving the sentence and after a hearing at which the convicted person is present, the court may reduce or suspend the sentence, subject to the approval of the prosecuting attorney. However, if in a sentencing hearing for a defendant convicted person conducted after June 30, 2001, the court could have placed the defendant convicted person in a community corrections program as an alternative to commitment to the department of correction, the court may modify the defendant's convicted person's sentence under this section without the approval of the prosecuting attorney to place the defendant convicted person in a community corrections program under IC 35-38-2.6.

(c) The court must give notice of the order to reduce or suspend the sentence under this section to the victim (as defined in IC 35-35-3-1) of the crime for which the defendant convicted person is serving the sentence.

(d) The court may suspend a sentence for a felony under this section only if suspension is permitted under IC 35-50-2-2.

(e) The court may deny a request to suspend or reduce a sentence under this section without making written findings and conclusions.

(f) Notwithstanding subsections (a) and (b), the court is not required to conduct a hearing before reducing or suspending a sentence if:

(1) the prosecuting attorney has filed with the court an agreement of the reduction or suspension of the sentence; and

(2) the defendant convicted person has filed with the court a waiver of the right to be present when the order to reduce or suspend the sentence is considered.

SECTION 124. IC 35-38-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This section does not apply to a request to a law enforcement agency for the release or inspection of a limited criminal history to a noncriminal justice organization or individual whenever the subject of the request is described in IC 10-13-3-27(a)(8) or IC 10-13-3-27(a)(12).

(b) A person may petition the state police department to limit access
to the person's limited criminal history to criminal justice agencies if more than fifteen (15) years have elapsed since the date the person was discharged from probation, imprisonment, or parole (whichever is later) for the last conviction for a crime.

(c) When a petition is filed under subsection (b), the state police department shall not release limited criminal history to noncriminal justice agencies under IC 10-13-5-27. IC 10-13-3-27.

SECTION 125. IC 35-42-2-1, AS AMENDED BY P.L.175-2003, SECTION 2, AND AS AMENDED BY P.L.281-2003, SECTION 3, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 1. (a) A person who knowingly or intentionally touches another person in a rude, insolent, or angry manner commits battery, a Class B misdemeanor. However, the offense is:

1. a Class A misdemeanor if:
   (A) it results in bodily injury to any other person;
   (B) it is committed against a law enforcement officer or against a person summoned and directed by the officer while the officer is engaged in the execution of his official duty;
   (C) it is committed against an employee of a penal facility or a juvenile detention facility (as defined in IC 31-9-2-71) while the employee is engaged in the execution of the employee's official duty;
   (D) it is committed against a firefighter (as defined in IC 9-18-34-1) while the firefighter is engaged in the execution of the firefighter's official duty;
   (E) it is committed against a community policing volunteer:
      (i) while the volunteer is performing the duties described in IC 35-41-1-4.7; or
      (ii) because the person is a community policing volunteer;
2. a Class D felony if it results in bodily injury to:
   (A) a law enforcement officer or a person summoned and directed by a law enforcement officer while the officer is engaged in the execution of his official duty;
   (B) a person less than fourteen (14) years of age and is committed by a person at least eighteen (18) years of age;
   (C) a person of any age who is mentally or physically disabled and is committed by a person having the care of the mentally
or physically disabled person, whether the care is assumed voluntarily or because of a legal obligation;
(D) the other person and the person who commits the battery was previously convicted of a battery in which the victim was the other person;
(E) an endangered adult (as defined in IC 12-10-3-2);
(F) an employee of the department of correction while the employee is engaged in the execution of the employee's official duty;
(G) an employee of a school corporation while the employee is engaged in the execution of the employee's official duty;
(H) a correctional professional while the correctional professional is engaged in the execution of the correctional professional's official duty;
(I) a person who is a health care provider (as defined in IC 16-18-2-163) while the health care provider is engaged in the execution of the health care provider's official duty;
(J) an employee of a penal facility or a juvenile detention facility (as defined in IC 31-9-2-71) while the employee is engaged in the execution of the employee's official duty; or
(K) a firefighter (as defined in IC 9-18-34-1) while the firefighter is engaged in the execution of the firefighter's official duty;
(L) a community policing volunteer:
   (i) while the volunteer is performing the duties described in IC 35-41-1-4.7; or
   (ii) because the person is a community policing volunteer;
(3) a Class C felony if it results in serious bodily injury to any other person or if it is committed by means of a deadly weapon;
(4) a Class B felony if it results in serious bodily injury to a person less than fourteen (14) years of age and is committed by a person at least eighteen (18) years of age;
(5) a Class A felony if it results in the death of a person less than fourteen (14) years of age and is committed by a person at least eighteen (18) years of age;
(6) a Class C felony if it results in serious bodily injury to an endangered adult (as defined in IC 12-10-3-2); and
(7) a Class B felony if it results in the death of an endangered
adult (as defined in IC 12-10-3-2).

(b) For purposes of this section:
   (1) "law enforcement officer" includes an alcoholic beverage enforcement officer; and
   (2) "correctional professional" means a:
      (A) probation officer;
      (B) parole officer;
      (C) community corrections worker; or
      (D) home detention officer.

SECTION 126. IC 35-46-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:
8. (a) A person at least eighteen (18) years of age who knowingly or intentionally encourages, aids, induces, or causes a person less than eighteen (18) years of age to commit an act of delinquency (as defined by IC 31-37-1 or IC 31-37-2) commits contributing to delinquency, a Class A misdemeanor.

(b) However, the offense described in subsection (a) is a Class C felony if:
   (1) if:
      (A) the person committing the offense is at least twenty-one (21) years of age and knowingly or intentionally furnishes:
         (i) an alcoholic beverage to a person less than eighteen (18) years of age in violation of IC 7.1-5-7-8 when the person committing the offense knew or reasonably should have known that the person furnished the alcoholic beverage was less than eighteen (18) years of age; or
         (ii) a controlled substance (as defined in IC 35-48-1-9) or a drug (as defined in IC 9-13-2-49.1) in violation of Indiana law; and
      (B) the consumption, ingestion, or use of the alcoholic beverage, controlled substance, or drug is the proximate cause of the death of any person; or
   (2) if the person committing the offense is at least eighteen (18) years of age and knowingly or intentionally encourages, aids, induces, or causes a person less than eighteen (18) years of age to commit an act that would be a felony if committed by an adult under any of the following:
      (A) IC 35-48-4-1.
(B) IC 35-48-4-2.
(C) IC 35-48-4-3.
(D) IC 35-48-4-4.
(E) IC 35-48-4-4.5.
(F) IC 35-48-4-4.6.
(G) IC 35-48-4-5.

SECTION 127. IC 35-46-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. Any person acting in good faith who:

(1) makes or causes to be made a report of neglect, battery, or exploitation under this chapter, IC 35-42-2-1(2)(C), IC 35-42-2-1(a)(2)(C), or IC 35-42-2-1(2)(F);
(2) makes or causes to be made photographs or x-rays of a victim of suspected neglect or battery of an endangered adult or a dependent eighteen (18) years of age or older; or
(3) participates in any official proceeding or a proceeding resulting from a report of neglect, battery, or exploitation of an endangered adult or a dependent eighteen (18) years of age or older relating to the subject matter of that report;

is immune from any civil or criminal liability that might otherwise be imposed because of these actions. However, this section does not apply to a person accused of neglect, battery, or exploitation of an endangered adult or a dependent eighteen (18) years of age or older.

SECTION 128. IC 35-47.5-4-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE] Sec. 4.5. (a) This section does not apply to a person who is regulated under IC 14-34.
(b) The commission shall adopt rules under IC 4-22-2 to:
(1) govern the use of a regulated explosive; and
(2) establish requirements for the issuance of a license for the use of a regulated explosive.
(c) The commission shall include the following requirements in the rules adopted under subsection (b):
(1) Relicensure every three (3) years after the initial issuance of a license.
(2) Continuing education as a condition of relicensure.
(3) An application for licensure or relicensure must be submitted to the office on forms approved by the commission.
(4) A fee for licensure and relicensure.
(5) Reciprocal recognition of a license for the use of a regulated explosive issued by another state if the licensure requirements of the other state are substantially similar to the licensure requirements established by the commission.
(d) A person may not use a regulated explosive unless the person has a license issued under this section for the use of a regulated explosive.
(e) The office shall carry out the licensing and relicensing program under the rules adopted by the commission.
(f) As used in this section, "regulated explosive" does not include either of the following:
   (1) Consumer fireworks (as defined in 27 CFR 55.11).
   (2) Commercially manufactured black powder in quantities not to exceed fifty (50) pounds, if the black powder is intended to be used solely for sporting, recreational, or cultural purposes in antique firearms or antique devices.

SECTION 129. IC 35-50-5-3, AS AMENDED BY P.L.85-2004, SECTION 54, AND AS AMENDED BY P.L.98-2004, SECTION 157, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (i), in addition to any sentence imposed under this article for a felony or misdemeanor, the court may, as a condition of probation or without placing the person on probation, order the person to make restitution to the victim of the crime, the victim's estate, or the family of a victim who is deceased. The court shall base its restitution order upon a consideration of:
   (1) property damages of the victim incurred as a result of the crime, based on the actual cost of repair (or replacement if repair is inappropriate);
   (2) medical and hospital costs incurred by the victim (before the date of sentencing) as a result of the crime;
   (3) the cost of medical laboratory tests to determine if the crime has caused the victim to contract a disease or other medical condition;
   (4) earnings lost by the victim (before the date of sentencing) as a result of the crime including earnings lost while the victim was
hospitalized or participating in the investigation or trial of the crime; and
(5) funeral, burial, or cremation costs incurred by the family or estate of a homicide victim as a result of the crime.

(b) A restitution order under subsection (a) or (i) is a judgment lien that:
(1) attaches to the property of the person subject to the order;
(2) may be perfected;
(3) may be enforced to satisfy any payment that is delinquent under the restitution order by the person in whose favor the order is issued or the person's assignee; and
(4) expires;

in the same manner as a judgment lien created in a civil proceeding.

(c) When a restitution order is issued under subsection (a), the issuing court may order the person to pay the restitution, or part of the restitution, directly to:
(1) the victim services division of the Indiana criminal justice institute in an amount not exceeding:
   - (A) the amount of the award, if any, paid to the victim under IC 5-2-6.1; and
   - (B) the cost of the reimbursements, if any, for emergency services provided to the victim under IC 16-10-1.5 (before its repeal) or IC 16-21-8; or
(2) a probation department that shall forward restitution or part of restitution to:
   - (A) a victim of a crime;
   - (B) a victim's estate; or
   - (C) the family of a victim who is deceased.

The victim services division of the Indiana criminal justice institute shall deposit the restitution received under this subsection in the violent crime victims compensation fund established by IC 5-2-6.1-40.

(d) When a restitution order is issued under subsection (a) or (i), the issuing court shall send a certified copy of the order to the clerk of the circuit court in the county where the felony or misdemeanor charge was filed. The restitution order must include the following information:
(1) The name and address of the person that is to receive the restitution.
(2) The amount of restitution the person is to receive. Upon receiving the order, the clerk shall enter and index the order in the circuit court judgment docket in the manner prescribed by IC 33-17-2-3, IC 33-32-3-2. The clerk shall also notify the department of insurance of an order of restitution under subsection (i).

e) An order of restitution under subsection (a) or (i) does not bar a civil action for:

   (1) damages that the court did not require the person to pay to the victim under the restitution order but arise from an injury or property damage that is the basis of restitution ordered by the court; and

   (2) other damages suffered by the victim.

f) Regardless of whether restitution is required under subsection (a) as a condition of probation or other sentence, the restitution order is not discharged by the completion of any probationary period or other sentence imposed for a felony or misdemeanor.

g) A restitution order under subsection (a) or (i) is not discharged by the liquidation of a person's estate by a receiver under IC 32-30-5 (or IC 34-48-1, IC 34-48-4, IC 34-48-5, IC 34-48-6, IC 34-1-12, or IC 34-2-7 before their repeal).

h) The attorney general may pursue restitution ordered by the court under subsections (a) and (c) on behalf of the victim services division of the Indiana criminal justice institute established under IC 5-2-6-8.

i) The court may order the person convicted of an offense under IC 35-43-9 to make restitution to the victim of the crime. The court shall base its restitution order upon a consideration of the amount of money that the convicted person converted, misappropriated, or received, or for which the convicted person conspired. The restitution order issued for a violation of IC 35-43-9 must comply with subsections (b), (d), (e), and (g), and is not discharged by the completion of any probationary period or other sentence imposed for a violation of IC 35-43-9.

SECTION 130. IC 36-7-31.3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) A tax area must be initially established by resolution:

   (1) except as provided in subdivision (2) before July 1, 1999; or

   (2) before January 1, 2005, in the case of:

   (A) in the case of a second class city; or
(B) the city of Marion; according to the procedures set forth for the establishment of an economic development area under IC 36-7-14. A tax area may be changed or the terms governing the tax area revised in the same manner as the establishment of the initial tax area. Only one (1) tax area may be created in each county.

(b) In establishing the tax area, the designating body must make the following findings instead of the findings required for the establishment of economic development areas:

(1) Except for a tax area in a city having a population of:
   (A) more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000); or
   (B) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);
   there is a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used by a professional sports franchise for practice or competitive sporting events. A tax area to which this subdivision applies may also include a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a)(2) of this chapter.

(2) For a tax area in a city having a population of more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000), there is a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a) of this chapter.

(3) For a tax area in a city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000), there is a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a)(2) of this chapter.

(4) The capital improvement that will be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.

(5) The capital improvement that will be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.
(c) The tax area established under this chapter is a special taxing
district authorized by the general assembly to enable the designating
body to provide special benefits to taxpayers in the tax area by
promoting economic development that is of public use and benefit.

SECTION 131. THE FOLLOWING ARE REPEALED
[EFFECTIVE UPON PASSAGE]: IC 4-1-7.1-5; IC 4-4-11-16.1;
IC 5-13-12-8.5; IC 6-6-5-7.5; IC 6-6-5.5-15; IC 8-1-8.6;
IC 9-18-25-1.6; IC 9-18-25-14; IC 9-18-25-16; IC 12-15-19-9;
IC 14-22-12-1.6; IC 21-2-4-7; IC 21-2-11.5-5; IC 21-2-15-13.1;
IC 31-40-1-1.7; IC 34-13-1-2; IC 36-9-31-26.

SECTION 132. P.L.66-2004, SECTION 6, IS AMENDED TO
READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION
6. (a) As used in this SECTION, "department" refers to the Indiana
department of administration established by IC 4-13-1-2.

(b) As used in this SECTION, "preference" refers to an Indiana
business preference claimed by a contractor or a business under a
preference statute.

(c) As used in this SECTION, "preference statute" refers to either
of the following:

(1) IC 4-13.6-6-2.7, as added by this act.

(2) IC 5-22-15-20.5, as added by this act.

(d) The department shall compile and organize a report relating to
every contractor or business that claims a preference. The report must
include the following information:

(1) A summary of the information that contractors and businesses
that claim a preference are required to report under the preference
statute.

(2) A summary of the number of contracts awarded to Indiana
contractors or businesses under a preference statute. The
summary must be broken down by each of the criteria in the
preference statute for determining whether a business is an
Indiana business.

(3) A statement of issues or questions raised, if any, in the
implementation of the preference statutes.

(4) A statement of recommendations, if any, that the department
has for changes to the preference statutes.

(5) Any other information the department considers useful in the
evaluation of the preference statutes.
(e) The report described by subsection (c) must:
   (1) provide the statistical information broken down by fiscal year with the fiscal year ending:
      (A) June 30, 2005, being the first year of the report; and
      (B) June 30, 2008, being the last year of the report; and
   (2) be submitted to the legislative council not later than September 1, 2008, in an electronic format under IC 5-14-6.

(f) This SECTION expires July 1, 2009.

SECTION 133. P.L.90-2004, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 15. (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) As used in this SECTION, "taxpayer" means a nonprofit corporation that is an owner of land and improvements:
   (1) that were owned, occupied, and used by the taxpayer to provide youths with the opportunity to play supervised and organized baseball or softball, or both, against other youths during the period preceding the assessment date in 2002 and continuing through the date that this SECTION is effective;
   (2) for which a property tax liability was imposed for property taxes first due and payable in 2001, 2002, and 2003 that exceeded eighteen thousand dollars ($18,000), in the aggregate, and was paid in 2003;
   (3) that would have qualified for an exemption under IC 6-1.1-10 from property taxes first due and payable in 2003 if the owner had complied with the filing requirements for the exemption in a timely manner; and
   (4) that have been granted an exemption under IC 6-1.1-10 from property taxes first due and payable in 2004.

(c) The land and improvements described in subsection (b) are exempt under IC 6-1.1-10-16 from property taxes first due and payable in 2003, notwithstanding that the taxpayer failed to make a timely application for the exemption on or before May 15, 2002.

(d) The taxpayer may file claims with the county auditor for a refund for the amounts paid toward property taxes on the land and improvements described in subsection (b) that were billed to the taxpayer for property taxes first due and payable in 2001, 2002, and 2003. The claim must be filed as set forth in IC 6-1.1-26-1(1) through IC 6-1.1-26-1(3). The claims must present sufficient facts for the
county auditor to determine whether the claimant is a person that meets
the qualifications described in subsection (b) and the amount that
should be refunded to the taxpayer.

(e) Upon receiving a claim filed under this SECTION, the county
auditor shall determine whether the claim is correct. If the county
auditor determines that the claim is correct, the county auditor shall
submit the claim under IC 6-1.1-26-3 to the county
board of commissioners for review. The only grounds for disallowing
the claim under IC 6-1.1-26-4 are that the claimant is not a person that
meets the qualifications described in subsection (b) or that the amount
claimed is not the amount due to the taxpayer. If the claim is allowed,
the county auditor shall, without an appropriation being required, issue
a warrant to the claimant payable from the county general fund for the
amount due the claimant under this SECTION. The amount of the
refund must equal the amount of the claim allowed. Notwithstanding
IC 6-1.1-26-5, no interest is payable on the refund.

(f) This SECTION expires December 31, 2006.

SECTION 134. P.L.96-2004, SECTION 28, IS AMENDED TO
READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION
28. (a) As used in this SECTION, "department" refers to the
department of workforce development.

(b) Notwithstanding IC 22-4.1-7-7; IC 22-4.1-7-8, as added by this act; P.L.96-2004, the department, in consultation with the department
of education, shall adopt rules to implement IC 22-4.1-7, as added by
this act; P.L.96-2004, in the same manner as emergency rules are
adopted under IC 4-22-2-37.1. Any rules adopted under this SECTION
must be adopted not later than September 1, 2004. A rule adopted
under this SECTION expires on the earlier of:

(1) the date a rule is adopted by the department, in consultation
with the department of education, under IC 4-22-2-24 through
IC 4-22-2-36 to implement IC 22-4.1-7, as added by this act; P.L.96-2004; or
(2) January 1, 2006.

(c) This SECTION expires December 31, 2007.

SECTION 135. P.L.231-2003, SECTION 6, AS AMENDED BY
P.L.24-2004, SECTION 8, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: SECTION 6. (a) Except as provided
in subsection (b), before July 1, 2006, the:
(1) air pollution control board, water pollution control board, or solid waste management board may not adopt a new rule; and
(2) department of environmental management may not adopt a new policy;
if the new rule or policy would require any industry described in subsection (b) that experienced at least a ten percent (10%) job loss or a ten percent (10%) decline in production during calendar years 2001, 2002, and 2003 to comply with a standard of conduct that exceeds the standard established in a related federal regulation or regulatory policy.

(b) Subsection (a) does not apply to the adoption of a new rule by the air pollution control board that is necessary to attain or maintain the primary or secondary national ambient air quality standards as part of a state implementation plan submitted to the United States Environmental Protection Agency under Section 110 of the federal Clean Air Act (42 U.S.C. 7410a).

(c) The following are the industries referred to in subsection (a) functioning under the following primary Standard Industrial Classification (SIC) codes:

(1) Blast furnaces and steel mills (3312).
(2) Gray and ductile iron foundries (3321).
(3) Malleable iron foundries (3322).
(4) Steel investment foundries (3324).
(5) Steel foundries (3325).
(6) Aluminum foundries (3365).
(7) Copper foundries (3366).
(8) Nonferrous foundries (3369).

(d) This SECTION expires July 1, 2006.


SECTION 137. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning trade regulation and consumer credit.

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

SECTION 1. IC 24-9-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 4. (a) A person who violates this article is liable to a person who is a party to the home loan transaction that gave rise to the violation for the following:

1. Actual damages, including consequential damages. A person is not required to demonstrate reliance in order to receive actual damages.

2. Statutory damages equal to two (2) times the finance charges agreed to in the home loan agreement.

3. Costs and reasonable attorney's fees.

(b) A person may be granted injunctive, declaratory, and other equitable relief as the court determines appropriate in an action to enforce compliance with this chapter.

(c) The right of rescission granted under 15 U.S.C. 1601 et seq. for a violation of the federal Truth in Lending Act (15 U.S.C. 1601 et seq.) is available to a person acting only in an individual capacity by way of recoupment as a defense against a party foreclosing on a home loan at any time during the term of the loan. Any recoupment claim asserted under this provision is limited to the amount required to reduce or extinguish the person's liability under the home loan plus amounts required to recover costs, including reasonable attorney's fees. This article shall not be construed to limit the recoupment rights available to a person under any other law.

(d) The remedies provided in this section are cumulative but are not intended to be the exclusive remedies available to a person. Except as provided in subsection (e), a person is not required to exhaust any administrative remedies under this article or under any other applicable
law.

(e) Before bringing an action regarding an alleged deceptive act under this chapter, a person must:

(1) notify the homeowner protection unit established by IC 4-6-12-2 of the alleged violation giving rise to the action; and
(2) allow the homeowner protection unit at least ninety (90) days to institute appropriate administrative and civil action to redress a violation.

(f) An action under this chapter must be brought within five (5) years after the date that the person knew, or by the exercise of reasonable diligence should have known, of the violation of this article.

(g) An award of damages under subsection (a) has priority over a civil penalty imposed under this article.

SECTION 2. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]
The general assembly intends the amendment of IC 24-9-5-4(c) made by this act to be construed together with P.L.73-2004, SECTION 33, and to apply as if the language of IC 24-9-5-4(c), as amended by this act, had been part of P.L.73-2004, SECTION 33.

SECTION 3. An emergency is declared for this act.

P.L.4-2005
[H.1003. Approved February 9, 2005.]

AN ACT to amend the Indiana Code concerning economic development and to make an appropriation.

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

SECTION 1. IC 1-1-3.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The governor shall forward a copy of the executive order issued under section 3 of this chapter to:

(1) the director of the Indiana state library;
(2) the election division; and
(3) the Indiana Register.
(b) The director of the Indiana state library, or an employee of the Indiana state library designated by the director to supervise a state data center established under IC 4-23-7.1, shall notify each state agency using population counts as a basis for the distribution of funds or services of the effective date of the tabulation of population or corrected population count.

(c) The agencies that the director of the Indiana state library must notify under subsection (b) include the following:

(1) The auditor of state, for distribution of money from the following:
   (A) The cigarette tax fund in accordance with IC 6-7-1-30.1.
   (B) Excise tax revenue allocated under IC 7.1-4-7-8.
   (C) The local road and street account in accordance with IC 8-14-2-4.
   (D) The repayment of loans from the Indiana University permanent endowment funds under IC 21-7-4.

(2) The board of trustees of Ivy Tech State College, for the board’s division of Indiana into service regions under IC 20-12-61-9.

(3) The department of commerce, lieutenant governor, for the distribution of money from the following:
   (A) The rural development fund under IC 4-4-9.
   (B) The growth investment program fund under IC 4-4-20.

(4) The division of disability, aging, and rehabilitative services, for establishing priorities for community residential facilities under IC 12-11-1.1 and IC 12-28-4-12.

(5) The department of state revenue, for distribution of money from the motor vehicle highway account fund under IC 8-14-1-3.

(6) The enterprise zone board, Indiana economic development corporation, for the evaluation of enterprise zone applications under IC 4-4-6.1.

(7) The alcohol and tobacco commission, for the issuance of permits under IC 7.1.

(8) The Indiana library and historical board, for distribution of money to eligible public library districts under IC 4-23-7.1-29.

(9) The state board of accounts, for calculating the state share of salaries paid under IC 33-38-5, IC 33-39-6, and IC 33-41-2.

SECTION 2. IC 4-4-5.2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this
chapter, "board" refers to the Indiana twenty-first century research and technology fund board of the Indiana economic development corporation, established by IC 4-4-5-1-6.

SECTION 3. IC 4-4-10.9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in subsection (b), "industrial development project" includes:

(1) the acquisition of land, site improvements, infrastructure improvements, buildings, or structures, rehabilitation, renovation, and enlargement of buildings and structures, machinery, equipment, furnishings, or facilities (or any combination of these), comprising or being functionally related and subordinate to any project (whether manufacturing, commercial, agricultural, environmental, or otherwise) the development or expansion of which serves the public purposes set forth in IC 4-4-11-2;
(2) educational facility projects; and
(3) child care facility projects.

(b) For purposes of the industrial development guaranty fund program, "industrial development project" includes the acquisition of land, interests in land, site improvements, infrastructure improvements (including information and high technology infrastructure (as defined in IC 4-4-8-1); IC 5-28-9-4)), buildings, or structures, rehabilitation, renovation, and enlargement of buildings and structures, machinery, equipment, furnishings, or facilities (or any combination of these), comprising or being functionally related and subordinate to any of the following:

(1) A pollution control facility.
(2) A manufacturing enterprise.
(3) A business service enterprise involved in:
   (A) computer and data processing services; or
   (B) commercial testing services.
(4) A business enterprise, the primary purpose of which is the operation of an education and permanent marketing center for manufacturers and distributors of robotic and flexible automation equipment.
(5) Any other business enterprise, if the use of the guaranty program creates a reasonable probability that the effect on Indiana employment will be creation or retention of at least fifty (50) jobs.
(6) An agricultural enterprise in which:
(A) the enterprise operates pursuant to a producer or growout agreement; and
(B) the output of the enterprise is processed predominantly in Indiana.

(7) A business enterprise that is required by a state, federal, or local regulatory agency to make capital expenditures to remedy a violation of a state or federal law or a local ordinance.

(8) A recycling market development project.

(9) A high growth company with high skilled jobs (as defined in IC 4-4-10.9-9.5).

SECTION 4. IC 4-4-31-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. After June 30 and before July 15 of each year, the department of workforce development shall provide the authority with a list of the counties that qualify as distressed areas as of the date of the report. A copy of the list also shall be distributed to the department of commerce Indiana economic development corporation for use under IC 4-4-20.

SECTION 5. IC 4-4-32-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "fund" refers to the Indiana twenty-first century research and technology fund established by IC 4-4-5.1-3. IC 5-28-16-2.

SECTION 6. IC 4-10-18-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Grants to or on behalf of political subdivisions for qualified economic growth initiatives shall be made by the department of commerce created Indiana economic development corporation established by IC 4-4-3-2. IC 5-28-3-1.

(b) Each grant shall be made pursuant to a grant agreement by and between:

(1) the department of commerce; Indiana economic development corporation; and

(2) the political subdivision proposing the economic growth initiative or the person (as defined in IC 36-1-2-12) acting on behalf of the political subdivision.

(c) Each grant agreement shall describe in detail:

(1) the qualified economic growth initiative;

(2) the financing plan by the political subdivision proposing the economic growth initiative or by the person acting on behalf of
the political subdivision; and
(3) the estimated cost of the economic growth initiative and all sources of money for the initiative.

(d) The department of commerce Indiana economic development corporation may not execute and deliver a grant agreement under this section, and no money may be disbursed from the economic growth initiatives account, until the grant agreement has been:

(1) reviewed by the budget committee established by IC 4-12-1-3; and
(2) approved by the budget agency established by IC 4-12-1-3.

(e) In addition to the requirements of subsection (d), no money may be disbursed for a grant from the economic growth initiatives account before March 1, 1994; or after February 28, 1994, without an appropriation made by the general assembly for that purpose, unless the grant is for a qualified economic growth initiative for a government building that is to be occupied by an agency of the federal government.

(f) Not more than twenty-five percent (25%) of any grant may be used for training or retraining employees whose jobs will be created or retained as a result of the economic growth initiative.

SECTION 7. IC 4-12-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The budget agency, after review by the budget committee, shall enter into an agreement with the department of commerce Indiana economic development corporation to do the following:

1) Review, prioritize, and approve or disapprove proposals for centers.

(2) Create detailed application procedures and selection criteria for center proposals. These criteria may include the following:

(A) Geographical proximity to and partnership agreement with an Indiana public or private university.

(B) Proposed local contributions to the center.

(C) Minimum standards and features for the physical facilities of a center, including telecommunications infrastructure.

(D) The minimum support services, both technical and financial, that must be provided by the centers.

(E) Guidelines for selecting entities that may participate in the center.
(3) Develop performance measures and reporting requirements for the centers.
(4) Monitor the effectiveness of each center and report its findings to the governor, the budget agency, and the budget committee before October 1 of each even-numbered year.
(5) Approve a regional technology center only if the center agrees to do all of the following:
   (A) Nurture the development and expansion of high technology ventures that have the potential to become high growth businesses.
   (B) Increase high technology employment in Indiana.
   (C) Stimulate the flow of new venture capital necessary to support the growth of high technology businesses in Indiana.
   (D) Expand workforce education and training for highly skilled high technology jobs.
   (E) Affiliate with an Indiana public or private university and be located in close proximity to a university campus.
   (F) Be a party to a written agreement among:
      (i) the affiliated university;
      (ii) the city or town in which the proposed center is located, or the county in which the proposed center is located if the center is not located in a city or town;
      (iii) Purdue University, for technical and personnel training support; and
      (iv) any other affiliated entities;
   that outlines the responsibilities of each party.
   (G) Establish a debt free physical structure designed to accommodate research and technology ventures.
   (H) Provide support services, including business planning, management recruitment, legal services, securing of seed capital marketing, and mentor identification.
   (I) Establish a commitment of local resources that is at least equal to the money provided from the fund for the physical facilities of the center.

(b) The department of commerce Indiana economic development corporation may not approve more than five (5) regional technology centers in any biennium.

(c) The budget agency shall contract with Purdue University:
(1) for any support staff necessary for the budget agency to provide grants under section 3(a)(3) and 3(a)(4) of this chapter; and
(2) to provide services under section 7 of this chapter.

SECTION 8. IC 4-12-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) If the department of commerce Indiana economic development corporation and the budget agency approve a center, the budget agency shall allocate from available appropriations the money authorized to:

(1) subsidize construction or rehabilitation of the physical facilities; and
(2) cover operating costs, not to exceed two hundred fifty thousand dollars ($250,000) each year, until the center is self-sustaining or has identified another source of operating money or the amount appropriated for this purpose is exhausted.

(b) Operating costs may not be supported by the fund for any center for more than four (4) years.

SECTION 9. IC 4-12-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "department" "corporation" refers to the department of commerce Indiana economic development corporation established by IC 4-4-3-2. IC 5-28-3-1.

SECTION 10. IC 4-12-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The fund shall be administered by the department corporation.

SECTION 11. IC 4-12-11-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The department corporation shall establish a grant application procedure for redevelopment commissions.

SECTION 12. IC 4-12-11-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. To qualify for a grant under this chapter, a redevelopment commission must:

(1) submit an application in the form prescribed by the department corporation;
(2) demonstrate that:
   (A) the redevelopment commission has established a technology park; and
(B) the grant being applied for under this chapter will assist the redevelopment commission in accomplishing the goals of the technology park under IC 36-7-32; and
(3) provide the other information required by the department corporation.

SECTION 13. IC 4-12-11-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. The department corporation shall provide grants on a competitive basis from the fund to businesses that apply for a grant under this chapter. The department corporation may select and fund part or all of an application request that:
(1) is submitted during an application period; or
(2) was submitted in a prior application period but not fully funded in that application period.

SECTION 14. IC 4-12-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. The department corporation may, under rules established by the department of local government finance and the procedures established by the department corporation, award grants from the fund to one (1) or more political subdivisions to reimburse the political subdivisions for ad valorem property taxes allocated to an allocation area as a result of a resolution adopted under IC 36-7-32-15.

SECTION 15. IC 4-13-1.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "downtown" refers to:
(1) the central business district of a city, town, or township;
(2) any commercial or mixed use area within a neighborhood of a city, town, or township that has traditionally served, since the founding of the community, as the retail service and communal focal point within the community;
(3) an enterprise zone established under IC 4-4-6.1; IC 5-28-15; or
(4) a brownfield revitalization zone established under IC 6-1.1-42.

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

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

1) War surplus property.
2) Property purchased or leased from the United States government or its agencies.
3) Dues and subscriptions.
4) License fees.
5) Insurance premiums.
6) Utility connection charges.
7) Federal grant programs where advance funding is not prohibited and, except as provided in subsection (i), the contracting party posts sufficient security to cover the amount advanced.
8) Grants of state funds authorized by statute.
9) Employee expense vouchers.
10) Beneficiary payments to the administrator of a program of self-insurance.
11) Services, supplies, materials, or equipment to be received from an agency or from a body corporate and politic.
12) Expenses for the operation of offices that represent the state under contracts with the department of commerce Indiana economic development corporation and that are located outside Indiana.
13) Services, supplies, materials, or equipment to be used for more than one (1) year under a discounted contractual arrangement funded through a designated leasing entity.
14) Maintenance of equipment and maintenance of software not exceeding an annual amount of one thousand five hundred dollars ($1,500) for each piece of equipment or each software license.
15) Exhibits, artifacts, specimens, or other unique items of cultural or historical value or interest purchased by the state museum.

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

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

1. Appoint a special disbursing officer for any state agency or group of agencies where it is necessary or expedient that a special record be kept of a particular class of disbursements or where disbursements are made from a special fund; and
2. Approve advances to the special disbursing officer or officers from any available appropriation for the purpose.

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

1. Provisions establishing the authorized levels of special disbursing officer accounts and establishing the maximum amount which may be expended on a single purchase from special disbursing officer funds without prior approval.
2. Provisions requiring that each time a special disbursing officer makes an accounting to the auditor of state of the expenditure of the advanced funds, the auditor of state shall request that the Indiana department of administration review the accounting for compliance with IC 5-22.
3. A provision that, unless otherwise approved by the commissioner of the Indiana department of administration, the special disbursing officer must be the same individual as the procurements agent under IC 4-13-1.3-5.
4. A provision that each disbursing officer be trained by the Indiana department of administration in the proper handling of money advanced to the officer under this section.

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

(g) A special disbursing officer may issue a check to a person without requiring a certification under IC 5-11-10-1 if the officer:
   (1) is authorized to make the disbursement; and
   (2) complies with procedures adopted by the state board of accounts to govern the issuance of checks under this subsection.

(h) A special disbursing officer is not personally liable for a check issued under subsection (g) if:
   (1) the officer complies with the procedures described in subsection (g); and
   (2) funds are appropriated and available to pay the warrant.

(i) For contracts entered into between the department of workforce development or the Indiana commission on vocational and technical education and:
   (1) a school corporation (as defined in IC 20-10.1-1-1); or
   (2) a state educational institution (as defined in IC 20-12-0.5-1); the contracting parties are not required to post security to cover the amount advanced.

SECTION 17. IC 4-13-16.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) There is established a governor's commission on minority and women's business enterprises. The commission shall consist of the following members:
   (1) A governor's designee, who shall serve as chairman of the commission.
   (2) The commissioner of the Indiana department of transportation.
   (3) The director chairperson of the department of commerce.
   (4) The commissioner of the department.
   (5) Nine (9) individuals with demonstrated capabilities in business and industry, especially minority and women's business enterprises, appointed by the governor from the following geographical areas of the state:
      (A) Three (3) from the northern one-third (1/3) of the state.
      (B) Three (3) from the central one-third (1/3) of the state.
      (C) Three (3) from the southern one-third (1/3) of the state.
   (6) Two (2) members of the house of representatives, no more than one (1) from the same political party, appointed by the...
speaker of the house of representatives to serve in a nonvoting advisory capacity.

(7) Two (2) members of the senate, no more than one (1) from the same political party, appointed by the president pro tempore of the senate to serve in a nonvoting advisory capacity.

Not more than six (6) of the ten (10) members appointed or designated by the governor may be of the same political party. Appointed members of the commission shall serve four (4) year terms. A vacancy occurs if a legislative member leaves office for any reason. Any vacancy on the commission shall be filled in the same manner as the original appointment.

(b) Each member of the commission who is not a state employee is entitled to the following:

(1) The minimum salary per diem provided by IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties as provided under IC 4-13-1-4 and in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(c) Each legislative member of the commission is entitled to receive the same per diem, mileage, and travel allowances established by the legislative council and paid to members of the general assembly serving on interim study committees. The allowances specified in this subsection shall be paid by the legislative services agency from the amounts appropriated for that purpose.

(d) A member of the commission who is a state employee but who is not a member of the general assembly is not entitled to any of the following:

(1) The minimum salary per diem provided by IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties.

(e) The commission shall meet at least four (4) times each year and at other times as the chairman deems necessary.

(f) The duties of the commission shall include but not be limited to the following:

(1) Identify minority and women's business enterprises in the
(2) Assess the needs of minority and women's business enterprises.
(3) Initiate aggressive programs to assist minority and women's business enterprises in obtaining state contracts.
(4) Give special publicity to procurement, bidding, and qualifying procedures.
(5) Include minority and women's business enterprises on solicitation mailing lists.
(6) Define the duties, goals, and objectives of the deputy commissioner of the department as created under this chapter to assure compliance by all state agencies, separate bodies corporate and politic, and state educational institutions with state and federal legislation and policy concerning the awarding of contracts to minority and women's business enterprises.
(7) Establish annual goals:
   (A) for the use of minority and women's business enterprises; and
   (B) derived from a statistical analysis of utilization study of state contracts that are required to be updated every five (5) years.
(8) Prepare a review of the commission and the various affected departments of government to be submitted to the governor and the legislative council on March 1 and October 1 of each year, evaluating progress made in the areas defined in this subsection.
(g) The department shall adopt rules of ethics under IC 4-22-2 for commission members other than commission members appointed under subsection (a)(6) or (a)(7).
(h) The department shall furnish administrative support and staff as is necessary for the effective operation of the commission.

SECTION 18. IC 4-13.6-6-2.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 2.7. (a) As used in this section, "Indiana business" refers to any of the following:
(1) A business whose principal place of business is located in Indiana.
(2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
(3) A business that employs Indiana residents as a majority of its
employees.
(4) A business that makes significant capital investments in Indiana.
(5) A business that has a substantial positive economic impact on Indiana.

(b) The department shall consult with the department of commerce Indiana economic development corporation in developing criteria for determining whether a business is an Indiana business under subsection (a). The department may consult with the department of commerce Indiana economic development corporation to determine whether a particular business meets the requirements of this section and the criteria developed under this subsection.

(c) There are the following price preferences for a contractor that is an Indiana business:

1. Five percent (5%) for a contract expected by the division to be less than five hundred thousand dollars ($500,000).
2. Three percent (3%) for a contract expected by the division to be at least five hundred thousand dollars ($500,000) but less than one million dollars ($1,000,000).
3. One percent (1%) for a contract expected by the division to be at least one million dollars ($1,000,000).

(d) The division shall compute a preference under this section in the same manner that a preference is computed under IC 5-22-15.

(e) Notwithstanding subsection (c), the division shall award a contract to the lowest responsive and responsible contractor, regardless of the preference provided in this section, if:

1. the contractor is an Indiana contractor; or
2. the contractor is a contractor from a state bordering Indiana and the contractor's home state does not provide a preference to the home state's contractors more favorable than is provided by Indiana law to Indiana contractors.

(f) A contractor that wants to claim a preference provided under this section must do all of the following:

1. State in the contractor's bid that the contractor claims the preference provided by this section.
2. Provide the following information to the department:
   (A) The location of the contractor's principal place of business.
   If the contractor claims the preference as an Indiana business
described in subsection (a)(1), a statement explaining the reasons the contractor considers the location named as the contractor's principal place of business.

(B) The amount of the contractor's total payroll and the amount of the contractor's payroll paid to Indiana residents.

(C) The number of the contractor's employees and the number of the contractor's employees who are Indiana residents.

(D) If the contractor claims the preference as an Indiana business described in subsection (a)(4), a description of the capital investments made in Indiana and a statement of the amount of those capital investments.

(E) If the contractor claims the preference as an Indiana business described in subsection (a)(5), a description of the substantial positive economic impact the contractor has on Indiana.

(g) This section expires July 1, 2009.

SECTION 19. IC 4-21.5-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. This article does not apply to the following agency actions:

(1) The issuance of a warrant or jeopardy warrant for the collection of taxes.

(2) A determination of probable cause or no probable cause by the civil rights commission.

(3) A determination in a factfinding conference of the civil rights commission.

(4) A personnel action, except review of a personnel action by the state employees appeals commission under IC 4-15-2 or a personnel action that is not covered by IC 4-15-2 but may be taken only for cause.

(5) A resolution, directive, or other action of any agency that relates solely to the internal policy, organization, or procedure of that agency or another agency and is not a licensing or enforcement action. Actions to which this exemption applies include the statutory obligations of an agency to approve or ratify an action of another agency.

(6) An agency action related to an offender within the jurisdiction of the department of correction.

(7) A decision of the department of commerce; Indiana economic
development corporation, the department of environmental management, the enterprise zone board, the tourist information and grant fund review committee, the Indiana development finance authority, the Indiana business modernization and technology corporation, the corporation for innovation development, the Indiana small business development corporation, or the lieutenant governor that concerns a grant, loan, bond, tax incentive, or financial guarantee.

(8) A decision to issue or not issue a complaint, summons, or similar accusation.

(9) A decision to initiate or not initiate an inspection, investigation, or other similar inquiry that will be conducted by the agency, another agency, a political subdivision, including a prosecuting attorney, a court, or another person.

(10) A decision concerning the conduct of an inspection, investigation, or other similar inquiry by an agency.

(11) The acquisition, leasing, or disposition of property or procurement of goods or services by contract.

(12) Determinations of the department of workforce development under IC 22-4-18-1(g)(1), IC 22-4-40, or IC 22-4-41.

(13) A decision under IC 9-30-12 of the bureau of motor vehicles to suspend or revoke the driver's license, a driver's permit, a vehicle title, or a vehicle registration of an individual who presents a dishonored check.

(14) An action of the department of financial institutions under IC 28-1-3.1 or a decision of the department of financial institutions to act under IC 28-1-3.1.

(15) A determination by the NVRA official under IC 3-7-11 concerning an alleged violation of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg) or IC 3-7.

(16) Imposition of a civil penalty under IC 4-20.5-6-8 if the rules of the Indiana department of administration provide an administrative appeals process.

SECTION 20. IC 4-22-2-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 28. (a) The Indiana economic development council may review and comment on any proposed rule and may suggest alternatives to reduce any regulatory burden that the proposed rule imposes on businesses. The
agency that intends to adopt the proposed rule shall respond in writing to the Indiana economic development council concerning the council's comments or suggested alternatives before adopting the proposed rule under section 29 of this chapter.

(b) The agency shall also submit a proposed rule with an estimated economic impact greater than five hundred thousand dollars ($500,000) on the regulated entities to the legislative services agency after the preliminary adoption of the rule. Except as provided in subsection (c), before the adoption of the rule, the legislative services agency shall prepare, not more than forty-five (45) days after receiving a proposed rule, a fiscal analysis concerning the effect that compliance with the proposed rule will have on the:

1) state; and
2) entities regulated by the proposed rule.

The fiscal analysis must contain an estimate of the economic impact of the proposed rule and a determination concerning the extent to which the proposed rule creates an unfunded mandate on a state agency or political subdivision. The fiscal analysis is a public document. The legislative services agency shall make the fiscal analysis available to interested parties upon request. The agency proposing the rule shall consider the fiscal analysis as part of the rulemaking process and shall provide the legislative services agency with the information necessary to prepare the fiscal analysis. The legislative services agency may also receive and consider applicable information from the regulated entities affected by the rule in preparation of the fiscal analysis.

(c) With respect to a proposed rule subject to IC 13-14-9:

1) the department of environmental management shall give written notice to the legislative services agency of the proposed date of preliminary adoption of the proposed rule not less than sixty-six (66) days before that date; and
2) the legislative services agency shall prepare the fiscal analysis referred to in subsection (b) not later than twenty-one (21) days before the proposed date of preliminary adoption of the proposed rule.

SECTION 21. IC 4-22-2-37.1, AS AMENDED BY P.L.1-2004, SECTION 1, AND AS AMENDED BY P.L.23-2004, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies
to a rulemaking action resulting in any of the following rules:

1. An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.
2. An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.
4. An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.
5. A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.
6. A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.
7. A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.
9. An emergency rule adopted by the state lottery commission under IC 4-30-3-9.
10. A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.
11. An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.
13. An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.
14. An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:
   A) the variance procedures are included in the rules; and
(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the alcohol and tobacco commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.


(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.

(22) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.


(25) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-34.

(26) An emergency rule adopted by the department of local government finance under IC 6-1.1-4-33.

(27) An emergency rule adopted by the boiler and pressure vessel rules board under IC 22-13-2-8(c).

(28) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-37(l) or an emergency rule adopted by the department of local government finance under IC 6-1.1-4-36(j) or IC 6-1.1-22.5-20.


(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.
(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

1. accept the rule for filing; and
2. file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

1. The effective date of the statute delegating authority to the agency to adopt the rule.
2. The date and time that the rule is accepted for filing under subsection (e).
3. The effective date stated by the adopting agency in the rule.
4. The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in subsections (j) and (k), a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), (a)(25), (a)(26), or (a)(28), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. The extension period for a rule adopted under subsection (a)(29) may not exceed the period for which the original rule was in effect. A rule adopted under subsection (a)(14) may be extended for two (2) extension periods. Subject to subsection (j), a rule adopted
under subsection (a)(25), (a)(26), or (a)(28) may be extended for an unlimited number of extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or
(2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.
(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

(j) A rule described in subsection (a)(25) or (a)(26) expires not later than January 1, 2006.

(k) A rule described in subsection (a)(29) expires on the expiration date stated by the board of the Indiana economic development corporation in the rule.

SECTION 22. IC 4-23-20-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The committee consists of at least six (6) members appointed by the governor and must include representatives of the following:

(1) The department of commerce. Indiana economic development corporation.
(2) The department of workforce development.
(3) The division of disability, aging, and rehabilitative services.
(4) The commission on vocational and technical education of the department of workforce development.
(5) The state human resource investment council.
(6) The department of education.

SECTION 23. IC 4-33-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar ($1) of the
admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:
   (i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or
   (ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;
shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar ($1) is in addition to the one dollar ($1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents ($0.10) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;
shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents ($0.15) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;
shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents ($0.10) of the admissions tax collected by the licensed owner for each person:
(A) embarking on a gambling excursion during the quarter; or
(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;
shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents ($0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.
(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following amounts:

(1) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide
for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:

(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(2) Sixteen percent (16%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

(A) is located in the county in which the riverboat docks; and

(B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.
(3) Nine percent (9%) of the admissions tax collected during the quarter shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.

(4) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(5) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the department of commerce Indiana economic development corporation to be used by the department corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(A) Job creation and retention.
(B) Infrastructure, including water, wastewater, and storm water infrastructure needs.
(C) Housing.
(D) Workforce training.
(E) Health care.
(F) Local planning.
(G) Land use.
(H) Assistance to regional economic development groups.
(I) Other regional development issues as determined by the department: Indiana economic development corporation.

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or
(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.
(2) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during the quarter that has
       implemented flexible scheduling under IC 4-33-6-21;
   shall be paid to the county in which the riverboat is docked.
(3) Except as provided in subsection (k), nine cents ($0.09) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during the quarter that has
       implemented flexible scheduling under IC 4-33-6-21;
   shall be paid to the county convention and visitors bureau or
   promotion fund for the county in which the riverboat is docked.
(4) Except as provided in subsection (k), one cent ($0.01) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during the quarter that has
       implemented flexible scheduling under IC 4-33-6-21;
   shall be paid to the northwest Indiana law enforcement training center.
(5) Except as provided in subsection (k), fifteen cents ($0.15) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during a quarter that has
       implemented flexible scheduling under IC 4-33-6-21;
   shall be paid to the state fair commission for use in any activity
   that the commission is authorized to carry out under IC 15-1.5-3.
(6) Except as provided in subsection (k), ten cents ($0.10) of the admissions tax collected by the licensed owner for each person:
   (A) embarking on a gambling excursion during the quarter; or
   (B) admitted to a riverboat during the quarter that has
       implemented flexible scheduling under IC 4-33-6-21;
   shall be paid to the division of mental health and addiction. The
   division shall allocate at least twenty-five percent (25%) of the
   funds derived from the admissions tax to the prevention and
   treatment of compulsive gambling.
(7) Except as provided in subsection (k), sixty-five cents ($0.65)
of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.
(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through (c)(2), or (d)(1) through (d)(2):
   (1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;
   (2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;
   (3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and
   (4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:
   (1) deposited in:
      (A) the county convention and visitor promotion fund; or
      (B) the county's general fund if the county does not have a convention and visitor promotion fund; and
   (2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):
(1) is annually appropriated to the division of mental health and addiction;
(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and
(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:
(1) Each entity receiving money under subsection (b).
(2) Each entity receiving money under subsection (d)(1) through (d)(2).
(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30,
2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity’s base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity’s base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5(g).

(k) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

(1) exceed a particular entity’s base year revenue; and
(2) would otherwise be due to the entity under this section;
to the property tax replacement fund instead of to the entity.

SECTION 24. IC 5-10.2-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) As used in this section, "high growth company" means a sole proprietorship, firm, corporation, partnership, limited liability company, limited liability partnership, joint venture, trust, syndicate, or other business unit or association that:

(1) is primarily focused on commercialization of research and development, technology transfers, or the application of new technology or is determined by the department of commerce Indiana economic development corporation to have significant potential to:
   (A) bring substantial capital into Indiana;
   (B) create jobs;
   (C) diversify the business base of Indiana; or
   (D) significantly promote the purposes of this chapter in any other way;
(2) has had an average annual net worth of less than twenty million dollars ($20,000,000) in each of the last two (2) calendar years; and
(3) is not engaged in a business involving:
   (A) real estate;
   (B) real estate development;
   (C) insurance;
   (D) professional services provided by an accountant, a lawyer,
or a physician;
(E) retail sales, except when the primary purpose of the
business is the development or support of electronic commerce
using the Internet; or
(F) gas and oil exploration.
A company that meets the definition of a high growth company under
this subsection shall be considered to meet the definition even if
affiliated with one (1) or more other companies that do not meet the
definition and regardless of whether any of the affiliated companies is
engaged in a business involving the matters described in subdivision
(3).
(b) As used in this section, "Indiana high growth company" means
a high growth company as defined in subsection (a) that:
(1) has its headquarters in Indiana; and
(2) has:
   (A) at least fifty percent (50%) of its employees residing in
   Indiana; or
   (B) at least seventy-five percent (75%) of its assets located in
   Indiana.
(c) If the board decides to allocate part of the fund assets to funds
investing in high growth companies, the board is strongly encouraged
to establish the following:
(1) A goal for investment in funds investing in Indiana high
growth companies of at least twenty-five percent (25%) of the
amount allocated to funds investing in high growth companies.
(2) A preference for investments described in subdivision (1) that
are started in or assisted by Indiana universities and colleges.
(d) The board has five (5) years after the date the goals in subsection
(c) are adopted to achieve the goal percentages.
(e) The board is not required to achieve the goal percentages under
subsection (c) if the board, exercising financial and fiduciary prudence,
determines that sufficient appropriate investments in privately held
equity or debt assets are not available in Indiana.
(f) This section expires July 1, 2013.
SECTION 25. IC 5-11-1-9 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The state
examiner, personally or through the deputy examiners, field examiners,
or private examiners, shall examine all accounts and all financial
affairs of every public office and officer, state office, state institution, and entity.

(b) An examination of an entity deriving:
   (1) less than fifty percent (50%); or
   (2) at least fifty percent (50%) but less than one hundred thousand dollars ($100,000) if the entity is organized as a not-for-profit corporation;

of its disbursements during the period of time subject to an examination from appropriations, public funds, taxes, and other sources of public expense shall be limited to matters relevant to the use of the public money received by the entity.

(c) The examination of an entity described in subsection (b) may be waived or deferred by the state examiner if the state examiner determines in writing that all disbursements of public money during the period subject to examination were made for the purposes for which the money was received. However, the Indiana economic development corporation created by IC 5-28-3 and the corporation’s funds, accounts, and financial affairs shall be examined biennially by the state board of accounts.

(d) On every examination under this section, inquiry shall be made as to the following:
   (1) The financial condition and resources of each municipality, office, institution, or entity.
   (2) Whether the laws of the state and the uniform compliance guidelines of the state board of accounts established under section 24 of this chapter have been complied with.
   (3) The methods and accuracy of the accounts and reports of the person examined.

The examinations shall be made without notice.

(e) If during an examination of a state office under this chapter the examiner encounters an inefficiency in the operation of the state office, the examiner may comment on the inefficiency in the examiner’s report.

(f) The state examiner, deputy examiners, any field examiner, or any private examiner, when engaged in making any examination or when engaged in any official duty devolved upon them by the state examiner, is entitled to do the following:
   (1) Enter into any state, county, city, township, or other public office in this state, or any entity, agency, or instrumentality, and
examine any books, papers, documents, or electronically stored information for the purpose of making an examination.

(2) Have access, in the presence of the custodian or the custodian's deputy, to the cash drawers and cash in the custody of the officer.

(3) During business hours, examine the public accounts in any depository that has public funds in its custody pursuant to the laws of this state.

(g) The state examiner, deputy examiner, or any field examiner, when engaged in making any examination authorized by law, may issue subpoenas for witnesses to appear before the examiner in person or to produce books, papers, or other records (including records stored in electronic data processing systems) for inspection and examination. The state examiner, deputy examiner, and any field examiner may administer oaths and examine witnesses under oath orally or by interrogatories concerning the matters under investigation and examination. Under the authority of the state examiner, the oral examinations may be transcribed with the reasonable expense paid by the examined person in the same manner as the compensation of the field examiner is paid. The subpoenas shall be served by any person authorized to serve civil process from any court in this state. If a witness duly subpoenaed refuses to attend, refuses to produce information required in the subpoena, or attends and refuses to be sworn or affirmed, or to testify when called upon to do so, the examiner may apply to the circuit court having jurisdiction of the witness for the enforcement of attendance and answers to questions as provided by the law governing the taking of depositions.

SECTION 26. IC 5-13-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The board for depositories shall manage and operate the insurance fund. All expenses incident to the administration of the fund shall be paid out of the money accumulated in it subject to the direction of the board for depositories.

(b) Effective January 1 and July 1 in each year, the board shall before those dates redetermine the amount of the reserve to be maintained by the insurance fund. The establishment or any change in the reserve for losses shall be determined by the board based on a study to be made or updated by actuaries, economists, or other consultants based on the history of losses, earnings on the funds, conditions of the
depositories, economic conditions affecting particular depositories or depositories in general, and any other factors that the board considers relevant in making its determination. The reserve determined by the board must be sufficient to ensure the safekeeping and prompt payment of public funds to the extent they are not covered by insurance of any federal deposit insurance agency.

(c) At the end of each biennial period during which depositories have had public funds on deposit under this chapter and paid the assessments levied by the board, the board shall compute its receipts from assessments and all other sources and its expenses and losses and determine the profit derived from the operation of the fund for the period. Until the amount of the reserve for losses has been accumulated, all assessments levied for a biennial period shall be retained by the fund. The amount of the assessments, if any, levied by the board shall, to the extent the fund exceeds the reserve for losses at the end of a biennial period commencing July 1 of each odd year, be distributed to the depositories that had public funds on deposit during the biennial period in which the assessments were paid. The distribution shall be made to the respective depositories in the proportion that the total assessments paid by each depository during that period bears to the total assessments then paid by all depositories. A distribution to which any closed depository would otherwise be entitled shall be set off against any claim that the insurance fund may have against the closed depository.

(d) The board may invest, reinvest, and exchange investments of the insurance fund in excess of the cash working balance in any of the following:

(1) In bonds, notes, certificates, and other valid obligations of the United States, either directly or, subject to the limitations in subsection (e), in the form of securities of or other interests in an open-end no-load management-type investment company or investment trust registered under the provisions of the Investment Company Act of 1940, as amended (15 U.S.C. 80a et seq.).
(2) In bonds, notes, debentures, and other securities issued by a federal agency or a federal instrumentality and fully guaranteed by the United States either directly or, subject to the limitations in subsection (e), in the form of securities of or other interests in an open-end no-load management-type investment company or
investment trust registered under the provisions of the Investment Company Act of 1940, as amended (15 U.S.C. 80a et seq.).

(3) In bonds, notes, certificates, and other valid obligations of a state, or of an Indiana political subdivision that are issued under law, the issuers of which, for five (5) years before the date of the investment, have promptly paid the principal and interest on their bonds and other legal obligations.

(4) In bonds or other obligations of the state office building commission.

(5) In investments permitted the state under IC 5-13-10.5.

(6) In guarantees of industrial development obligations or credit enhancement obligations, or both, for the purposes of retaining and increasing employment in enterprises in Indiana, subject to the limitations and conditions set out in this subdivision, subsection (e), and section 8 of this chapter. An individual guarantee of the board under this subdivision must not exceed eight million dollars ($8,000,000).

(7) In guarantees of bonds or notes issued under IC 5-1.5-4-1, subject to the limitations and conditions set out in subsection (e) and section 8 of this chapter.

(8) In bonds, notes, or other valid obligations of the Indiana development finance authority that have been issued in conjunction with the authority’s acquisition, development, or improvement of property or other interests for an industrial development project (as defined in IC 4-4-10.9-11) that the authority has undertaken for the purposes of retaining or increasing employment in existing or new enterprises in Indiana, subject to the limitations in subsection (e).

(9) In notes or other debt obligations of counties, cities, and towns that have been issued under IC 6-1.1-39 for borrowings from the industrial development fund under IC 4-4-8 IC 5-28-9 for purposes of retaining or increasing employment in existing or new enterprises in Indiana, subject to the limitations in subsection (e).

(10) In bonds or other obligations of the Indiana housing finance authority.

(e) The investment authority of the board under subsection (d) is subject to the following limitations:

(1) For investments under subsection (d) and
(d)(2), the portfolio of an open-end no-load management-type investment company or investment trust must be limited to:

(A) direct obligations of the United States and obligations of a federal agency or a federal instrumentality that are fully guaranteed by the United States; and

(B) repurchase agreements fully collateralized by obligations described in clause (A), of which the company or trust takes delivery either directly or through an authorized custodian.

(2) Total outstanding investments in guarantees of industrial development obligations and credit enhancement obligations under subsection (d)(6) must not exceed the greater of:

(A) ten percent (10%) of the available balance of the insurance fund; or

(B) fourteen million dollars ($14,000,000).

(3) Total outstanding investments in guarantees of bond bank obligations under subsection (d)(7) must not exceed the greater of:

(A) twenty percent (20%) of the available balance of the insurance fund; or

(B) twenty-four million dollars ($24,000,000).

(4) Total outstanding investments in bonds, notes, or other obligations of the Indiana development finance authority under subsection (d)(8) may not exceed the greater of:

(A) fifteen percent (15%) of the available balance of the insurance fund; or

(B) twenty million dollars ($20,000,000).

However, after June 30, 1988, the board may not make any additional investment in bonds, notes, or other obligations of the Indiana development finance authority, and the board may invest an amount equal to the remainder, if any, of:

(i) fifteen percent (15%) of the available balance of the insurance fund; minus

(ii) the board's total outstanding investments in bonds, notes, or other obligations of the Indiana development finance authority;

in guarantees of industrial development obligations or credit enhancement obligations, or both, as authorized by subsection (d)(6). In such a case, the outstanding investments, as authorized
by subsection subsection (d)(6) and (d)(8), may not exceed in total the greater of twenty-five percent (25%) of the available balance of the insurance fund or thirty-four million dollars ($34,000,000).

(5) Total outstanding investments in notes or other debt obligations of counties, cities, and towns under subsection (d)(9) may not exceed the greater of:

(A) ten percent (10%) of the available balance of the insurance fund; or

(B) twelve million dollars ($12,000,000).

(f) For purposes of subsection (e), the available balance of the insurance fund does not include the outstanding principal amount of any fund investment in a corporate note or obligation or the portion part of the fund that has been established as a reserve for losses.

(g) Except as provided in section 4 of this chapter, all interest and other income earned on investments of the insurance fund and all amounts collected by the board accrue to the fund.

(h) Members of the board and any officers or employees of the board are not subject to personal liability or accountability by reason of any investment in any of the obligations listed in subsection (d).

(i) The board shall, when directed by the state board of finance constituted by IC 4-9.1-1-1, purchase the loan made by the state board of finance pursuant to under IC 4-10-18-10(i). The loan shall be purchased by the board at a purchase price equal to the total of:

(1) the principal amount of the loan;

(2) the deferred interest payable thereon on the loan; and

(3) accrued interest to the date of purchase by the board.

Members of the board and any officers or employees of the board are not subject to personal liability or accountability by reason of the purchase of the loan under this subsection.

SECTION 27. IC 5-13-12-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) In addition to the authority given the board for depositories in section 7 of this chapter, the board may lend, from that portion part of the insurance fund reserved for economic development, to any commuter transportation district that is established under IC 8-5-15 an amount not to exceed two million six hundred thousand dollars ($2,600,000).

(b) The board of trustees of a district that receives a loan under this
section shall do the following:

(1) Use the loan proceeds only for paying or reimbursing the following costs and expenses of the district:
   (A) Property and casualty insurance premiums.
   (B) Trackage lease payments.
   (C) Traction power expenses.
   (D) Conducting a study of commuter transportation within the district under P.L.48-1986.
   (E) Any expenses incurred by the district in the ordinary course of providing commuter rail service.

(2) Develop a financial plan for commuter rail service within the district for each year during the loan period. The financial plan must contain the elements prescribed in, and be subject to review and approval under, subsection (c).

(3) Repay the loan in eight (8) annual installments on dates determined by the board for depositories, subject to the following conditions:
   (A) The first payment must be made on July 1, 1988.
   (B) Each annual payment must equal one-eighth (1/8) of the principal of the loan plus interest at a rate determined by the board for depositories. The rate of interest must not be:
      (i) lower than the lowest interest rate set by the state board of finance for a loan under IC 4-4-8-8 (transferred to IC 5-28-9-15) before April 1, 1986; or
      (ii) greater than the average yield on investments made by the board in January, February, and March of 1986.

(4) As required by subsection (d), report annually to the board for depositories on compliance with the financial plan developed under subsection (c).

(5) Notwithstanding subdivision (3), pledge to repay the balance of the loan plus interest at a time and in a manner specified by the board for depositories whenever the board for depositories determines that one (1) of the following has occurred:
   (A) The board of trustees of the district has failed to develop a financial plan that substantially complies with subsection (c).
   (B) There has not been substantial compliance with a financial plan.
   (C) The board of trustees of the district has failed to make a
payment on the date established under subdivision (3). If repayment is required under this subdivision, the treasurer of state shall transfer the amount necessary to the insurance fund from the allocation to the district from the public mass transportation fund for the remainder of the state fiscal year in which the repayment is required. If the amount transferred from the allocation is insufficient, the balance shall be transferred from the commuter rail service fund until the repayment is complete.

(c) Before December 1 of each year, the board of trustees of a district receiving a loan under this section shall submit to the board for depositories, the Indiana department of transportation, and the budget committee a financial plan for the following calendar year. The plan must provide for an annual operating budget under which expenses do not exceed revenues from all sources. The financial plan may identify supplemental revenue sources from within the district that will be dedicated during the year to commuter rail service in the district. Within sixty (60) days after the plan is submitted, the board for depositories shall determine if the financial plan complies with this subsection. In making its determination, the board for depositories shall consider the recommendations of the budget committee, which shall base its recommendations on the department of transportation's evaluation of the financial plan.

(d) Before April 1 of the second calendar year after a loan under this section is made and before April 1 of each year thereafter, the board of trustees of a district receiving a loan shall submit to the board for depositories, the Indiana department of transportation, and the budget committee a report covering the preceding calendar year. The report must summarize the district's compliance with the financial plan submitted under subsection (c) and must contain other information as the board for depositories may require. Before July 1 of that year, the board for depositories shall determine if the district has substantially complied with the financial plan. In making its determination, the board for depositories shall consider the recommendations of the budget committee, which shall base its recommendations on the Indiana department of transportation's evaluation of the report.

(e) After January 1, 1988, the board for depositories and the board of trustees of a district receiving a loan under this section may agree to an early repayment of the loan. If an early repayment is agreed to, the
board for depositories may guarantee a loan obtained by the board of
trustees under conditions established by the board for depositories.
These conditions may include the requirement that the district pledge
to repay from its allocations from the public mass transportation fund
and the commuter rail fund service any loss sustained by the insurance
fund as a result of the guarantee.

SECTION 28. IC 5-14-1.5-6.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) As used in
this section, "public official" means a person:

1. who is a member of a governing body of a public agency; or
2. whose tenure and compensation are fixed by law and who
executes an oath.

(b) Executive sessions may be held only in the following instances:

1. Where authorized by federal or state statute.
2. For discussion of strategy with respect to any of the following:
   (A) Collective bargaining.
   (B) Initiation of litigation or litigation that is either pending or
   has been threatened specifically in writing.
   (C) The implementation of security systems.
   (D) The purchase or lease of real property by the governing
   body up to the time a contract or option to purchase or lease is
   executed by the parties.

However, all such strategy discussions must be necessary for
competitive or bargaining reasons and may not include
competitive or bargaining adversaries.

3. For discussion of the assessment, design, and implementation
   of school safety and security measures, plans, and systems.

4. Interviews with industrial or commercial prospects or agents
   of industrial or commercial prospects by the department of
   commerce, Indiana economic development corporation, the
   Indiana development finance authority, the film commission, the
   Indiana business modernization and technology corporation, or
   economic development commissions.

5. To receive information about and interview prospective
   employees.

6. With respect to any individual over whom the governing body
   has jurisdiction:
   (A) to receive information concerning the individual's alleged
misconduct; and
(B) to discuss, before a determination, the individual's status
as an employee, a student, or an independent contractor who
is:
   (i) a physician; or
   (ii) a school bus driver.
(7) For discussion of records classified as confidential by state or
federal statute.
(8) To discuss before a placement decision an individual student's
abilities, past performance, behavior, and needs.
(9) To discuss a job performance evaluation of individual
employees. This subdivision does not apply to a discussion of the
salary, compensation, or benefits of employees during a budget
process.
(10) When considering the appointment of a public official, to do
the following:
   (A) Develop a list of prospective appointees.
   (B) Consider applications.
   (C) Make one (1) initial exclusion of prospective appointees
      from further consideration.
Notwithstanding IC 5-14-3-4(b)(12), a governing body may
release and shall make available for inspection and copying in
accordance with IC 5-14-3-3 identifying information concerning
prospective appointees not initially excluded from further
consideration. An initial exclusion of prospective appointees from
further consideration may not reduce the number of prospective
appointees to fewer than three (3) unless there are fewer than
three (3) prospective appointees. Interviews of prospective
appointees must be conducted at a meeting that is open to the
public.
(11) To train school board members with an outside consultant
about the performance of the role of the members as public
officials.
(12) To prepare or score examinations used in issuing licenses,
certificates, permits, or registrations under IC 15-5-1.1 or IC 25.
(c) A final action must be taken at a meeting open to the public.
(d) Public notice of executive sessions must state the subject matter
by specific reference to the enumerated instance or instances for which
executive sessions may be held under subsection (b). The requirements stated in section 4 of this chapter for memoranda and minutes being made available to the public is modified as to executive sessions in that the memoranda and minutes must identify the subject matter considered by specific reference to the enumerated instance or instances for which public notice was given. The governing body shall certify by a statement in the memoranda and minutes of the governing body that no subject matter was discussed in the executive session other than the subject matter specified in the public notice.

(c) A governing body may not conduct an executive session during a meeting, except as otherwise permitted by applicable statute. A meeting may not be recessed and reconvened with the intent of circumventing this subsection.

SECTION 29. IC 5-14-3-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) Records relating to negotiations between the Indiana economic development corporation and industrial, research, or commercial prospects are excepted from section 3 of this chapter at the discretion of the corporation if the records are created while negotiations are in progress.

(b) Notwithstanding subsection (a), the terms of the final offer of public financial resources communicated by the corporation to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

(c) When disclosing a final offer under subsection (b), the corporation shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

SECTION 30. IC 5-19-1.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. Notwithstanding anything to the contrary in IC 4-4-7, IC 5-28-8, the Indiana department of commerce is authorized to economic development corporation may make grant anticipation loans as authorized by this chapter from the fund created established by IC 4-4-7, IC 5-28-8-5.

SECTION 31. IC 5-22-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A governmental body may adopt rules to implement this chapter. The Indiana department of administration shall adopt rules under IC 4-22-2
to implement this chapter.

(b) The rules adopted by a governmental body must establish criteria for determining qualifications as a small business. In establishing criteria, the rules may use any standards established for determination of small business status that are used by an agency of the federal government. A governmental body may also receive assistance from the Indiana department of commerce economic development corporation to establish criteria or to implement the rules.

(c) The rules adopted by a governmental body may consider the number of employees employed by an offeror and the dollar volume of the offeror's business. The rules must provide that when computing the size of an offeror, the annual sales and receipts of the offeror and all of its affiliates must be included.

(d) The rules adopted by a governmental body must include the following criteria:

1. A wholesale business is not a small business if its annual sales for its most recently completed fiscal year exceed four million dollars ($4,000,000).
2. A construction business is not a small business if its average annual receipts for the preceding three (3) fiscal years exceed four million dollars ($4,000,000).
3. A retail business or business selling services is not a small business if its annual sales and receipts exceed five hundred thousand dollars ($500,000).
4. A manufacturing business is not a small business if it employs more than one hundred (100) persons.

SECTION 32. IC 5-22-14-9 IS AMENDED TO READ AS follows [EFFECTIVE UPON PASSAGE]: Sec. 9. The department of commerce Indiana economic development corporation may assist a governmental body in doing any of the following:

1. Compiling and maintaining a comprehensive list of small businesses.
2. Assisting small businesses in complying with the procedures for bidding on governmental contracts.
3. Examining requests from governmental bodies for the purchase of supplies to help determine which purchases are to be designated small business set-asides.
4. Simplifying specifications and contract terms to increase the
opportunities for small business participation in governmental contracts.

(5) Investigations by a governmental body to determine the responsibility of offerors on small business set-asides.

SECTION 33. IC 5-22-15-20.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20.5. (a) This section applies only to a contract awarded by a state agency.

(b) As used in this section, "Indiana business" refers to any of the following:

(1) A business whose principal place of business is located in Indiana.
(2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
(3) A business that employs Indiana residents as a majority of its employees.
(4) A business that makes significant capital investments in Indiana.
(5) A business that has a substantial positive economic impact on Indiana as defined by criteria developed under subsection (c).

(c) The Indiana department of administration shall consult with the department of commerce Indiana economic development corporation in developing criteria for determining whether a business is an Indiana business under subsection (a): subsection (b). The Indiana department of administration may consult with the department of commerce Indiana economic development corporation to determine whether a particular business meets the requirements of this section and the criteria developed under this subsection.

(d) There are the following price preferences for supplies purchased from an Indiana business:

(1) Five percent (5%) for a purchase expected by the state agency to be less than five hundred thousand dollars ($500,000).
(2) Three percent (3%) for a purchase expected by the state agency to be at least five hundred thousand dollars ($500,000) but less than one million dollars ($1,000,000).
(3) One percent (1%) for a purchase expected by the state agency to be at least one million dollars ($1,000,000).

(e) Notwithstanding subsection (d), a state agency shall award a contract to the lowest responsive and responsible offeror, regardless of
the preference provided in this section, if:
   (1) the offeror is an Indiana business; or
   (2) the offeror is a business from a state bordering Indiana and the
       business's home state does not provide a preference to the home
       state's businesses more favorable than is provided by Indiana law
       to Indiana businesses.

(f) A business that wants to claim a preference provided under this
    section must do all of the following:
    (1) State in the business’s bid that the business claims the
        preference provided by this section.
    (2) Provide the following information to the department:
        (A) The location of the business's principal place of business.
            If the business claims the preference as an Indiana business
            described in subsection (b)(1), a statement explaining the
            reasons the business considers the location named as the
            business's principal place of business.
        (B) The amount of the business's total payroll and the amount
            of the business's payroll paid to Indiana residents.
        (C) The number of the business's employees and the number
            of the business's employees who are Indiana residents.
        (D) If the business claims the preference as an Indiana
            business described in subsection (b)(4), a description of the
            capital investments made in Indiana and a statement of the
            amount of those capital investments.
        (E) If the business claims the preference as an Indiana
            business described in subsection (b)(5), a description of the
            substantial positive economic impact the business has on
            Indiana.

(g) This section expires July 1, 2009.

SECTION 34. IC 5-28 IS ADDED TO THE INDIANA CODE AS
A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
PASSAGE]:

ARTICLE 28. INDIANA ECONOMIC DEVELOPMENT
CORPORATION

Chapter 1. Purpose

Sec. 1. (a) It is the intent of the general assembly to improve the
quality of life for the citizens of Indiana by encouraging the:

(1) diversification of Indiana's economy and the orderly
economic development and growth of Indiana;
(2) creation of new jobs;
(3) retention of existing jobs;
(4) growth and modernization of existing industry; and
(5) promotion of Indiana.

(b) The general assembly finds the following:
(1) Certain activities associated with the functions listed in
subsection (a) may not work properly with the traditional
responsibilities and activities of state agencies.
(2) The functions listed in subsection (a) can be achieved most
efficiently by a body politic and corporate that:
   (A) serves the interests of the state by carrying out the
   programs set forth in this article;
   (B) is free from certain administrative restrictions that
   would hinder its performance; and
   (C) possesses broad powers designed to maximize the
   state's economic development efforts.
(3) The corporation established by this article will:
   (A) lead the state's economic development efforts;
   (B) carry out the programs under this article, including the
   providing of grants and loans; and
   (C) perform other essential public services for the state.
(4) In return for the corporation's economic development
efforts to carry out the functions listed in subsection (a), the
general assembly should appropriate state funds to the
corporation.

Chapter 2. Definitions
Sec. 1. The definitions in this chapter apply throughout this
article.

Sec. 2. "Board" refers to the board of the corporation
established under IC 5-28-4.

Sec. 3. Except as otherwise provided, "corporation" refers to
the Indiana economic development corporation established by
IC 5-28-3-1.

Sec. 4. "Economic development" refers to the purposes
described in IC 5-28-1-1.

Sec. 5. "Secretary of commerce" refers to the secretary of
commerce appointed under IC 5-28-3-4(a).

Chapter 3. Indiana Economic Development Corporation
Sec. 1. The Indiana economic development corporation is established.

Sec. 2. (a) The corporation is a body politic and corporate, not a state agency but an independent instrumentality exercising essential public functions.

(b) The corporation and the corporation's funds, accounts, and financial affairs shall be examined biennially by the state board of accounts under IC 5-11.

Sec. 3. Employees of the corporation are not employees of the state.

Sec. 4. (a) The governor shall appoint the secretary of commerce, who shall serve at the pleasure of the governor. The secretary of commerce is the chief executive officer of the corporation.

(b) The governor shall appoint the president of the corporation, who shall serve at the pleasure of the governor. The president shall report to the secretary of commerce.

Chapter 4. Corporation Board

Sec. 1. The corporation shall be governed by a board.

Sec. 2. (a) The board is composed of the following twelve (12) members, none of whom may be members of the general assembly:

1. The governor.

2. Eleven (11) individuals appointed by the governor. The individuals appointed under subdivision (2) must be employed in or retired from the private or nonprofit sector or academia.

(b) When making appointments under subsection (a)(2), the governor shall appoint the following:

1. At least five (5) members belonging to the same political party as the governor.

2. At least three (3) members who belong to a major political party (as defined in IC 3-5-2-30) other than the party of which the governor is a member.

Sec. 3. (a) The term of office of an appointed member of the board is four (4) years.

(b) Each member holds office for the term of appointment and continues to serve after expiration of the appointment until a successor is appointed and qualified. A member is eligible for reappointment.

(c) Members of the board appointed under section 2(a)(2) of this
chapter serve at the pleasure of the governor.

Sec. 4. The governor shall serve as chairperson of the board.

Sec. 5. The members of the board are entitled to a salary per diem for attending meetings equal to the per diem provided by law for members of the general assembly. The members of the board are also entitled to receive reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the members' duties as approved by the budget agency.

Sec. 6. Seven (7) members constitute a quorum for the transaction of business. The affirmative vote of at least seven (7) members is necessary for action to be taken by the board. Members may not vote by proxy.

Sec. 7. Meetings of the board shall be held at the call of the chairperson or whenever any six (6) voting members request a meeting. The members shall meet at least once every three (3) months to attend to the business of the board.

Chapter 5. General Powers

Sec. 1. The corporation shall carry out the economic development functions of the state in conformity with the laws enacted by the general assembly.

Sec. 2. The corporation is granted all powers necessary or appropriate to carry out the corporation's public and corporate purposes under this chapter.

Sec. 3. (a) Subject to approval by the budget agency, the corporation may, without the approval of the attorney general, employ legal counsel, technical experts, and other officers, agents, and employees, permanent or temporary, the corporation considers necessary to carry out the efficient operation of the corporation.

(b) Subject to approval by the budget agency, the corporation may enter into contracts without the approval of the attorney general.

Sec. 4. (a) The corporation shall determine qualifications, duties, compensation, and terms of service for persons employed by the corporation as employees or as independent contractors.

(b) The board may adopt a resolution providing that the corporation's employees who are eligible to participate in the public employees' retirement fund under the eligibility
requirements set forth in IC 5-10.2 and IC 5-10.3 shall participate in the fund.

(c) The board may adopt a resolution to allow the corporation's employees to participate in group insurance and other benefit plans, including the state employees' deferred compensation plan, that are available to state employees.

Sec. 5. The board and the employees of the corporation are:

(1) under the jurisdiction of and rules adopted by the state ethics commission; and

(2) subject to ethics rules and requirements that apply to the executive branch of state government.

However, the board may adopt additional ethics rules and requirements that are more stringent than those adopted by the state ethics commission.

Sec. 6. The board shall establish an advisory committee to advise the board and the corporation on issues determined by the board. The advisory committee must:

(1) have members that represent diverse geographic areas and economic sectors of Indiana; and

(2) include members or representatives of local economic development organizations.

Sec. 7. For purposes of IC 34-13-2, IC 34-13-3, and IC 34-13-4, the board and the employees of the corporation are public employees (as defined in IC 34-6-2-38).

Sec. 8. The corporation shall adopt rules under IC 4-22-2 to carry out its duties under this article. The board may also adopt emergency rules under IC 4-22-2-37.1 to carry out its duties under this article.

Sec. 9. Except as specifically provided by law, the corporation and the board are subject to IC 5-14-1.5 and IC 5-14-3.

Sec. 10. An employee of the corporation is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the employee's duties as approved by the budget agency.

Sec. 11. The corporation may request appropriations from the general assembly to:

(1) carry out the corporation's duties under this article; and

(2) fund economic development and job creation programs.

Sec. 12. (a) The Indiana promotion fund is established within the
state treasury.

(b) Except as provided in section 13 of this chapter, the corporation shall deposit the following in the fund:

1. All funding received from the private sector under IC 5-28-6-1(6).
2. All other gifts, donations, bequests, devises, and contributions received by the corporation.

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

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

(e) Except as provided in the terms of a gift, a donation, a contribution, a bequest, a devise, or other private sector funding, money in the fund may be used at the discretion of the board to carry out in any manner the corporation’s purposes under this article.

(f) Money in the fund may be transferred to any fund administered by the corporation.

(g) Money in the fund is continuously appropriated to the corporation for the purposes of this article.

Sec. 13. (a) Notwithstanding section 12 of this chapter, the board may establish a nonprofit subsidiary corporation to solicit and accept private sector funding, gifts, donations, bequests, devises, and contributions.

(b) A subsidiary corporation established under this section:

1. must use money received under subsection (a) to carry out in any manner the purposes and programs under this article;
2. must report to the budget committee each year concerning:
   (A) the use of money received under subsection (a); and
   (B) the balances in any accounts or funds established by the subsidiary corporation; and
3. may deposit money received under subsection (a) in an account or fund that is:
   (A) administered by the subsidiary corporation; and
   (B) not part of the state treasury.
(c) The state board of accounts shall annually audit a subsidiary corporation established under this section.

Chapter 6. Duties

Sec. 1. The corporation shall do the following:

(1) Create and regularly update a strategic economic development plan.
(2) Establish strategic benchmarks and performance measures.
(3) Monitor and report on Indiana's economic performance.
(4) Market Indiana to businesses worldwide.
(5) Assist Indiana businesses that want to grow.
(6) Solicit funding from the private sector for selected initiatives.
(7) Provide for the orderly economic development and growth of Indiana.
(8) Establish and coordinate the operation of programs commonly available to all citizens of Indiana to implement a strategic plan for the state's economic development and enhance the general welfare.
(9) Evaluate and analyze the state's economy to determine the direction of future public and private actions, and report and make recommendations to the general assembly in an electronic format under IC 5-14-6 with respect to the state's economy.

Sec. 2. (a) The corporation shall develop and promote programs designed to make the best use of Indiana resources to ensure a balanced economy and continuing economic growth for Indiana, and, for those purposes, may do the following:

(1) Cooperate with federal, state, and local governments and agencies in the coordination of programs to make the best use of Indiana resources.
(2) Receive and expend funds, grants, gifts, and contributions of money, property, labor, interest accrued from loans made by the corporation, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government. The corporation:
    (A) may accept federal grants for providing planning assistance, making grants, or providing other services or
functions necessary to political subdivisions, planning commissions, or other public or private organizations;
(B) shall administer these grants in accordance with the terms of the grants; and
(C) may contract with political subdivisions, planning commissions, or other public or private organizations to carry out the purposes for which the grants were made.

3) Direct that assistance, information, and advice regarding the duties and functions of the corporation be given to the corporation by an officer, agent, or employee of the executive branch of the state. The head of any other state department or agency may assign one (1) or more of the department's or agency's employees to the corporation on a temporary basis or may direct a division or an agency under the department's or agency's supervision and control to make a special study or survey requested by the corporation.

(b) The corporation shall perform the following duties:

(1) Develop and implement industrial development programs to encourage expansion of existing industrial, commercial, and business facilities in Indiana and to encourage new industrial, commercial, and business locations in Indiana.
(2) Assist businesses and industries in acquiring, improving, and developing overseas markets and encourage international plant locations in Indiana. The corporation, with the approval of the governor, may establish foreign offices to assist in this function.
(3) Promote the growth of minority business enterprises by doing the following:

(A) Mobilizing and coordinating the activities, resources, and efforts of governmental and private agencies, businesses, trade associations, institutions, and individuals.
(B) Assisting minority businesses in obtaining governmental or commercial financing for expansion or establishment of new businesses or individual development projects.
(C) Aiding minority businesses in procuring contracts from governmental or private sources, or both.
(D) Providing technical, managerial, and counseling assistance to minority business enterprises.
(4) Assist the office of the lieutenant governor in:
   (A) community economic development planning;
   (B) implementation of programs designed to further community economic development; and
   (C) the development and promotion of Indiana’s tourist resources.

(5) Assist the commissioner of agriculture in promoting and marketing of Indiana’s agricultural products and provide assistance to the commissioner of agriculture.

(6) With the approval of the governor, implement federal programs delegated to the state to carry out the purposes of this article.

(7) Promote the growth of small businesses by doing the following:
   (A) Assisting small businesses in obtaining and preparing the permits required to conduct business in Indiana.
   (B) Serving as a liaison between small businesses and state agencies.
   (C) Providing information concerning business assistance programs available through government agencies and private sources.

(8) Assist the Indiana commission for agriculture and rural development in performing its functions under IC 4-4-22.

(9) Establish a public information page on its current Internet site on the world wide web. The page must provide the following:
   (A) By program, cumulative information on the total amount of incentives awarded, the total number of companies that received the incentives and were assisted in a year, and the names and addresses of those companies.
   (B) A mechanism on the page whereby the public may request further information online about specific programs or incentives awarded.
   (C) A mechanism for the public to receive an electronic response.

(c) The corporation may do the following:
   (1) Disseminate information concerning the industrial, commercial, governmental, educational, cultural, recreational, agricultural, and other advantages of Indiana.
(2) Plan, direct, and conduct research activities.
(3) Assist in community economic development planning and the implementation of programs designed to further community economic development.

Chapter 7. Training 2000 Program and Fund
Sec. 1. As used in this chapter, "business" includes an entity that has the objective of supplying a service or an article of trade or commerce.

Sec. 2. The corporation shall do the following:
(1) Establish policies to carry out a training assistance program, the purpose of which is to provide assistance to the following:
   (A) New or expanding businesses, for the training of potential employees and the retraining and upgrading of the skills of potential employees.
   (B) Businesses in Indiana, for the retraining and upgrading of employees' skills required to support new capital investment.
   (C) Businesses in Indiana, for the development of basic workforce skills of employees, including the following:
      (i) Literacy.
      (ii) Communication skills.
      (iii) Computational skills.
      (iv) Other transferable workforce skills approved by the corporation.
(2) Provide promotional materials regarding the training program.
(3) Determine the eligibility of an industry for the training program.
(4) Require a commitment by a business receiving training assistance under this chapter to continue operations at a site on which the training assistance is used for at least five (5) years after the date the training assistance expires. If a business fails to comply with this commitment, the corporation shall require the business to repay the training assistance provided to the business under this chapter.

Sec. 3. The corporation may do the following:
(1) Adopt policies and guidelines necessary to carry out this chapter.
(2) Accept money and other things of value from all sources to carry out the purposes of the training program.
(3) Provide services and materials in order to carry out the purposes of the training program.
(4) Develop or assist in the development of training plans.
(5) Evaluate the training program with respect to the program's impact on the improvement of workforce skills, job creation, and job retention.
(6) Involve other entities, by contract or otherwise, in carrying out the purposes of the training program.

Sec. 4. Participation in the training program is limited to businesses that:
(1) meet the eligibility requirements of the corporation; and
(2) comply with this chapter.

Sec. 5. (a) The training 2000 fund is established within the state treasury to be used exclusively for the purposes of this chapter.
(b) The fund consists of appropriations from the general assembly.
(c) The corporation shall administer the fund. The following may be paid from money in the fund:
(1) Expenses of administering the fund.
(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.
(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

Chapter 8. Economic Development Fund
Sec. 1. As used in this chapter, "federal agency" means the Economic Development Administration of the United States Department of Commerce.
Sec. 2. As used in this chapter, "federal program" means a federal loan or grant program that promotes economic development.
Sec. 3. As used in this chapter, "fund" refers to the economic development fund established by section 5 of this chapter.
Sec. 4. As used in this chapter, "qualified entity" means the state, a political subdivision of the state, an agency of the state or a political subdivision of the state, a nonprofit corporation, or the
Indiana development finance authority established under IC 4-4-10.9 and IC 4-4-11.

Sec. 5. (a) The economic development fund is established within the state treasury. The fund is a revolving fund to provide grants and loans for economic development activities in Indiana for the purposes of this chapter.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

1. Expenses of administering the fund.
2. Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund.

Sec. 6. (a) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(b) The treasurer of state shall also:

1. receive cash receipts belonging to the fund, deposit these amounts in the fund, and submit a monthly report to the corporation of these transactions; and
2. make payments on vouchers authorized by the corporation.

Sec. 7. The auditor of state shall draw warrants on the treasurer of state in payment of properly prepared vouchers signed by the president of the corporation or the president’s designee.

Sec. 8. (a) The corporation shall receive grants allocated by a federal program for the purposes specified in section 9(c) of this chapter. Guidelines shall be prepared by the corporation enumerating the qualification procedures for receipt of grants and loans from the fund. These guidelines must be consistent with Indiana law and federal program requirements.

(b) The board, with the approval of the budget agency and the governor, shall allocate parts of the fund for the purposes specified in section 9(c) of this chapter. The corporation shall make
allocations on the basis of the need of the qualified entity.

(c) The corporation shall keep complete sets of records showing all transactions by the fund in a manner that enables the corporation to prepare at the end of each fiscal year a complete report for the general assembly. The information in the report must be sufficient to permit a complete review and understanding of the operation and financial condition of the fund. The report must be submitted in electronic format under IC 5-14-6.

Sec. 9. (a) If federal money will not be used in conjunction with fund money, a qualified entity that wants a grant from the fund must submit an application for the grant to the corporation. The corporation shall review the application and may approve the application if the activities for which the grant money is to be used are activities:

1. that the qualified entity has statutory authority to perform; and
2. for which this chapter permits fund money to be used.

(b) When fund money is to be used to match federal money, a qualified entity that wants a grant must submit to the corporation an application for a grant under the federal program. The corporation shall review the application and shall submit the application to the federal agency if the corporation finds that the activities for which the grant money is to be used are activities:

1. that the qualified entity has statutory authority to perform; and
2. for which the federal program permits money to be used.

Before submitting an application to the federal agency, the corporation must also approve the completeness and technical accuracy of the qualified entity's application.

(c) Money from the fund and money from a federal program may be used for the following projects:

1. Public works.
2. Technical assistance.
3. Economic adjustment assistance.
4. Other economic development programs.

(d) If the qualified entity proposes to use its money for a loan program, the application from the qualified entity must contain the conditions under which loans will be made and the interest rate that will be charged.
Sec. 10. (a) A qualified entity may apply to the corporation for a loan from the fund to be used for economic development programs.

(b) An amount loaned to a qualified entity is an obligation of the qualified entity and shall be repaid to the corporation within a time to be fixed by the corporation, not to exceed three (3) years.

(c) The corporation shall determine interest rates for the loans to be made under this section.

(d) Final disbursements of money under this section must be made with the approval of the state board of finance.

(e) If a qualified entity fails to make repayment of money loaned under this section, the amount payable may be:

(1) withheld by the auditor of state from money payable to the qualified entity and transferred to the fund; or

(2) recovered in an action by the state on relation of the corporation, prosecuted by the attorney general, in the circuit or superior court of the county in which the qualified entity is located.

Chapter 9. Industrial Development Program and Fund

Sec. 1. As used in this chapter, "enterprise zone" means an enterprise zone created under IC 5-28-15 (or IC 4-4-6.1 before its repeal).

Sec. 2. As used in this chapter, "governing body" means the legislative body of a city, town, or county, an economic development commission, or a board administering the affairs of a special taxing district.

Sec. 3. As used in this chapter, "industrial development program" means a program designed to aid the growth of industry in Indiana and includes the:

(1) construction of airports, airport facilities, and tourist attractions;

(2) construction, extension, or completion of sewerlines, waterlines, streets, sidewalks, bridges, roads, highways, public ways, and information and high technology infrastructure;

(3) leasing or purchase of property, both real and personal; and

(4) preparation of surveys, plans, and specifications for the construction of publicly owned and operated facilities, utilities, and services.
Sec. 4. As used in this chapter, "information and high technology infrastructure" includes, but is not limited to, fiber optic cable and other infrastructure that supports high technology growth and the purchase and installation of fiber optic cable and other infrastructure.

Sec. 5. As used in this chapter, "minority enterprise small business investment company" means an investment company licensed under 15 U.S.C. 681(D).

Sec. 6. As used in this chapter, "qualified entity" means a city, a town, a county, an economic development commission, or a special taxing district.

Sec. 7. As used in this chapter, "small business investment company" means an investment company licensed under 15 U.S.C. 691 et seq. or a successor statute.

Sec. 8. The general assembly finds that:
(1) areas in Indiana have insufficient employment opportunities and insufficient diversification of industry;
(2) these conditions are harmful to the health, prosperity, economic stability, and general welfare of these areas and, if not remedied, will be detrimental to the development of these areas; and
(3) the use of money under this chapter and the fostering of industrial development programs serves a public purpose.

Sec. 9. (a) The industrial development fund is established within the state treasury. Loans may be made to qualified entities, small business investment companies, and minority enterprise small business investment companies in accordance with this chapter and the policies and guidelines adopted under it.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation and the state board of finance shall jointly administer the fund. The following may be paid from money in the fund:
(1) Expenses of administering the fund.
(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.
(3) Earnings from loans made under this chapter shall be deposited in the fund.
(4) The treasurer of state shall invest the money in the fund not
currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(f) The corporation, subject to the approval of the state board of finance, may adopt policies and guidelines for the proper administration of the fund and this chapter. The corporation may employ personnel necessary to efficiently administer this chapter.

Sec. 10. (a) Two million dollars ($2,000,000) in the industrial development fund does not revert to the state general fund but constitutes a revolving fund to be used exclusively for the purpose of this chapter. The corporation, subject to the approval of the state board of finance, may order the auditor of state to make an approved loan from the revolving fund to a qualified entity (including the purchase of bonds of the qualified entity), a small business investment company, or a minority enterprise small business investment company.

(b) A qualified entity may borrow funds from the corporation under this chapter and shall use the loan proceeds to institute and administer an approved industrial development program. The combined amount of outstanding loans to any one (1) program may not exceed one million dollars ($1,000,000). However, the one million dollar ($1,000,000) restriction in this subsection does not apply to an approved industrial development program in an economic development district established by a qualified entity under IC 6-1.1-39. A loan made under this chapter to an economic development commission is not a loan to or an obligation of the qualified entity that formed the commission, if the repayment of the loan is limited to a specified revenue source under section 15 of this chapter.

(c) A small business investment company or a minority enterprise small business investment company may use the loan proceeds for any lawful purpose.

(d) Notwithstanding any other law (including IC 5-1-11), the loan to a qualified entity under this section may be directly negotiated with the corporation without public sale of bonds or other evidences of indebtedness of the qualified entity.

Sec. 11. A qualified entity may institute and administer an industrial development program that is approved by ordinance or resolution adopted by the governing body of the qualified entity.
and approved by the corporation.

Sec. 12. (a) The state board of finance and the corporation shall authorize the making of a loan to a qualified entity under this chapter only when all the following conditions exist:

(1) An application for the loan has been submitted by the qualified entity, in a verified petition, to the state board of finance and the corporation in the manner and form as the state board of finance and the corporation direct. The application must set forth all the following:

(A) The need for the program and the need for funds for instituting and administering the program.
(B) An engineering estimate of the cost of the proposed program acceptable to the state board of finance and the corporation.
(C) The amount of money needed.
(D) Other information that is requested by the state board of finance and the corporation.

(2) The proposed program has been approved by the state board of finance and the corporation, which they may do only if they have determined that the program is based on sound engineering principles and is in the interest of industrial development.

(3) The loan does not exceed one hundred percent (100%) of the cost to the qualified entity of an approved program, with the cost of the program to be based on an estimate made by a competent engineering authority and approved by the corporation.

(4) The qualified entity has agreed to furnish assurance, satisfactory to the state board of finance and the corporation, that the qualified entity will operate and maintain the program, after completion, in a satisfactory manner.

(b) The state board of finance and the corporation shall authorize a loan to a small business investment company or minority enterprise small business investment company under this chapter only if:

(1) the small business investment company or minority enterprise small business investment company has loaned to or invested in a business located in an enterprise zone for a purpose directly related to the enterprise zone an amount that
is at least twice the amount of the requested loan; and
(2) the small business investment company or minority enterprise small business investment company has submitted an application, before the beginning of the phase out period of the enterprise zone, to the state board of finance and the corporation that shows the amount of the loan requested and other information that is requested by the state board of finance and the corporation.

Sec. 13. (a) The qualified entity may provide labor, equipment, and materials from any source at its disposal for such a program, and participation in accomplishment of the project or projects may be:

(1) evaluated by the state board of finance and the corporation; and
(2) computed as a part or all of the share of cost that the qualified entity is required to pay toward the total cost of the project or projects for which the loan is obtained.

(b) When participation as described in this section is authorized, the participation must be under direction of the governing body, and when cash amounts are included in the qualified entity's share of total cost, the cost amounts shall be provided in the usual and accepted manner for the financing of the affairs of the qualified entity. Costs of engineering and legal services to the borrower may be regarded as a part of the total cost of the project.

Sec. 14. (a) The state board of finance and the corporation shall determine and ascribe to an applicant for a loan a priority rating. The rating must be based primarily on the need of the qualified entity for a proposed program or on the need of the small business investment company or minority enterprise small business investment company for the loan as the need is related to the needs of other applicants for loans.

(b) The qualified entities, small business investment companies, or minority enterprise small business investment companies with the highest priority rating shall be given first consideration when loans are made under this chapter. The loans shall be made in descending order as shown by the priority ratings.

Sec. 15. (a) A loan made under this chapter is subject to the following restrictions:

(1) The repayment period may not exceed fifteen (15) years.
(2) The interest rate is to be set by the state board of finance at the time the loan is approved.
(3) Interest reverts to the industrial development fund established by this chapter.
(4) The loan must be repaid in installments, including interest on the unpaid balance, according to a repayment schedule approved by the state board of finance for that loan. However, on the approval of the state board of finance, the repayment of principal may be deferred for a period not to exceed two (2) years.
(5) Subject to subsection (b), the repayment of the loan may be limited to a specified revenue source of the qualified entity and, if limited, is not a general obligation of the unit and is payable solely from the specified revenue source.
(6) If the qualified entity levies a tax to repay the loan, the first installment of the loan is due from funds received from the first levy.
(7) If prepayment of the loan is made, a penalty may not be charged.

(b) A qualified entity may borrow money under this chapter only under an ordinance adopted under IC 36-1-3-6 as follows:
(1) If the qualified entity is a city, town, or county, by the qualified entity.
(2) If the qualified entity is an economic development commission, by the city, town, or county that established the economic development commission.
(3) If the qualified entity is a special taxing district established by the city, town, or county, by the city, town, or county that established the special taxing district.
(4) If the qualified entity is a special taxing district that was not established by a city, town, or county, by the county in which the special taxing district is located.

If repayment of the loan is to be from a specified revenue source under subsection (a)(5), the ordinance must state the revenue source and must state that the qualified entity is not obligated to pay the principal or interest on the loan except from the specified revenue source. An ordinance may not provide for repayment from a specified revenue source if the repayment would impair the qualified entity's contract with an owner of outstanding obligations.
payable from the specified revenue source.

(c) Notwithstanding any other law, the qualified entity may enter into loans under this chapter without obtaining the approval of any other body.

Sec. 16. A qualified entity receiving a loan under this chapter may levy an annual tax on personal and real property located within the qualified entity's geographical limits for industrial development purposes, in addition to any other tax authorized by statute to be levied for such purposes, at a rate that will produce sufficient revenue to pay the annual installment and interest on a loan made under this chapter. The tax may be in addition to the maximum annual rates prescribed by IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-19, and other statutes.

Sec. 17. (a) If a qualified entity fails to make repayment of money lent under this chapter or is in any way indebted to the industrial development fund for any amounts incurred or accrued, the amount payable may be:

(1) withheld by the auditor of state, as set forth in the loan agreement with the qualified entity, from any money payable to the qualified entity and transferred to the fund; or

(2) recovered in an action by the state on relation of the corporation, prosecuted by the attorney general, in the circuit or superior court of the county in which the qualified entity is located.

(b) If a small business investment company or a minority enterprise small business investment company fails to make repayment of money lent under this chapter or is in any way indebted to the industrial development fund for any amounts incurred or accrued, the amount payable may be recovered in an action by the state on relation of the company, prosecuted by the attorney general, in the circuit or superior court of the county in which the small business investment company or minority enterprise small business investment company is located.

Sec. 18. There is appropriated annually to the corporation from the state general fund, from money not otherwise appropriated, an amount sufficient to administer this chapter, subject to the approval of the budget committee.

Sec. 19. (a) The corporation, with the approval of the state board of finance, may sell to a person (including the board for
depositories) the notes or other debt obligations issued by a county, city, or town under this chapter or IC 6-1.1-39 for any borrowing from the industrial development fund under this chapter.

(b) A sale by the corporation of a note or another debt obligation of a county, city, or town as authorized by subsection (a) shall be made:
   
   (1) without recourse against the corporation, the state board of finance, or the industrial development fund; and
   (2) on the other terms and conditions that the corporation, with the approval of the state board of finance, establishes.

(c) A purchaser of a note or another debt obligation succeeds to all the rights, entitlements, conditions, and limitations under the note or other debt obligation. However, section 17 of this chapter does not apply to a note or another debt obligation that has been sold under subsection (a).

(d) After a sale of a note or another debt obligation, the corporation, the state board of finance, and the industrial development fund have no right, title, or interest in or to the note or debt obligation.

(e) The proceeds from a sale of a note or another debt obligation shall be deposited in the industrial development fund to be used exclusively for the purpose of this chapter.

Sec. 20. (a) For industrial development projects (as defined in IC 4-4-10.9-11(a)) that have a cost of the project (as defined in IC 4-4-10.9-5) greater than one hundred million dollars ($100,000,000), the corporation may coordinate a loan to a county, city, or town under this chapter that is to be funded under IC 6-1.1-39 with a simultaneous or successive sale of the note or other debt obligation issued or to be issued by the county, city, or town to evidence the borrowing under this chapter. For such a coordinated or simultaneous lending and sale, the sale proceeds may be applied to the funding of the loan to the county, city, or town.

(b) Notes or other debt obligations of a county, city, or town that may be sold by the corporation under this section are declared to be legal investments for:
   
   (1) all insurance companies and associations and other persons carrying on an insurance business; and
   (2) all banks, bankers, banking associations, trust companies,
savings associations including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business. These entities may invest their funds, including capital, in the notes or other debt obligations, notwithstanding any law to the contrary.

Chapter 10. Technology Development Grant Fund

Sec. 1. As used in this chapter, "fund" refers to the technology development grant fund established by section 7 of this chapter.

Sec. 2. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

Sec. 3. As used in this chapter, "redevelopment commission" refers to a redevelopment commission established under IC 36-7-14-3 or a commission (as defined in IC 36-7-15.1-3) that establishes a technology park.

Sec. 4. As used in this chapter, "targeted employment" means employment in any of the following business activities:

(1) Advanced manufacturing, including the following:
   (A) Automotive and electronics.
   (B) Aerospace technology.
   (C) Robotics.
   (D) Engineering design technology.

(2) Life sciences, including the following:
   (A) Orthopedics or medical devices.
   (B) Biomedical research or development.
   (C) Pharmaceutical manufacturing.
   (D) Agribusiness.
   (E) Nanotechnology or molecular manufacturing.

(3) Information technology, including the following:
   (A) Informatics.
   (B) Certified network administration.
   (C) Software development.
   (D) Fiber optics.

(4) Twenty-first century logistics, including the following:
   (A) High technology distribution.
   (B) Efficient and effective flow and storage of goods, services, or information.
   (C) Intermodal ports.

Sec. 5. As used in this chapter, "technology park" refers to a certified technology park established under IC 36-7-32.
Sec. 6. As used in this chapter, "technology product" means a product that involves high technology activity or otherwise involves targeted employment.

Sec. 7. The technology development grant fund is established within the state treasury to provide the necessary money for grants to redevelopment commissions under this chapter and the administration of this program.

Sec. 8. The fund consists of appropriations from the general assembly.

Sec. 9. The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.
(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

Sec. 10. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds are invested. Interest that accrues from these investments shall be deposited in the state general fund.

Sec. 11. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 12. The corporation shall establish a grant application procedure for redevelopment commissions.

Sec. 13. To qualify for a grant under this chapter, a redevelopment commission must:

(1) submit an application in the form prescribed by the corporation;
(2) demonstrate that:
   (A) the redevelopment commission has established a technology park; and
   (B) the grant being applied for under this chapter will assist the redevelopment commission in accomplishing the goals of the technology park under IC 36-7-32; and
(3) provide other information required by the corporation.

Sec. 14. The corporation shall provide grants on a competitive basis from the fund to businesses that apply for a grant under this chapter. The corporation may select and fund part or all of an application request that:

(1) is submitted during an application period; or
(2) was submitted in a prior application period but not fully
funded in that application period.

Sec. 15. (a) For purposes of this section, "operating expenditures" includes the following:

1. Business plans.
2. Marketing studies.
4. Securitization of capital.
5. Legal services.
6. Other necessary services.

(b) The total of all grants provided under this chapter for a technology park may not exceed the following:

1. Two million dollars ($2,000,000) for the leasing, construction, or purchase of capital assets.
2. Two million dollars ($2,000,000) for operating expenditures, and, subject to subsection (d), with not more than five hundred thousand dollars ($500,000) being distributed in any one (1) fiscal year.

(c) This subsection applies to a grant provided under subsection (b)(1) for the leasing of a capital asset. The grant may be applied only to lease payments made during:

1. The fiscal year; or
2. Each of the three (3) fiscal years immediately following the fiscal year in which the grant is provided.

(d) The annual distribution of a grant under subsection (b)(2) may not exceed the following:

1. Eighty percent (80%) of total operating expenditures in the fiscal year in which the grant is provided.
2. Sixty percent (60%) of total operating expenditures in the fiscal year after the fiscal year in which the grant is provided.
3. Forty percent (40%) of total operating expenditures in the second fiscal year after the fiscal year in which the grant is provided.
4. Twenty percent (20%) of total operating expenditures in the third fiscal year after the fiscal year in which the grant is provided.

Sec. 16. A capital expenditure grant under this chapter shall require that the lesser of:

1. Two million dollars ($2,000,000); or
(2) fifty percent (50%) of the total capital costs; of the project being funded by the grant be matched from other sources.

Sec. 17. The corporation may, under rules established by the department of local government finance and the procedures established by the corporation, award grants from the fund to one (1) or more political subdivisions to reimburse the political subdivisions for ad valorem property taxes allocated to an allocation area as a result of a resolution adopted under IC 36-7-32-15.

Chapter 11. Local Economic Development Organization Grants

Sec. 1. As used in this chapter, "economically disadvantaged area" has the meaning set forth in IC 6-3.1-9-1.

Sec. 2. As used in this chapter, "local economic development organization" (referred to as "organization") includes the following:

(1) An urban enterprise association established under IC 5-28-15 (or IC 4-4-6.1 before its repeal).
(2) An economic development commission established under IC 36-7-12.
(3) A nonprofit corporation established under state law whose primary purpose is the promotion of industrial or business development in Indiana, the retention or expansion of Indiana businesses, or the development of entrepreneurial activities in Indiana.
(4) A regional planning commission established under IC 36-7-7.
(5) A nonprofit educational organization whose primary purpose is educating and developing local leadership for economic development initiatives.
(6) Other similar organizations whose purposes include economic development and that are approved by the corporation.

Sec. 3. As used in this chapter, "program" refers to the local economic development organization grant program established by section 4 of this chapter.

Sec. 4. (a) The local economic development organization grant program is established.
(b) The program is administered by the corporation.
Sec. 5. An appropriation to the program does not expire or revert to the state general fund at the end of a state fiscal year.

Sec. 6. (a) The corporation may provide a grant under the program to an organization to assist in the operation of the organization, including any operations related to the provision of low income housing or the rehabilitation of low income housing. Not more than twenty-five percent (25%) of the grant amounts awarded under this chapter may be awarded for the provision or rehabilitation of low income housing. The grant may be used by the organization only to pay for the following expenses:

1. Employee salaries.
2. Office and other facilities.
3. Professional services provided under contract to the organization.
4. A strategic plan of economic development for any of the areas served by the organization.
5. Other similar administrative expenses of the organization.
6. Expenses related to the development of specialized training programs that benefit economic development initiatives.
7. Expenses incurred in research and development projects related to economic development initiatives.

(b) A grant under this chapter may not be used by the organization to provide direct financial assistance to a business or specific development project.

(c) The corporation may award a grant under this chapter for the provision or rehabilitation of low income housing only upon the authorization of the office of the lieutenant governor. The office of the lieutenant governor is responsible for administering a grant under this chapter for the provision or rehabilitation of low income housing.

Sec. 7. (a) A grant under this chapter must be matched by funds raised by the organization from sources other than state funds. The amount of the grant must equal:

1. One dollar ($1) for every two dollars ($2) raised by the organization, in the case of an organization that serves only one (1) county; or
2. One dollar ($1) for every one dollar ($1) raised by the organization, in the case of an organization that serves at least
two (2) counties.
(b) A grant under this chapter may not exceed:
   (1) fifty thousand dollars ($50,000), in the case of a grant to an
       organization that serves only one (1) county; or
   (2) seventy-five thousand dollars ($75,000), in the case of a
       grant to an organization that serves at least two (2) counties.
Sec. 8. (a) The corporation may adopt policies and guidelines
       governing application criteria and procedures for organizations
       applying for grants under this chapter.
   (b) The corporation shall give preference in awarding grants to
       organizations from or serving economically disadvantaged areas.
Sec. 9. Money appropriated for the program may be used for
       the costs of administering this chapter.
Chapter 12. Steel Industry
Sec. 1. The corporation shall conduct an examination of:
   (1) Indiana and federal statutes, rules, and regulations that
       either encourage or discourage production and consumption
       of Indiana steel;
   (2) the problems currently faced by the Indiana steel industry,
       including foreign competition and the economic climate for
       the steel industry in Indiana; and
   (3) any other matters considered relevant to the future of the
       steel industry in Indiana.
Sec. 2. (a) The corporation shall conduct appropriate studies
       and present an annual report to the legislative council and a
       summary letter to the general assembly through the legislative
       council not later than December 1 each year. The report must
       address the following issues:
       (1) Ways in which the use of Indiana steel can be expanded in
           Indiana and the world.
       (2) Ways in which any additional problems included in the
           examination conducted under section 1 of this chapter may be
           remedied.
       (3) The modification, if any, of state statutes or rules.
       The report and the letter must be in an electronic format under
       IC 5-14-6.
   (b) The corporation may request officials of governmental
       agencies in Indiana to attend its meetings and provide technical
       assistance and information as requested by the corporation.
Sec. 3. The corporation shall, upon request, advise state and local government officials on questions and matters affecting the steel industry.

Sec. 4. Funding for the corporation's activities shall be derived from funds appropriated to the corporation. Funds required for any third party studies approved by the corporation must come from contributions by the steel industry or other interested parties, as well as those funds that may be made available to the corporation. However, it is anticipated that the combined existing technical resources of the various participating institutions, organizations, and agencies will satisfy the corporation's technical support requirements.

Chapter 13. Permit Assistance Center

Sec. 1. As used in this chapter, "center" refers to the permit assistance center established by section 4 of this chapter.

Sec. 2. As used in this chapter, "permit" means any state agency permit, license, certificate, approval, registration, or similar form of approval required by a statute or an administrative rule.

Sec. 3. As used in this chapter, "state agency" has the meaning set forth in IC 4-13-1-1.

Sec. 4. The permit assistance center is established within the corporation. The center has the following duties:

1) Providing comprehensive information on permits required for business activities in Indiana and making this information available to any person.

2) Assisting applicants in obtaining timely and efficient permit review and the resolution of issues arising from permit review.

3) Encouraging the participation of federal and local government agencies in permit coordination.

Sec. 5. The center shall establish an information file on all state agency permit requirements that affect business activities in Indiana. The center shall:

1) develop methods for maintaining, updating, and providing ready access to the information file;

2) use the information file to provide comprehensive information concerning permit requirements affecting business activities; and

3) use the information file to provide the commission on
public records with information that will enable the commission to consolidate, simplify, expedite, or otherwise improve permit procedures.

Sec. 6. The center may prepare and distribute publications and other materials that:
(1) serve the convenience of permit applicants; and
(2) explain permit requirements affecting business activities.

Sec. 7. The center may encourage federal and local government permit agencies to use the services provided by the center to make information available to permit applicants. The center may advise permit applicants of federal and local permit requirements and may maintain an information file on permits for which the state has delegated issuance authority to local governmental agencies.

Sec. 8. The center may not charge a fee for services provided under this chapter. However, this section does not relieve a permit applicant of any part of the fees or charges established by a state agency for the review and approval of permit applications.

Sec. 9. This chapter does not affect the authority of a state agency to approve or deny a permit in the manner provided by any other law.

Sec. 10. Upon request of the center, each state agency shall provide the assistance and data necessary to enable the center to perform its duties under this chapter.

Sec. 11. The corporation may adopt policies and guidelines to implement this chapter.

Chapter 14. Promotion of Trade Shows

Sec. 1. As used in this chapter, "fund" refers to the trade promotion fund established by section 6 of this chapter.

Sec. 2. As used in this chapter, "small business concern" means a small business concern as defined in 15 U.S.C. 632.

Sec. 3. As used in this chapter, "trade mission" means a planned tour of business locations, all of which are:
(1) located in or outside the United States; and
(2) recommended by:
   (A) the United States Department of Commerce Foreign Commercial Service;
   (B) the United States Department of Agriculture Foreign Agriculture Service; or
   (C) the corporation.
Sec. 4. As used in this chapter, "trade show" means an exhibition, an exposition, or a fair:

(1) located in or outside the United States; and
(2) recommended by:

(A) the United States Department of Commerce Foreign Commercial Service; or
(B) the United States Department of Agriculture Foreign Agriculture Service.

Sec. 5. (a) The corporation shall promote the participation of small business concerns in trade shows and trade missions.

(b) Before promoting participation in trade shows and trade missions, the corporation must:

(1) conduct market research to determine the presence and extent of overseas markets for Indiana small business concerns; and
(2) determine the market areas offering Indiana small business concerns the best export opportunities.

(c) In promoting participation in trade shows and trade missions, the corporation shall emphasize trade shows and trade missions considered to offer Indiana small business concerns the best export opportunities for products produced in Indiana.

Sec. 6. (a) The trade promotion fund is established within the state treasury as a dedicated fund. Money in the fund must be spent by the corporation exclusively for the purposes described in this chapter.

(b) The fund consists of appropriations from the general assembly.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.
(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

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

Sec. 7. The corporation may provide financial assistance to a small business concern by reimbursing the small business concern
solely for booth rental fees related to its participation in a trade
show or trade mission.

Sec. 8. (a) Reimbursement for booth rental fees incurred by a
small business concern under section 7 of this chapter for
participation in one (1) trade show or trade mission may not exceed
the lesser of:

(1) five thousand dollars ($5,000); or
(2) the amount determined in subsection (b).

(b) The amount to be used in subsection (a)(2) is the amount
determined under the following STEPS:

STEP ONE: Determine the total booth rental fees incurred by
the small business concern under section 7 of this chapter.

STEP TWO: Subtract from the amount determined in STEP
ONE any amounts received by the small business concern
from a trade show promotion program or trade mission
program, other than the program established by this chapter.

(c) The maximum financial assistance that may be provided to
a small business concern during a state fiscal year may not exceed
ten thousand dollars ($10,000).

Sec. 9. To qualify for financial assistance under this chapter, a
small business concern must:

(1) apply to the corporation for approval to participate in a
trade show or trade mission in the form and by the time
specified by the board;

(2) establish to the satisfaction of the corporation that
participation in the trade show or trade mission will enhance
the export opportunities of products produced in Indiana by
the small business concern;

(3) maintain adequate records of the expenses incurred by the
small business concern to participate in a trade show or trade
mission;

(4) certify to the corporation the amount of financial
assistance, if any, received by the small business concern from
a trade show promotion program or trade mission program
other than the program established by this chapter; and

(5) provide to the corporation, on request:

(A) the records of the expenses related to the small
business concern’s participation in a trade show or trade
mission; and
(B) information regarding the effectiveness of the program established by this chapter in enhancing the export opportunities of the small business concern.

Sec. 10. The corporation may adopt policies and guidelines to implement this chapter.

Chapter 15. Enterprise Zones

Sec. 1. (a) As used in this chapter, "high technology business operations" means the operations in Indiana of a business engaged in the following:

(1) Advanced computing.
(2) Creation of advanced materials.
(3) Biotechnology.
(4) Electronic device technology.
(5) Environmental technology.
(6) Medical device technology.

(b) For purposes of this section, "advanced computing" means technology used in the designing and developing of computing hardware and software, including innovations in designing the full range of hardware from hand held calculators to supercomputers and peripheral equipment.

(c) For purposes of this section, "advanced materials" means materials with engineered properties created through the development of specialized processing and synthesis technology, including ceramics, high value added metals, electronic materials, composites, polymers, and biomaterials.

(d) For purposes of this section, "biotechnology" means the continually expanding body of fundamental knowledge about the functioning of biological systems from the macro level to the molecular and subatomic levels, as well as novel products, services, technologies, and subtechnologies developed as a result of insights gained from research advances that add to that body of fundamental knowledge.

(e) For purposes of this section, "electronic device technology" means technology involving any of the following:

(1) Microelectronics.
(2) Semiconductors.
(3) Electronic equipment.
(4) Instrumentation.
(5) Radio frequency waves.
(6) Microwaves.
(7) Millimeter electronics.
(8) Optical and optic electrical devices.
(9) Data and digital communications.
(10) Imaging devices.

(f) For purposes of this section, "environmental technology" means any of the following:

(1) The assessment and prevention of threats or damage to human health or the environment.
(2) Environmental cleanup.
(3) The development of alternative energy sources.

(g) For purposes of this section, "medical device technology" means technology involving any medical equipment or product (other than a pharmaceutical product) that has therapeutic value or diagnostic value and is regulated by the federal Food and Drug Administration.

Sec. 2. As used in this chapter, "U.E.A." refers to an urban enterprise association established under section 13 of this chapter.

Sec. 3. As used in this chapter, "zone business" means an entity that accesses at least one (1) tax credit or exemption incentive available under this chapter, IC 6-1.1-20.8, or IC 6-3-3-10.

Sec. 4. (a) Except as provided in subsection (b):

(1) a package liquor store that holds a liquor dealer's permit under IC 7.1-3-10; or
(2) any other entity that is required to operate under a license issued under IC 7.1;

is not eligible for incentives available to zone businesses.

(b) Subsection (a) does not apply to the recipient of an incentive if:

(1) the recipient entered into a written agreement concerning the incentive under IC 4-4-6.1-8 (transferred to section 17 of this chapter) before July 1, 1995;
(2) the recipient is described in:
   (A) IC 7.1-3-3-1;
   (B) IC 7.1-3-8-1;
   (C) IC 7.1-3-13-1; or
   (D) IC 7.1-5-7-11; or
(3) the recipient:
   (A) holds a license under IC 7.1; and
Sec. 5. (a) The board has the following powers, in addition to other powers that are contained in this chapter:

1. To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation that this chapter provides.
2. To waive or modify rules as provided in this chapter.
3. To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.
4. To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:
   A. If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars ($1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.
   B. Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.
   C. Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.
5. To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.
6. After a recommendation from a U.E.A., to modify an enterprise zone boundary if the board determines that the modification:
   A. is in the best interests of the zone; and
   B. meets the threshold criteria and factors set forth in section 9 of this chapter.
7. To employ staff and contract for services.
8. To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.
9. To make determinations under IC 6-3.1-11 concerning the designation of locations as industrial recovery sites and the
availability of the credit provided by IC 6-1.1-20.7 to persons owning inventory located on an industrial recovery site.

(10) To make determinations under IC 6-1.1-20.7 and IC 6-3.1-11 concerning the disqualification of persons from claiming credits provided by those chapters in appropriate cases.

(11) To make determinations under IC 6-3.1-11.5 concerning the designation of locations as military base recovery sites and the availability of the credit provided by IC 6-3.1-11.5 to persons making qualified investments in military base recovery sites.

(12) To make determinations under IC 6-3.1-11.5 concerning the disqualification of persons from claiming the credit provided by IC 6-3.1-11.5 in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives a credit under this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30) days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted.

Sec. 6. (a) The enterprise zone fund is established within the state treasury.

(b) The fund consists of:

1. the revenue from the registration fee required under section 5 of this chapter; and
2. appropriations from the general assembly.

(c) The corporation shall administer the fund. The fund may be used to:

1. pay the expenses of administering the fund;
(2) pay nonrecurring administrative expenses of the enterprise zone program; and
(3) provide grants to U.E.A.s for brownfield remediation in enterprise zones.

However, money in the fund may not be expended unless it has been appropriated by the general assembly and allotted by the budget agency.

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

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund. The corporation shall develop appropriate applications and may develop grant allocation guidelines, without complying with IC 4-22-2, for awarding grants under this subsection. The grant allocation guidelines must take into consideration the competitive impact of brownfield redevelopment plans on existing zone businesses.

Sec. 7. (a) Subject to subsections (c) and (d), a zone business that claims any of the incentives available to zone businesses shall, by letter postmarked before June 1 of each year:

(1) submit to the board and to the zone U.E.A., on a form prescribed by the board, a verified summary concerning the amount of tax credits and exemptions claimed by the business in the preceding year; and
(2) pay the amount specified in section 5(a)(4) of this chapter to the board.

(b) In order to determine the accuracy of the summary submitted under subsection (a), the board is entitled to obtain copies of a zone business's tax records directly from the department of state revenue, the department of local government finance, or a county official, notwithstanding any other law. A summary submitted to a board or zone U.E.A. or a record obtained by the board under this section is confidential. A board member, a U.E.A. member, or an agent of a board member or U.E.A. member who knowingly or intentionally discloses information that is confidential under this section commits a Class A misdemeanor.

(c) The board may grant one (1) extension of the time allowed
to comply with subsection (a) under the provisions of this subsection. To qualify for an extension, a zone business must apply to the board by letter postmarked before June 1. The application must be in the form specified by the board. The extension may not exceed forty-five (45) days under rules adopted by the board under IC 4-22-2.

(d) If a zone business that did not comply with subsection (a) before June 1 and did not file for an extension under subsection (c) before June 1 complies with subsection (a) before July 16, the amount of the tax credit and exemption incentives for the preceding year that were otherwise available to the zone business because the business was a zone business are waived, unless the zone business pays to the board a penalty of fifteen percent (15%) of the amount of the tax credit and exemption incentives for the preceding year that were otherwise available to the zone business because the business was a zone business. A zone business that pays a penalty under this subsection for a year must pay the penalty to the board before July 16 of that year. The board shall deposit any penalty payments received under this subsection in the enterprise zone fund.

(e) This subsection is in addition to any other sanction imposed by subsection (d) or any other law. If a zone business fails to comply with subsection (a) before July 16 and does not pay any penalty required under subsection (d) by letter postmarked before July 16 of that year, the zone business is:

1) denied all the tax credit and exemption incentives available to the business because the business was a zone business for that year; and

2) disqualified from further participation in the enterprise zone program under this chapter until the zone business:

   A) petitions the board for readmission to the enterprise zone program under this chapter; and

   B) pays a civil penalty of one hundred dollars ($100).

Sec. 8. (a) This section applies to records and other information, including records and information that are otherwise confidential, maintained by the following:

1) The board.

2) A U.E.A.

3) The department of state revenue.
(4) The corporation.
(5) The department of local government finance.
(6) A county auditor.
(7) A township assessor.

(b) A person or an entity listed in subsection (a) may request a second person or entity described in subsection (a) to provide any records or other information maintained by the second person or entity that concern an individual or a business that is receiving a tax deduction, exemption, or credit related to an enterprise zone. Notwithstanding any other law, the person or entity to whom the request is made under this section must comply with the request. A person or entity receiving records or information under this section that are confidential must also keep the records or information confidential.

(c) A person or an entity that receives confidential records or information under this section and knowingly or intentionally discloses the records or information to an unauthorized person commits a Class A misdemeanor.

Sec. 9. (a) The board may designate up to ten (10) enterprise zones, in addition to any enterprise zones the federal government may designate in Indiana. The board may by seven (7) affirmative votes increase the number of enterprise zones above ten (10), but it may not add more than two (2) new zones each year (excluding any zone that may be added by the board in a municipality in which a previously designated zone has expired) and may not add any new zones after December 31, 2015. There may not be more than one (1) enterprise zone in any municipality.

(b) After approval by resolution of the legislative body, the executive of any municipality that is not an included town under IC 36-3-1-7 may submit one (1) application to the board to have one (1) part of the municipality designated as an enterprise zone. If an application is denied, the executive may submit a new application. The board shall provide application procedures.

(c) The board shall evaluate an enterprise zone application if it finds that the following threshold criteria exist in a proposed zone:

1. A poverty level in which twenty-five percent (25%) of the households in the zone are below the poverty level as established by the most recent United States census or an average rate of unemployment for the most recent eighteen
(18) month period for which data is available that is at least one and one-half (1 1/2) times the average statewide rate of unemployment for the same eighteen (18) month period.

(2) A population of more than two thousand (2,000) but less than ten thousand five hundred (10,500).

(3) An area of more than three-fourths (3/4) of a square mile but less than four (4) square miles, with a continuous boundary (using natural, street, or highway barriers when possible) entirely within the applicant municipality. However, if the zone includes a parcel of property that:
   (A) is owned by the municipality; and
   (B) has an area of at least twenty-five (25) acres;
the area of the zone may be increased above the four (4) square mile limitation by an amount not to exceed the area of the municipally owned parcel.

(4) Property suitable for the development of a mix of commercial, industrial, and residential activities.

(5) The appointment of a U.E.A. that meets the requirements of section 13 of this chapter.

(6) A statement by the applicant indicating its willingness to provide certain specified economic development incentives.

(d) If an applicant has met the threshold criteria of subsection (c), the board shall evaluate the application, arrive at a decision based on the following factors, and either designate a zone or reject the application:

(1) Level of poverty, unemployment, and general distress of the area in comparison with other applicant and nonapplicant municipalities and the expression of need for an enterprise zone over and above the threshold criteria of subsection (c).

(2) Evidence of support for designation by residents, businesses, and private organizations in the proposed zone, and the demonstration of a willingness among those zone constituents to participate in zone area revitalization.

(3) Efforts by the applicant municipality to reduce the impediments to development in the zone area where necessary, including but not limited to the following:
   (A) A procedure for streamlining local government regulations and permit procedures.
   (B) Crime prevention activities involving zone residents.
(C) A plan for infrastructure improvements capable of supporting increased development activity.

(4) Significant efforts to encourage the reuse of existing zone structures in new development activities to preserve the existing character of the neighborhood, where appropriate.

(5) The proposed managerial structure of the zone and the capacity of the U.E.A. to carry out the goals and purposes of this chapter.

Sec. 10. (a) An enterprise zone expires ten (10) years after the day on which it is designated by the board. The two (2) year period immediately before the day on which the enterprise zone expires is the phaseout period. During the phaseout period, the board may review the success of the enterprise zone based on the following criteria and may, with the consent of the budget committee, renew the enterprise zone, including all provisions of this chapter, for five (5) years:

(1) Increases in capital investment in the zone.

(2) Retention of jobs and creation of jobs in the zone.

(3) Increases in employment opportunities for residents of the zone.

(b) If an enterprise zone is renewed under subsection (a), the two (2) year period immediately before the day on which the enterprise zone expires is another phaseout period. During the phaseout period, the board may review the success of the enterprise zone based on the criteria set forth in subsection (a) and, with the consent of the budget committee, may again renew the enterprise zone, including all provisions of this chapter, for a final period of five (5) years. The zone may not be renewed after the expiration of this final five (5) year period.

Sec. 11. (a) Notwithstanding any other provision of this chapter, one (1) or more units (as defined in IC 36-1-2-23) may declare all or any part of a military base or another military installation that is inactive, closed, or scheduled for closure as an enterprise zone. The declaration shall be made by a resolution of the legislative body of the unit that contains the geographic area being declared an enterprise zone. The legislative body must include in the resolution that a U.E.A. is created or designate another entity to function as the U.E.A. under this chapter. The resolution must also be approved by the executive of the unit.
(b) If the resolution is approved, the executive shall file the resolution and the executive's approval with the board. If an entity other than a U.E.A. is designated to function as a U.E.A., the entity's acceptance must be filed with the board along with the resolution. The enterprise zone designation is effective on the first day of the month following the day the resolution is filed with the board.

(c) Establishment of an enterprise zone under this section is not subject to the limit of two (2) new enterprise zones each year under section 9(a) of this chapter.

Sec. 12. The board may not approve the enlargement of an enterprise zone's geographic boundaries unless the area to be enlarged meets the criteria of economic distress set forth in section 9(c)(1) of this chapter.

Sec. 13. (a) There is established in each applicant for designation as an enterprise zone and in each enterprise zone an urban enterprise association (U.E.A). The twelve (12) members of the U.E.A. shall be chosen as follows:

1. The governor shall appoint the following:
   (A) One (1) state legislator whose district includes all or part of the enterprise zone.
   (B) One (1) representative of the corporation, who is not a voting member of the U.E.A.

2. The executive of the municipality in which the zone is located shall appoint the following:
   (A) One (1) representative of the plan commission having jurisdiction over the zone, if any exists.
   (B) One (1) representative of the municipality's department that performs planning or economic development functions.
   (C) Two (2) representatives of businesses located in the zone, one (1) of whom shall be from a manufacturing concern, if any exists in the zone.
   (D) One (1) resident of the zone.
   (E) One (1) representative of organized labor from the building trades that represent construction workers.

3. The legislative body of the municipality in which the zone is located shall appoint, by majority vote, the following:
   (A) One (1) member of the municipality's legislative body
whose district includes all or part of the zone.
(B) One (1) representative of a business located in the zone.
(C) Two (2) residents of the zone, who must not be members of the same political party.
(b) Members of the U.E.A. serve four (4) year terms. The appointing authority shall fill any vacancy for the balance of the vacated term.
(c) Members may be dismissed only by the appointing authority and only for just cause.
(d) The members shall elect a chairperson, a vice chairperson, and a secretary by majority vote. This election shall be held every two (2) years in the same month as the first meeting or whenever a vacancy occurs. The U.E.A. shall meet at least once every three (3) months. The secretary shall notify members of meetings at least two (2) weeks in advance of meetings. The secretary shall provide a list of members to each member and shall notify members of any changes in membership.
(e) If an applicant for designation as an enterprise zone does not receive that designation, the U.E.A. in that municipality is dissolved when the application is rejected.
Sec. 14. (a) A U.E.A. shall do the following:
(1) Coordinate zone development activities.
(2) Serve as a catalyst for zone development.
(3) Promote the zone to outside groups and individuals.
(4) Establish a formal line of communication with residents and businesses in the zone.
(5) Act as a liaison between residents, businesses, the municipality, and the board for any development activity that may affect the zone or zone residents.
(b) A U.E.A. may do the following:
(1) Initiate and coordinate any community development activities that aid in the employment of zone residents, improve the physical environment, or encourage the turnover or retention of capital in the zone. These additional activities include but are not limited to recommending to the municipality the manner and purpose of expenditure of funds generated under IC 36-7-14-39(g) or IC 36-7-15.1-26(g).
(2) Recommend that the board modify a zone boundary or disqualify a zone business from eligibility for one (1) or more
benefits or incentives available to zone businesses.

(3) Incorporate as a nonprofit corporation. Such a corporation may continue after the expiration of the zone in accordance with the general principles established by this chapter. A U.E.A. that incorporates as a nonprofit corporation under this subdivision may purchase or receive real property from a redevelopment commission under IC 36-7-14-22.2 or IC 36-7-15.1-15.2.

(c) The U.E.A. may request, by majority vote, that the legislative body of the municipality in which the zone is located modify or waive any municipal ordinance or regulation that is in effect in the zone. The legislative body may, by ordinance, waive or modify the operation of the ordinance or regulation, if the ordinance or regulation does not affect health (including environmental health), safety, civil rights, or employment rights.

(d) The U.E.A. may request, by majority vote, that the board waive or modify any state rule that is in effect in the zone. The board shall review the request and may approve, modify, or reject the request. Approval or modification by the board shall take place after review by the appropriate state agency. A modification may include but is not limited to establishing different compliance or reporting requirements, timetables, or exemptions in the zone for a business or an individual, to the extent that the modification does not adversely affect health (including environment health), safety, employment rights, or civil rights. An approval or a modification of a state rule by the board takes effect upon the approval of the governor. In no case are the provisions of IC 22-2-2 and IC 22-7-1-2 mitigated by this chapter.

Sec. 15. (a) Any business that substantially reduces or ceases an operation located in Indiana and outside an enterprise zone (referred to as a nonzone operation) in order to relocate in an Indiana enterprise zone is disqualified from benefits or incentives available to zone businesses. Determinations under this section shall be made by a hearing panel composed of the chairperson of the board or the chairperson's designee, the commissioner of the department of state revenue or the commissioner's designee, and the commissioner of the department of local government finance or the commissioner's designee. The panel, after an evidentiary hearing held subsequent to the relocation of the business, shall
submit a recommended order to the board for its adoption. The recommended order shall be based on the following criteria and subsection (b):

(1) A site specific economic activity, including sales, leasing, service, manufacturing, production, storage of inventory, or any activity involving permanent full-time or part-time employees shall be considered a business operation.

(2) With respect to a nonzone operation, any of the following that occurs during the twelve (12) months before the completion of the physical relocation of all or part of the activity described in subdivision (1) from the nonzone operation to the enterprise zone as compared with the twelve (12) months before that twelve (12) months shall be considered a substantial reduction:

(A) A reduction in the average number of full-time or part-time employees of the lesser of:
   (i) one hundred (100) employees; or
   (ii) twenty-five percent (25%) of all employees.
(B) A twenty-five percent (25%) reduction in the average number of goods manufactured or produced.
(C) A twenty-five percent (25%) reduction in the average value of services provided.
(D) A ten percent (10%) reduction in the average value of stored inventory.
(E) A twenty-five percent (25%) reduction in the average amount of gross income.

(b) Notwithstanding subsection (a), a business that would otherwise be disqualified under subsection (a) is eligible for benefits and incentives available to zone businesses if each of the following conditions is met:

(1) The business relocates its nonzone operation for any of the following reasons:

(A) The lease on property necessary for the nonzone operation has been involuntarily lost through no fault of the business.
(B) The space available at the location of the nonzone operation cannot accommodate planned expansion needed by the business.
(C) The building for the nonzone operation has been
certified as uninhabitable by a state or local building authority.

(D) The building for the nonzone operation has been totally destroyed through no fault of the business.

(E) The renovation and construction costs at the location of the nonzone operation are more than one and one-half (1 1/2) times the costs of purchase, renovation, and construction of a facility in the zone, as certified by three (3) independent estimates.

A business is eligible for benefits and incentives under clause (C) or (D) only if renovation and construction costs at the location of the nonzone operation are more than one and one-half (1 1/2) times the cost of purchase, renovation, and construction of a facility in the zone. These costs must be certified by three (3) independent estimates.

(2) The business has not terminated or reduced the pension or health insurance obligations payable to employees or former employees of the nonzone operation without the consent of the employees.

(c) The hearing panel shall cause to be delivered to the business and to any person who testified before the panel in favor of disqualification of the business a copy of the panel's recommended order. The business and these persons shall be considered parties for purposes of this section.

(d) A party who wishes to oppose the board's adoption of the recommended order of the hearing panel shall, not later than ten (10) days after the party's receipt of the recommended order, file written objections with the board. If the objections are filed, the board shall set the objections for oral argument and give notice to the parties. A party at its own expense may cause to be filed with the board a transcript of the oral testimony or any other part of the record of the proceedings. The oral argument shall be on the record filed with the board. The board may hear additional evidence or remand the action to the hearing panel with instructions appropriate to the expeditious and proper disposition of the action. The board may adopt the recommendations of the hearing panel, may amend or modify the recommendations, or may make an order or determination as is proper on the record.

(e) If no objections are filed, the board may adopt the
recommended order without oral argument. If the board does not adopt the proposed findings of fact and recommended order, the parties shall be notified and the action shall be set for oral argument as provided in subsection (d).

(f) The final determination made by the board shall be made by a majority of the quorum needed for board meetings.

Sec. 16. Whenever federal or state money is available for job training purposes, considerations shall, to the extent possible, be given to training residents of enterprise zones in industry specific skills relevant to a resident's particular zone.

Sec. 17. The state pledges to and agrees with the direct recipient of any enterprise zone incentive under this chapter that the state will not limit or alter the rights vested in the U.E.A. to fulfill the terms of any agreements it makes with those recipients or in any way impair the rights and remedies of those recipients until the terms of the incentive are fulfilled. The board may include this pledge and agreement of the state in any agreement it makes with the recipient.

Chapter 16. Indiana Twenty-First Century Research and Technology Fund

Sec. 1. As used in this chapter, "fund" refers to the Indiana twenty-first century research and technology fund established by section 2 of this chapter.

Sec. 2. (a) The Indiana twenty-first century research and technology fund is established within the state treasury to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

1) To increase the capacity of Indiana institutions of higher education, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal or private research and development funding.
2) To stimulate the transfer of research and technology into marketable products.
3) To assist with diversifying Indiana's economy by focusing investment in biomedical research and biotechnology, information technology, and other high technology industry clusters requiring high skill, high wage employees.
4) To encourage an environment of innovation and cooperation among universities and businesses to promote
research activity.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

1) Expenses of administering the fund.

2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The budget agency shall review each recommendation. The budget agency, after review by the budget committee, may approve, deny, or modify grants and loans recommended by the board. Money in the fund may not be used to provide a recurring source of revenue for the normal operating expenditures of any project.

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

(g) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter.

Sec. 3. (a) An application requesting a grant or loan from the fund must be targeted to one (1) or more of the areas listed in section 2 of this chapter.

(b) A successful applicant for a grant or loan from the fund must meet the requirements of this section and be approved by the board. An application for a grant or loan from the fund must be made on an application form prescribed by the board. An applicant shall provide all information that the board finds necessary to make the determinations required by this chapter.

(c) All applications for a grant or loan from the fund must include the following:

1) A fully elaborated technical research or business plan, whichever applies, that is appropriate for review by outside experts as provided in this chapter.

2) A detailed financial analysis that includes the commitment
of resources by other entities that will be involved in the project.

(3) A statement of the economic development potential of the project, such as:
   (A) a statement of the way in which support from the fund will lead to significantly increased funding from federal or private sources and from private sector research partners; or
   (B) a projection of the jobs to be created.

(4) The identity, qualifications, and obligations of the applicant.

(5) Any other information that the board considers appropriate.

An applicant for a grant or loan from the fund may request that certain information that is submitted by the applicant be kept confidential. The board shall make a determination of confidentiality as soon as is practicable. If the board determines that the information should not be kept confidential, the applicant may withdraw the application, and the board must return the information before making it part of any public record.

(d) An application for a grant or loan from the fund submitted by an academic researcher must be made through the office of the president of the researcher's academic institution with the express endorsement of the institution's president. An application for a grant or loan from the fund submitted by a private researcher must be made through the office of the highest ranking officer of the researcher's institution with the express endorsement of the institution. Any other application must be made through the office of the highest ranking officer of the entity submitting the application. In the case of an application for a grant or loan from the fund that is submitted jointly by one (1) or more researchers or entities, the application must be endorsed by each institution or entity as required by this subsection.

Sec. 4. (a) The board has the following powers:
   (1) To accept, analyze, and approve applications under this chapter.
   (2) To contract with experts for advice and counsel.
   (3) To employ staff to assist in carrying out this chapter, including providing assistance to applicants who wish to apply
for a grant or loan from the fund, analyzing proposals, working with experts engaged by the board, and preparing reports and recommendations for the board.

(4) To approve and recommend applications for grants or loans from the fund to the budget committee and budget agency.

(b) The board shall give priority to applications for grants or loans from the fund that:

(1) have the greatest economic development potential; and
(2) require the lowest ratio of money from the fund compared with the combined financial commitments of the applicant and those cooperating on the project.

(c) The board shall make final funding determinations for applications for grants or loans from the fund that will be submitted to the budget agency for review and approval. In making a determination on a proposal intended to obtain federal or private research funding, the board shall be advised by a peer review panel and shall consider the following factors in evaluating the proposal:

(1) The scientific merit of the proposal.
(2) The predicted future success of federal or private funding for the proposal.
(3) The ability of the researcher to attract merit based scientific funding of research.
(4) The extent to which the proposal evidences interdisciplinary or interinstitutional collaboration among two (2) or more Indiana institutions of higher education or private sector partners, as well as cost sharing and partnership support from the business community.

(d) The peer review panel shall be chosen by and report to the board. In determining the composition and duties of a peer review panel, the board shall consider the National Institutes of Health and the National Science Foundation peer review processes as models. The members of the panel must have extensive experience in federal research funding. A panel member may not have a relationship with any private entity or academic institution in Indiana that would constitute a conflict of interest for the panel member.

(e) In making a determination on any other application for a
grant or loan from the fund involving a proposal to transfer research results and technologies into marketable products or commercial ventures, the board shall consult with experts as necessary to analyze the likelihood of success of the proposal and the relative merit of the proposal.

(f) A grant or loan from the fund may not be approved or recommended to the budget agency by the board unless the grant or loan has received a positive recommendation from a peer review panel described in this section.

Sec. 5. The board may use money in the fund to cover administrative expenses incurred in carrying out the requirements of this chapter.

Sec. 6. The board shall submit an annual report to the legislative council before September 1. The report must be in an electronic format under IC 5-14-6 and must contain the following information concerning fund activity in the preceding state fiscal year:

1. The name of each entity receiving a grant from the fund.
2. The location of each entity sorted by:
   (A) county, in the case of an entity located in Indiana; or
   (B) state, in the case of an entity located outside Indiana.
3. The amount of each grant awarded to each entity.

Chapter 17. Small Business Development
Sec. 1. (a) The corporation shall do the following to carry out this chapter:

1. Contribute to the strengthening of the economy of Indiana by encouraging the organization and development of new business enterprises, including technologically oriented enterprises.
2. Submit an annual report to the governor and to the general assembly not later than November 1 of each year. The annual report must:
   (A) include detailed information on the structure, operation, and financial status of the corporation; and
   (B) be in an electronic format under IC 5-14-6.

The board shall conduct an annual public hearing to receive comment from interested parties regarding the annual report, and notice of the hearing shall be given at least fourteen (14) days before the hearing in accordance with IC 5-14-1.5-5(b).
(3) Approve and administer loans from the microenterprise partnership program fund established by IC 5-28-18.
(4) Conduct activities for nontraditional entrepreneurs under IC 5-28-18.
(5) Establish and administer the small and minority business financial assistance program under IC 5-28-20.
(6) Establish and administer the microenterprise partnership program under IC 5-28-19.
(b) The corporation may do the following to carry out this chapter:
(1) Receive money from any source, enter into contracts, and expend money for any activities appropriate to its purpose.
(2) Do all other things necessary or incidental to carrying out the corporation's functions under this chapter.
(3) Establish programs to identify entrepreneurs with marketable ideas and to support the organization and development of new business enterprises, including technologically oriented enterprises.
(4) Conduct conferences and seminars to provide entrepreneurs with access to individuals and organizations with specialized expertise.
(5) Establish a statewide network of public, private, and educational resources to assist the organization and development of new enterprises.
(6) Operate a small business assistance center to provide small businesses, including minority owned businesses and businesses owned by women, with access to managerial and technical expertise and to provide assistance in resolving problems encountered by small businesses.
(7) Cooperate with public and private entities, including the Indiana Small Business Development Center Network and the federal government marketing program, in exercising the powers listed in this subsection.
(8) Establish and administer the small and minority business financial assistance program under IC 5-28-20;
(9) Approve and administer loans from the microenterprise partnership program fund established by IC 5-28-18.
(10) Coordinate state funded programs that assist the organization and development of new enterprises.
Sec. 2. Debts incurred by the small business development corporation under authority of IC 4-3-12 (before its repeal) do not represent or constitute a debt of the state within the meaning of the Constitution of the State of Indiana or Indiana statutes. The corporation may not incur debt under this chapter. However, the corporation shall assume the debt of the small business development corporation that is outstanding on the date the small business development corporation is abolished.

Chapter 18. Microenterprise Partnership Program Fund

Sec. 1. As used in this chapter, "federal income poverty level" means the nonfarm income official poverty line as determined annually by the federal Office of Management and Budget.

Sec. 2. As used in this chapter, "fund" refers to the microenterprise partnership program fund established by section 7 of this chapter.

Sec. 3. As used in this chapter, "local board" means the:

(1) governing body of an eligible entity described in section 12 of this chapter; or
(2) board of directors of a corporation described in section 13 of this chapter.

Sec. 4. As used in this chapter, "local pool" includes both a local investment pool established under section 12 of this chapter and a local opportunity pool established under section 13 of this chapter.

Sec. 5. As used in this chapter, "nontraditional entrepreneur" means a person who operates or seeks to establish a business in Indiana and who is described in one (1) or more of the following categories:

(1) Persons whose employment has been terminated or who have been laid off and who have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which they reside.
(2) Persons who are employed but whose family income is not greater than one hundred twenty-five percent (125%) of the federal income poverty level for the same size family.
(3) Single parents whose family income is not greater than one hundred twenty-five percent (125%) of the federal income poverty level for the same size family.
(4) Minorities.
(5) Women.
(6) Persons who are at least sixty-five (65) years of age.
(7) Persons who are at least eighteen (18) years of age but less than twenty-four (24) years of age.
(8) Welfare recipients.
(9) Owners or operators of existing businesses with less than twenty-five (25) employees.
(10) Persons who by reason of physical or mental disability are unable to achieve full vocational participation.
(11) Members of family farms undergoing economic adjustment and seeking sources of income in addition to the farm.

Sec. 6. (a) The general assembly makes the following findings of fact:

(1) There exists in Indiana an inadequate amount of locally managed, pooled investment capital in the private sector available to invest in new and existing business ventures, including business ventures by nontraditional entrepreneurs.
(2) Investing capital and business management advice in new and existing business ventures, including business ventures by nontraditional entrepreneurs, will enhance economic development and create and retain employment in Indiana. This investment will enhance the health and general welfare of the people of Indiana, and it constitutes a public purpose.
(3) Nontraditional entrepreneurs have not engaged in entrepreneurship and self-employment to the extent found in the mainstream of Indiana’s population. Realizing the potential of these nontraditional entrepreneurs will enhance Indiana’s economic vitality.

(b) It is the policy of the state to promote economic development and entrepreneurial talent of Indiana’s inhabitants by the creation of the microenterprise partnership program fund for the public purpose of promoting opportunities for gainful employment and business opportunities.

Sec. 7. (a) The microenterprise partnership program fund is established within the state treasury. The fund is a revolving fund to:

(1) provide loans approved by the corporation under this chapter and IC 5-28-17;
(2) provide loans or loan guarantees under the small and
minority business financial assistance program established by IC 5-28-20-9; and
(3) carry out the microenterprise partnership program under IC 5-28-19.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:
   (1) Expenses of administering the fund.
   (2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter, IC 5-28-19, and IC 5-28-20.
   (d) Earnings from loans made under this chapter shall be deposited in the fund.
   (e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state general fund.
   (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.
   (g) The fund is subject to an annual audit by the state board of accounts. The fund shall bear the full costs of the audit.

Sec. 8. (a) The corporation shall perform the following duties:
   (1) Establish and implement the policies and procedures to be used by the corporation in the administration of the fund.
   (2) Subject to section 10 of this chapter, establish criteria for awarding loans from the fund.
   (3) Review and approve or disapprove applications for loans from the fund.
   (4) Establish the terms of loans from the fund, which must include the conditions set forth in section 11 of this chapter.
   (5) Award the loans approved under this chapter.
   (6) Provide the staff and other resources necessary to implement this chapter.
   (7) Prepare and distribute to appropriate entities throughout Indiana requests for proposals for the organization and operation of local pools.
   (8) Conduct conferences and seminars concerning the fund.
   (9) Submit a report concerning the fund to the general
assembly before November 1 of each year. The report must include detailed information concerning the structure, operation, and financial condition of the fund. The report must be in an electronic format under IC 5-14-6.

(b) The corporation may enter into contracts necessary for the administration of this chapter, including contracts for servicing loans from the fund.

Sec. 9. A local board may apply for a loan from the fund. A local board’s application for a loan must include the following information:

1. The total amount of the loan requested from the fund.
2. The total amount of matching funds to be provided from the local pool operated by the local board and the sources of those matching funds.
3. A detailed description of the local pool, including its investment criteria.
4. The impact of the proposed loan on job production in the area served by the local pool.
5. Any other information requested by the corporation.

Sec. 10. The corporation’s criteria for awarding loans from the fund to a local board must include the following factors:

1. The extent to which local financial institutions invest and participate in the local pool.
2. The extent to which the local pool is used as a secondary source of financing that complements conventional financing provided by existing financial institutions.
3. The local board’s knowledge of successful business practices.
4. The extent to which the local board will target the proceeds of the loan toward nontraditional entrepreneurs.
5. The extent to which the local board intends to use the loan proceeds for investment in debt, equity, debt with equity attributes, or other forms of creative financing.
6. The extent to which the local board’s proposed program will encourage clustering of small business programs through proximity to small business incubators and other sources of small business assistance and technology transfer.
7. Other criteria established by the corporation.

Sec. 11. A loan from the fund to a local board is subject to the
following conditions:

1. The local board may use the loan from the fund only to make and service grants, equity investments, loans, and loan guarantees to persons who are establishing or operating businesses in Indiana. However, the local board may not spend any part of the loan from the fund to defray the expenses of servicing grants, loans, and loan guarantees unless that expenditure is specifically authorized in the loan agreement with the corporation.

2. The term of the loan may not exceed twenty (20) years.

3. The loan must require the local board to provide matching funds in an amount determined by the corporation. However, the total of the loan plus the matching funds must be at least:
   
   (A) one million dollars ($1,000,000) for a local investment pool established under section 12 of this chapter; or
   
   (B) five hundred thousand dollars ($500,000) for a local opportunity pool established under section 13 of this chapter.

4. The corporation may forgive or defer payment of all or part of the interest and principal on the loan.

5. The loan agreement must require the local board, through its staff or consultants, to perform the following duties with respect to recipients of financial assistance from the local pool:
   
   (A) Provide training in business and financial management techniques.
   
   (B) Oversee the fiscal operations of the recipients of financial assistance for at least one (1) year following the receipt of that assistance.
   
   (C) Provide fiscal management assistance to recipients of financial assistance when necessary for at least one (1) year following the receipt of the assistance, including assistance in the preparation and filing of federal and state tax returns.

6. The local board must make a report concerning the local pool to the corporation before September 1 of each year. The report must include detailed information concerning the structure, operation, and financial condition of the local pool.

7. Any other conditions that the corporation considers
appropriate.

Sec. 12. (a) As used in this section, "eligible entity" means any partnership, unincorporated association, corporation, or limited liability company, whether or not operated for profit, that is established for the purpose of establishing a local investment pool.

(b) A local investment pool may be established only by an eligible entity. A political subdivision may participate in the establishment of an eligible entity but may not be the sole member of the eligible entity.

(c) The articles of incorporation or bylaws of the eligible entity, as appropriate, must provide the following:

(1) The exclusive purpose of the eligible entity is to establish a local investment pool to:

(A) attract private equity investment to provide grants, equity investments, loans, and loan guarantees for the establishment or operation of businesses in Indiana; and
(B) provide a low to moderate rate of return to investors in the short term, with higher rates of return in the long term.

(2) The governing body of the eligible entity must include:

(A) persons who are qualified by professional background and business experience to make sound financial and investment decisions in the private sector; and
(B) representatives of nontraditional entrepreneurs.

(3) The eligible entity may receive funds from:

(A) equity investors;
(B) grants and loans from local units of government;
(C) grants and loans from the federal government;
(D) donations; and
(E) loans from the fund.

Sec. 13. (a) A local opportunity pool may be established only by a nonprofit corporation or a for-profit corporation established for that purpose. A political subdivision may participate in the establishment of such a corporation but may not be the sole member of the corporation.

(b) The articles of incorporation or bylaws of a corporation described in subsection (a), as appropriate, must provide the following:

(1) The exclusive purpose of the corporation described in
subsection (a) is to establish a local opportunity pool to:
(A) attract sources of funding other than private equity investment to provide grants, loans, and loan guarantees for the establishment or operation of nontraditional entrepreneurial endeavors in Indiana; and
(B) enter into financing agreements that seek the return of the principal amounts advanced by the pool, with the potential for a greater return.

(2) The board of directors of the corporation described in subsection (a) must include:
(A) persons who are actively engaged in Indiana in private enterprise, organized labor, or state or local governmental agencies and who are qualified by professional background and business experience to make sound financial and investment decisions in the private sector; and
(B) representatives of nontraditional entrepreneurs.

(3) The corporation described in subsection (a) may receive funds from:
(A) philanthropic foundations;
(B) grants and loans from local units of government;
(C) grants and loans from the federal government;
(D) donations;
(E) bequests; and
(F) loans from the fund.

Sec. 14. The making of loans from the fund does not constitute the lending of credit by the state for purposes of any other statute or the Constitution of the State of Indiana.

Chapter 19. Microenterprise Partnership Program

Sec. 1. As used in this chapter, "microenterprise" means a business with fewer than five (5) employees. The term includes startup, home based, and self-employed businesses.

Sec. 2. As used in this chapter, "microloan" means a business loan of not more than twenty-five thousand dollars ($25,000).

Sec. 3. As used in this chapter, "microloan delivery organization" means a community based or nonprofit program that:
(1) has developed a viable plan for providing training, access to financing, and technical assistance to microenterprises; and
(2) meets the criteria and qualifications set forth in this
chapter.

Sec. 4. As used in this chapter, "operating costs" refers to the costs associated with administering a loan or a loan guaranty, administering a revolving loan program, or providing for business training and technical assistance to a microloan recipient.

Sec. 5. As used in this chapter, "program" refers to the microenterprise partnership program established under section 6 of this chapter.

Sec. 6. (a) The corporation shall establish the microenterprise partnership program to provide grants to microloan delivery organizations.

(b) A grant provided under subsection (a) may not exceed twenty-five thousand dollars ($25,000).

(c) A microloan delivery organization receiving a grant under this section must use the grant for the purposes set forth in this chapter.

Sec. 7. To establish the criteria for making a grant to a microloan delivery organization, the corporation shall consider the following:

1. The microloan delivery organization's plan for providing business development services and microloans to microenterprises.
2. The scope of services provided by the microloan delivery organization.
3. The microloan delivery organization's plan for coordinating the services and loans provided under this chapter with those provided by commercial lending institutions.
4. The geographic representation of all regions of the state, including both urban and rural communities and neighborhoods.
5. The microloan delivery organization's emphasis on supporting female and minority entrepreneurs.
6. The ability of the microloan delivery organization to provide business training and technical assistance to microenterprises.
7. The ability of the microloan delivery organization to monitor and provide financial oversight of recipients of microloans.
(8) The sources and sufficiency of the microloan delivery organization's operating funds.

Sec. 8. A grant received by a microloan delivery organization may be used for the following purposes:

(1) To satisfy matching fund requirements for federal or private grants.
(2) To establish a revolving loan fund from which the microloan delivery organization may make loans to microenterprises.
(3) To establish a guaranty fund from which the microloan delivery organization may guarantee loans made by commercial lending institutions to microenterprises.
(4) To pay the operating costs of the microloan delivery organization. However, not more than ten percent (10%) of a grant may be used for this purpose.

Sec. 9. Money appropriated to the program must be matched by at least an equal amount of money derived from any of the following nonstate sources:

(1) Private foundations.
(2) Federal sources.
(3) Local government sources.
(4) Quasi-governmental entities.
(5) Commercial lending institutions.
(6) Any other source whose funds do not include money appropriated by the general assembly.

Sec. 10. At least fifty percent (50%) of the microloan money disbursed by a microloan delivery organization must be disbursed in microloans that do not exceed ten thousand dollars ($10,000).

Sec. 11. The corporation may prescribe standards, procedures, and other guidelines to implement this chapter.

Sec. 12. The corporation may use money in the microenterprise partnership program fund established by IC 5-28-18-7 or any other money available to the council to carry out this chapter.

Sec. 13. Before August 1 of each year, the corporation shall submit to the budget committee a supplemental report on a longitudinal study:

(1) describing the economic development outcomes resulting from microloans made under this chapter; and
(2) evaluating the effectiveness of the microloan delivery
organizations and the microloans made under this chapter in:
(A) expanding employment and self-employment
opportunities in Indiana; and
(B) increasing the incomes of persons employed by
microenterprises.

Chapter 20. Small and Minority Business Financial Assistance
Program
Sec. 1. As used in this chapter, "approved lender" means any:
(1) lending institution; or
(2) bank, trust company, building and loan association, or
credit union;
that is approved by the corporation as a lender under this chapter.
Sec. 2. As used in this chapter, "fund" refers to the
microenterprise partnership program fund established by
IC 5-28-18-7.
Sec. 3. As used in this chapter, "loan" means a direct loan from
the fund.
Sec. 4. As used in this chapter, "minority business" means an
individual, a partnership, a corporation, a limited liability
company, or a joint venture of any kind that is owned and
controlled by one (1) or more persons who are:
(1) United States citizens; and
(2) members of a minority group.
Sec. 5. As used in this chapter, "minority group" means:
(1) blacks;
(2) American Indians;
(3) Hispanics;
(4) Asian Americans; and
(5) other similar racial minority groups.
Sec. 6. As used in this chapter, "owned and controlled" means
having:
(1) ownership of at least fifty-one percent (51%) of the
enterprise, including corporate stock of a corporation;
(2) control over the management and being active in the day
to day operations of the business; and
(3) an interest in the capital, assets, and profits and losses of
the business proportionate to the percentage of ownership.
Sec. 7. As used in this chapter, "program" refers to the small
and minority business financial assistance program established by
section 9 of this chapter.

Sec. 8. As used in this chapter, "small business" has the meaning set forth in IC 5-22-14-1. The term includes an independently owned and operated business that is operating under a franchise from another business.

Sec. 9. The small and minority business financial assistance program is established to provide loans and loan guarantees under this chapter.

Sec. 10. The corporation shall do the following:

(1) Establish and implement the policies and procedures to be used in the administration of this chapter.

(2) Enter into contracts and guarantee agreements, as necessary, with approved lenders, state governmental agencies, corporations, and United States governmental agencies, including agreements for federal insurance of losses resulting from death, default, bankruptcy, or total and permanent disability of borrowers.

(3) Establish criteria for awarding loans and loan guarantees from the fund, and require that any loan or loan guarantee under this chapter be disbursed and repaid in the manner that the corporation prescribes.

(4) Accept, use, and disburse federal funds made available to the corporation by the federal government for the purposes described in this section.

(5) Take, hold, and administer, on behalf of any loan program and for purposes of this chapter, property and money and the interest and income derived from the property and money either absolutely or in trust.

(6) Accept gifts, grants, bequests, devises, and loans for purposes of this chapter.

(7) Adopt bylaws to implement this chapter.

Sec. 11. (a) An obligation of the program for losses on loans resulting from death, default, bankruptcy, or total or permanent disability of borrowers is not a debt of the state but is payable solely from the fund.

(b) The making of loans from the fund does not constitute the lending of credit by the state for purposes of any other statute or the Constitution of the State of Indiana.

Sec. 12. From the fund, the corporation shall:
(1) guarantee loans made by approved lenders upon conditions prescribed under this chapter to small or minority businesses to assist them in the operation or expansion of their businesses; and
(2) make loans upon conditions prescribed under this chapter to small or minority businesses for the purpose of assisting them in the operation and expansion of their businesses.

Sec. 13. In making loans from the fund, the corporation shall require that the recipients of the loans receive training in business and financial management skills, including the preparation and filing of state and federal tax returns.

Sec. 14. (a) The training required by section 13 of this chapter may be provided by consultants or staff members of the corporation. The corporation shall establish standards for the training.

(b) The duties of the consultants or staff members are as follows:
(1) To provide training in business and financial management techniques to the recipients of loans under this chapter when directed by the corporation.
(2) To oversee the fiscal operations of recipients of loans under this chapter for at least one (1) year following the receipt of the loan.
(3) To provide fiscal management assistance when necessary for at least one (1) year following the receipt of the loan, including assisting recipients in filing state and federal tax returns.

Chapter 21. Small Business Incubator Program

Sec. 1. As used in this chapter, "economically disadvantaged area" has the meaning set forth in IC 6-3.1-9-1.

Sec. 2. As used in this chapter, "fund" refers to the small business incubator fund established by section 6 of this chapter.

Sec. 3. As used in this chapter, "incubator" means a facility in which space may be leased by a tenant and in which management provides access to business development services for use by tenants.

Sec. 4. As used in this chapter, "sponsor" means an organization that enters into a written agreement with the corporation to:
(1) establish, operate, and administer a small business
incubator; or
(2) provide funding to an organization that operates a small business incubator.

Sec. 5. As used in this chapter, "tenant" means a sole proprietorship, partnership, limited liability company, or corporation operating a business and occupying space in an incubator.

Sec. 6. (a) The small business incubator fund is established within the state treasury. The fund is a revolving fund. The fund shall be used to provide grants, loans, and loan guarantees under this chapter.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.
(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

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

(e) Repayments of loans from the fund, including interest, shall be deposited in the fund.

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

Sec. 7. A political subdivision (as defined in IC 36-1-2-13), a nonprofit organization, or a for-profit organization may submit an application to the corporation to obtain a grant, loan, or loan guarantee to establish a small business incubator. The application must:

(1) describe the facility that is to be converted to an incubator;
(2) specify the cost of the conversion;
(3) demonstrate the ability of the applicant to directly provide or arrange for the provision of business development services (including financial consulting assistance, management and marketing assistance, and physical services) for tenants of the
(4) demonstrate a potential for sustained use of the incubator by eligible tenants through a market study or other means;
(5) demonstrate the ability of the applicant to operate the incubator in accordance with section 19 of this chapter;
(6) state that the applicant will not discriminate against an employee or applicant for employment on the basis of race, religion, color, national origin, sex, or age; and
(7) include any other information required by the corporation.

Sec. 8. The corporation shall award grants, loans, and loan guarantees based on the following criteria:
(1) The ability of the applicant to comply with section 19 of this chapter.
(2) The economic impact of the incubator on the community.
(3) Conformance with any areawide and local economic development plans.
(4) The location of the incubator, in order to encourage geographic distribution of incubators throughout Indiana.
(5) Other criteria established by the corporation.

Sec. 9. Grants and loans awarded or guaranteed under this chapter may be used only for the following purposes, when necessary for the creation and operation of an incubator:
(1) The acquisition and leasing of land and existing buildings.
(2) The construction or rehabilitation of buildings or other facilities.
(3) The purchase of equipment and furnishings.
(4) The payment of operating expenses of the incubator during the first twenty-four (24) months of its operation.

Sec. 10. A grant under this chapter may not exceed the lesser of:
(1) fifty percent (50%) of the total eligible project costs; or
(2) two hundred fifty thousand dollars ($250,000).

Sec. 11. An applicant for a grant may only use the grant in an economically disadvantaged area.

Sec. 12. A loan or loan guarantee under this chapter may not exceed the lesser of:
(1) fifty percent (50%) of the total eligible project costs; or
(2) five hundred thousand dollars ($500,000).

Sec. 13. An applicant may apply for both a grant and a loan or
loan guarantee, but the combined grant and loan or loan guarantee may not exceed five hundred thousand dollars ($500,000).

Sec. 14. (a) A loan under this chapter must be secured by liens on collateral at the highest level of priority that can accommodate the borrower’s ability to raise sufficient debt and equity capital.

(b) A financial institution holding an obligation that is guaranteed under this chapter must adequately secure the obligation.

Sec. 15. A grant, loan, or loan guarantee for an incubator in a facility that is leased may be made only if the applicant intends to buy the facility. A loan or loan guarantee must be secured by a leasehold mortgage.

Sec. 16. The corporation may defer payment of interest and principal on a loan under this chapter for not more than two (2) years.

Sec. 17. In order to establish a rate of interest for a loan under this chapter, the corporation shall select a nationally recognized index of municipal bond averages and a date not less than one (1) month nor more than two (2) months before the granting of the loan. The rate of interest on the loan must be one percent (1%) less than the average published on the date closest to the selected date by the selected nationally recognized index, rounded to the next lowest whole percent. The corporation may determine that the rounding down should be to a fraction of a percent that is a multiple of either one-tenth of one percent (0.1%) or one-fourth of one percent (0.25%).

Sec. 18. A loan or loan guarantee under this chapter may not exceed the lesser of:

(1) ten (10) years; or

(2) the useful life of the property for which the loan is granted or guaranteed, as determined by the United States Department of the Treasury.

Sec. 19. A sponsor or an organization receiving assistance through a sponsor has the following duties in establishing and operating a small business incubator with assistance under this chapter:

(1) Securing title to the facility or leasing the facility with the intent to secure title.

(2) Managing the physical development of the incubator
facility, including the provision of common conference or meeting space.
(3) Furnishing and equipping the facility to provide business services to the tenants.
(4) Marketing the facility and securing eligible tenants.
(5) Providing or arranging for the provision of financial consulting, assistance in accessing private financial markets, and marketing and management assistance services for the tenants.
(6) Establishing rental and service fees.
(7) Encouraging the sharing of ideas among tenants and aiding the tenants in an innovative manner while they are within the incubator.
(8) Establishing policies for the:
   (A) acceptance of tenants into the incubator; and
   (B) termination of occupancy by tenants.
(9) Encouraging the establishment of small business incubators in economically disadvantaged areas. However, if the small business incubator secures only a loan or loan guarantee under this chapter, this subdivision does not limit the establishment of the small business incubator to economically disadvantaged areas.
(10) Establishing a local advisory committee to assist in the performance of the duties listed in this section. Advisory committee members must represent fields that can contribute to the sound operation of the incubator, such as accounting, finance, law, education, and small business. Advisory committee members may not vote on projects of sponsors or tenants with whom the member is financially affiliated.

Sec. 20. The corporation has the following duties under this chapter:
(1) Making grants, loans, and loan guarantees to sponsors for small business incubators.
(2) Ensuring that sponsors receiving grants, loans, or loan guarantees meet the conditions of this chapter.
(3) Receiving and evaluating annual reports from sponsors. These reports must include a financial statement for the incubator, evidence that all the tenants in the incubator are eligible under the terms of this chapter, a list of tenants in the
incubator, and any other information required by the corporation.

(4) Establishing policies to implement this chapter. These policies must include provisions permitting greater flexibility with respect to the establishment and operation of incubators in the areas described in section 19(9) of this chapter, including more flexible tenant policies.

Sec. 21. Before July 2 each year, the corporation shall provide the legislative council and the governor with a report that includes the following information:

(1) The number of applications for incubators received by the corporation.
(2) The number of applications for incubators approved by the corporation.
(3) The number of incubators created under this chapter.
(4) The number of tenants occupying each incubator.
(5) The occupancy rate of each incubator.
(6) The number of jobs provided by each incubator and the tenants of each incubator.
(7) The number of firms still operating in Indiana after leaving incubators and the number of jobs provided by those firms. The corporation shall attempt to identify the reasons firms that were established in an incubator have moved to another state.

The report to the legislative council must be in an electronic format under IC 5-14-6.

Sec. 22. The corporation may establish one (1) or more advisory committees to assist the corporation in implementing this chapter. Advisory committee members may not be affiliated financially with a sponsor or tenant and must represent fields that can contribute to the sound operation of the incubator program (such as accounting, finance, law, education, and small business).

Chapter 22. Film Industry Development

Sec. 1. The corporation shall encourage the filming of:

(1) motion pictures at sites in Indiana; and
(2) television shows, commercials, and other audiovisual communications in Indiana.

Sec. 2. (a) The corporation shall:

(1) establish a close working relationship with film industry
representatives in the United States and abroad, if appropriate;
(2) coordinate locational activities in Indiana;
(3) provide liaison activities during actual film production;
(4) perform all appropriate research and background work related to the determination of film industry plans and requirements; and
(5) establish an aggressive promotional and informational effort designed to attract film producers to Indiana.

(b) The corporation and its staff members may work closely with other agencies of state government or with any other individual, institution, or group to accomplish the responsibilities enumerated in subsection (a).

Chapter 23. Business Modernization and Technology
Sec. 1. (a) The corporation shall do the following:
(1) Contribute to the strengthening of the economy of Indiana through the development of science and technology and to promote the modernization of Indiana businesses by supporting the transfer of science, technology, and quality improvement methods to the workplace.
(2) Submit an annual report to the governor and to the general assembly (in an electronic format under IC 5-14-6) that is due on the first day of November for each year and must include detailed information on the corporation’s efforts to carry out this chapter. The corporation shall conduct an annual public hearing to receive comments from interested parties regarding the report, and notice of the hearing shall be given at least fourteen (14) days before the hearing in accordance with IC 5-14-1.5-5(b).

(b) The corporation may do the following:
(1) Receive money from any source, borrow money, enter into contracts, and expend money for activities appropriate to its purpose under this chapter.
(2) Do things necessary or incidental to carrying out the functions listed in this chapter.
(3) Establish a statewide business modernization network to assist Indiana businesses in identifying ways to increase productivity and market competitiveness.
(4) Identify scientific and technological problems and
opportunities related to the economy of Indiana and formulate proposals to overcome those problems or realize those opportunities.

(5) Identify specific areas in which scientific research and technological investigation will contribute to the improvement of productivity of Indiana manufacturers and farmers.

(6) Determine specific areas in which financial investment in scientific and technological research and development from private businesses located in Indiana could be improved or increased if state resources were made available to assist in financing activities.

(7) Assist in establishing cooperative associations of universities in Indiana and of private enterprises to coordinate research and development programs that will, consistent with the primary educational function of the universities, aid in the creation of new jobs in Indiana.

(8) Assist in financing the establishment and continued development of technology intensive businesses in Indiana.

(9) Advise universities of the research needs of Indiana businesses and improve the exchange of scientific and technological information for the mutual benefit of universities and private businesses.

(10) Coordinate programs established by universities to provide Indiana businesses with scientific and technological information.

(11) Establish programs in scientific education that will support the accelerated development of technology intensive businesses in Indiana.

(12) Provide financial assistance through contracts, grants, and loans to programs of scientific and technological research and development.

(13) Determine how public universities can increase income derived from the sale or licensure of products or processes having commercial value that are developed as a result of university sponsored research programs.

Sec. 2. Debts incurred by the business modernization and technology corporation under authority of IC 4-3-1 (before its repeal) do not represent or constitute a debt of the state within the meaning of the Constitution of the State of Indiana or Indiana
The corporation may not incur debt under this chapter. However, the corporation shall assume the debt of the business modernization and technology corporation that is outstanding on the date the business modernization and technology corporation is abolished.

Sec. 3. The corporation shall consider projects involving the creation of the following:

(1) Markets for products made from recycled materials.
(2) New products made from recycled materials.

Chapter 24. Investment Incentive Program

Sec. 1. As used in this chapter, "municipality" means a city or town.

Sec. 2. The corporation shall establish policies to carry out an investment incentive program. The purpose of the program is to provide grants and loans to counties and municipalities that will, in turn, be loaned to certain new or expanding businesses for construction or for the purchase of real or personal property.

Sec. 3. (a) The corporation shall adopt policies and guidelines to establish the criteria for awarding grants and loans to counties and municipalities.

(b) The criteria for awarding the grants and loans must include the:

(1) economic need of the county or municipality;
(2) impact of the new or expanding business on employment and output in the county or municipality;
(3) importance of state participation to the investment decision;
(4) impact of state assistance to job production in the county or municipality; and
(5) extent of other public and private participation.

Sec. 4. (a) The corporation shall establish criteria to guide counties and municipalities in making loans to businesses.

(b) The terms of the loans must include provisions stating that:

(1) loans shall be restricted to enterprises that create new and permanent jobs;
(2) loans may not exceed the greater of:
   (A) ten percent (10%) of the total investment; or
   (B) two hundred fifty thousand dollars ($250,000); and
(3) the principal and interest on the loan must be repaid to the
county or municipality.

(c) All loans by a county or municipality under this chapter are subject to approval by the corporation.

Sec. 5. The corporation may:

(1) adopt policies and guidelines to carry out this chapter;
(2) accept money and other things of value from all sources;
(3) provide services and materials to carry out the purposes of the program;
(4) evaluate the program; and
(5) involve other entities, by contract or otherwise, in carrying out the purposes of the program.

Sec. 6. (a) The repayment proceeds of a loan made from a grant under this chapter shall be used by the county or municipality for any economic or community development activity, including:

(1) making loans to businesses; and
(2) the construction or reconstruction of any street, sewer, or other capital improvement that will promote economic development in the community or the repayment of bonds used to finance the construction or reconstruction.

(b) All uses of repaid loan proceeds by a county or municipality under this chapter are subject to approval by the corporation.

Sec. 7. The corporation may not make a grant from state appropriated funds to a county or municipality under this chapter unless the county or municipality agrees to lend to the new or expanding business an amount greater than or equal to the state grant.

Sec. 8. (a) A loan to a county or municipality made under this chapter is not a general obligation of the county or municipality and is payable solely from revenues derived from the new or expanding business.

(b) Before making a loan to a county or municipality, the corporation shall determine that there is reasonable assurance that the loan will be repaid. In making this determination, the corporation shall consider:

(1) the financial condition of the business;
(2) the financial feasibility of the expansion being undertaken by the business;
(3) the adequacy of collateral for the loan; and
(4) any other information that the corporation considers
relevant to its determination.

Sec. 9. (a) The investment incentive fund is established within the state treasury to provide grants and loans to counties and municipalities.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

1. Expenses of administering the fund.
2. Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited the fund.

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

Chapter 25. Industrial Development Grant Fund

Sec. 1. As used in this chapter, "eligible entity" means:

1. a city;
2. a town;
3. a county;
4. a special taxing district;
5. an economic development commission established under IC 36-7-12;
6. a nonprofit corporation;
7. a corporation established under IC 23-7-1.1 (before its repeal on August 1, 1991) or IC 23-17 to distribute water for domestic and industrial use;
8. a regional water, sewage, or solid waste district;
9. a conservancy district that includes in its purpose the distribution of domestic water or the collection and treatment of waste; or
10. the Indiana development finance authority established under IC 4-4-11.

Sec. 2. As used in this chapter, "fund" refers to the industrial development grant fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "industrial development
program” means a program designed to aid economic development in Indiana and includes:

(1) the construction of airports, airport facilities, and tourist attractions;
(2) the construction, extension, or completion of:
   (A) sanitary sewerlines, storm sewers, and other related drainage facilities;
   (B) waterlines;
   (C) roads and streets;
   (D) sidewalks;
   (E) rail spurs and sidings; and
   (F) information and high technology infrastructure (as defined in IC 5-28-9-4);
(3) the leasing, purchase, construction, repair, and rehabilitation of property, both real and personal; and
(4) the preparation of surveys, plans, and specifications for the construction of publicly owned and operated facilities, utilities, and services.

Sec. 4. (a) The industrial development grant fund is established within the state treasury. Grants may be made from the fund to eligible entities in accordance with this chapter and the rules adopted under this chapter.

(b) The corporation may receive and accept, for purposes of the fund, grants, gifts, and contributions from public and private sources, including, on behalf of the state, grants from agencies and instrumentalities of the United States.

(c) The fund consists of appropriations from the general assembly.

(d) The corporation shall administer the fund. The following may be paid from money in the fund:
   (1) Expenses of administering the fund.
   (2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.
   (e) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund.

(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state
Sec. 5. (a) The secretary of commerce, subject to the approval of the governor and budget director, may direct the auditor of state to make an approved grant from the fund to an eligible entity.

(b) The money granted must be used by the recipient to institute and administer an approved industrial development program.

SECTION 35. IC 6-1.1-10-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 42. (a) A corporation that is:

(1) nonprofit; and
(2) participates in the small business incubator program under IC 4-4-18; IC 5-28-21;

is exempt from property taxation to the extent of tangible property used for small business incubation.

(b) A corporation that wishes to obtain an exemption from property taxation under this section must file an exemption application under IC 6-1.1-11.

SECTION 36. IC 6-1.1-12.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. On a quadrennial basis, the general assembly shall provide for an evaluation of the provisions of this chapter, giving first priority to using the Indiana economic development council established under IC 4-3-14-4. IC 5-28-3. The evaluation must be a fiscal analysis, including an assessment of the effectiveness of the provisions of this chapter to:

(1) create new jobs;
(2) increase income; and
(3) increase the tax base;

in the jurisdiction of the designating body. The fiscal analysis may also consider impacts on tax burdens borne by various classes of property owners. The fiscal analysis may also include a review of the practices and experiences of other states or political subdivisions with laws similar to the provisions of this chapter. The president board of the Indiana economic development council established under IC 4-3-14-4 IC 5-28-4 or another person or entity designated by the general assembly shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives before December 1, 1999, and every fourth
year thereafter.

SECTION 37. IC 6-1.1-20.7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "board" means the enterprise zone board of the Indiana economic development corporation created under IC 4-4-6.1. IC 5-28-4.

SECTION 38. IC 6-1.1-20.7-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Except as provided in subsection (b), a person is not entitled to claim the credit provided by this chapter to the extent that the person substantially reduces or ceases its operations in Indiana in order to relocate them within the industrial recovery site. A determination that a person is not entitled to the credit provided by this chapter as a result of a substantial reduction or cessation of operations applies to credits that would otherwise reduce a person's property tax liability attributable to the assessment date in the year in which the substantial reduction or cessation occurs and to credits in all subsequent years. Notwithstanding section 11 of this chapter, determinations under this section shall be made by the board in accordance with IC 4-4-6.1-6. IC 5-28-15-15.

(b) This section does not apply if the operations that are substantially reduced or ceased are in the same municipality as the industrial recovery site and the consent, by ordinance or resolution, of the legislative body of the municipality is secured. However, in that case the industrial recovery site inventory value on each of the assessment dates following the substantial reduction or cessation of operations shall be reduced by an amount equal to:

(1) in the case of a cessation of operations at a location within the municipality, the assessed value of the inventory at the location on the assessment date before the cessation; or
(2) in the case of a substantial reduction of operations at a location within the municipality, the assessed value of the inventory at the location on the assessment date before the date that the substantial reduction began, minus:

(A) the assessed value of the inventory at the location on the assessment date immediately preceding the date that the
substantial reduction was completed. The amount of the industrial recovery site inventory value as computed under this subsection may not be less than zero (0).

SECTION 39. IC 6-1.1-20.8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A person is entitled to a credit against his the person's property tax liability under IC 6-1.1-2 for a particular year in the amount of his the person's property tax liability under IC 6-1.1-2 on enterprise zone inventory for that year.

(b) As used in this section, "enterprise zone inventory" means inventory, as defined in IC 6-1.1-3-11, that is located within an enterprise zone created under IC 4-4-6.1 on the assessment date.

SECTION 40. IC 6-1.1-20.8-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) A person that desires to claim the credit provided by section 1 of this chapter shall file a certified application, on forms prescribed by the department of local government finance, with the auditor of the county where the property for which the credit is claimed was located on the assessment date. A person that timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year must file the application between March 1 and May 15 of that year in order to obtain the credit in the following year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year in order to obtain the credit in the following year.

(b) A taxpayer shall include on an application filed under this section all information that the department of local government finance requires to determine eligibility for the credit provided under this chapter.

(c) Compliance with this chapter does not exempt a person from compliance with IC 4-4-6.1-2.5. IC 5-28-15-7.

SECTION 41. IC 6-1.1-20.8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. An urban enterprise association created under IC 4-4-6.1-4 IC 5-28-15-13 may by resolution waive failure to file a:

(1) timely; or

(2) complete;
credit application under section 2.5 of this chapter. Before adopting a waiver under this subsection, the urban enterprise association shall conduct a public hearing on the waiver.

SECTION 42. IC 6-1.1-21.8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) As used in this section, "delinquent tax" means any tax:

(1) owed by a taxpayer in a bankruptcy proceeding initially filed in 2001; and

(2) not paid during the calendar year in which it was first due and payable.

(b) Except as provided in subsection (d), the proceeds of a loan received by the qualified taxing unit under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 6-1.1-19-1.7. The receipt by a qualified taxing unit of any payment of delinquent tax owed by a taxpayer in bankruptcy is considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 6-1.1-19-1.7.

(c) The proceeds of a loan made under this chapter must first be used to retire any outstanding loans made by the department of commerce (including any loans made by the department of commerce that are transferred to the Indiana economic development corporation) to cover a qualified taxing unit's revenue shortfall resulting from the taxpayer's default on property tax payments. Any remaining proceeds of a loan made under this chapter and any payment of delinquent taxes by the taxpayer may be expended by the qualified taxing unit only to pay obligations of the qualified taxing unit that have been incurred under appropriations for operating expenses made by the qualified taxing unit and approved by the department of local government finance.

(d) If the sum of the receipts of a qualified taxing unit that are attributable to:

(1) the loan proceeds; and

(2) the payment of property taxes owed by a taxpayer in a
bankruptcy proceeding and payable in November 2001, May 2002, or November 2002; exceeds the sum of the taxpayer's property tax liability attributable to the qualified taxing unit for property taxes payable in November 2001, May 2002, and November 2002, the excess as received during any calendar year or years shall be set aside and treated for the calendar year when received as a levy excess subject to IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7. In calculating the payment of property taxes as referred to in subdivision (2), the amount of property tax credit finally allowed under IC 6-1.1-21-5 in respect to those taxes is considered to be a payment of those property taxes.

SECTION 43. IC 6-1.1-39-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. As used in this chapter, "industrial development program" has the meaning set forth in IC 4-4-8-1.

SECTION 44. IC 6-1.1-39-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) Within thirty (30) days after the adoption of the ordinance under section 2 of this chapter, the fiscal body shall file with the department of commerce: Indiana economic development corporation:

1. a copy of the ordinance;
2. a description of the proposed industrial development program and qualified industrial development project; and
3. other additional data and information that will enable the department of commerce corporation to determine preliminarily whether the unit may qualify for a loan from the industrial development fund established under IC 4-4-8-5 IC 5-28-9-12.

(b) The department of commerce corporation shall review the data and related information submitted under subsection (a) to determine preliminarily whether:

1. the proposed project will qualify as a qualified industrial development project;
2. there is a reasonable likelihood that the proposed qualified industrial development project will be initiated and accomplished; and
3. there is a reasonable likelihood that an application by the unit under IC 4-4-8-5 IC 5-28-9-12 for a loan from the industrial development fund to institute and administer the proposed
industrial development program will be approved by the department corporation and the state board of finance.

(c) If the department Indiana economic development corporation preliminarily determines under subsection (b) that the proposed project does not or will not qualify as a qualified industrial development project or that there is not a reasonable likelihood that a loan from the industrial development fund will be approved under IC 4-4-8-5, IC 5-28-9-12, the department corporation shall certify this determination in writing to the fiscal body adopting the ordinance. Upon this certification, the ordinance proposing to establish the economic development district is void.

(d) If the department Indiana economic development corporation preliminarily determines under subsection (b) that the proposed project qualifies or will qualify as a qualified industrial development project and that there is a reasonable likelihood that a loan from the industrial development fund will be approved under IC 4-4-8-5, IC 5-28-9-12, the department corporation shall certify this determination to the fiscal body adopting the ordinance proposing to establish the economic development district. Upon receipt of this certification, the fiscal body shall proceed to take final action with respect to the ordinance in accordance with section 3 of this chapter.

(e) A favorable preliminary certification under subsection (d) does not, however, represent or constitute a final determination by the department Indiana economic development corporation and state board of finance as to whether the unit will obtain a loan from the industrial development fund in accordance with IC 4-4-8-5, IC 5-28-9.

SECTION 45. IC 6-1.1-39-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The fiscal body shall publish notice of the adoption and substance of the ordinance in accordance with IC 5-3-1 after:

(1) the adoption of the ordinance under section 2 of this chapter; and

(2) the fiscal body receives preliminary certification from the department of commerce Indiana economic development corporation under section 2.5 of this chapter that the proposed industrial development project qualifies as a qualified industrial development project and that there is a reasonable likelihood that a loan from the industrial development fund will be approved
The notice must state the general boundaries of the area designated as an economic development district and must state that written remonstrances may be filed with the fiscal body until the time designated for the hearing. The notice must also name the place, date, and time when the fiscal body will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed economic development district designation and will determine the public utility and benefit of the proposed economic development district designation. All persons affected in any manner by the hearing, including all taxpayers of the economic development district, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the fiscal body affecting the economic development district if the fiscal body gives the notice required by this section.

(b) A copy of the notice of the hearing shall be filed with the office of the unit’s plan commission, board of zoning appeals, works board, park board, building commissioner, and any other departments, bodies, or officers of the unit having to do with unit planning, variances from zoning ordinances, land use, or the issuance of building permits.

(c) At the hearing, which may be recessed and reconvened from time to time, the fiscal body shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the fiscal body shall take final action determining the public utility and benefit of the proposed economic development district designation and confirming, modifying and confirming, or rescinding the ordinance. The final action taken by the fiscal body shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by section 4 of this chapter.

SECTION 46. IC 6-1.1-39-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A declaratory ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. The allocation provision must apply to the entire economic development district. The allocation provisions must require that any property taxes subsequently levied by or for the
benefit of any public body entitled to a distribution of property taxes on taxable property in the economic development district be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
(B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of the respective taxing units. However, if the effective date of the allocation provision of a declaratory ordinance is after March 1, 1985, and before January 1, 1986, and if an improvement to property was partially completed on March 1, 1985, the unit may provide in the declaratory ordinance that the taxes attributable to the assessed value of the property as finally determined for March 1, 1984, shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, part or all of the property tax proceeds in excess of those described in subdivision (1), as specified in the declaratory ordinance, shall be allocated to the unit for the economic development district and, when collected, paid into a special fund established by the unit for that economic development district that may be used only to pay the principal of and interest on obligations owed by the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, that economic development district. The amount not paid into the special fund shall be paid to the respective taxing units in the manner prescribed by subdivision (1).

(3) When the money in the fund is sufficient to pay all outstanding principal of and interest (to the earliest date on which the obligations can be redeemed) on obligations owed by the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, that economic development district, money in the special fund in excess of that amount shall be paid to the respective taxing units in the manner prescribed by subdivision (1).
(b) Property tax proceeds allocable to the economic development district under subsection (a)(2) must, subject to subsection (a)(3), be irrevocably pledged by the unit for payment as set forth in subsection (a)(2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the economic development district that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory ordinance is the lesser of:

1. the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
2. the base assessed value.

(d) Notwithstanding any other law, each assessor shall, upon petition of the fiscal body, reassess the taxable property situated upon or in, or added to, the economic development district effective on the next assessment date after the petition.

(e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes of tax limitation, property tax replacement (except as provided in IC 6-1.1-21-3(c), IC 6-1.1-21-4(a)(3), and IC 6-1.1-21-5(c)), and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

1. the assessed value of the property as valued without regard to this section; or
2. the base assessed value.

(f) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1.

(g) As used in this section, "property taxes" means:

1. taxes imposed under this article on real property; and
2. any part of the taxes imposed under this article on depreciable personal property that the unit has by ordinance allocated to the
economic development district. However, the ordinance may not
limit the allocation to taxes on depreciable personal property with
any particular useful life or lives.

If a unit had, by ordinance adopted before May 8, 1987, allocated to an
economic development district property taxes imposed under IC 6-1.1
on depreciable personal property that has a useful life in excess of eight
(8) years, the ordinance continues in effect until an ordinance is
adopted by the unit under subdivision (2).

(h) As used in this section, "base assessed value" means:
(1) the net assessed value of all the property as finally determined
for the assessment date immediately preceding the effective date
of the allocation provision of the declaratory resolution, as
adjusted under subsection (f); plus
(2) to the extent that it is not included in subdivision (1), the net
assessed value of property that is assessed as residential property
under the rules of the department of local government finance, as
finally determined for any assessment date after the effective date
of the allocation provision.

Subdivision (2) applies only to economic development districts
established after June 30, 1997, and to additional areas established

SECTION 47. IC 6-1.1-39-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. If no loans have
been made to a unit under IC 4-4-8 (before its repeal) or IC 5-28-9
for the financing of industrial development programs in an economic
development district within two (2) years from the date of the
ordinance confirming the establishment of that district, or if money in
the special fund established by the unit for that district is sufficient to
pay all principal of and interest on and the performance of all other
obligations by a unit on all loans made under IC 4-4-8 (before its
repeal) or IC 5-28-9 for the financing of industrial development
programs in, or serving, an economic development district, then the
economic development district designation expires.

SECTION 48. IC 6-1.1-39-9 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The fiscal
body of a unit may by ordinance authorize the issuance of obligations
to the department of commerce under IC 4-4-8 (before its repeal) or
to the Indiana economic development corporation under IC 5-28-9
payable solely from taxes allocated under section 5 of this chapter. Any obligations issued and payable from taxes allocated under section 5 of this chapter are not general obligations of the unit that established the economic development district under this chapter.

(b) The economic development district created by a unit under this chapter is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the economic development district by providing local public improvements that are of public use and benefit.

(c) The ordinance of a unit authorizing the issuance of obligations must contain a finding of the fiscal body that the proposed industrial development program:
   (1) constitutes a local public improvement;
   (2) provides special benefits to property owners in the district; and
   (3) will be of public use and benefit.

(d) Proceeds of obligations issued under this section, and IC 4-4-8 (before its repeal), and IC 5-28-9 may be used to pay for the following:
   (1) The cost of local public improvements.
   (2) Interest on the obligations for the period of construction of the local public improvements plus one (1) year after completion of construction.
   (3) Reasonable debt service reserves.
   (4) Costs of issuance of the obligations.
   (5) Any other reasonable and necessary expenses related to issuance of the obligations.

(e) Notwithstanding any other law, IC 6-1.1-20 does not apply to obligations payable solely from tax proceeds allocated under section 5 of this chapter.

SECTION 49. IC 6-1.1-43-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to the following economic development incentive programs:
   (1) Grants and loans provided by the department of commerce under IC 4-4; Indiana economic development corporation under IC 5-28.
   (2) Incentives provided in an economic revitalization area under IC 6-1.1-12.1.
(3) Incentives provided under IC 6-3.1-13.
(4) Incentives provided in an airport development zone under IC 8-22-3.5-14.

SECTION 50. IC 6-3-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) As used in this section:

"Base period wages" means the following:
(1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the area that is later designated as an enterprise zone, then the base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is later designated as an enterprise zone, then the department shall determine the amount of base period wages.
(2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 4-4-6-1. IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Pass through entity" means a:
(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) partnership;
(3) trust;
(4) limited liability company; or
(5) limited liability partnership.

"Qualified employee" means an individual who is employed by a taxpayer and who:

(1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;
(2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;
(3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and
(4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the following:

(1) For a taxpayer's taxable year other than his taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.
(2) For the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

(1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;
(2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; and
(3) IC 6-5.5 (the financial institutions tax);
as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this section.

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.

"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

(1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or

(2) one thousand five hundred dollars ($1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the credit accrues.

(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover
that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

   (1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
   (2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone;

is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

   (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
   (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

SECTION 51. IC 6-3.1-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:
"Enterprise zone" means an enterprise zone created under IC 4-4-6.1. IC 5-28-15.
"Pass through entity" means a:

   (1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2.2.8(2);
   (2) partnership;
   (3) trust;
   (4) limited liability company; or
(5) limited liability partnership.

"Qualified loan" means a loan made to an entity that uses the loan proceeds for:

(1) a purpose that is directly related to a business located in an enterprise zone;
(2) an improvement that increases the assessed value of real property located in an enterprise zone; or
(3) rehabilitation, repair, or improvement of a residence.

"State tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 27-1-18-2 (the insurance premiums tax); and
(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

"Taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability. The term includes a pass through entity.

SECTION 52. IC 6-3.1-7-2 IS AMENDED TO READ AS FOLLOWS [ EFFECTIVE UPON PASSAGE ]: Sec. 2. (a) A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer:

(1) receives interest on a qualified loan in that taxable year;
(2) pays the registration fee charged to zone businesses under IC 4-4-6.1-2; IC 5-28-15-5;
(3) provides the assistance to urban enterprise associations required from zone businesses under IC 4-4-6.1-2(b); IC 5-28-15-5(b); and
(4) complies with any requirements adopted by the enterprise zone board of the Indiana economic development corporation under IC 4-4-6.1 IC 5-28-15 for taxpayers claiming the credit under this chapter.

However, if a taxpayer is located outside of an enterprise zone, subdivision (4) does not require the taxpayer to reinvest its incentives under this section within the enterprise zone, except as provided in subdivisions (2) and (3).

(b) The amount of the credit to which a taxpayer is entitled under
this section is five percent (5%) multiplied by the amount of interest received by the taxpayer during the taxable year from qualified loans.

(c) If a pass through entity is entitled to a credit under subsection (a) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

SECTION 53. IC 6-3.1-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

"Business firm" means any business entity authorized to do business in the state of Indiana that has state tax liability.

"Community services" means any type of counseling and advice, emergency assistance, medical care, recreational facilities, housing facilities, or economic development assistance to individuals, groups, or neighborhood organizations in an economically disadvantaged area.

"Crime prevention" means any activity which aids in the reduction of crime in an economically disadvantaged area.

"Economically disadvantaged area" means an enterprise zone, or any area in Indiana that is certified as an economically disadvantaged area by the department of commerce Indiana economic development corporation after consultation with the community services agency. The certification shall be made on the basis of current indices of social and economic conditions, which shall include but not be limited to the median per capita income of the area in relation to the median per capita income of the state or standard metropolitan statistical area in which the area is located.

"Education" means any type of scholastic instruction or scholarship
assistance to an individual who resides in an economically disadvantaged area that enables him the individual to prepare himself for better life opportunities.

"Enterprise zone" means an enterprise zone created under IC 4-6-4.1 or IC 5-28-15.

"Job training" means any type of instruction to an individual who resides in an economically disadvantaged area that enables him the individual to acquire vocational skills so that he the individual can become employable or be able to seek a higher grade of employment.

"Neighborhood assistance" means either:

(1) furnishing financial assistance, labor, material, and technical advice to aid in the physical or economic improvement of any part or all of an economically disadvantaged area; or

(2) furnishing technical advice to promote higher employment in any neighborhood in Indiana.

"Neighborhood organization" means any organization, including but not limited to a nonprofit development corporation:

(1) performing community services in an economically disadvantaged area; and

(2) holding a ruling:

(A) from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; and

(B) from the department of state revenue that the organization is exempt from income taxation under IC 6-2.5-5-21.

"Person" means any individual subject to Indiana gross or adjusted gross income tax.

"State fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

"State tax liability" means the taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

(2) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

"Tax credit" means a deduction from any tax otherwise due and
SECTION 54. IC 6-3.1-9.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A business firm or a person who contributes to a neighborhood organization or who engages in the activities of providing neighborhood assistance, job training or education for individuals not employed by the business firm or person, or for community services or crime prevention in an economically disadvantaged area shall receive a tax credit as provided in section 3 of this chapter if the director board of the department of commerce Indiana economic development corporation approves the proposal of the business firm or person, setting forth the program to be conducted, the area selected, the estimated amount to be invested in the program, and the plans for implementing the program.

(b) The director board of the department of commerce: Indiana economic development corporation, after consultation with the community services agency and the commissioner of revenue, may adopt rules for the approval or disapproval of these proposals.

SECTION 55. IC 6-3.1-9.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Any business firm or person which desires to claim a tax credit as provided in this chapter shall file with the department, in the form that the department may prescribe, an application stating the amount of the contribution or investment which it proposes to make which would qualify for a tax credit, and the amount sought to be claimed as a credit. The application shall include a certificate evidencing approval of the contribution or program by the director board of the department of commerce: Indiana economic development corporation.

(b) The director board of the department of commerce: Indiana economic development corporation shall give priority in issuing certificates to applicants whose contributions or programs directly benefit enterprise zones.

(c) The department shall promptly notify an applicant whether, or the extent to which, the tax credit is allowable in the state fiscal year in which the application is filed, as provided in section 5 of this chapter. If the credit is allowable in that state fiscal year, the applicant shall within thirty (30) days after receipt of the notice file with the department of revenue a statement, in the form and accompanied by the proof of payment as the department may prescribe, setting forth
that the amount to be claimed as a credit under this chapter has been
paid to an organization for an approved program or purpose, or
permanently set aside in a special account to be used solely for an
approved program or purpose.
(d) The department may disallow any credit claimed under this
chapter for which the statement or proof of payment is not filed within
the thirty (30) day period.
SECTION 56. IC 6-3.1-10-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this
chapter, "enterprise zone" means an enterprise zone created under
IC 4-4-6.1. IC 5-28-15.
SECTION 57. IC 6-3.1-10-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this
chapter, "qualified investment" means the purchase of an ownership
interest in a business located in an enterprise zone if the purchase is
approved by the department of commerce Indiana economic
development corporation under section 8 of this chapter.
SECTION 58. IC 6-3.1-10-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) To be entitled
to a credit, a taxpayer must request the department of commerce
Indiana economic development corporation to determine:
(1) whether a purchase of an ownership interest in a business
located in an enterprise zone is a qualified investment; and
(2) the percentage credit to be allowed.
The request must be made before a purchase is made.
(b) The department of commerce Indiana economic development
corporation shall find that a purchase is a qualified investment if:
(1) the business is viable;
(2) the business has not been disqualified from enterprise zone
incentives or benefits under IC 4-4-6.1. IC 5-28-15;
(3) the taxpayer has a legitimate purpose for purchase of the
ownership interest;
(4) the purchase would not be made unless a credit is allowed
under this chapter; and
(5) the purchase is critical to the commencement, enhancement,
or expansion of business operations in the zone and will not
merely transfer ownership, and the purchase proceeds will be
used only in business operations in the enterprise zone.
The department Indiana economic development corporation may delay making a finding under this subsection if, at the time the request is filed under subsection (a), an urban enterprise zone association has made a recommendation that the business be disqualified from enterprise zone incentives or benefits under IC 4-4-6.1 IC 5-28-15 and the enterprise zone board of the Indiana economic development corporation has not acted on that request. The delay by the department Indiana economic development corporation may not last for more than sixty (60) days.

(c) If the department of commerce Indiana economic development corporation finds that a purchase is a qualified investment, the department shall certify the percentage credit to be allowed under this chapter based upon the following:

(1) A percentage credit of ten percent (10%) may be allowed based upon the need of the business for equity financing, as demonstrated by the inability of the business to obtain debt financing.

(2) A percentage credit of two percent (2%) may be allowed for business operations in the retail, professional, or warehouse/distribution codes of the SIC Manual.

(3) A percentage credit of five percent (5%) may be allowed for business operations in the manufacturing codes of the SIC Manual.

(4) A percentage credit of five percent (5%) may be allowed for high technology business operations (as defined in IC 4-4-6.1-1.3 IC 5-28-15-1).

(5) A percentage credit may be allowed for jobs created during the twelve (12) month period following the purchase of an ownership interest in the zone business, as determined under the following table:

<table>
<thead>
<tr>
<th>JOBS CREATED</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 11 jobs</td>
<td>1%</td>
</tr>
<tr>
<td>11 to 25 jobs</td>
<td>2%</td>
</tr>
<tr>
<td>26 to 40 jobs</td>
<td>3%</td>
</tr>
<tr>
<td>41 to 75 jobs</td>
<td>4%</td>
</tr>
<tr>
<td>More than 75 jobs</td>
<td>5%</td>
</tr>
</tbody>
</table>

(6) A percentage credit of five percent (5%) may be allowed if fifty percent (50%) or more of the jobs created in the twelve (12)
month period following the purchase of an ownership interest in the zone business will be reserved for zone residents.

(7) A percentage credit may be allowed for investments made in real or depreciable personal property, as determined under the following table:

<table>
<thead>
<tr>
<th>AMOUNT OF INVESTMENT</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $25,001</td>
<td>1%</td>
</tr>
<tr>
<td>$25,001 to $50,000</td>
<td>2%</td>
</tr>
<tr>
<td>$50,001 to $100,000</td>
<td>3%</td>
</tr>
<tr>
<td>$100,001 to $200,000</td>
<td>4%</td>
</tr>
<tr>
<td>More than $200,000</td>
<td>5%</td>
</tr>
</tbody>
</table>

The total percentage credit may not exceed thirty percent (30%).

(d) If all or a part of a purchaser’s intent is to transfer ownership, the tax credit shall be applied only to that part of the investment that relates directly to the enhancement or expansion of business operations at the zone location.

SECTION 59. IC 6-3.1-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer’s annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certification of the percentage credit by the department of commerce Indiana economic development corporation and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an investment cost is a qualified investment cost.

SECTION 60. IC 6-3.1-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "board" means the enterprise zone board of the Indiana economic development corporation created under IC 4-4-6.1.

SECTION 61. IC 6-3.1-11.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "board" refers to the enterprise zone board of the Indiana economic development corporation created under IC 4-6.1.

SECTION 62. IC 6-3.1-11.5-21 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. The board shall consider the following factors in evaluating applications filed under this chapter:

1. The level of distress in the surrounding community caused by the loss of jobs at the vacant military base facility.
2. The desirability of the intended use of the vacant military base facility under the plan proposed for the development and use of the vacant military base facility and the likelihood that the implementation of the plan will improve the economic and employment conditions in the surrounding community.
3. Evidence of support for the designation by residents, businesses, and private organizations in the surrounding community.
4. Evidence of a commitment by private or governmental entities to provide financial assistance in implementing the plan for the development and use of the vacant military base facility, including the application of IC 36-7-12, IC 36-7-13, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, or IC 36-7-30 to assist in the financing of improvements or redevelopment activities benefiting the vacant military base facility.
5. Evidence of efforts to implement the proposed plan without additional financial assistance from the state.
6. Whether the proposed military base recovery site is within an economic revitalization area designated under IC 6-1.1-12.1.
7. Whether action has been taken by the legislative body of the municipality or county having jurisdiction over the proposed military base recovery site to establish an enterprise zone under IC 4-4-6.1-3(g), IC 5-28-15-11.

SECTION 63. IC 6-3.1-11.6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "qualified investment" means any of the following:

1. The purchase of an ownership interest in a business that locates all or part of its operations in a qualified area during the taxable year, if the purchase is approved by the department of commerce Indiana economic development corporation under section 12 of this chapter.
2. Subject to section 13 of this chapter, an investment:
   (A) that is made in a business that locates all or part of its
operations in a qualified area during the taxable year;
(B) through which the taxpayer does not acquire an ownership
interest in the business; and
(C) that is approved by the department of commerce Indiana
economic development corporation under section 12 of this
chapter.

SECTION 64. IC 6-3.1-11.6-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) To be
titled to a credit for a purchase described in section 4(1) of this
chapter, a taxpayer must request the department of commerce Indiana
economic development corporation to determine:
(1) whether a purchase of an ownership interest in a business
located in a qualified area is a qualified investment; and
(2) the percentage credit to be allowed.
The request must be made before a purchase is made.
(b) To be entitled to a credit for an investment described in section
4(2) of this chapter, a taxpayer must request the department of commerce Indiana
economic development corporation to determine:
(1) whether an investment in a business that locates in a qualified
area during the taxable year is a qualified investment; and
(2) the percentage credit to be allowed.
The request must be made before an investment is made.
(c) The department of commerce Indiana economic development
corporation shall find that a purchase or other investment is a
qualified investment if:
(1) the business is viable;
(2) the taxpayer has a legitimate purpose for purchase of the
ownership interest or the investment;
(3) the purchase or investment would not be made unless a credit
is allowed under this chapter; and
(4) the purchase or investment is critical to the commencement,
 enhancement, or expansion of business operations in the qualified
area and:
(A) in the case of a purchase described in section 4(1) of this
chapter, the purchase will not merely transfer ownership, and
the purchase proceeds will be used only in business operations
in the qualified area; and
(B) in the case of an investment described in section 4(2) of
this chapter, the investment will not be made in a business that substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations within the qualified area, as described in section 13 of this chapter.

(d) If the department of commerce Indiana economic development corporation finds that a purchase or other investment is a qualified investment, the department of commerce corporation shall certify the percentage credit to be allowed under this chapter based upon the following:

(1) For a purchase described in section 4(1) of this chapter, a percentage credit of ten percent (10%) may be allowed based on the need of the business for equity financing, as demonstrated by the inability of the business to obtain debt financing.
(2) A percentage credit of two percent (2%) may be allowed for purchases of or investments in business operations in the retail, professional, or warehouse/distribution codes of the SIC Manual (or corresponding sectors in the NAICS Manual).
(3) A percentage credit of five percent (5%) may be allowed for purchases of or investments in business operations in the manufacturing codes of the SIC Manual (or corresponding sectors in the NAICS Manual).
(4) A percentage credit of five percent (5%) may be allowed for purchases of or investments in high technology business operations (as defined in IC 4-4-6.1-1.3).
(5) A percentage credit may be allowed for jobs created during the twelve (12) month period following the purchase of an ownership interest in the business or other investment in the business, as determined under the following table:

<table>
<thead>
<tr>
<th>JOBS CREATED</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 11 jobs</td>
<td>1%</td>
</tr>
<tr>
<td>11 to 25 jobs</td>
<td>2%</td>
</tr>
<tr>
<td>26 to 40 jobs</td>
<td>3%</td>
</tr>
<tr>
<td>41 to 75 jobs</td>
<td>4%</td>
</tr>
<tr>
<td>More than 75 jobs</td>
<td>5%</td>
</tr>
</tbody>
</table>
(6) A percentage credit of five percent (5%) may be allowed if fifty percent (50%) or more of the jobs created in the twelve (12) month period following the purchase of an ownership interest in the business or other investment in the business will be reserved
for residents in the qualified area.

(7) A percentage credit may be allowed for investments made in real or depreciable personal property, as determined under the following table:

<table>
<thead>
<tr>
<th>AMOUNT OF INVESTMENT</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $25,001</td>
<td>1%</td>
</tr>
<tr>
<td>$25,001 to $50,000</td>
<td>2%</td>
</tr>
<tr>
<td>$50,001 to $100,000</td>
<td>3%</td>
</tr>
<tr>
<td>$100,001 to $200,000</td>
<td>4%</td>
</tr>
<tr>
<td>More than $200,000</td>
<td>5%</td>
</tr>
</tbody>
</table>

The total percentage credit may not exceed thirty percent (30%).

(e) In the case of a purchase described in section 4(1) of this chapter, if all or a part of a purchaser's intent is to transfer ownership, the tax credit shall be applied only to that part of the purchase that relates directly to the enhancement or expansion of business operations in the qualified area.

SECTION 65. IC 6-3.1-11.6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certification of the percentage credit by the department of commerce Indiana economic development corporation and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an investment is a qualified investment.

SECTION 66. IC 6-3.1-13-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. As used in this chapter, "corporation" means the Indiana economic development corporation established by IC 5-28-3-1.

SECTION 67. IC 6-3.1-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "credit amount" means the amount agreed to between the board corporation and applicant under this chapter, but not to exceed, in the case of a credit awarded for a project to create new jobs in Indiana, the incremental income tax withholdings attributable to the
applicant's project.

SECTION 68. IC 6-3.1-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "director" means the director president of the department of commerce: corporation.

SECTION 69. IC 6-3.1-13-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) The board corporation may make credit awards under this chapter to foster job creation in Indiana or, as provided in section 15.5 of this chapter, job retention in Indiana.

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

SECTION 70. IC 6-3.1-13-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. A person that proposes a project to create new jobs in Indiana may apply, as provided in section 15 of this chapter, to the board corporation to enter into an agreement for a tax credit under this chapter. A person that proposes to retain existing jobs in Indiana may apply, as provided in section 15.5 of this chapter, to the board corporation to enter into an agreement for a tax credit under this chapter. The director shall prescribe the form of the application.

SECTION 71. IC 6-3.1-13-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. This section applies to an application proposing a project to create new jobs in Indiana. After receipt of an application, the board corporation may enter into an agreement with the applicant for a credit under this chapter if the board corporation determines that all of the following conditions exist:

(1) The applicant's project will create new jobs that were not jobs previously performed by employees of the applicant in Indiana.
(2) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment in Indiana and strengthening the economy of Indiana.
(3) The political subdivisions affected by the project have committed significant local incentives with respect to the project.
(4) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project, and not receiving the tax credit will result in the applicant not creating new jobs in Indiana.
(5) Awarding the tax credit will result in an overall positive
fiscal impact to the state, as certified by the budget agency using the best available data.

(6) (5) The credit is not prohibited by section 16 of this chapter.

SECTION 72. IC 6-3.1-13-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15.5. This section applies to an application proposing to retain existing jobs in Indiana. After receipt of an application, the board corporation may enter into an agreement with the applicant for a credit under this chapter if the board corporation determines that all the following conditions exist:

1. The applicant's project will retain existing jobs performed by the employees of the applicant in Indiana.
2. The applicant provides evidence that there is at least one (1) other competing site outside Indiana that is being considered for the project or for the relocation of jobs.
3. A disparity is identified, using the best available data, in the projected costs for the applicant's project in Indiana compared with the costs for the project in the competing site.
4. The applicant is engaged in research and development, manufacturing, or business services (as defined in the Standard Industrial Classification Manual of the United States Office of Management and Budget).
5. The average compensation (including benefits) provided to the applicant's employees during the applicant's previous fiscal year exceeds the average compensation paid during that same period to all employees in the county in which the applicant's business is located by at least five percent (5%).
6. The applicant employs at least two hundred (200) employees in Indiana.
7. The applicant has prepared a plan for the use of the credits under this chapter for:
   A. investment in facility improvements or equipment and machinery upgrades, repairs, or retrofits; or
   B. other direct business related investments, including but not limited to training.
8. Receiving the tax credit is a major factor in the applicant's decision to go forward with the project, and not receiving the tax credit will increase the likelihood of the applicant reducing jobs in Indiana.
(9) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

(10) The applicant's business and project are economically sound and will benefit the people of Indiana by increasing or maintaining opportunities for employment and strengthening the economy of Indiana.

(11) The communities affected by the potential reduction in jobs or relocation of jobs to another site outside Indiana have committed at least one dollar and fifty cents ($1.50) of local incentives with respect to the retention of jobs for every three dollars ($3) in credits provided under this chapter. For purposes of this subdivision, local incentives include, but are not limited to, cash grants, tax abatements, infrastructure improvements, investment in facility rehabilitation, construction, and training investments.

(12) The credit is not prohibited by section 16 of this chapter.

SECTION 73. IC 6-3.1-13-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. Determinations under this section shall be made by the board corporation.

SECTION 74. IC 6-3.1-13-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. In determining the credit amount that should be awarded to an applicant under section 15 of this chapter that proposes a project to create jobs in Indiana, the board corporation shall take into consideration the following factors:

(1) The economy of the county where the projected investment is to occur.

(2) The potential impact on the economy of Indiana.

(3) The incremental payroll attributable to the project.

(4) The capital investment attributable to the project.

(5) The amount the average wage paid by the applicant exceeds the average wage paid within the county in which the project will be located.

(6) The costs to Indiana and the affected political subdivisions with respect to the project.
(7) The financial assistance and incentives that are otherwise provided by Indiana and the affected political subdivisions. As appropriate, the [board corporation] shall consider the factors in this section to determine the credit amount awarded to an applicant for a project to retain existing jobs in Indiana under section 15.5 of this chapter. In the case of an applicant under section 15.5 of this chapter, the [board corporation] shall consider the magnitude of the cost differential between the projected costs for the applicant's project in the competing site outside Indiana and the projected costs for the applicant's project in Indiana.

SECTION 75. IC 6-3.1-13-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The [board corporation] shall determine the amount and duration of a tax credit awarded under this chapter. The duration of the credit may not exceed ten (10) taxable years. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which case the excess shall may, at the discretion of the corporation, be refunded to the taxpayer.

(b) For state fiscal years 2004 and 2005, the aggregate amount of credits awarded under this chapter for projects to retain existing jobs in Indiana may not exceed five million dollars ($5,000,000) per year.

SECTION 76. IC 6-3.1-13-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. In the case of a credit awarded for a project to create new jobs in Indiana, the [board corporation] shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

1. A detailed description of the project that is the subject of the agreement.
2. The duration of the tax credit and the first taxable year for which the credit may be claimed.
3. The credit amount that will be allowed for each taxable year.
4. A requirement that the taxpayer shall maintain operations at
the project location for at least two (2) times the number of years as the term of the tax credit. A taxpayer is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.

(6) A requirement that the taxpayer shall annually report to the board corporation the number of new employees who are performing jobs not previously performed by an employee, the new income tax revenue withheld in connection with the new employees, and any other information the director needs to perform the director's duties under this chapter.

(7) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (6), and after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(8) A requirement that the taxpayer shall provide written notification to the director and the board corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(9) Any other performance conditions that the board corporation determines are appropriate.

SECTION 77. IC 6-3.1-13-19.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19.5. (a) In the case of a credit awarded for a project to retain existing jobs in Indiana, the board corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

(1) A detailed description of the business that is the subject of the agreement.
(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.
(3) The credit amount that will be allowed for each taxable year.
(4) A requirement that the applicant shall maintain operations at the project location for at least two (2) times the number of years as the term of the tax credit. An applicant is subject to an
assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A requirement that the applicant shall annually report the following to the board:

  (A) The number of employees who are employed in Indiana by the applicant.
  (B) The compensation (including benefits) paid to the applicant's employees in Indiana.
  (C) The amount of the:
      (i) facility improvements;
      (ii) equipment and machinery upgrades, repairs, or retrofits; or
      (iii) other direct business related investments, including training.

(6) A requirement that the applicant shall provide written notification to the director and the board not more than thirty (30) days after the applicant makes or receives a proposal that would transfer the applicant's state tax liability obligations to a successor taxpayer.

(7) A requirement that the chief executive officer of the company applying for a credit under this chapter must verify under penalty of perjury that the disparity between projected costs of the applicant's project in Indiana compared with the costs for the project in a competing site is real and actual.

(8) Any other performance conditions that the board determines are appropriate.

(b) An agreement between an applicant and the board must be submitted to the budget committee for review and must be approved by the budget agency before an applicant is awarded a credit under this chapter for a project to retain existing jobs in Indiana.

SECTION 78. IC 6-3.1-13-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. A taxpayer claiming a credit under this chapter must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue a copy of the director's certificate of verification under this chapter for the taxable year. However, failure to submit a copy of the certificate does not invalidate
a claim for a credit, all information that the department determines necessary for the calculation of the credit provided by this chapter and the determination of whether the credit was properly claimed.

SECTION 79. IC 6-3.1-13-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder or partner of a pass through entity is otherwise entitled under a separate agreement under this chapter. A pass through entity and a shareholder or partner of the pass through entity may not claim more than one (1) credit under the same agreement.

(c) This subsection applies only to a pass through entity that is a limited liability company or a limited liability partnership owned wholly or in part by an electric cooperative incorporated under IC 8-1-13. At the request of a pass through entity, if the board corporation finds that the amount of the average wage to be paid by the pass through entity will be at least double the average wage paid within the county in which the project will be located, the board corporation may determine that:

(1) the credit shall be claimed by the pass through entity; and

(2) if the credit exceeds the pass through entity's state income tax liability for the taxable year, the excess shall be refunded to the pass through entity.

If the board corporation grants a refund directly to a pass through entity under this subsection, the pass through entity shall claim the refund on forms prescribed by the department of state revenue.

SECTION 80. IC 6-3.1-13-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. If the director department of state revenue or the corporation determines that a taxpayer who has received claimed a credit under this chapter is not complying entitled to the credit because of the taxpayer's
noncompliance with the requirements of the tax credit agreement or all of the provisions of this chapter, the director department or the corporation shall, after giving the taxpayer an opportunity to explain the noncompliance, notify the department of commerce of the noncompliance and request impose an assessment. The director shall state the on the taxpayer in an amount of the assessment, which that may not exceed the sum of any previously allowed credits under this chapter. After receiving such a notice, the department of commerce shall make an assessment against the taxpayer under IC 6-8.1 for the amount stated in the director’s notice: together with interest and penalties required or permitted by law.

SECTION 81. IC 6-3.1-13-23 IS AMENDED TO READ AS follows [effective July 1, 2005]: Sec. 23. On or before March 31 each year, the director shall submit a report to the board corporation on the tax credit program under this chapter. The report shall include information on the number of agreements that were entered into under this chapter during the preceding calendar year, a description of the project that is the subject of each agreement, an update on the status of projects under agreements entered into before the preceding calendar year, and the sum of the credits awarded under this chapter. A copy of the report shall be transmitted in an electronic format under IC 5-14-6 to the executive director of the legislative services agency for distribution to the members of the general assembly.

SECTION 82. IC 6-3.1-13-24 IS AMENDED TO READ AS follows [effective July 1, 2005]: Sec. 24. On a biennial basis, the board corporation shall provide for an evaluation of the tax credit program. Giving first priority to using the Indiana economic development council, established under IC 4-3-14-4. The evaluation shall include an assessment of the effectiveness of the program in creating new jobs and retaining existing jobs in Indiana and of the revenue impact of the program, and may include a review of the practices and experiences of other states with similar programs. The director shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives after June 30 and before November 1 in each odd-numbered year.

SECTION 83. IC 6-3.1-13-25 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. The department of commerce corporation may adopt rules under IC 4-22-2 necessary to implement this chapter. The rules may provide for recipients of tax credits under this chapter to be charged fees to cover administrative costs of the tax credit program. Fees collected shall be deposited in the economic development for a growing economy fund.

SECTION 84. IC 6-3.1-13-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) The economic development for a growing economy fund is established to be used exclusively for the purposes of this chapter and IC 6-3.1-26, including paying for the costs of administering this chapter and IC 6-3.1-26. The fund shall be administered by the department of commerce corporation.

(b) The fund consists of collected fees, appropriations from the general assembly, and gifts and grants to the fund.

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

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter. Expenditures from the fund are subject to appropriation by the general assembly and approval by the budget agency.

SECTION 85. IC 6-3.1-13-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) Subject to all other requirements of this chapter, the board corporation may award a tax credit under this chapter to a nonprofit organization that is a high growth company with high skilled jobs (as defined in IC 4-4-10.9-9.5) if:

(1) the nonprofit organization:
   (A) is a taxpayer (as defined in section 10 of this chapter); and
   (B) meets all requirements of this chapter; and

(2) all of the following conditions are satisfied:
   (A) The wages of at least seventy-five percent (75%) of the organization's total workforce in Indiana must be equal to at least two hundred percent (200%) of the average county wage, as determined by the department of commerce corporation,
in the county where the project for which the credit is granted will be located.

(B) The organization must make an investment of at least fifty million dollars ($50,000,000) in capital assets.

(C) The affected political subdivision must provide substantial financial assistance to the project.

(D) The incremental payroll attributable to the project must be at least ten million dollars ($10,000,000) annually.

(E) The organization agrees to pay the ad valorem property taxes on the organization's real and personal property that would otherwise be exempt under IC 6-1.1-10.

(F) The organization does not receive any deductions from the assessed value of the organization's real and personal property under IC 6-1.1-12 or IC 6-1.1-12.1.

(G) The organization pays all of the organization's ad valorem property taxes to the taxing units in the taxing district in which the project is located.

(H) The project for which the credit is granted must be located in a county having a population of more than one hundred eighty thousand (180,000) but less than one hundred eighty-two thousand seven hundred ninety (182,790).

(b) Notwithstanding section 6(a) of this chapter, the **board corporation** may award credits to an organization under subsection (a) if:

1. the organization met all other conditions of this chapter at the time of the applicant's location or expansion decision;
2. the applicant is in receipt of a letter from the department of commerce stating an intent to pursue a credit agreement; and
3. the letter described in subdivision (2) is issued by the department of commerce not later than January 1, 2000.

SECTION 86. IC 6-3.1-13.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "**department**" "**corporation**" refers to the **department of commerce**, **Indiana economic development corporation**.

SECTION 87. IC 6-3.1-13.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "qualified investment" means the amount of the taxpayer's expenditures for:
(1) the purchase of new manufacturing or production equipment;
(2) the purchase of new computers and related equipment;
(3) costs associated with the modernization of existing manufacturing facilities;
(4) onsite infrastructure improvements;
(5) the construction of new manufacturing facilities;
(6) costs associated with retooling existing machinery and equipment; and
(7) costs associated with the construction of special purpose buildings and foundations for use in the computer, software, biological sciences, or telecommunications industry;
that are certified by the department corporation under section 10 of this chapter as being eligible for the credit under this chapter, if the equipment, machinery, facilities improvements, facilities, buildings, or foundations are installed or used for a project having an estimated total cost of at least seventy-five million dollars ($75,000,000) and in a county having a population of more than forty-three thousand (43,000) but less than forty-five thousand (45,000).

SECTION 88. IC 6-3.1-13.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. A taxpayer may claim the credit under this chapter only if:

(1) the average wage paid by the taxpayer to its Indiana employees within the county in which the qualifying investment is made exceeds the average wage paid in that county; or
(2) the taxpayer certifies to the department corporation and provides proof as determined by the department corporation that, as a result of the qualifying investment, the average wage paid by the taxpayer to its Indiana employees within the county in which the qualifying investment is made will exceed the average wage paid in that county.

SECTION 89. IC 6-3.1-13.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) To be entitled to a credit under this chapter, a taxpayer must request the department of commerce corporation to determine whether an expenditure is a qualified investment.

(b) To make a request under subsection (a), a taxpayer must file with the department corporation a notice of intent to claim the credit under this chapter. A taxpayer must file the notice with the department...
corporation not later than February 15 of the calendar year following
the calendar year in which the expenditure is made.

(c) After receiving a notice of intent to claim the credit, the
department corporation shall review the notice and determine whether
the expenditure is a qualified investment and whether the taxpayer is
entitled to claim the credit. The department corporation shall, before
April 1 of the calendar year in which the notice is received, send to the
taxpayer and to the department of state revenue a letter:

(1) certifying that the taxpayer is entitled to claim the credit under
this chapter for the expenditure; or

(2) stating the reason why the taxpayer is not entitled to claim the
credit.

SECTION 90. IC 6-3.1-13.5-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) If a taxpayer
receives a credit under this chapter, the equipment, machinery,
facilities improvements, facilities, buildings, or foundations for which
the credit was granted must be fully installed or completed not more
than five (5) years after the department corporation issues a letter
under section 10 of this chapter certifying that the taxpayer is entitled
to claim the credit.

(b) If a taxpayer receives a credit under this chapter and does not
make the qualified investment (or a portion part of the qualified
investment) for which the credit was granted within the time required
by subsection (a), the department corporation may require the
taxpayer to repay the following:

(1) The additional amount of state tax liability that would have
been paid by the taxpayer if the credit had not been granted for
the qualified investment (or portion part of the qualified
investment) that was not made by the taxpayer within the time
required by subsection (a).

(2) Interest at a rate established under IC 6-8.1-10-1(c) on the
additional amount of state tax liability referred to in subdivision
(1).

SECTION 91. IC 6-3.1-17-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this
chapter, "qualified investment" means costs incurred to build or
refurbish a riverboat in Indiana that are approved by the department of
economic development corporation under section
SECTION 92. IC 6-3.1-17-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) To be entitled to a credit under this chapter, a taxpayer must request the department of commerce Indiana economic development corporation to determine whether costs incurred to build or refurbish a riverboat are qualified investments.

(b) The request under subsection (a) must be made before the costs are incurred.

(c) The department of commerce Indiana economic development corporation shall find that costs are a qualified investment to the extent that the costs result:

(1) from work performed in Indiana to build or refurbish a riverboat; and

(2) in taxable income to any other Indiana taxpayer; as determined under the standards adopted by the department of commerce Indiana economic development corporation.

SECTION 93. IC 6-3.1-17-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department the certification of credit by the department of commerce, Indiana economic development corporation, proof of payment of the certified qualified investment, and all information that the department determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an investment cost is a qualified investment cost.

SECTION 94. IC 6-3.1-19-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "qualified investment" means the amount of a taxpayer's expenditures that is:

(1) for redevelopment or rehabilitation of property located within a community revitalization enhancement district designated under IC 36-7-13;

(2) made under a plan adopted by an advisory commission on industrial development under IC 36-7-13; and

(3) approved by the department of commerce Indiana economic
development corporation before the expenditure is made.

SECTION 95. IC 6-3.1-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A taxpayer is not entitled to claim the credit provided by this chapter to the extent that the taxpayer substantially reduces or ceases its operations in Indiana in order to relocate them within the district. Determinations under this section shall be made by the department. The department shall adopt a proposed order concerning a taxpayer's eligibility for the credit based on subsection (b) and the following criteria:

(1) A site-specific economic activity, including sales, leasing, service, manufacturing, production, storage of inventory, or any activity involving permanent full-time or part-time employees, shall be considered a business operation.

(2) With respect to an operation located outside the district (referred to in this section as a "nondistrict operation"), any of the following that occurs during the twelve (12) months before the completion of the physical relocation of all or part of the activity described in subdivision (1) from the nondistrict operation to the district as compared with the twelve (12) months before that twelve (12) months shall be considered a substantial reduction:

(A) A reduction in the average number of full-time or part-time employees of the lesser of one hundred (100) employees or twenty-five percent (25%) of all employees.

(B) A twenty-five percent (25%) reduction in the average number of goods manufactured or produced.

(C) A twenty-five percent (25%) reduction in the average value of services provided.

(D) A ten percent (10%) reduction in the average value of stored inventory.

(E) A twenty-five percent (25%) reduction in the average amount of gross income.

(b) Notwithstanding subsection (a), a taxpayer that would otherwise be disqualified under subsection (a) is eligible for the credit provided by this chapter if the taxpayer meets at least one (1) of the following conditions:

(1) The taxpayer relocates all or part of its nondistrict operation for any of the following reasons:

(A) The lease on property necessary for the nondistrict
operation has been involuntarily lost through no fault of the taxpayer.
(B) The space available at the location of the nondistrict operation cannot accommodate planned expansion needed by the taxpayer.
(C) The building for the nondistrict operation has been certified as uninhabitable by a state or local building authority.
(D) The building for the nondistrict operation has been totally destroyed through no fault of the taxpayer.
(E) The renovation and construction costs at the location of the nondistrict operation are more than one and one-half (1 1/2) times the costs of purchase, renovation, and construction of a facility in the district, as certified by three (3) independent estimates.
(F) The taxpayer had existing operations in the district and the nondistrict operations relocated to the district are an expansion of the taxpayer's operations in the district.

A taxpayer is eligible for benefits and incentives under clause (C) or (D) only if renovation and construction costs at the location of the nondistrict operation are more than one and one-half (1 1/2) times the cost of purchase, renovation, and construction of a facility in the district. These costs must be certified by three (3) independent estimates.

(2) The taxpayer has not terminated or reduced the pension or health insurance obligations payable to employees or former employees of the nondistrict operation without the consent of the employees.

(c) The department shall cause to be delivered to the taxpayer and to any person who testified before the department in favor of disqualification of the taxpayer a copy of the department's proposed order. The taxpayer and these persons shall be considered parties for purposes of this section.

(d) A party who wishes to appeal the proposed order of the department shall, within ten (10) days after the party's receipt of the proposed order, file written objections with the department. The department shall immediately forward copies of the objections to the director of the budget agency and the director of commerce: Indiana economic development corporation. A
hearing panel composed of the commissioner of the department or the commissioner's designee, the director of the budget agency or the director's designee, and the \textbf{director president} of the \textbf{department of commerce Indiana economic development corporation} or the director's president's designee shall set the objections for oral argument and give notice to the parties. A party at its own expense may cause to be filed with the hearing panel a transcript of the oral testimony or any other part of the record of the proceedings. The oral argument shall be on the record filed with the hearing panel. The hearing panel may hear additional evidence or remand the action to the department with instructions appropriate to the expeditious and proper disposition of the action. The hearing panel may adopt the proposed order of the department, may amend or modify the proposed order, or may make such order or determination as is proper on the record. The affirmative votes of at least two (2) members of the hearing panel are required for the hearing panel to take action on any measure. The taxpayer may appeal the decision of the hearing panel to the tax court in the same manner that a final determination of the department may be appealed under \textbf{IC 33-3-5}. \textbf{IC 33-26}.

(e) If no objections are filed, the department may adopt the proposed order without oral argument.

(f) A determination that a taxpayer is not entitled to the credit provided by this chapter as a result of a substantial reduction or cessation of operations applies to credits that would otherwise arise in the taxable year in which the substantial reduction or cessation occurs and in all subsequent years.

SECTION 96. IC 6-3.1-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "qualified Indiana business" means an independently owned and operated business that is certified as a qualified Indiana business by the \textbf{department of commerce Indiana economic development corporation} under section 7 of this chapter.

SECTION 97. IC 6-3.1-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A taxpayer that:

(1) provides qualified investment capital to a qualified Indiana business; and

(2) fulfills the requirements of the \textbf{department of commerce Indiana economic development corporation} under section 12.5
is entitled to a credit against the person's state tax liability in a taxable year equal to the amount specified in section 10 of this chapter.

SECTION 98. IC 6-3.1-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The department of commerce Indiana economic development corporation shall certify that a business is a qualified Indiana business if the department corporation determines that the business:

1. has its headquarters in Indiana;
2. is primarily focused on commercialization of research and development, technology transfers, or the application of new technology, or is determined by the department of commerce Indiana economic development corporation to have significant potential to:
   - bring substantial capital into Indiana;
   - create jobs;
   - diversify the business base of Indiana; or
   - significantly promote the purposes of this chapter in any other way;
3. has had average annual revenues of less than ten million dollars ($10,000,000) in the two (2) years preceding the year in which the business received qualified investment capital from a taxpayer claiming a credit under this chapter;
4. has:
   - at least fifty percent (50%) of its employees residing in Indiana; or
   - at least seventy-five percent (75%) of its assets located in Indiana; and
5. is not engaged in a business involving:
   - real estate;
   - real estate development;
   - insurance;
   - professional services provided by an accountant, a lawyer, or a physician;
   - retail sales, except when the primary purpose of the business is the development or support of electronic commerce using the Internet; or
   - oil and gas exploration.
(b) A business shall apply to be certified as a qualified Indiana business on a form prescribed by the department of commerce: Indiana economic development corporation.

(c) If a business is certified as a qualified Indiana business under this section, the department of commerce Indiana economic development corporation shall provide a copy of the certification to the investors in the qualified Indiana business for inclusion in tax filings.

(d) The department of commerce Indiana economic development corporation may impose an application fee of not more than two hundred dollars ($200).

SECTION 99. IC 6-3.1-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The total amount of tax credits that may be allowed under this chapter in a particular calendar year for qualified investment capital provided during that calendar year may not exceed ten million dollars ($10,000,000). The department of commerce Indiana economic development corporation may not certify a proposed investment plan under section 12.5 of this chapter if the proposed investment would result in the total amount of the tax credits certified for the calendar year exceeding ten million dollars ($10,000,000). An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the department of commerce Indiana economic development corporation may certify under this chapter.

(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2008. However, this subsection may not be construed to prevent a taxpayer from carrying over to a taxable year beginning after December 31, 2008, an unused tax credit attributable to an investment occurring before January 1, 2009.

SECTION 100. IC 6-3.1-24-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.5. (a) A taxpayer wishing to obtain a credit under this chapter must apply to the department of commerce Indiana economic development corporation for a certification that the taxpayer's proposed investment plan would qualify for a credit under this chapter.
(b) The application required under subsection (a) must include:
(1) the name and address of the taxpayer;
(2) the name and address of each proposed recipient of the taxpayer's proposed investment;
(3) the amount of the proposed investment;
(4) a copy of the certification issued under section 7 of this chapter that the proposed recipient is a qualified Indiana business; and
(5) any other information required by the department of commerce: Indiana economic development corporation.

(c) If the department of commerce Indiana economic development corporation determines that:
(1) the proposed investment would qualify the taxpayer for a credit under this chapter; and
(2) the amount of the proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding ten million dollars ($10,000,000);
the department of commerce corporation shall certify the taxpayer's proposed investment plan.

(d) To receive a credit under this chapter, the taxpayer must provide qualified investment capital to a qualified Indiana business according to the taxpayer's certified investment plan within two (2) years after the date on which the department of commerce Indiana economic development corporation certifies the investment plan.

(e) Upon making the investment required under subsection (d), the taxpayer shall provide proof of the investment to the department of commerce: Indiana economic development corporation.

(f) Upon receiving proof of a taxpayer's investment under subsection (e), the department of commerce Indiana economic development corporation shall issue the taxpayer a certificate indicating that the taxpayer has fulfilled the requirements of the department of commerce corporation and that the taxpayer is entitled to a credit under this chapter.

(g) A taxpayer forfeits the right to a tax credit attributable to an investment certified under subsection (c) if the taxpayer fails to make the proposed investment within the period required under subsection (d).

SECTION 101. IC 6-3.1-24-13 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department, along with the taxpayer's state tax return or returns, a copy of the certificate issued by the department of commerce Indiana economic development corporation to the taxpayer under section 12.5(f) of this chapter and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

SECTION 102. IC 6-3.1-26-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. As used in this chapter, "corporation" means the Indiana economic development corporation established by IC 5-28-3-1.

SECTION 103. IC 6-3.1-26-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this chapter, "qualified investment" means the amount of the taxpayer's expenditures for:

(1) the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing equipment;
(2) the purchase of new computers and related equipment;
(3) costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing facilities;
(4) onsite infrastructure improvements;
(5) the construction of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing facilities;
(6) costs associated with retooling existing machinery and equipment; and
(7) costs associated with the construction of special purpose buildings and foundations for use in the computer, software, biological sciences, or telecommunications industry;
that are certified by the board corporation under this chapter as being eligible for the credit under this chapter.

(b) The term does not include property that can be readily moved
outside Indiana.

SECTION 104. IC 6-3.1-26-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. The board corporation may make credit awards under this chapter to foster job creation and higher wages in Indiana.

SECTION 105. IC 6-3.1-26-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. A taxpayer that:

(1) is awarded a tax credit under this chapter by the board corporation; and

(2) complies with the conditions set forth in this chapter and the agreement entered into by the board corporation and the taxpayer under this chapter;

is entitled to a credit against the taxpayer's state tax liability in a taxable year.

SECTION 106. IC 6-3.1-26-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. A person that proposes a project to create new jobs or increase wage levels in Indiana may apply to the board corporation before the taxpayer makes the qualified investment to enter into an agreement for a tax credit under this chapter. The director shall prescribe the form of the application.

SECTION 107. IC 6-3.1-26-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. After receipt of an application, the board corporation may enter into an agreement with the applicant for a credit under this chapter if the board corporation determines that all the following conditions exist:

(1) The applicant has conducted business in Indiana for at least one year immediately preceding the date the application is received.

(2) The applicant's project will raise the total earnings of employees of the applicant in Indiana.

(3) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana.

(4) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of employees in Indiana.

(5) Awarding the tax credit will result in an overall positive fiscal
impact to the state, as certified by the budget agency using the best available data.

(6) The credit is not prohibited by section 19 of this chapter.

(7) The average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

SECTION 108. IC 6-3.1-26-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. Determinations under this section shall be made by the board.

SECTION 109. IC 6-3.1-26-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. The board shall certify the amount of the qualified investment that is eligible for a credit under this chapter. In determining the credit amount that should be awarded, the board shall grant a credit only for the amount of the qualified investment that is directly related to expanding the workforce in Indiana.

SECTION 110. IC 6-3.1-26-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. The board shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

(1) A detailed description of the project that is the subject of the agreement.

(2) The first taxable year for which the credit may be claimed.

(3) The amount of the taxpayer's state tax liability for each tax in the taxable year of the taxpayer that immediately preceded the first taxable year in which the credit may be claimed.

(4) The maximum tax credit amount that will be allowed for each taxable year.

(5) A requirement that the taxpayer shall maintain operations at the project location for at least ten (10) years during the term that the tax credit is available.

(6) A specific method for determining the number of new
employees employed during a taxable year who are performing jobs not previously performed by an employee.

(7) A requirement that the taxpayer shall annually report to the *board corporation* the number of new employees who are performing jobs not previously performed by an employee, the average wage of the new employees, the average wage of all employees at the location where the qualified investment is made, and any other information the director needs to perform the director's duties under this chapter.

(8) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (7), and that after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(9) A requirement that the taxpayer shall pay an average wage to all its employees other than highly compensated employees in each taxable year that a tax credit is available that equals at least one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

(10) A requirement that the taxpayer will keep the qualified investment property that is the basis for the tax credit in Indiana for at least the lesser of its useful life for federal income tax purposes or ten (10) years.

(11) A requirement that the taxpayer will maintain at the location where the qualified investment is made during the term of the tax credit a total payroll that is at least equal to the payroll level that existed before the qualified investment was made.

(12) A requirement that the taxpayer shall provide written notification to the director and the *board corporation* not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(13) Any other performance conditions that the *board corporation* determines are appropriate.

SECTION 111. IC 6-3.1-26-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. If the director determines that a taxpayer who has received a credit under this chapter is not complying with the requirements of the tax credit agreement or all the provisions of this chapter, the director shall, after giving the
taxpayer an opportunity to explain the noncompliance, notify the 
department of commerce Indiana economic development 
corporation and the department of state revenue of the noncompliance 
and request an assessment. The department of state revenue, with the 
assistance of the director, shall state the amount of the assessment, 
which may not exceed the sum of any previously allowed credits under 
this chapter. After receiving the notice, the department of state revenue 
shall make an assessment against the taxpayer under IC 6-8.1.

SECTION 112. IC 6-3.1-26-24 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. On or before March 
31 each year, the director shall submit a report to the board 
corporation on the tax credit program under this chapter. The report 
must include information on the number of agreements that were 
entered into under this chapter during the preceding calendar year, a 
description of the project that is the subject of each agreement, an 
update on the status of projects under agreements entered into before 
the preceding calendar year, and the sum of the credits awarded under 
this chapter. A copy of the report shall be transmitted in an electronic 
format under IC 5-14-6 to the executive director of the legislative 
services agency for distribution to the members of the general 
assembly.

SECTION 113. IC 6-3.1-26-25 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. On a biennial 
basis, the board corporation shall provide for an evaluation of the tax 
credit program. giving first priority to using the Indiana economic 
development council established under IC 4-3-14. The evaluation must 
include an assessment of the effectiveness of the program in creating 
new jobs and increasing wages in Indiana and of the revenue impact of 
the program and may include a review of the practices and experiences 
of other states with similar programs. The director shall submit a report 
on the evaluation to the governor, the president pro tempore of the 
 senate, and the speaker of the house of representatives after June 30 
and before November 1 in each odd-numbered year. The report 
provided to the president pro tempore of the senate and the 
speaker of the house of representatives must be in an electronic 
format under IC 5-14-6.

SECTION 114. IC 8-3-1-21.1 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21.1. (a) Upon
receiving notice of intent to abandon railroad rights-of-way from any railroad company, the department shall, upon receipt, notify:

(1) the county executives, county surveyors, and cities and towns of the counties affected;

(2) the department of commerce;

(2) the Indiana economic development corporation; and

(3) the department of natural resources;

of the notice.

(b) Within one (1) year of a final decision of the Interstate Commerce Commission permitting an abandonment of a railroad right-of-way, the railroad shall remove any crossing control device, railroad insignia, and rails on that portion of the right-of-way that serves as a public highway and reconstruct that part of the highway so that it conforms to the standards of the contiguous roadway. The Indiana department of transportation or the county, city, or town department of highways having jurisdiction over the highway may restore the crossing if the unit:

(1) adopts construction specifications for the project; and

(2) enters into an agreement with the railroad concerning the project.

The cost of removing any crossing control device, railroad insignia, rails, or ties under this subsection must be paid by the railroad. The cost of reconstructing the highway surface on the right-of-way must be paid by the Indiana department of transportation or the county, city, or town department of highways having jurisdiction over the crossing.

(c) If a railroad fails to comply with subsection (b), the Indiana department of transportation or the county, city, or town department of highways having jurisdiction over the crossing may proceed with the removal and reconstruction work. The cost of the removal and reconstruction shall be documented by the agency performing the work and charged to the railroad. Work by the agency may not proceed until at least sixty (60) days after the railroad is notified in writing of the agency's intention to undertake the work.

(d) This section does not apply to an abandoned railroad right-of-way on which service is to be reinstated or continued.

(e) As used in this section, "crossing control device" means any traffic control device installed by the railroad and described in the National Railroad Association's manual, Train Operations, Control and
Signals Committee, Railroad-Highway Grade-Crossing Protection, Bulletin No. 7, as an appropriate traffic control device.

(f) Costs not paid by a railroad under subsection (b) may be added to the railroad's property tax statement of current and delinquent taxes and special assessments under IC 6-1.1-22-8.

(g) Whenever the Indiana department of transportation notifies the department of natural resources that a railroad intends to abandon a railroad right-of-way under this section, the department of natural resources shall make a study of the feasibility of converting the right-of-way for recreational purposes. The study must be completed within ninety (90) days after receiving the notice from the Indiana department of transportation. If the department of natural resources finds that recreational use is feasible, the department of natural resources shall urge the appropriate state and local authorities to acquire the right-of-way for recreational purposes.

SECTION 115. IC 8-4.5-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board consists of the following members:

(1) The commissioner or the commissioner's designee.
(2) The director or the director's designee.
(3) An individual representing agriculture appointed by the governor.
(4) An individual representing the railroad industry appointed by the governor.
(5) An individual representing persons interested in the preservation of railroad corridors for recreational and other uses appointed by the governor.
(6) An individual representing local government appointed by the governor.
(7) An individual representing the utility industry appointed by the governor.
(8) Two (2) individuals appointed by the governor, one (1) of whom must be a property owner.
(9) The director secretary of the department of commerce or the director's secretary's designee.

(b) In appointing members of the board, the governor shall appoint members so that not more than five (5) members of the board belong to the same political party.
SECTION 116. IC 8-21-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) The department shall have jurisdiction only over two (2) major new continental or intercontinental airport facilities designed and constructed to serve a portion of Indiana or adjacent states.

(b) The department may designate the location and character of all airport facilities which the department may hold, own, or over which it is authorized to act and to regulate all matters related to the location and character of the airport facilities.

(c) The department may designate the location and establish, limit, and control points of ingress to and egress from any airport property.

(d) The department may lease to others for development or operation such portions of any airport or airport facility on such terms and conditions as the department considers necessary.

(e) The department may make directly, or through hiring of expert consultants, investigations and surveys of whatever nature, including, but not limited to, studies of business conditions, freight rates, airport services, physical surveys of the conditions of structures, and the necessity for additional airports or for additional airport facilities for the development and improvement of commerce and for the more expeditious handling of such commerce, and to make such studies, surveys, and estimates as are necessary for the execution of its powers under this chapter.

(f) The department may make and enter into all contracts, undertakings, and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter. When the cost of any such contract for construction, or for the purchase of equipment, materials or supplies, involves an expenditure of more than five thousand dollars ($5,000), the department shall make a written contract with the lowest and best bidder after advertisement for not less than two (2) consecutive weeks in a newspaper of general circulation in Marion County, Indiana, and in such other publications as the department shall determine. Such notice shall state the general character of the materials to be furnished, the place where plans and specifications therefor may be examined, and the time and place of receiving bids. Each bid shall contain the full name of every person or company interested in it and shall be accompanied by a sufficient bond or certified check on a solvent bank that if the bid is accepted a
contract will be entered into and the performance of its proposal
secured. The department may reject any and all bids. A bond with good
and sufficient surety, as shall be approved by the department, shall be
required of all contractors in an amount equal to at least fifty percent
\((50\%)\) of the contract price conditioned upon the faithful performance
of the contract.

(g) The department may fix and revise from time to time
periodically and charge and collect equitable rates, fees, rentals, or
other charges for the use of any airport facility or airport facilities
under its control, which rates, fees, rentals, or other charges shall be in
amounts reasonably related to the cost of providing and maintaining the
particular airport facility or airport facilities for which these rates, fees,
rentals, and other charges are established.

(h) The department may subject to IC 8-9.5-6-1, make application
for, receive, and accept from any federal agency, grants for or in aid of
the planning, construction, operating, or financing of any airport
facility, and to receive and accept contributions from any source of
either money, property, labor, or other things of value, to be held, used
and applied for the purposes for which made, in each case on such
terms and conditions as the department considers necessary or
desirable. also, to The department may enter into and carry out
contracts and agreements in connection with any of the foregoing this
subsection.

(i) The department may appear in its own behalf before boards,
commissions, departments, or other agencies of the federal government
or of any state or international conference and before committees of the
Congress of the United States and the general assembly of Indiana in
all matters relating to the designs, establishment, construction,
extension, operations, improvements, repair, or maintenance of any
airport or airport facility operated and maintained by the department
under this chapter, and to appear before any federal or state agencies
in matters relating to air rates, airport services and charges,
differentials, discriminations, labor relations, trade practices, and all
other matters affecting the physical development of and the business
interest of the department and those it serves.

(j) The department may contract for the services of consulting
engineers, architects, attorneys, accountants, construction and financial
experts, and such other individuals as are necessary in its judgment.
However, the employment of an attorney shall be subject to such approval of the attorney general as may be required by law.

(k) The department may do all things necessary and proper to promote and increase commerce within its territorial jurisdiction, including cooperation with civic, technical, professional, and business organizations and associations and the Indiana department of commerce: economic development corporation.

(l) The department may establish and maintain a traffic bureau for the purpose of advising the department as to the airport's competitive economic position with other airports.

(m) The department may contract for the use of any license, process, or device, whether patented or not, which the department finds is necessary for the operation of any airport facility, and may permit the use thereof by any lessee on such terms and conditions as the department may determine. The cost of such license, process, or device may be included as part of the cost of the airport facility.

(n) The department may subject to IC 8-9.5-5-8(6), issue airport revenue bonds and airport revenue funding bonds.

(o) The department may do all acts and things necessary or proper to carry out the powers expressly granted in this chapter.

SECTION 117. IC 8-22-3.5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 14. (a) This section applies only to an airport development zone that is in a:

(1) city described in section 1(2) of this chapter; or
(2) county described in section 1(3) or 1(4) of this chapter.

(b) Notwithstanding any other law, a business or an employee of a business that is located in an airport development zone is entitled to the benefits provided by the following statutes, as if the business were located in an enterprise zone:

(1) IC 6-1.1-20.8.
(2) IC 6-3-2-8.
(3) IC 6-3-3-10.
(4) IC 6-3.1-7.
(5) IC 6-3.1-9.
(6) IC 6-3.1-10-6.

(c) Before June 1 of each year, a business described in subsection (b) must pay a fee equal to the amount of the fee that is required for enterprise zone businesses under IC 4-4-6.1-2(a)(4)(A).
IC 5-28-15-5(a)(4)(A). However, notwithstanding IC 4-4-6.1-2(a)(4)(A), IC 5-28-15-5(a)(4)(A), the fee shall be paid into the debt service fund established under section 9(e)(2) of this chapter. If the commission determines that a business has failed to pay the fee required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(d) A business that receives any of the benefits described in subsection (b) must use all of those benefits, except for the amount of the fee required by subsection (c), for its property or employees in the airport development zone and to assist the commission. If the commission determines that a business has failed to use its benefits in the manner required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(e) If the commission determines that a business has failed to pay the fee required by subsection (c) or has failed to use benefits in the manner required by subsection (d), the commission shall provide written notice of the determination to the department of state revenue, the department of local government finance, and the county auditor.

SECTION 118. IC 8-23-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The department shall annually adopt from its long range program and publish a biennial work program of construction to be accomplished within the following two (2) fiscal years. This biennial work program must consist of a list of projects listed in order of urgency. In case of emergencies and disasters resulting in the necessity for completely unforeseen demands for construction, or if unforeseen difficulties arise in the acquisition of rights-of-way, materials, labor, or equipment necessary for proposed construction or the availability of funds, a deviation from the adopted biennial work program is permitted. The relative urgency of proposed construction shall be determined by a consideration of the physical condition, the safety and service characteristics of the highways under consideration, and the economic needs of the area served by the highways. In arriving at and making a determination, the department shall utilize all studies, data, and information made available to it from any appropriate source including economic data, relative to affected areas, from the department of commerce: Indiana economic development corporation.

SECTION 119. IC 13-17-2-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The board consists of the following eleven (11) twelve (12) members:

1) The following ex officio members:
   (A) The commissioner of the state department of health.
   (B) The director of the department of natural resources.
   (C) The lieutenant governor.
   (D) The secretary of commerce or the secretary’s designee.

2) The following eight (8) members, who shall be appointed by the governor based on recommendations from representative constituencies:
   (A) One (1) representative of agriculture.
   (B) One (1) representative of manufacturing employed by an entity that has applied for or received a Title V operating permit.
   (C) One (1) representative of environmental interests.
   (D) One (1) representative of labor.
   (E) One (1) representative of local government.
   (F) One (1) health professional who holds a license to practice in Indiana.
   (G) One (1) representative of small business.
   (H) One (1) representative of the general public, who cannot qualify to sit on the board under any of the other clauses in this subdivision.

An individual appointed under this subdivision must possess knowledge, experience, or education qualifying the individual to represent the entity the individual is being recommended to represent.

SECTION 120. IC 13-17-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Six (6) Seven (7) members of the board, four (4) of whom must be appointed members of the board, constitute a quorum.

SECTION 121. IC 13-18-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board consists of the following eleven (11) twelve (12) members:

1) The following ex officio members:
   (A) The commissioner of the state department of health.
   (B) The director of the department of natural resources.
   (C) The lieutenant governor.
(D) The secretary of commerce or the secretary’s designee.

(2) The following eight (8) members, who shall be appointed by the governor based on recommendations from representative constituencies:

(A) One (1) representative of agriculture.
(B) One (1) representative of manufacturing employed by an entity that holds an NPDES major permit.
(C) One (1) representative of environmental interests.
(D) One (1) representative of labor.
(E) One (1) representative of local government.
(F) One (1) health professional who holds a license to practice in Indiana.
(G) One (1) representative of small business.
(H) One (1) representative of the general public, who cannot qualify to sit on the board under any of the other clauses in this subdivision.

(b) An individual appointed under subsection (a)(2) must possess knowledge, experience, or education qualifying the individual to represent the entity the individual is being recommended to represent.

SECTION 122. IC 13-18-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. Six (6) Seven (7) members of the board, four (4) of whom must be appointed members of the board, constitute a quorum.

SECTION 123. IC 13-19-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board consists of thirteen (13) fourteen (14) members as follows:

(1) The following ex officio members:
   (A) The commissioner of the state department of health.
   (B) The director of the department of natural resources.
   (C) The lieutenant governor.

(D) The secretary of commerce or the secretary’s designee.

(2) The following ten (10) members, who shall be appointed by the governor based on recommendations from representative constituencies:

(A) One (1) representative of agriculture.
(B) One (1) representative of manufacturing.
(C) One (1) representative of environmental interests.
(D) One (1) representative of labor.
(E) One (1) representative of local government.
(F) One (1) health professional who holds a license to practice in Indiana.
(G) One (1) representative of small business.
(H) One (1) representative of the general public, who cannot qualify to sit on the board under any of the other clauses in this subdivision.
(I) One (1) representative of the solid waste management industry.
(J) One (1) representative of the solid waste management districts.

(b) An individual appointed under subsection (a)(2) must possess knowledge, experience, or education qualifying the individual to represent the entity the individual is being recommended to represent.

SECTION 124. IC 13-19-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. Seven (7) Eight (8) members of the board, four (4) of whom must be appointed members of the board, constitute a quorum.

SECTION 125. IC 13-27.5-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board consists of thirteen (13) members.

(b) The commissioner and the president chairperson of the board of the Indiana economic development corporation established under IC 4-3-14-4 IC 5-28-3 or the chairperson's designee shall serve as ex officio nonvoting members of the board. The commissioner or the president chairperson may in writing designate a technical representative to serve as a nonvoting member of the board when the commissioner or the president chairperson is absent from a meeting of the board.

(c) The governor shall appoint eleven (11) members of the board as follows:

(1) One (1) representative of public universities in Indiana.
(2) One (1) representative of private universities in Indiana.
(3) Three (3) representatives of manufacturers, including one (1) representative of small manufacturers.
(4) One (1) representative of a statewide environmental organization.
(5) One (1) representative of organized labor.
(6) One (1) representative of the public.
(7) One (1) representative of county government.
(8) One (1) representative of municipal government.
(9) One (1) representative who must have expertise in occupational health and the workplace environment.

d) To be appointed as a member of the board under subsection (c), an individual must demonstrate a knowledge of policy or of technical matters concerning multimedia clean manufacturing.

e) An individual appointed to the board under subsection (c)(1) or (c)(2) may not represent a university that is selected to establish the Indiana clean manufacturing technology and safe materials institute under IC 13-27.5-2.

SECTION 126. IC 13-27.5-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commissioner and the chairperson of the board of the economic development corporation serve on the board without additional compensation.

(b) An appointed member of the board or an adviser is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). An appointed member of the board or an adviser is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the duties of the member or adviser as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 127. IC 14-33-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) To pay the costs of establishing a district, including general, legal, and administrative costs and costs incident to preparing the district plan, money may be obtained from one (1) or a combination of the following methods:

(1) Gifts, loans, or grants from a state or federal agency, or both.
(2) Gifts from any source.
(3) The collection of the special benefit tax.
(4) Borrowing from private or public sources in anticipation of the collection of the tax.
(5) Advances from the general fund of the county under section 15 of this chapter.
(6) Borrowing from the economic development fund created by IC 4-4-7 IC 5-28-8 for any of the purposes in IC 14-33-1-1.

(7) Borrowing from the flood control revolving fund created by IC 14-28-5 for any of the purposes in IC 14-33-1-1.

(b) All persons, agencies, and departments charged with the administration and supervision of funds such as those created by IC 4-4-7 IC 5-28-8 and IC 14-28-5 may make loans and advances to a district. The procedures, terms, and conditions of the loans must be the same as provided in the statutes establishing the funds but shall be modified and supplemented to fit this article to facilitate the financing of districts.

(c) This section does not preclude the borrowing of money for the following:

1. Establishing the district.
2. General, legal, and administrative costs.
3. Costs incident to preparing the district plan in conjunction with borrowing of money to pay construction costs.

SECTION 128. IC 14-33-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. A district shall promptly repay any money that is advanced to the district from:

1. the general fund of a county; or
2. the economic development fund created by IC 4-4-7; IC 5-28-8;

from money received through the collection of an authorized tax or assessment.

SECTION 129. IC 20-1-18.3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The commission shall also do the following:

1. Make recommendations to the general assembly concerning the development, duplication, and accessibility of employment training and vocational education on a regional and statewide basis.
2. Consult with any state agency, commission, or organization that supervises or administers programs of vocational education concerning the coordination of vocational education, including the following:
   (A) The department of commerce: Indiana economic development corporation.
(B) The state human resource investment council.
(C) A private industry council (as defined in 29 U.S.C. 1501 et seq.).
(D) The department of labor.
(E) The Indiana commission on proprietary education.
(F) The commission for higher education.
(G) The Indiana state board of education.

(3) Review and make recommendations concerning plans submitted by the Indiana state board of education and the commission for higher education. The commission may request the resubmission of plans or parts of plans that do not meet the following criteria:

  (A) Consistency with the long range state plan of the commission.
  (B) Evidence of compatibility of plans within the system.
  (C) Avoidance of duplication of existing services.

(4) Report to the general assembly on the commission's conclusions and recommendations concerning interagency cooperation, coordination, and articulation of vocational education and employment training. A report under this subdivision must in an electronic format under IC 5-14-6.

(5) Study and develop a plan concerning the transition between secondary level vocational education and postsecondary level vocational education.

(6) Enter into agreements with the federal government that may be required as a condition of receiving federal funds under the Vocational Education Act (20 U.S.C. 2301 et seq.). An agreement entered into under this subdivision is subject to the approval of the budget agency.

SECTION 130. IC 20-11-3-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) As used in this section, "concerned state agency" includes the following state agencies that are inherently concerned with the mission of the coalition as stated in section 1 of this chapter:

  (1) The state library and historical society.
  (2) The department of workforce development.
  (3) The department of correction.
  (4) The office of the secretary of family and social services.

(6) The department of education.

(b) The director of a concerned state agency shall:

(1) appoint an ex officio member to serve on the coalition; and
(2) provide appropriate support to the coalition.

SECTION 131. IC 22-4-19-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Each employing unit shall keep true and accurate records containing information the department considers necessary. These records are:

(1) open to inspection; and
(2) subject to being copied;

by an authorized representative of the department at any reasonable time and as often as may be necessary. The commissioner, the review board, or an administrative law judge may require from any employing unit any verified or unverified report, with respect to persons employed by it, which is considered necessary for the effective administration of this article.

(b) Except as provided in subsections (d) and (f), information obtained or obtained from any person in the administration of this article and the records of the department relating to the unemployment tax, the skills 2016 assessment under IC 22-4-10.5-3, or the payment of benefits is confidential and may not be published or be open to public inspection in any manner revealing the individual’s or the employing unit's identity, except in obedience to an order of a court or as provided in this section.

(c) A claimant at a hearing before an administrative law judge or the review board shall be supplied with information from the records referred to in this section to the extent necessary for the proper presentation of the subject matter of the appearance. The commissioner may make the information necessary for a proper presentation of a subject matter before an administrative law judge or the review board available to an agency of the United States or an Indiana state agency.

(d) The commissioner may release the following information:

(1) Summary statistical data may be released to the public.
(2) Employer specific information known as ES 202 data and data resulting from enhancements made through the business establishment list improvement project may be released to the
department of commerce Indiana economic development corporation only for the following purposes:

(A) The purpose of conducting a survey.

(B) The purpose of aiding the officers or employees of the department of commerce Indiana economic development corporation in providing economic development assistance through program development, research, or other methods.

(C) Other purposes consistent with the goals of the department of commerce Indiana economic development corporation and not inconsistent with those of the department.

(3) Employer specific information known as ES 202 data and data resulting from enhancements made through the business establishment list improvement project may be released to the budget agency only for aiding the employees of the budget agency in forecasting tax revenues.

(4) Information obtained from any person in the administration of this article and the records of the department relating to the unemployment tax or the payment of benefits for use by the following governmental entities:

(A) department of state revenue; or

(B) state or local law enforcement agencies;

only if there is an agreement that the information will be kept confidential and used for legitimate governmental purposes.

(e) The commissioner may make information available under subsection (d)(1), (d)(2), or (d)(3) only:

(1) if:

(A) data provided in summary form cannot be used to identify information relating to a specific employer or specific employee; or

(B) there is an agreement that the employer specific information released to the department of commerce Indiana economic development corporation or the budget agency will be treated as confidential and will be released only in summary form that cannot be used to identify information relating to a specific employer or a specific employee; and

(2) after the cost of making the information available to the person requesting the information is paid under IC 5-14-3.

(f) In addition to the confidentiality provisions of subsection (b), any
information furnished by the claimant or an agent to the department to verify a claim of domestic or family violence is confidential. This information shall not be disclosed to the employer or any other person. Disclosure is subject to the following restrictions:

1) The claimant must be notified before any release of information.
2) Any disclosure is subject to redaction of unnecessary identifying information, including the claimant's address.

(g) An employee:
1) of the department who recklessly violates subsection (a), (c), (d), (e), or (f); or
2) of any governmental entity listed in subsection (d)(4) of this chapter who recklessly violates subsection (d)(4) of this chapter; commits a Class B misdemeanor.

(h) An employee of the department of commerce Indiana economic development corporation or the budget agency who violates subsection (d) or (e) commits a Class B misdemeanor.

SECTION 132. IC 23-6-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. In furtherance of its purposes and in addition to the powers conferred on corporations by IC 23-1, a credit corporation may:

1) borrow money from any lending institution or from any agency established under the Small Business Investment Act of 1958 (Public Law 85-699, 72 Stat. 689), as amended, or under other federal or state statutes;
2) do all things necessary or desirable to secure aid, assistance, loans, and other financing from its members (whether as member loans or otherwise);
3) issue bonds, debentures, notes, or other evidences of indebtedness, whether secured or unsecured, and secure any of those instruments by a mortgage, pledge, deed of trust, or other lien on any property, franchise, rights, or privileges of the credit corporation, without securing member or shareholder approval;
4) lend money to, and guarantee, endorse, or act as surety on the bonds, notes, contracts, or other obligations of, or otherwise assist financially, any person, firm, corporation, limited liability company, or association;
5) establish and regulate the terms and conditions of transactions
entered into under subdivision (4) and the charges for interest and services connected with those transactions;
(6) acquire any interest in the goodwill, business rights, real and personal property, and other assets of any persons or corporations and assume, undertake, or pay the obligations, debts, and liabilities of that person or corporation;
(7) acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments;
(8) acquire, construct, reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, or otherwise dispose of industrial plants or business establishments;
(9) acquire, subscribe for, own, sell, hold, assign, transfer, mortgage, pledge, or otherwise dispose of the stock, shares, bonds, debentures, notes, or other securities and evidences of interest in or indebtedness of any person or corporation and, while the owner or holder of such a property interest, exercise all the rights, powers, and privileges of ownership, including the right to vote;
(10) acquire and dispose of an interest in any other type of real or personal property, including any real or personal property acquired by the corporation from time to time in the satisfaction of debts or as a result of the enforcement of obligations;
(11) mortgage, pledge, or otherwise encumber any property, right, or thing of value acquired by the credit corporation as security for the payment of any part of the purchase price for the acquired item;
(12) cooperate with and avail itself of the facilities of the United States Department of Commerce, the Indiana department of commerce, economic development corporation, and any other similar state or federal governmental agencies;
(13) cooperate with, assist, and otherwise encourage organizations in the various communities of Indiana in the promotion, assistance, and development of the business prosperity and economic well-being of those communities, Indiana, or any political subdivision of Indiana;
(14) make, amend, and repeal bylaws, not inconsistent with its articles of incorporation or with the laws of Indiana, for the administration and regulation of the affairs of the corporation,
which bylaws may:
   (A) establish internal governance procedures and standards, including procedures for voting by proxy at and for giving notice of meetings of directors and of members and shareholders, procedures and standards for the payment of dividends, and procedures for the delegation by the board of directors of its authority under the articles of incorporation and this chapter to one (1) or more committees of the board or to officers of the corporation; and
   (B) give the board of directors or committees of the board the power to pass resolutions necessary or convenient to carrying out the purposes of the corporation; and
   (15) do all acts and things necessary or convenient to carrying out the powers expressly granted in this chapter.

SECTION 133. IC 36-7-13.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The commission shall:
   (1) identify qualifying properties;
   (2) prepare a comprehensive master plan for development and redevelopment within the corridor that:
       (A) plans for remediation of environmental contamination;
       (B) accounts for economic development and transportation issues relating to environmental contamination; and
       (C) establishes priorities for development or redevelopment of qualifying properties;
   (3) establish guidelines for the evaluation of applications for grants from the fund;
   (4) after reviewing a report from the department of environmental management under section 22 of this chapter, refer to the executive committee applications for grants from the fund under section 21 of this chapter that the commission recommends for approval;
   (5) prepare and provide information to political subdivisions on the availability of financial assistance from the fund;
   (6) coordinate the implementation of the comprehensive master plan;
   (7) monitor the progress of implementation of the comprehensive master plan;
(8) report at least annually to the governor, the lieutenant governor, the Indiana economic development corporation, the legislative council, and all political subdivisions that have territory within the corridor on:
   (A) the activities of the commission; and
   (B) the progress of implementation of the comprehensive master plan; and
(9) employ an executive director and other individuals that are necessary to carry out the commission's duties.

An annual report under subdivision (8) to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 134. IC 36-7-14-22.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22.2. (a) The commission may sell or grant, at no cost, title to real property to an urban enterprise association for the purpose of developing the real property if the following requirements are met:
   (1) The urban enterprise association has incorporated as a not-for-profit corporation under IC 4-4-6.1-5(b)(3).
   (2) The parcel of property to be sold or granted is located entirely within the enterprise zone for which the urban enterprise association was created under IC 4-4-6.1-4.
   (3) The urban enterprise association agrees to cause development on the parcel of property within a specified period that may not exceed five (5) years from the date of the sale or grant.
   (4) The urban enterprise association agrees to rehabilitate or otherwise develop the property in a manner that is similar to and consistent with the use of the other properties in the enterprise zone.

(b) The commission may sell or grant, at no cost, title to real property to a community development corporation (as defined in IC 4-4-28-2) for the purpose of providing low or moderate income housing or other development that will benefit or serve low or moderate income families if the following requirements are met:
   (1) The community development corporation has as a major corporate purpose and function the provision of housing for low and moderate income families within the geographic area in which the parcel of real property is located.
(2) The community development corporation agrees to cause development that will serve or benefit low or moderate income families on the parcel of real property within a specified period, which may not exceed five (5) years from the date of the sale or grant.

(3) The community development corporation agrees that the community development corporation and each applicant, recipient, contractor, or subcontractor undertaking work in connection with the real property will:

(A) use lower income project area residents as trainees and as employees; and

(B) contract for work with business concerns located in the project area or owned in substantial part by persons residing in the project area;

to the greatest extent feasible, as determined under the standards specified in 24 CFR 135.

(4) The community development corporation agrees to rehabilitate or otherwise develop the property in a manner that is similar to and consistent with the use of the other properties in the area served by the community development corporation.

(c) To carry out the purposes of this section, the commission may secure from the county under IC 6-1.1-25-9(e) parcels of property acquired by the county under IC 6-1.1-24 and IC 6-1.1-25.

(d) Before offering any parcel of property for sale or grant, the fair market value of the parcel of property must be determined by an appraiser, who may be an employee of the department. However, if the commission has obtained the parcel in the manner described in subsection (c), an appraisal is not required. An appraisal under this subsection is solely for the information of the commission and is not available for public inspection.

(e) The commission must decide at a public meeting whether the commission will sell or grant the parcel of real property. In making this decision, the commission shall give substantial weight to the extent to which and the terms under which the urban enterprise association or community development corporation will cause development on the property.

(f) Before conducting a meeting under subsection (g), the commission shall publish a notice in accordance with IC 5-3-1
indicating that at a designated time the commission will consider selling or granting the parcel of real property under this section. The notice must state the general location of the property, including the street address, if any, or a common description of the property other than the legal description.

(g) If the county agrees to transfer a parcel of real property to the commission to be sold or granted under this section, the commission may conduct a meeting to sell or grant the parcel to an urban enterprise zone or to a community development corporation even though the parcel has not yet been transferred to the commission. After the hearing, the commission may adopt a resolution directing the department to take appropriate steps necessary to acquire the parcel from the county and to transfer the parcel to the urban enterprise association or to the community development corporation.

(h) A conveyance of property under this section shall be made in accordance with section 22(i) of this chapter.

(i) An urban enterprise association that purchases or receives real property under this section shall report the terms of the conveyance to the enterprise zone board created under IC 4-6-1-1 of the Indiana economic development corporation not later than thirty (30) days after the date the conveyance of the property is made.

SECTION 135. IC 36-7-14-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential
property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded portion of the area added after June 30, 1995.

(6) If an allocation area established in a blighted area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded portion of the area

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date
with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements in or serving that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) in or serving that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in or serving that allocation area under any lease entered into under IC 36-1-10.

(I) Pay all or a portion of a property tax replacement
credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) (ii) the STEP ONE sum.

STEP THREE: Multiply:

(A) (i) the STEP TWO quotient; times

(B) (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.
However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).
(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

1. the assessed value of the property as valued without regard to this section; or
2. the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-16-1, IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the portion of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2),
except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that portion part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 136. IC 36-7-14-44.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 44.2. On a quadrennial basis, the general assembly shall provide for an evaluation of the provisions of this chapter, giving first priority to using the Indiana economic development council corporation established under IC 4-3-14-4, IC 5-28-3. The evaluation shall be a fiscal analysis, including an assessment of the effectiveness of the provisions of this chapter to:

(1) create new jobs;
(2) increase income; and
(3) increase the tax base;

in the jurisdiction of the unit. The fiscal analysis may also consider impacts on tax burdens borne by property owners. The fiscal analysis may also include a review of the practices and experiences of other states or political subdivisions with laws similar to the provisions of this chapter. The president of the Indiana economic development council corporation established under IC 4-3-14-4 IC 5-28-3 or another person or entity designated by the general assembly shall
submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives before December 1, 1999, and every fourth year thereafter. The report submitted to the president pro tempore of the senate and the speaker of the house of representatives must be in an electronic format under IC 5-14-6.

SECTION 137. IC 36-7-15.1-15.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15.2. (a) The commission may sell or grant, at no cost, title to real property to an urban enterprise association for the purpose of developing the real property if the following requirements are met:

1. The urban enterprise association has incorporated as a not-for-profit corporation under IC 4-4-6.1-5(b)(3).
2. The parcel of property to be sold or granted is located entirely within the enterprise zone for which the urban enterprise association was created under IC 4-4-6.1-4.
3. The urban enterprise association agrees to cause development on the parcel of property within a specified period that may not exceed five (5) years from the date of the sale or grant.
4. The urban enterprise association agrees to rehabilitate or otherwise develop the property in a manner that is similar to and consistent with the use of the other properties in the enterprise zone.

(b) To carry out the purposes of this section, the commission may secure from the county under IC 6-1.1-25-9(e) parcels of property acquired by the county under IC 6-1.1-24 and IC 6-1.1-25.

(c) Before offering any parcel of property for sale or grant, the fair market value of the parcel of property must be determined by an appraiser, who may be an employee of the department. However, if the commission has obtained the parcel in the manner described in subsection (b), an appraisal is not required. An appraisal under this subsection is solely for the information of the commission and is not available for public inspection.

(d) The commission must decide at a public meeting whether the commission will sell or grant the parcel of real property. In making this decision, the commission shall give substantial weight to the extent to which and the terms under which the urban enterprise association will
cause development on the property.

(e) Before conducting a meeting under subsection (d), the commission shall publish a notice in accordance with IC 5-3-1 indicating that at a designated time the commission will consider selling or granting the parcel of real property under this section. The notice must state the general location of the property, including the street address, if any, or a common description of the property other than the legal description.

(f) If the county agrees to transfer a parcel of real property to the commission to be sold or granted under this section, the commission may conduct a meeting to sell or grant the parcel to an urban enterprise zone even though the parcel has not yet been transferred to the commission. After the hearing, the commission may adopt a resolution directing the department to take appropriate steps necessary to acquire the parcel from the county and to transfer the parcel to the urban enterprise association.

(g) A conveyance of property to an urban enterprise association under this section shall be made in accordance with section 15(i) of this chapter.

(h) An urban enterprise association that purchases or receives real property under this section shall report the terms of the conveyance to the enterprise zone board created under IC 4-4-6.1 of the Indiana economic development corporation not later than thirty (30) days after the date the conveyance of the property is made.

SECTION 138. IC 36-7-15.1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory
resolution, as adjusted under subsection (h); plus
(B) to the extent that it is not included in clause (A), the net
assessed value of property that is assessed as residential
property under the rules of the department of local government
finance, as finally determined for any assessment date after the
effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a
declaratory resolution or an amendment to a declaratory
resolution establishing a blighted area:
   (A) the net assessed value of all the property as finally
determined for the assessment date immediately preceding the
effective date of the allocation provision of the declaratory
resolution, as adjusted under subsection (h); plus
   (B) to the extent that it is not included in clause (A), the net
assessed value of property that is assessed as residential
property under the rules of the department of local government
finance, as finally determined for any assessment date after the
effective date of the allocation provision.

(3) If:
   (A) an allocation provision adopted before June 30, 1995, in
a declaratory resolution or an amendment to a declaratory
resolution establishing a blighted area expires after June 30,
1997; and
   (B) after June 30, 1997, a new allocation provision is included
in an amendment to the declaratory resolution;
the net assessed value of all the property as finally determined for
the assessment date immediately preceding the effective date of
the allocation provision adopted after June 30, 1997, as adjusted
under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation
areas, the net assessed value of all the property as finally
determined for the assessment date immediately preceding the
effective date of the allocation provision of the declaratory
resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development
area before July 1, 1995, is expanded after June 30, 1995, the
definition in subdivision (1) applies to the expanded portion part
of the area added after June 30, 1995.
(6) If an allocation area established in a blighted area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded portion of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of
the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date
       with respect to which the allocation and distribution is made;
   or
   (B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of
the respective taxing units.

(2) Except as otherwise provided in this section, property tax
proceeds in excess of those described in subdivision (1) shall be
allocated to the redevelopment district and, when collected, paid
into a special fund for that allocation area that may be used by the
redevelopment district only to do one (1) or more of the
following:
   (A) Pay the principal of and interest on any obligations
       payable solely from allocated tax proceeds that are incurred by
       the redevelopment district for the purpose of financing or
       refinancing the redevelopment of that allocation area.
   (B) Establish, augment, or restore the debt service reserve for
       bonds payable solely or in part from allocated tax proceeds in
       that allocation area.
   (C) Pay the principal of and interest on bonds payable from
       allocated tax proceeds in that allocation area and from the
       special tax levied under section 19 of this chapter.
   (D) Pay the principal of and interest on bonds issued by the
       consolidated city to pay for local public improvements in that
       allocation area.
   (E) Pay premiums on the redemption before maturity of bonds
       payable solely or in part from allocated tax proceeds in that
       allocation area.
   (F) Make payments on leases payable from allocated tax
       proceeds in that allocation area under section 17.1 of this
       chapter.
   (G) Reimburse the consolidated city for expenditures for local
       public improvements (which include buildings, parking
       facilities, and other items set forth in section 17 of this
       chapter) in that allocation area.
   (H) Reimburse the unit for rentals paid by it for a building or
       parking facility in that allocation area under any lease entered
into under IC 36-1-10. 
(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
   (i) in the allocation area; and
   (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(3) Before July 15 of each year, the commission shall do the following:

   (A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocated area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).

   (B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

   (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or
(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic
skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that portion part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 139. IC 36-7-15.1-36.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 36.2. On a quadrennial basis, the general assembly shall provide for an evaluation of the provisions of this chapter, giving first priority to using the Indiana economic development council corporation established under IC 4-3-14-4. IC 5-28-3. The evaluation must be a fiscal analysis,
including an assessment of the effectiveness of the provisions of this chapter to:

(1) create new jobs;
(2) increase income; and
(3) increase the tax base;

in the jurisdiction of the county. The fiscal analysis may also consider impacts on tax burdens borne by property owners. The fiscal analysis may also include a review of the practices and experiences of other states or political subdivisions with laws similar to the provisions of this chapter. The president of the Indiana economic development corporation established under IC 4-3-14-4 or another person or entity designated by the general assembly shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives before December 1, 1999, 2007, and every fourth year thereafter.

SECTION 140. IC 36-7-15.1-53 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include
an allocation provision by the amendment of that resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;  

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.  

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.
(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements in that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.

(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 of this chapter) in that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
   (i) in the allocation area; and
   (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(3) Before July 15 of each year, the commission shall do the following:

   (A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed
the amount of assessed value needed to provide the property
taxes necessary to make, when due, principal and interest
payments on bonds described in subdivision (2) plus the
amount necessary for other purposes described in subdivision
(2) and subsection (g).
(B) Notify the county auditor of the amount, if any, of excess
assessed value that the commission has determined may be
allocated to the respective taxing units in the manner
prescribed in subdivision (1).
The commission may not authorize an allocation to the respective
taxing units under this subdivision if to do so would endanger the
interests of the holders of bonds described in subdivision (2).
(c) For the purpose of allocating taxes levied by or for any taxing
unit or units, the assessed value of taxable property in a territory in the
allocation area that is annexed by any taxing unit after the effective
date of the allocation provision of the resolution is the lesser of:
(1) the assessed value of the property for the assessment date with
respect to which the allocation and distribution is made; or
(2) the base assessed value.
(d) Property tax proceeds allocable to the redevelopment district
under subsection (b)(2) may, subject to subsection (b)(3), be
irrevocably pledged by the redevelopment district for payment as set
forth in subsection (b)(2).
(e) Notwithstanding any other law, each assessor shall, upon
petition of the commission, reassess the taxable property situated upon
or in, or added to, the allocation area, effective on the next assessment
date after the petition.
(f) Notwithstanding any other law, the assessed value of all taxable
property in the allocation area, for purposes of tax limitation, property
tax replacement, and formulation of the budget, tax rate, and tax levy
for each political subdivision in which the property is located, is the
lesser of:
(1) the assessed value of the property as valued without regard to
this section; or
(2) the base assessed value.
(g) If any part of the allocation area is located in an enterprise zone
created under IC 5-28-15, the unit that designated the
allocation area shall create funds as specified in this subsection. A unit
that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

1. To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

2. To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:
   A. Businesses operating in the enterprise zone.
   B. Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

3. To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of
local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 141. IC 36-7-30-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for any subsequent assessment date; plus
(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Clause (C) applies only to allocation areas established in a military reuse area after June 30, 1997, and to the portion part of an allocation area that was established before June 30, 1997, and that is added to an existing allocation area after June 30, 1997.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real
property.

(b) A declaratory resolution adopted under section 10 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
   (B) the base assessed value;

2) shall be allocated to and, when collected, paid into the funds of the respective taxing units.

2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the military base reuse district and, when collected, paid into an allocation fund for that allocation area that may be used by the military base reuse district and only to do one (1) or more of the following:

   (A) Pay the principal of and interest and redemption premium on any obligations incurred by the military base reuse district or any other entity for the purpose of financing or refinancing military base reuse activities in or directly serving or benefitting that allocation area.
   (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the reuse authority, including lease rental revenues.
   (C) Make payments on leases payable solely or in part from
allocated tax proceeds in that allocation area.  
(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area. 
(E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the reuse authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area: 

**STEP ONE:** Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district. 

**STEP TWO:** Divide: 
(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by 
(ii) the **STEP ONE** sum. 

**STEP THREE:** Multiply: 
(i) the **STEP TWO** quotient; times 
(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section. 

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 27 of this chapter in the same year. 

(F) Pay expenses incurred by the reuse authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area. 

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located: 
(i) in the allocation area; and
(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the reuse authority.

(3) Except as provided in subsection (g), before July 15 of each year the reuse authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1). The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (2) or lessors under section 19 of this chapter. Property taxes received by a taxing unit under this subdivision are eligible for the property tax replacement credit provided under IC 6-1.1-21.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
(2) the base assessed value.

(d) Property tax proceeds allocable to the military base reuse district
under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or
(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment,
and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that portion of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 142. IC 36-7-32-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. As used in this chapter, subject to the approval of the department of commerce Indiana economic development corporation under an agreement entered into under section 12 of this chapter, "public facilities" includes the following:

(1) A street, road, bridge, storm water or sanitary sewer, sewage treatment facility, facility designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, drainage system, retention basin, pretreatment facility, waterway, waterline, water storage facility, rail line, electric, gas, telephone or other communications, or any other type of utility line or pipeline, or other similar or related structure or improvement, together with necessary easements for the structure or improvement. Except for rail lines, utility lines, or pipelines, the structures or improvements described in this subdivision must be either owned or used by a public agency, functionally connected to similar or supporting facilities owned
or used by a public agency, or designed and dedicated to use by, for the benefit of, or for the protection of the health, welfare, or safety of the public generally, whether or not used by a single business entity. Any road, street, or bridge must be continuously open to public access. A public facility must be located on public property or in a public, utility, or transportation easement or right-of-way.

(2) Land and other assets that are or may become eligible for depreciation for federal income tax purposes for a business incubator located in a certified technology park.

(3) Land and other assets that, if privately owned, would be eligible for depreciation for federal income tax purposes for laboratory facilities, research and development facilities, conference facilities, teleconference facilities, testing facilities, training facilities, or quality control facilities:
   (A) that are or that support property whose primary purpose and use is or will be for a high technology activity;
   (B) that are owned by a public entity; and
   (C) that are located within a certified technology park.

SECTION 143. IC 36-7-32-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. A unit may apply to the department of commerce for designation of all or part of the territory within the jurisdiction of the unit's redevelopment commission as a certified technology park and to enter into an agreement governing the terms and conditions of the designation. The application must be in a form specified by the department and must include information the department determines necessary to make the determinations required under section 11 of this chapter.

SECTION 144. IC 36-7-32-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) After receipt of an application under section 10 of this chapter, and subject to subsection (b), the department may designate a certified technology park if the department determines that the application demonstrates a firm commitment from at least one (1) business engaged in a high technology activity creating a significant number of
jobs and satisfies one (1) or more of the following additional criteria:

(1) A demonstration of significant support from an institution of higher education, a private research based institute, or a military research and development or testing facility on an active United States government military base or other military installation located within, or in the vicinity of, the proposed certified technology park, as evidenced by the following criteria:

   (A) Grants of preferences for access to and commercialization of intellectual property.
   (B) Access to laboratory and other facilities owned by or under the control of the institution of higher education or private research based institute.
   (C) Donations of services.
   (D) Access to telecommunications facilities and other infrastructure.
   (E) Financial commitments.
   (F) Access to faculty, staff, and students.
   (G) Opportunities for adjunct faculty and other types of staff arrangements or affiliations.
   (H) Other criteria considered appropriate by the department.

   Indiana economic development corporation.

(2) A demonstration of a significant commitment by the institution of higher education, private research based institute, or military research and development or testing facility on an active United States government military base or other military installation to the commercialization of research produced at the certified technology park, as evidenced by the intellectual property and, if applicable, tenure policies that reward faculty and staff for commercialization and collaboration with private businesses.

(3) A demonstration that the proposed certified technology park will be developed to take advantage of the unique characteristics and specialties offered by the public and private resources available in the area in which the proposed certified technology park will be located.

(4) The existence of or proposed development of a business incubator within the proposed certified technology park that exhibits the following types of resources and organization:
(A) Significant financial and other types of support from the public or private resources in the area in which the proposed certified technology park will be located.

(B) A business plan exhibiting the economic utilization and availability of resources and a likelihood of successful development of technologies and research into viable business enterprises.

(C) A commitment to the employment of a qualified full-time manager to supervise the development and operation of the business incubator.

(5) The existence of a business plan for the proposed certified technology park that identifies its objectives in a clearly focused and measurable fashion and that addresses the following matters:

(A) A commitment to new business formation.

(B) The clustering of businesses, technology, and research.

(C) The opportunity for and costs of development of properties under common ownership or control.

(D) The availability of and method proposed for development of infrastructure and other improvements, including telecommunications technology, necessary for the development of the proposed certified technology park.

(E) Assumptions of costs and revenues related to the development of the proposed certified technology park.

(6) A demonstrable and satisfactory assurance that the proposed certified technology park can be developed to principally contain property that is primarily used for, or will be primarily used for, a high technology activity or a business incubator.

(b) The department of commerce Indiana economic development corporation may not approve an application that would result in a substantial reduction or cessation of operations in another location in Indiana in order to relocate them within the certified technology park.

SECTION 145. IC 36-7-32-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. A redevelopment commission and the legislative body of the unit that established the redevelopment commission may enter into an agreement with the department of commerce Indiana economic development corporation establishing the terms and conditions governing a certified technology park designated under section 11 of
this chapter. Upon designation of the certified technology park under the terms of the agreement, the subsequent failure of any party to comply with the terms of the agreement does not result in the termination or rescission of the designation of the area as a certified technology park. The agreement must include the following provisions:

1. A description of the area to be included within the certified technology park.
2. Covenants and restrictions, if any, upon all or a part of the properties contained within the certified technology park and terms of enforcement of any covenants or restrictions.
3. The financial commitments of any party to the agreement and of any owner or developer of property within the certified technology park.
4. The terms of any commitment required from an institution of higher education or private research based institute for support of the operations and activities within the certified technology park.
5. The terms of enforcement of the agreement, which may include the definition of events of default, cure periods, legal and equitable remedies and rights, and penalties and damages, actual or liquidated, upon the occurrence of an event of default.
6. The public facilities to be developed for the certified technology park and the costs of those public facilities, as approved by the department of commerce: Indiana economic development corporation.

SECTION 146. IC 36-7-32-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) If the department of commerce Indiana economic development corporation determines that a sale price or rental value at below market rate will assist in increasing employment or private investment in a certified technology park, the redevelopment commission and the legislative body of the unit may determine the sale price or rental value for public facilities owned or developed by the redevelopment commission and the unit in the certified technology park at below market rate.

(b) If public facilities developed under an agreement entered into under this chapter are conveyed or leased at less than fair market value or at below market rates, the terms of the conveyance or lease shall include legal and equitable remedies and rights to assure that the public
facilities are used for high technology activities or as a business incubator. Legal and equitable remedies and rights may include penalties and actual or liquidated damages.

SECTION 147. IC 36-7-32-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. The department of commerce Indiana economic development corporation shall market the certified technology park. The department and a redevelopment commission may contract with each other or any third party for these marketing services.

SECTION 148. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 4-1.5; IC 4-3-11; IC 4-3-12; IC 4-3-13; IC 4-3-14; IC 4-3-15; IC 4-3-16; IC 4-4-3; IC 4-4-3.7; IC 4-4-4.6; IC 4-4-5.1; IC 4-4-6.1; IC 4-4-7; IC 4-4-8; IC 4-4-12; IC 4-4-13; IC 4-4-14; IC 4-4-16.5; IC 4-4-17; IC 4-4-18; IC 4-4-20; IC 4-4-23; IC 4-4-24; IC 4-4-25; IC 4-4-26; IC 6-3.1-13-1; IC 6-3.1-13-12; IC 6-3.1-26-2.

SECTION 149. [EFFECTIVE UPON PASSAGE] The Indiana economic development corporation established by IC 5-28-3-1, as added by this act, is a continuation of the Indiana economic development corporation established by IC 4-1.5-3-1, which is repealed by this act.

SECTION 150. P.L.224-2003, SECTION 261, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 261. (a) The duties conferred on the department of commerce relating to energy policy are transferred to the office of energy policy the lieutenant governor on July 1, 2005, the effective date of this act. Notwithstanding any other law, beginning on the effective date of this act, the office of the lieutenant governor is also responsible for administering the following:

(1) The office of energy policy.
(2) The center for coal technology research.
(3) The Indiana recycling and energy development board.

(b) The rules, policies, and guidelines adopted by:

(1) the department of commerce concerning energy policy; or
(2) an entity described in subsection (a);

before July 1, 2005, the effective date of this act are considered on and, after June 30, 2005, the effective date of this act, rules, policies, and guidelines of the office of energy policy the lieutenant governor
until the office of *energy policy the lieutenant governor* adopts replacement rules, *policies, and guidelines.*

(c) On *July 1, 2005, the effective date of this act,* the office of *energy policy the lieutenant governor* becomes the owner of all property and obligations relating to energy policy of the department of commerce. *Any amounts owed to the department of commerce before the effective date of this act under a program administered under this SECTION on or after the effective date of this act by the office of the lieutenant governor shall be payable to the office of the lieutenant governor.*

(d) Any appropriations to the department of commerce relating to energy policy and any funds relating to energy policy under the control or supervision of the department of commerce on *June 30, 2005, the effective date of this act,* as determined by the budget agency, are transferred to the control or supervision of the office of *energy policy the lieutenant governor* on *July 1, 2005, the effective date of this act.*

(e) The legislative services agency shall prepare legislation for introduction in the 2004-2006 regular session of the general assembly to organize and correct statutes affected by the transfer of responsibilities to the office of *energy policy the lieutenant governor.*

(f) This SECTION expires *January 1, 2006.*

**SECTION 151. P.L.224-2003, SECTION 262, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:**

SECTION 262. (a) The duties conferred on the department of commerce relating to tourism and community development are transferred to the department *office of tourism and community development the lieutenant governor* on *July 1, 2005, the effective date of this act.* Notwithstanding any other law, beginning on the effective date of this act, the office of the lieutenant governor is also responsible for administering the following funds, programs, councils, and accounts:

1. The tourism information and promotion fund.
2. The tourism marketing fund.
3. The Indiana tourism council.
4. The community promotion program.
5. The Indiana main street program.
(6) The individual development accounts program.
(7) The home ownership education account.
(b) The rules, policies, and guidelines adopted by:
   (1) the department of commerce concerning tourism and community development; or
   (2) an entity described in subsection (a);
before July 1, 2005; the effective date of this act are considered, on and after June 30, 2005; the effective date of this act, rules, policies, and guidelines of the department office of tourism and community development the lieutenant governor until the department office of tourism and community development the lieutenant governor adopts replacement rules, policies, and guidelines.
   (c) On July 1, 2005; the effective date of this act, the department office of tourism and community development the lieutenant governor becomes the owner of all property and obligations relating to tourism promotion and community development of the department of commerce. Any amounts owed to the department of commerce before the effective date of this act under a program administered under this SECTION on and after the effective date of this act by the office of the lieutenant governor shall be payable to the office of the lieutenant governor.
   (d) Any appropriations to the department of commerce relating to tourism and community development and funds relating to tourism and community development under the control or supervision of the department of commerce on June 30, 2005; the effective date of this act, as determined by the budget agency, are transferred to the control or supervision of the department office of tourism and community development the lieutenant governor on July 1, 2005; the effective date of this act.
   (e) The legislative services agency shall prepare legislation for introduction in the 2004 2006 regular session of the general assembly to organize and correct statutes affected by the transfer of responsibilities to the department of tourism and community development by this act lieutenant governor.
   (f) This SECTION expires January July 1, 2006 2007.

SECTION 152. P.L.224-2003, SECTION 263, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 263. (a) The duties conferred on the department of commerce relating
to economic development in Indiana, except those relating to energy policy or tourism and community development, are transferred to the Indiana economic development corporation established by IC 4-1.5-3-1, IC 5-28-3-1, as added by this act, on July 1, 2005. the effective date of this act.

(b) The rules, and policies, and guidelines adopted by:

(1) the department of commerce related to economic development, except those related to energy policy and tourism and community development; or

(2) any other entity transferred by this act to the control of the Indiana economic development corporation;

before July 1, 2005, the effective date of this act are considered, on and after June 30, 2005, the effective date of this act, rules, policies, and guidelines of the Indiana economic development corporation until the corporation adopts replacement rules, policies, and guidelines.

(c) On July 1, 2005, the effective date of this act, the Indiana economic development corporation becomes the owner of all property and obligations of the department of commerce that are associated with the economic development activities of the department of commerce, except property and obligations related to energy policy and tourism and community development. Any amounts owed to the department of commerce before the effective date of this act under a program administered under this SECTION on and after the effective date of this act by the Indiana economic development corporation shall be payable to the Indiana economic development corporation.

(d) Any appropriations to the department of commerce and funds under the control or supervision of the department of commerce related to its economic development functions, except appropriations and funds related to energy policy and tourism and community development, on June 30, 2005, the effective date of this act, as determined by the budget agency, are transferred to the Indiana economic development corporation on January 1, 2005. the effective date of this act. However, twenty thousand dollars ($20,000) of the appropriations made to the department of commerce before the effective date of this act shall on the effective date of this act be transferred to the Indiana promotion fund established by IC 5-28-5-12, as added by this act.

(e) Any reference in a law or other document to the department of
commerce or director of the department of commerce made before July 1, 2005, the effective date of this act and relating to its economic development function shall be treated on and after June 30, 2005, the effective date of this act as a reference to the Indiana economic development corporation established by this act.

(f) The legislative services agency shall prepare legislation for introduction in the 2004 2006 regular session of the general assembly to organize and correct statutes affected by the transfer of responsibilities to the Indiana economic development corporation by this act.

(g) This SECTION expires January 2006: July 1, 2007.

SECTION 153. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

(b) As used in this SECTION, "covered economic development entity" refers to the following:

(1) The Indiana business modernization and technology corporation established under IC 4-3-11.
(2) The Indiana small business development corporation established under IC 4-3-12.
(3) The Indiana economic development council established under IC 4-3-14.
(4) The Indiana twenty-first century research and technology fund board established by IC 4-4-5.1-6.
(5) The enterprise zone board established by IC 4-4-6.1-1.
(6) The Indiana film commission established by IC 4-4-13-1.
(7) The steel industry advisory commission established by IC 4-4-16.5-2.

(c) The following apply on the effective date of this act:

(1) The powers and duties of a covered economic development entity before it is abolished by subdivision (7) are transferred to the corporation.
(2) A reference to a covered economic development entity in a statute, rule, or other document is considered a reference to the corporation.
(3) All the property of a covered economic development entity is transferred to the corporation.
(4) Any appropriations to a covered economic development
entity and funds under the control or supervision of a covered economic development entity that relate to economic development, as determined by the budget agency, are transferred to the corporation. Any appropriations to a covered economic development entity relating to community development, tourism, or energy, as determined by the budget agency, and any funds relating to community development, tourism, or energy, as determined by the budget agency, that are under the control of a covered economic development entity are transferred to the office of the lieutenant governor.

(5) All leases and obligations entered into by a covered economic development entity before the effective date of this act become leases and obligations of the corporation on the effective date of this act.

(6) Any amounts owed to a covered economic development entity before the effective date of this act are considered to be owed to the corporation.

(7) Each covered economic development entity is abolished.

(d) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by the abolishment of the department of commerce and the covered economic development entities by this act.

(e) This SECTION expires July 1, 2007.

SECTION 154. [EFFECTIVE UPON PASSAGE] (a) The terms of the initial members of the board of the Indiana economic development corporation appointed under IC 4-1.5-4-4, before its repeal by this act, expire on the effective date of this act.

(b) This SECTION expires July 1, 2007.

SECTION 155. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning military bases.

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

SECTION 1. IC 4-3-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 21. Military Base Planning Council
Sec. 1. As used in this chapter, "council" refers to the military base planning council established by section 3 of this chapter.
Sec. 2. As used in this chapter, "military base" means a United States government military installation that:
(1) has an area of at least sixty thousand (60,000) acres; and
(2) is used for the design, construction, maintenance, and testing of electronic devices and ordnance.
Sec. 3. The military base planning council is established.
Sec. 4. The council consists of the following members:
(1) Each member of the house of representatives whose house district includes all or part of a county that contains any part of a military base.
(2) Each member of the senate whose senate district includes all or part of a county that contains any part of a military base.
(3) The lieutenant governor or the lieutenant governor's designee.
(4) The adjutant general or the adjutant general's designee.
(5) The commissioner of the department of environmental management or the commissioner's designee.
(6) The commissioner of the Indiana department of transportation or the commissioner's designee.
(7) The director of the state emergency management agency or the director's designee.
(8) The following local government representatives:
   (A) One (1) member of the county executive of each county
that contains all or part of a military base, appointed by
the county executive.
(B) One (1) member of the county fiscal body of each
county that contains all or part of a military base,
appointed by the county fiscal body.
(C) One (1) member:
   (i) who is the executive of the municipality having the
       largest population in each county that contains all or
       part of a military base if that municipality is a city; or
   (ii) who is appointed from the membership of the fiscal
       body of that town, if a town is the municipality having
       the largest population in the county.
(D) One (1) member of the legislative body of the
municipality having the largest population in each county
that contains a military base, appointed by the legislative
body of that municipality.
Sec. 5. (a) Each member of the council who is not a state
employee is not entitled to the minimum salary per diem provided
by IC 4-10-11-2.1(b). The member is, however, entitled to
reimbursement for traveling expenses as provided under
IC 4-13-1-4 and other expenses actually incurred in connection
with the member's duties as provided in the state policies and
procedures established by the Indiana department of
administration and approved by the budget agency.
(b) Each member of the council who is a state employee but who
is not a member of the general assembly is entitled to
reimbursement for traveling expenses as provided under
IC 4-13-1-4 and other expenses actually incurred in connection
with the member's duties as provided in the state policies and
procedures established by the Indiana department of
administration and approved by the budget agency.
(c) Each member of the council who is a member of the general
assembly is entitled to receive the same per diem, mileage, and
travel allowances paid to legislative members of interim study
committees established by the legislative council. Per diem,
mileage, and travel allowances paid under this subsection shall be
paid from appropriations made to the legislative council or the
legislative services agency.
Sec. 6. The governor shall designate a member of the council to
serve as chairperson of the council.

Sec. 7. The council shall meet at the call of the chairperson.

Sec. 8. The governor shall provide staff assistance as the council may require.

Sec. 9. A member of the council who is a member of the general assembly is a nonvoting member.

Sec. 10. The affirmative votes of a majority of the voting members of the council are required for the council to take action on any measure, including reports required in section 12 of this chapter.

Sec. 11. The council shall do the following:

(1) Identify the public infrastructure and other community support necessary:
   (A) to improve mission efficiencies; and
   (B) for the development and expansion;
   of military bases in Indiana.
(2) Identify existing and potential impacts of encroachment on military bases in Indiana.
(3) Identify potential state and local government actions that can:
   (A) minimize the impacts of encroachment on; and
   (B) enhance the long term potential of;
   military bases.
(4) Identify opportunities for collaboration among:
   (A) the state, including the military department of the state;
   (B) political subdivisions;
   (C) military contractors; and
   (D) academic institutions;
   to enhance the economic potential of military bases and the economic benefits of military bases to the state.
(5) Review state policies, including funding and legislation, to identify actions necessary to prepare for the United States Department of Defense Efficient Facilities Initiative scheduled to begin in 2005.
(6) Study how governmental entities outside Indiana have addressed issues regarding encroachment and partnership formation described in this section.

Sec. 12. The council shall submit a report to the:
(1) governor; and
(2) legislative services agency;
not later than July 1 of each year. The report submitted to the legislative services agency must be in an electronic format under IC 5-14-6.

SECTION 2. IC 13-11-2-129.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 129.6. "Military base", for purposes of IC 13-15-3-1.3, means a United States government military installation that:

(1) has an area of at least sixty thousand (60,000) acres; and
(2) is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

SECTION 3. IC 13-15-3-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.3. The department shall give priority to permit applications that concern:

(1) military bases; and
(2) the destruction, reclamation, recycling, reprocessing, or demilitarization of ordnance and other explosive materials.

SECTION 4. IC 34-6-2-82.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 82.6. "Military base", for purposes of IC 34-30-21, means a United States government military installation that:

(1) has an area of at least sixty thousand (60,000) acres; and
(2) is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

SECTION 5. IC 34-6-2-142.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 142.6. "Telecommunications", for purposes of IC 34-30-21, means the transmission of any document, picture, datum, sound, or other symbol by television, radio, microwave, optical, or other electromagnetic signal.

SECTION 6. IC 34-30-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 1. This chapter does not grant immunity from civil liability to a person who commits an act that:

(1) amounts to gross negligence or willful and wanton misconduct; or

(2) does not comply with an applicable federal law.

Sec. 2. A military base, a person employed by a military base, or a person otherwise authorized by a military base to conduct operations on or use the military base is not liable for civil damages relating to noise or noise pollution that:

(1) results from the normal operation or use of the military base, including the destruction of ordnance; and

(2) may be heard within two (2) miles of the perimeter of the military base.

Sec. 3. A military base, a person employed by a military base, or a person otherwise authorized by a military base to conduct operations on or use the military base is not liable for civil damages relating to interference with telecommunications that:

(1) results from the normal operation or use of the military base; and

(2) occurs within five (5) miles of the perimeter of the military base.

SECTION 7. IC 36-7-30.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 30.1. Planning and Zoning Affecting Military Bases

Sec. 1. As used in this chapter, "military base" means a United States government military installation that:

(1) has an area of at least sixty thousand (60,000) acres; and

(2) is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

Sec. 2. (a) Before a unit may take action to:

(1) plan or regulate the:

(A) use, improvement, and maintenance of real property; or

(B) location, condition, and maintenance of structures and other improvements; or

(2) regulate the platting and subdividing of real property;
located within three (3) miles of the perimeter of a military base, the unit must notify the commander of the military base of the unit’s intent to take action to ensure the action will not have an adverse impact on the operation of the military base.

(b) The notice provided under subsection (a) must request that the commander of the military base respond to the notice:

1. with written recommendations and supporting facts concerning the action and its impact on the operation of the military base; and
2. not more than fifteen (15) days after the date the commander receives the notice.

(c) If the commander does not submit a response to the notice provided under subsection (a) not more than fifteen (15) days after the date the commander receives the notice, the unit may presume that the action will not have an adverse impact on the operation of the military base.

Sec. 3. A unit may not take action to:

1. plan or regulate the:
   (A) use, improvement, and maintenance of real property; or
   (B) location, condition, and maintenance of structures and other improvements; or
2. regulate the platting and subdividing of real property; located within three (3) miles of the perimeter of a military base if the action will have an adverse impact on the operation of the military base.

SECTION 8. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration.

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

    SECTION 1. IC 5-22-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section does not apply to a political subdivision.

(b) As used in this section, "blended biodiesel" has the meaning set forth in IC 6-3.1-27-2.

(c) As used in this section, "ethanol" means agriculturally derived ethyl alcohol.

(d) As used in this section, "gasohol" means gasoline that contains:

(1) at least ten percent (10%) ethanol; or
(2) ethyl tertiary butyl ether (ETBE) additives derived from ethanol.

(e) As used in this section, "gasoline fueled vehicle" refers to a vehicle that is capable of using gasoline to fuel its primary motor.

(f) As used in this section, "vehicle" includes the following:

(1) An automobile.
(2) A truck.
(3) A tractor.

(g) Except as provided by subsection (i), a governmental body shall whenever possible purchase gasohol to fuel the gasoline fueled vehicles owned or operated by the governmental body.

(h) Except as provided by subsection (i), a governmental body shall whenever possible purchase blended biodiesel fuel to fuel the diesel fueled vehicles owned or operated by the governmental body.

(i) The following vehicles are exempt from the requirements of subsection (f): subsections (g) and (h):

(1) A vehicle that is leased by the governmental body for thirty (30) days or less.
(2) A vehicle whose official operating manual, as issued by the manufacturer of the vehicle, contains a statement that the use of gasohol or blended biodiesel fuel will damage the engine of the vehicle.

(3) A vehicle that:
   (A) is primarily powered by a diesel or an electric motor; or
   (B) can use only propane, compressed or liquified natural gas, or methanol as its fuel source.

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-45-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A person:
   (1) who:
      (A) peeps; or
      (B) goes upon the land of another with the intent to peep; into an occupied dwelling of another person; or
   (2) who peeps into an area where an occupant of the area reasonably can be expected to disrobe, including:
      (A) restrooms;
      (B) baths;
      (C) showers; and
      (D) dressing rooms;
without the consent of the other person, commits voyeurism, a Class B misdemeanor.

(b) However, the offense under subsection (a) is a Class D felony if:
   (1) it is knowingly or intentionally committed by means of a camera, a video camera, or any other type of video recording
device; or

(2) the person who commits the offense has a prior unrelated conviction:

(A) under this section; or

(B) in another jurisdiction, including a military court, for an offense that is substantially similar to an offense described in this section.

(c) "Peep" means any looking of a clandestine, surreptitious, prying, or secretive nature.

SECTION 2. [EFFECTIVE JULY 1, 2005] The enhanced penalty under IC 35-45-4-5(b)(2), as added by this act, applies only if at least one (1) of the offenses is committed after June 30, 2005.

AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-15-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If the office of the secretary believes that an overpayment to a provider has occurred, the office of the secretary may do the following:

(1) Notify the provider in writing that the office of the secretary believes that an overpayment has occurred.

(2) Request in the notice that the provider repay the amount of the alleged overpayment, including interest:

(A) due from the provider; and

(B) accruing from the date of overpayment.

(b) A provider who receives a notice and request for repayment under subsection (a) may elect to do one (1) of the following:

(1) Repay the amount of the overpayment not later than sixty (60) days after receiving notice from the office of the secretary, including interest:
(A) due from the provider; and
(B) accruing from the date of overpayment.
(2) Request a hearing and repay the amount of the alleged overpayment not later than sixty (60) days after receiving notice from the office of the secretary.
(3) Request a hearing not later than sixty (60) days after receiving notice from the office of the secretary and not repay the alleged overpayment, except as provided in subsection (d).
(c) If:
   (1) a provider elects to proceed under subsection (b)(2); and
   (2) the office of the secretary determines after the hearing and any subsequent appeal that the provider does not owe the money that the office of the secretary believed the provider owed;
the office of the secretary shall return the amount of the alleged overpayment, and any interest paid by the provider, and pay the provider interest on the money from the date of the provider's repayment.
(d) If:
   (1) a provider elects to proceed under subsection (b)(3); and
   (2) the office of the secretary determines after the hearing and any subsequent appeal that the provider owes the money;
the provider shall pay the amount of the overpayment, including interest due from the provider and accruing from the date of the overpayment.
(e) Interest that is due under this section shall be paid at a rate that is determined by the commissioner of the department of state revenue under IC 6-8.1-10-1(c) as follows:
   (1) Interest due from a provider to the state shall be paid at the rate set by the commissioner for interest payments from the department of state revenue to a taxpayer.
   (2) Interest due from the state to a provider shall be paid at the rate set by the commissioner for interest payments from the department of state revenue to a taxpayer.
(f) Interest on an overpayment to a provider is not due from the provider if the overpayment is the result of an error of:
   (1) the office; or
   (2) a contractor of the office;
as determined by the office of the secretary.
(g) If interest on an overpayment to a provider is due from the provider, the secretary may, in the course of negotiations with the provider regarding an appeal filed under subsection (b), reduce the amount of interest due from the provider.

(h) Proceedings under this section are subject to IC 4-21.5.

SECTION 2. IC 12-15-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The rules adopted under section 2 of this chapter must include the following:

1. Providing for prior review and approval of medical services.
2. Specifying the method of determining the amount of reimbursement for services.
3. Establishing limitations that are consistent with medical necessity concerning the amount, scope, and duration of the services and supplies to be provided. The rules may contain limitations on services that are more restrictive than allowed under a provider's scope of practice (as defined in Indiana law).
4. Denying payment or instructing the contractor under IC 12-15-30 to deny payment to a provider for services provided to an individual or claimed to be provided to an individual if the office after investigation finds any of the following:
   A. The services claimed cannot be documented by the provider.
   B. The claims were made for services or materials determined by licensed medical staff of the office as not medically reasonable and necessary.
   C. The amount claimed for the services has been or can be paid from other sources.
   D. The services claimed were provided to a person other than the person in whose name the claim is made.
   E. The services claimed were provided to a person who was not eligible for Medicaid.
   F. The claim rises out of an act or practice prohibited by law or by rules of the secretary.
5. Recovering payment or instructing the contractor under IC 12-15-30-3 to recover payment from a provider for services rendered to an individual or claimed to be rendered to an individual if the office after investigation finds any of the following:
(A) The services paid for cannot be documented by the provider.
(B) The amount paid for such services has been or can be paid from other sources.
(C) The services were provided to a person other than the person in whose name the claim was made and paid.
(D) The services paid for were provided to a person who was not eligible for Medicaid.
(E) The paid claim rises out of an act or practice prohibited by law or by rules of the secretary.

6) Recovering interest due from a provider:
   (A) at a rate that is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report; and
   (B) accruing from the date of overpayment;
   on amounts paid to the provider that are in excess of the amount subsequently determined to be due the provider as a result of an audit, a reimbursement cost settlement, or a judicial or an administrative proceeding.

7) Paying interest to providers:
   (A) at a rate that is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report; and
   (B) accruing from the date that an overpayment is erroneously recovered by the office until the office restores the overpayment to the provider.

8) Establishing a system with the following conditions:
   (A) Audits may be conducted by the office after service has been provided and before reimbursement for the service has been made.
   (B) Reimbursement for services may be denied if an audit conducted under clause (A) concludes that reimbursement should be denied.
   (C) Audits may be conducted by the office after service has
been provided and after reimbursement has been made.
(D) Reimbursement for services may be recovered if an audit
conducted under clause (C) concludes that the money
reimbursed should be recovered.

SECTION 3. IC 12-15-23-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. An agreement under
section 2 of this chapter:
(1) must include a provision for the collection of any interest due
from the provider on the amount of the overpayment; and
(2) may include any other provisions agreed to by the
administrator and the provider.

AN ACT concerning natural and cultural resources.

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

SECTION 1. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "bicentennial" refers to the bicentennial of the birth of
Abraham Lincoln.
(b) As used in this SECTION, "commission" refers to the
Indiana Abraham Lincoln bicentennial commission established by
subsection (c).
(c) There is established the Indiana Abraham Lincoln
bicentennial commission.
(d) The commission consists of the following members:
(1) Four (4) members of the house of representatives, to be
appointed by the speaker of the house of representatives. Not
more than two (2) members appointed under this subdivision
may be members of the same political party.
(2) Four (4) members of the senate, to be appointed by the
president pro tempore of the senate. Not more than two (2)
members appointed under this subdivision may be members
of the same political party.
(3) The governor or the governor's designee.
(4) The director of the department of natural resources or the
director's designee.
(5) One (1) employee of the office of the lieutenant governor
who has expertise in the tourism or film industry, to be
designated by the lieutenant governor.
(6) One (1) member of the Indiana historical society, to be
appointed by the governor.
(7) One (1) member representing a postsecondary educational
institution who has demonstrated substantial knowledge and
appreciation of Abraham Lincoln, to be appointed by the
governor.
(8) One (1) member representing an elementary or a
secondary school who has demonstrated substantial
knowledge and appreciation of Abraham Lincoln, to be
appointed by the governor.
(9) The chief executive officer of the Lincoln Museum in Fort
Wayne, Indiana.
(10) One (1) person who is an Indiana representative to the
federal Abraham Lincoln Bicentennial Commission
(established by Public Law 106-173, H.R. 1451), to be
appointed by the governor.
(11) Three (3) Indiana citizens, to be appointed by the
governor. Not more than two (2) members appointed under
this subdivision may be members of the same political party.
(e) The governor or the governor's designee shall act as the
chair of the commission.
(f) The commission shall do the following:
   (1) Honor Abraham Lincoln and educate Indiana residents
and the nation about Indiana's important role in the life of
Abraham Lincoln.
   (2) Assist local governments and organizations with planning,
preparation, and grant applications for bicentennial events
and projects.
   (3) Coordinate state, local, and nonprofit organizations'
bicentennial activities occurring in Indiana.
   (4) Cooperate and coordinate with the federal Abraham
Lincoln Bicentennial Commission (established by Public Law
(5) Act as a point of contact for federal or other state bicentennial organizations wishing to distribute information to state and local groups about grant opportunities, meetings, and national events.

(6) Plan and implement appropriate events to commemorate the bicentennial.

(7) Seek federal grants and philanthropic support for bicentennial activities.

(8) Perform other duties necessary to highlight Indiana's association with Abraham Lincoln.

(9) Annually report the commission's progress, activities, and recommendations to the governor and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6.

(g) The department of natural resources shall staff the commission.

(h) Except as provided in subsection (k), the expenses of the commission shall be paid from money appropriated to the department of natural resources.

(i) Each member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(j) Each member of the commission who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(k) Each member of the commission who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem,
mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

(l) Each member of the commission who is appointed by the governor serves at the governor's pleasure.

(m) Each member of the commission who is a member of the general assembly is a nonvoting member of the commission.

(n) Six (6) affirmative votes by the voting members of the commission are required for the commission to take action on any measure, including annual reports.

(o) The commission may establish a citizen advisory board to assist the commission in implementing this SECTION. If the commission establishes a citizen advisory board under this subsection, the following apply:

(1) The board consists of the following members:
   (A) Not more than seven (7) citizens appointed by the speaker of the house of representatives.
   (B) Not more than seven (7) citizens appointed by the president pro tempore of the senate.
   (C) Not more than seven (7) citizens appointed by the governor.

(2) The duties of the board are determined by the commission.

(3) The board shall operate under procedures established by the commission.

(4) Members of the board are not entitled to per diem, mileage, or travel allowances.

(p) This SECTION expires January 1, 2010.
AN ACT to amend the Indiana Code concerning state and local administration.

_Be it enacted by the General Assembly of the State of Indiana:_

SECTION 1. IC 5-10-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]:

_Sec. 4._ As used in this chapter, "public safety officer" means any of the following:

1. A state police officer.
2. A county sheriff.
3. A county police officer.
4. A correctional officer.
5. An excise police officer.
6. A county police reserve officer.
7. A city police reserve officer.
8. A conservation enforcement officer.
10. A deputy town marshal.
11. A probation officer.
12. A state university, _college, or junior college_ police officer appointed under IC 20-12-3.5.
13. A police officer whose employer purchases coverage under section 4.5 of this chapter.
14. An emergency medical services provider (as defined in IC 16-41-10-1) who is:
   - employed by a political subdivision (as defined in IC 36-1-2-13); and
   - not eligible for a special death benefit under IC 36-8-6-20, IC 36-8-7-26, IC 36-8-7.5-22, or IC 36-8-8-20.
15. A firefighter who is employed by the fire department of a state university.
16. A firefighter whose employer purchases coverage under
SECTION 2. IC 5-10-10-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 4.5. (a) As used in this section, "eligible officer" means a police officer or firefighter whose employer purchases coverage under this section.

(b) As used in this section, "employer" means:

(1) with respect to a police officer, a university, college, or junior college, other than a state university, state college, or state junior college, that appoints a police officer under IC 20-12-3.5; or

(2) with respect to a firefighter, a university, other than a state university, located in Indiana that:
   (A) maintains a fire department;
   (B) employs firefighters for the fire department; and
   (C) is accredited by the North Central Association.

(c) If an employer purchases coverage for an eligible officer, the eligible officer is eligible for a special death benefit from the fund in the same manner that any other public safety officer is eligible for a special death benefit from the fund. The cost of the coverage shall be one hundred dollars ($100) for each eligible officer annually. The cost of the coverage shall be paid to the board for deposit in the fund.

(d) If an employer elects to provide coverage under this section, the employer must purchase coverage for all eligible officers of the employer. The board shall allow an employer to purchase coverage by making quarterly payments on dates prescribed by the board.

SECTION 3. IC 5-10-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 5. (a) The special death benefit fund is established for the purpose of paying lump sum death benefits under section 6 of this chapter. The fund consists of the fees remitted to the auditor of state board under IC 35-33-8-3.2: section 4.5 of this chapter. The fund shall be administered by the board. The expenses of administering the fund shall be paid from money in the fund.

(b) The board shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as the board’s other funds may be invested. Interest that accrues from these investments shall be credited to the fund.
investments shall be deposited in the fund.

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

SECTION 4. IC 35-33-8-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.2. (a) A court may admit a defendant to bail and impose any of the following conditions to assure the defendant's appearance at any stage of the legal proceedings, or, upon a showing of clear and convincing evidence that the defendant poses a risk of physical danger to another person or the community, to assure the public's physical safety:

(1) Require the defendant to:
   (A) execute a bail bond with sufficient solvent sureties;
   (B) deposit cash or securities in an amount equal to the bail;
   (C) execute a bond secured by real estate in the county, where thirty-three hundredths (0.33) of the true tax value less encumbrances is at least equal to the amount of the bail; or
   (D) post a real estate bond.

The defendant must also pay the fee required by subsection (d).

(2) Require the defendant to execute a bail bond by depositing cash or securities with the clerk of the court in an amount not less than ten percent (10%) of the bail. If the defendant is convicted, the court may retain all or a part of the cash or securities to pay fines, costs, fees, and restitution, if ordered by the court. A portion of the deposit, not to exceed ten percent (10%) of the monetary value of the deposit or fifty dollars ($50), whichever is the lesser amount, may be retained as an administrative fee. The clerk shall also retain from the deposit under this subdivision the following:

   (A) Fines, costs, fees, and restitution as ordered by the court.
   (B) Publicly paid costs of representation that shall be disposed of in accordance with subsection (b).
   (C) In the event of the posting of a real estate bond, the bond shall be used only to insure the presence of the defendant at any stage of the legal proceedings, but shall not be foreclosed for the payment of fines, costs, fees, or restitution.

(D) The fee required by subsection (d).

The individual posting bail for the defendant or the defendant admitted to bail under this subdivision must be notified by the
sheriff, court, or clerk that the defendant's deposit may be forfeited under section 7 of this chapter or retained under subsection (b).
(3) Impose reasonable restrictions on the activities, movements, associations, and residence of the defendant during the period of release.
(4) Require the defendant to refrain from any direct or indirect contact with an individual.
(5) Place the defendant under the reasonable supervision of a probation officer or other appropriate public official.
(6) Release the defendant into the care of a qualified person or organization responsible for supervising the defendant and assisting the defendant in appearing in court. The supervisor shall maintain reasonable contact with the defendant in order to assist the defendant in making arrangements to appear in court and, where appropriate, shall accompany the defendant to court. The supervisor need not be financially responsible for the defendant.
(7) Release the defendant on personal recognizance unless:
   (A) the state presents evidence relevant to a risk by the defendant:
      (i) of nonappearance; or
      (ii) to the physical safety of the public; and
   (B) the court finds by a preponderance of the evidence that the risk exists.
(8) Impose any other reasonable restrictions designed to assure the defendant's presence in court or the physical safety of another person or the community.

(b) Within thirty (30) days after disposition of the charges against the defendant, the court that admitted the defendant to bail shall order the clerk to remit the amount of the deposit remaining under subsection (a)(2) to the defendant. The portion of the deposit that is not remitted to the defendant shall be deposited by the clerk in the supplemental public defender services fund established under IC 33-40-3.

(c) For purposes of subsection (b), "disposition" occurs when the indictment or information is dismissed, or the defendant is acquitted or convicted of the charges.

(d) Except as provided in subsection (e), the clerk of the court shall:
(1) collect a fee of five dollars ($5) from each bond or deposit required under subsection (a)(1); and
(2) retain a fee of five dollars ($5) from each deposit under subsection (a)(2).

The clerk of the court shall semiannually remit the fees collected under this subsection to the board of trustees of the public employees’ retirement fund for deposit in the special death benefit fund. The fee required by subdivision (2) is in addition to the administrative fee retained under subsection (a)(2).

With the approval of the clerk of the court, the county sheriff may collect the bail posted under this section. The county sheriff shall remit the bail to the clerk of the court by the following business day and remit monthly the five dollar ($5) special death benefit fee to the county auditor.

When a court imposes a condition of bail described in subsection (a)(4):
(1) the clerk of the court shall comply with IC 5-2-9; and
(2) the prosecuting attorney shall file a confidential form prescribed or approved by the division of state court administration with the clerk.

SECTION 5. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "board" refers to the board of trustees of the public employees' retirement fund.

(b) As used in this SECTION, "eligible officer" means a police officer or firefighter whose employer purchases coverage under this SECTION.

(c) As used in this SECTION, "employer" means:
(1) with respect to a police officer, a university, college, or junior college, other than a state university, state college, or state junior college, that appoints a police officer under IC 20-12-3.5; or
(2) with respect to a firefighter, a university, other than a state university, that:
(A) is located in Indiana;
(B) maintains a fire department;
(C) employs firefighters for the fire department; and
(D) is accredited by the North Central Association.

(d) As used in this SECTION, "fund" refers to the special death
benefit fund established by IC 5-10-10-5, as amended by this act.

(e) Not later than June 30, 2005, an employer may remit payment to the board to purchase coverage under IC 5-10-10-4.5, as added by this act, for all eligible officers employed by the employer during the period beginning July 1, 2004, and ending June 30, 2005. If a payment is remitted in accordance with this subsection, a special death benefit shall be paid from the fund under IC 5-10-10, as amended by this act, for any eligible officer who dies in the line of duty during the period beginning July 1, 2004, and ending June 30, 2005.

(f) This SECTION expires July 1, 2006.

SECTION 6. An emergency is declared for this act.

—

P.L.11—2005
[S.12. Approved April 11, 2005.]

AN ACT to amend the Indiana Code concerning state offices and administration.

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

SECTION 1. IC 4-13-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The department shall, subject to this chapter, do the following:

(1) Execute and administer all appropriations as provided by law, and execute and administer all provisions of law that impose duties and functions upon the executive department of government, including executive investigation of state agencies supported by appropriations and the assembly of all required data and information for the use of the executive department and the legislative department.

(2) Supervise and regulate the making of contracts by state agencies.

(3) Perform the property management functions required by IC 4-20.5-6.
(4) Assign office space and storage space for state agencies in the manner provided by IC 4-20.5-5.

(5) Maintain and operate the following for state agencies:
   (A) Central duplicating.
   (B) Printing.
   (C) Machine tabulating.
   (D) Mailing services.
   (E) Centrally available supplemental personnel and other essential supporting services.
   (F) Information services.
   (G) Telecommunication services.

The department may require state agencies to use these general services in the interests of economy and efficiency. The general services rotary fund, the telephone rotary fund, and the data processing rotary fund are established through which these services may be rendered to state agencies. The budget agency shall determine the amount for each rotary fund.

(6) Control and supervise the acquisition, operation, maintenance, and replacement of state owned vehicles by all state agencies. The department may establish and operate, in the interest of economy and efficiency, a motor vehicle pool, and may finance the pool by a rotary fund. The budget agency shall determine the amount to be deposited in the rotary fund.

(7) Promulgate and enforce rules relative to the travel of officers and employees of all state agencies when engaged in the performance of state business. These rules may allow reimbursement for travel expenses by any of the following methods:
   (A) Per diem.
   (B) For expenses necessarily and actually incurred.
   (C) Any combination of the methods in clauses (A) and (B).

The rules must require the approval of the travel by the commissioner and the head of the officer’s or employee’s department prior to payment.

(8) Administer IC 4-13.6.

(9) Prescribe the amount and form of certified checks, deposits, or bonds to be submitted in connection with bids and contracts when not otherwise provided for by law.
(10) Rent out, with the approval of the governor, any state property, real or personal:
   (A) not needed for public use; or
   (B) for the purpose of providing services to the state or employees of the state;
the rental of which is not otherwise provided for or prohibited by law. Property may not be rented out under this subdivision for a term exceeding ten (10) years at a time. However, if property is rented out for a term of more than four (4) years, the commissioner must make a written determination stating the reasons that it is in the best interests of the state to rent property for the longer term. This subdivision does not include the power to grant or issue permits or leases to explore for or take coal, sand, gravel, stone, gas, oil, or other minerals or substances from or under the bed of any of the navigable waters of the state or other lands owned by the state.
(11) Have charge of all central storerooms, supply rooms, and warehouses established and operated by the state and serving more than one (1) agency.
(12) Enter into contracts and issue orders for printing as provided by IC 4-13-4.1.
(13) Sell or dispose of surplus property under IC 5-22-22, or if advantageous, to exchange or trade in the surplus property toward the purchase of other supplies, materials, or equipment, and to make proper adjustments in the accounts and inventory pertaining to the state agencies concerned.
(14) With respect to power, heating, and lighting plants owned, operated, or maintained by any state agency:
   (A) inspect;
   (B) regulate their operation; and
   (C) recommend improvements to those plants to promote economical and efficient operation.
(15) Administer, determine salaries, and determine other personnel matters of the department of correction ombudsman bureau established by IC 4-13-1.2-3.
(16) Adopt rules to establish and implement a "Code Adam" safety protocol as described in IC 4-20.5-6-9.
SECTION 2. IC 4-20.5-6-9 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The department shall adopt rules under IC 4-22-2 to establish and implement a "Code Adam" safety protocol at the buildings that:

1. the department:
   (A) maintains;
   (B) equips; or
   (C) operates;

2. under section 2(b) of this chapter; and
3. are open to the public.

(b) Rules adopted under this section must include the following:

1. Procedures for a state employee to follow when a parent, teacher, or guardian notifies a state employee that a child is lost or missing. The procedures must include:
   (A) information that a state employee is to obtain from the parent, teacher, or guardian concerning the description of the lost or missing child; and
   (B) the person in the department the state employee is to contact about a lost or missing child.

2. Procedures for the department contact person described in subdivision (1)(B) to follow after being notified of a lost or missing child.

3. Procedures for department employees to search the building in which the lost or missing child is presumed to be located.

4. Procedures for department employees to contact law enforcement if the lost or missing child is not found.
AN ACT to amend the Indiana Code concerning environmental law.

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

SECTION 1. IC 13-11-2-46 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 46. "Council", for purposes of IC 13-13-7, refers to the solid waste planning advisory council. environmental quality service council established by IC 13-13-7-1, unless the specific reference is to the legislative council.

SECTION 2. IC 13-11-2-151.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 151.6. "Panel", for purposes of IC 13-13-7, refers to the compliance advisory panel established by IC 13-13-7-2.

SECTION 3. IC 13-13-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 7. Environmental Quality Service Council and Compliance Advisory Panel
Sec. 1. The environmental quality service council is established.
Sec. 2. The compliance advisory panel is established as a committee of the council.
Sec. 3. (a) The council consists of seventeen (17) voting members and one (1) nonvoting member. The panel consists of seven (7) voting members.
(b) The appointed members of the council and the panel are appointed as follows:
(1) The president pro tempore of the senate shall appoint:
(A) to serve as members of both the council and the panel, two (2) members of the senate who:
(i) are not affiliated with the same political party; and
(ii) are owners of, or have an interest in, small business
stationary sources; and
(B) to serve as members of the council, two (2) other members of the senate who are not affiliated with the same political party.

(2) The speaker of the house of representatives shall appoint:
(A) to serve as members of both the council and the panel, two (2) members of the house of representatives who:
   (i) are not affiliated with the same political party; and
   (ii) are owners of, or have an interest in, small business stationary sources; and
(B) to serve as members of the council, two (2) other members of the house of representatives who are not affiliated with the same political party.

(3) The governor shall appoint as members individuals who are not members of the general assembly as follows:
(A) To the council, two (2) individuals to represent business and industry, not more than one (1) of whom may be affiliated with the same political party.
(B) To the council, two (2) individuals to represent local government, not more than one (1) of whom may be a solid waste management district director and not more than one (1) of whom may be affiliated with the same political party.
(C) To the council, subject to clause (F), two (2) individuals to represent environmental interests, not more than one (1) of whom may be a solid waste management district director and not more than one (1) of whom may be affiliated with the same political party.
(D) To the council, two (2) individuals to represent the following interests:
   (i) One (1) representative of semipublic permittees.
   (ii) One (1) representative of agriculture.
(E) To both the council and the panel, one (1) individual to represent the public who is not:
   (i) an owner of a small business stationary source; or
   (ii) a representative of owners of small business stationary sources.
(F) To the panel to represent the public, one (1) individual appointed to the council under clause (C) who is not:
   (i) an owner of a small business stationary source; or
(ii) a representative of owners of small business stationary sources.

(c) The commissioner or commissioner's designee serves as a nonvoting member of the council and as a member of the panel.

Sec. 4. An appointment under section 3 of this chapter is valid for two (2) years after the date of the appointment. However, a member shall serve until a new appointment is made.

Sec. 5. (a) If a vacancy occurs among the members of the council or panel, the appointing authority of the member whose position is vacant shall fill the vacancy by appointment.

(b) Except as provided in subsection (c), if the appointing authority does not fill a vacancy within sixty (60) days after the date the vacancy occurs, the vacancy shall be filled by appointment by the chairman of the legislative council.

(c) Subsection (b) does not apply to a member of the council who is also a member of the panel.

Sec. 6. The chairman of the legislative council shall designate:

(1) a legislative member of the council to be the chair of the council; and

(2) a legislative member of the panel to be the chair of the panel.

Sec. 7. The chair of the council shall call for the council to meet at least one (1) time during a calendar year. The chair may designate committees of the council to meet between council meetings and report back to the full council.

Sec. 8. The chair of the panel shall call for the panel to meet at least one (1) time during a calendar year. A meeting of the panel during the calendar year may be held only on a date on which the council meets.

Sec. 9. The council shall do the following:

(1) Study issues designated by the legislative council.

(2) Advise the commissioner on policy issues decided on by the council.

(3) Review the mission and goals of the department and evaluate the implementation of the mission.

(4) Serve as a council of the general assembly to evaluate:

(A) resources and structural capabilities of the department to meet the department's priorities; and

(B) program requirements and resource requirements for
the department.

(5) Serve as a forum for citizens, the regulated community, and legislators to discuss broad policy directions.

(6) Submit a final report to the legislative council, in an electronic format under IC 5-14-6, that contains at least the following:

(A) An outline of activities of the council.
(B) Recommendations for department action.
(C) Recommendations for legislative action.

Sec. 10. The panel:

(1) shall carry out the duties established under Section 507 of the federal Clean Air Act (42 U.S.C. 7661f); and
(2) is not required to submit an annual report to the legislative council.

Sec. 11. The commissioner shall report to the council each month concerning the following:

(1) Permitting programs and technical assistance.
(2) Proposed rules and rulemaking in progress.
(3) The financial status of the department.
(4) Additional matters requested by the council.

Sec. 12. The legislative services agency shall provide staff support to the council and panel.

Sec. 13. Except as provided in section 10(2) of this chapter, the council and the panel shall operate under the rules of the legislative council.

SECTION 4. IC 13-21-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Revisions of the state plan must be

(1) developed with the advice of the solid waste planning advisory council established by IC 13-21-2-1; and
(2) implemented using the procedures set forth in section 1 of this chapter.

SECTION 5. IC 13-28-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The assistance program established under this chapter shall do the following:

(1) Designate an individual to serve as a liaison and ombudsman to the regulated community to assist the regulated community with specific regulatory or permit matters pending with the
department.
(2) Provide assistance to new and existing businesses and small municipalities in identifying:
   (A) applicable environmental rules and regulations; and
   (B) permit requirements;
that apply to new and existing businesses and small municipalities.
(3) Develop and distribute educational materials regarding:
   (A) environmental requirements;
   (B) compliance methods;
   (C) voluntary environmental audits;
   (D) pollution control technologies; and
   (E) other compliance issues;
including standardized forms and procedures for completing permit applications.
(4) Provide public outreach and training sessions in cooperation with representatives of the business and municipal communities regarding existing and future state and federal environmental requirements.
(5) Develop and operate a clearinghouse to respond to inquiries from businesses and municipalities concerning applicable environmental rules, regulations, and requirements.
(6) Provide technical assistance concerning pollution control techniques to local and state governmental entities and businesses and distribute educational materials regarding pollution prevention developed by the pollution prevention division established by IC 13-27-2-1.
(7) Provide administrative and technical support for the compliance advisory panel established by section 6 of this chapter. IC 13-13-7-2.
(8) Conduct other activities as required to:
   (A) improve regulatory compliance; and
   (B) promote cooperation and assistance in meeting environmental requirements.
(b) The assistance program may establish limited onsite assistance to provide compliance information to a small business or small municipality, subject to the confidentiality provisions of section 4 of this chapter. The assistance program may use money from the
environmental management special fund to implement this subsection. The assistance program may limit the number of inspections per year and restrict onsite assistance to specific programs.


SECTION 7. [EFFECTIVE JULY 1, 2005] (a) Until an appointment is made under IC 13-13-7-3(b)(3)(A) through IC 13-13-7-3(b)(3)(E), all as added by this act, a vacant position on the environmental quality service council shall be held by the corresponding member of the environmental quality service council serving on January 1, 2005, who was appointed under P.L.248-2001, SECTION 4(d)(4) to represent the same interest as must be represented by the person appointed to the vacant position.

(b) The appointing authorities under IC 13-13-7-3, as added by this act, shall make the appointments required by IC 13-13-7-3 before July 1, 2005.

(c) This SECTION expires December 31, 2005.

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-38-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The court may revoke a person's probation if:

(1) the person has violated a condition of probation during the probationary period; and

(2) the petition to revoke probation is filed during the probationary period or before the earlier of the following:

(A) One (1) year after the termination of probation.
(B) Forty-five (45) days after the state receives notice of the violation.

(b) When a petition is filed charging a violation of a condition of probation, the court may:

(1) order a summons to be issued to the person to appear; or
(2) order a warrant for the person's arrest if there is a risk of the person's fleeing the jurisdiction or causing harm to others.

(c) The issuance of a summons or warrant tolls the period of probation until the final determination of the charge.

(d) The court shall conduct a hearing concerning the alleged violation. The court may admit the person to bail pending the hearing.

(e) The state must prove the violation by a preponderance of the evidence. The evidence shall be presented in open court. The person is entitled to confrontation, cross-examination, and representation by counsel.

(f) Probation may not be revoked for failure to comply with conditions of a sentence that imposes financial obligations on the person unless the person recklessly, knowingly, or intentionally fails to pay.

(g) If the court finds that the person has violated a condition at any time before termination of the period, and the petition to revoke is filed within the probationary period, the court may:

(1) continue the person on probation, with or without modifying or enlarging the conditions;
(2) extend the person's probationary period for not more than one (1) year beyond the original probationary period; or
(3) order execution of all or part of the sentence that was suspended at the time of initial sentencing.

(h) If the court finds that the person has violated a condition of home detention at any time before termination of the period, and the petition to revoke probation is filed within the probationary period, the court shall:

(1) order a sanction as set forth in subsection (g); and
(2) provide credit for time served as set forth under IC 35-38-2.5-5.

(i) If the court finds that the person has violated a condition during any time before the termination of the period, and the petition is filed under subsection (a) after the probationary period has expired, the court
may:

(1) reinstate the person's probationary period, with or without enlarging the conditions, if the sum of the length of the original probationary period and the reinstated probationary period does not exceed the length of the maximum sentence allowable for the offense that is the basis of the probation; or

(2) order execution of all or part of the sentence that was suspended at the time of the initial sentencing.

(j) If the court finds that the person has violated a condition of home detention during any time before termination of the period, and the petition is filed under subsection (a) after the probation period has expired, the court shall:

(1) order a sanction as set forth in subsection (i); and

(2) provide credit for time served as set forth under IC 35-38-2.5-5.

(k) A judgment revoking probation is a final appealable order.

(l) Failure to pay fines or costs required as a condition of probation may not be the sole basis for commitment to the department of correction.

(m) Failure to pay fees or costs assessed against a person under IC 33-40-3-6, IC 33-37-2-3(c), or IC 35-33-7-6 is not grounds for revocation of probation.
(b) The court may hold a new probation hearing at any time during a probationer’s probationary period:
   (1) upon motion of the probation department or upon the court’s motion; and
   (2) after giving notice to the probationer.
(c) At a probation hearing described in subsection (b), the court may modify the probationer’s conditions of probation. If the court modifies the probationer’s conditions of probation, the court shall:
   (1) specify in the record the conditions of probation; and
   (2) advise the probationer that if the probationer violates a condition of probation during the probationary period, a petition to revoke probation may be filed before the earlier of the following:
      (A) One (1) year after the termination of probation.
      (B) Forty-five (45) days after the state receives notice of the violation.
(d) The court may hold a new probation hearing under this section even if:
   (1) the probationer has not violated the conditions of probation; or
   (2) the probation department has not filed a petition to revoke probation.
appropriate any funds received as a grant from the state or the federal government without using the additional appropriation procedures under section 5 of this chapter, if the funds are provided or designated by the state or the federal government as a reimbursement of an expenditure made by the political subdivision.
AN ACT to amend the Indiana Code concerning war memorials and to make an appropriation.

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

SECTION 1. IC 10-18-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. The commission may do the following:
(1) Make and execute contracts and other instruments that may be required in connection with the erection and maintenance of a suitable structure or structures upon or within Memorial Place.
(2) Adopt rules for the following:
   (A) The proper management, government, and use of Memorial Place and the structures situated on Memorial Place.
   (B) The government of employees.
(3) Acquire by condemnation the right to limit the kind, character, and height of buildings upon and the use of real estate or buildings located within three hundred (300) feet of the outside boundaries.
(4) Adopt reasonable rules as are proper to limit the kind, character, and height of buildings located or erected within three hundred (300) feet of the outside boundaries of Memorial Place and the use of the buildings or real estate. A building constructed or maintained or business conducted in violation of any rule may be abated as a nuisance in an action begun and prosecuted by the commission.
(5) Receive donations, gifts, devises, and bequests and use them in connection with the purposes of this chapter.
(6) Establish a nonprofit corporation to do the following:
   (A) Promote public support for the purposes of the commission and this chapter.
   (B) Preserve and promote the historical and educational activities of the commission.
(C) Operate for the benefit of the purposes of the commission and this chapter.

The corporation is subject to audit by the state board of accounts as if it were a state agency.

(7) Transfer money donated to the commission for the purposes described in subdivision (6) to a corporation established under subdivision (6).

(8) Transfer:
   (A) artifacts;
   (B) images; or
   (C) documents of cultural heritage, historical, or museum relevance;

under the commission's control to a corporation established under subdivision (6) without complying with IC 5-22-21 and IC 5-22-22.

SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commission" refers to the Indiana war memorials commission established by IC 10-18-1-2.

(b) As used in this SECTION, "corporation" refers to the Indiana War Memorials Foundation, Inc., a nonprofit corporation incorporated by articles of incorporation dated November 22, 2000.

(c) The incorporation of the corporation is legalized and is considered done under IC 10-18-1-18(6), as added by this act.

(d) The transfer of money and personal property from the commission to the corporation before April 30, 2005, is legalized.

(e) The commission may transfer the operation of the Indiana War Memorial gift shop and all personal property associated with the gift shop to the corporation.

(f) There is appropriated to the commission the amount of money determined by the state budget agency and the commission that represents the donations to the commission, including earnings, that are in the state treasury as the result of a reversion before the commission could make the transfer to the corporation. The appropriation shall be allocated by the state budget agency among the Indiana war memorial fund, the state general fund with respect to earnings, and the souvenir shop fund established by IC 10-18-1-26. The appropriation is to be used for the corporation's purposes, beginning July 1, 2005, and ending June

(g) This SECTION expires July 1, 2007.

SECTION 3. An emergency is declared for this act.

P.L.18-2005
[S.225. Approved April 13, 2005.]

AN ACT to amend the Indiana Code concerning professions and occupations.

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

SECTION 1. IC 25-22.5-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The board shall do the following:

1) Adopt rules and forms necessary to implement this article that concern, but are not limited to, the following areas:
   (A) Qualification by education, residence, citizenship, training, and character for admission to an examination for licensure or by endorsement for licensure.
   (B) The examination for licensure.
   (C) The license or permit.
   (D) Fees for examination, permit, licensure, and registration.
   (E) Reinstatement of licenses and permits.
   (F) Payment of costs in disciplinary proceedings conducted by the board.
2) Administer oaths in matters relating to the discharge of its official duties.
3) Enforce this article and assign service the health professions bureau personnel duties as may be necessary in the discharge of the board's duty.
4) Maintain, through the service health professions bureau, full and complete records of all applicants for licensure or permit and of all licenses and permits issued.
5) Make available, upon request, the complete schedule of
minimum requirements for licensure or permit.
(6) Issue, at the board's discretion, a temporary permit to an applicant for the interim from the date of application until the next regular meeting of the board.
(7) Issue an unlimited license, a limited license, or a temporary medical permit, depending upon the qualifications of the applicant, to any applicant who successfully fulfills all of the requirements of this article.
(8) Adopt rules establishing standards for the competent practice of medicine, osteopathic medicine, or any other form of practice regulated by a limited license or permit issued under this article.
(9) Adopt rules regarding the appropriate prescribing of Schedule III or Schedule IV controlled substances for the purpose of weight reduction or to control obesity.
(10) Adopt rules establishing standards for office based procedures that require moderate sedation, deep sedation, or general anesthesia.

P.L.19-2005
[S.453. Approved April 13, 2005.]

AN ACT to amend the Indiana Code concerning trade regulation.

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

SECTION 1. IC 24-4-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, “collision damage waiver” or “waiver” means any contract or contract provision, whether separate from or a part of a rental agreement, under which a rental company agrees to waive any or all claims against the renter for any physical or mechanical damage, as defined in section 13 of this chapter, to the rented vehicle during the term of the rental agreement.

SECTION 2. IC 24-4-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A rental company may provide in a rental agreement that a collision damage waiver does not apply
under any of the following circumstances:

1. The damage is caused by the authorized driver:
   (A) intentionally; or
   (B) through willful or wanton misconduct.

2. The damage arises out of the authorized driver's operation of the vehicle while intoxicated or under the influence of an illegal drug.

3. The damage is caused while the authorized driver is engaged in a speed contest, race, road rally, test, or driver training activity.

4. The renter provided the rental company with fraudulent or false information and the rental company would not have rented the vehicle if the rental company had received true information.

5. The damage arises out of vandalism or theft of the rented vehicle caused by the negligence of the authorized driver, except that the possession by the authorized driver, at the time of the vandalism or theft, of the ignition key furnished by the rental company shall be prima facie evidence that the authorized driver was not negligent.

6. The damage arises out of the use of the vehicle in connection with conduct that could be properly charged as a felony.

7. The damage arises out of the use of the vehicle to carry persons or property for hire or to tow or push anything.

8. The damage arises out of the use of the vehicle outside the United States, unless the use is specifically authorized by the rental agreement.

9. The damage arises out of the use of the vehicle by an unauthorized driver.

SECTION 3. IC 24-4-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A rental company may offer and sell, for a separate charge, a collision damage waiver that is set forth in the rental agreement and that relieves an authorized driver of any liability for damage that the authorized driver might otherwise incur.

(b) Each rental agreement that contains a collision damage waiver must disclose the following information in plain language printed in type at least as large as 10 point type:

1. That the waiver is optional.

2. That the waiver entails an additional charge.
(3) The actual charge per day for the waiver.
(4) All restrictions, conditions, and provisions in or endorsed on the waiver.
(5) That the renter or other authorized driver may already be sufficiently covered for damage to the rental vehicle and should examine the renter's or authorized driver's automobile insurance policy to determine whether the policy provides coverage for collision damage, loss, or loss of use to a rented vehicle, and the amount of the deductible.
(6) That by entering into the rental agreement, the renter may be liable for damage, loss, or loss of use to the rental vehicle. resulting from a collision.

c) A rental company may not rent a vehicle to a renter until the renter has acknowledged in writing that the renter understands the information set forth in subsection (b). The acknowledgment must be written in plain language on the rental agreement and must be initialed by the renter.

SECTION 4. IC 24-4-9-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. A rental company and renter may agree that the renter will be responsible for no more than all of the following:

1) Physical or mechanical damage to the rented vehicle up to its fair market value as determined in the customary market for the sale of that vehicle resulting from collision regardless of the cause of damage.

2) Mechanical damage to the rental vehicle, up to and including the rental vehicle's fair market value, resulting from:

   (A) a collision;
   (B) an impact; or
   (C) another incident that is caused by the renter's or authorized driver's deliberate act.

3) Loss due to theft of the rental vehicle up to its fair market value, as determined in the customary market for the sale of that vehicle. However, the renter shall be presumed to have no liability for any loss due to theft if the renter or authorized driver:

   (A) has possession of the ignition key furnished by the rental company or establishes that the ignition key furnished by the
rental company was not in the vehicle at the time of the theft; and
(B) files an official report of the theft with the police or other law enforcement agency within twenty-four (24) hours of learning of the theft and reasonably cooperates with the rental company, police, and other law enforcement agency in providing information concerning the theft.

The presumption set forth in this subdivision is a presumption affecting the burden of proof, which the rental company may rebut by establishing that a renter or other authorized driver committed or aided and abetted in the commission of the theft.

(3) (4) Physical damage to the rented vehicle up to its fair market value as determined in the customary market for the sale of that vehicle; resulting from vandalism occurring after, or in connection with, the theft of the rented vehicle. However, the renter is presumed to have no liability for any loss due to vandalism if the renter or authorized driver:

(A) has possession of the ignition key furnished by the rental company or establishes that the ignition key furnished by the rental company was not in the vehicle at the time of the vandalism; and
(B) files an official report of the vandalism with the police or other law enforcement agency within twenty-four (24) hours of learning of the vandalism and reasonably cooperates with the rental company, police, and other law enforcement agency in providing information concerning the vandalism.

The presumption set forth in this subdivision is a presumption affecting the burden of proof, which the rental company may rebut by establishing that a renter or other authorized driver committed or aided and abetted in the commission of the vandalism.

(4) (5) Physical damage to the rented vehicle and loss of use of the rented vehicle up to its fair market value determined in the customary market for the sale of that vehicle; resulting from vandalism unrelated to the theft of the rented vehicle.

(5) Physical damage resulting from collision to the rented vehicle and loss of use of the rented vehicle resulting from collision up to its fair market value, as determined in the customary market for
the sale of that vehicle; resulting from the use of the rental vehicle by an unauthorized driver:

(6) Loss of use of the rented vehicle, if the renter is liable for damage.

(7) Actual charges for towing, storage, and impoundment fees paid by the rental company, if the renter is liable for damage.

(8) Reasonable attorney's fees related to the enforcement of the rental agreement.

(9) An administrative charge, including the cost of appraisal and all other costs and expenses incident to the damage, loss, loss of use, repair, or replacement of the rented vehicle.

SECTION 5. IC 24-4-9-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. Notwithstanding section 17(3) of this chapter, a rental company may charge for the rental of a vehicle, in addition to the rental rate, taxes, airport fees, and any mileage charge, an additional charge for an item or service provided during the rental of the vehicle if the renter can avoid incurring that additional charge by choosing not to obtain the item or utilize the service. Items and services for which the rental company may impose an additional charge under this section include the following:

(1) Optional insurance or accessories requested by the renter.

(2) Service charges assessed when the insured returns the vehicle to a location other than the location where the vehicle was rented.

(3) A charge for refueling a vehicle that is returned with less fuel in its tank than when the rental period began.

(4) A collision damage waiver that conforms to the provisions of this chapter.

SECTION 6. IC 24-4-9-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. A rental company may not engage in any unfair, deceptive, or coercive act to induce a renter to purchase a collision damage waiver or any other optional good or service.

SECTION 7. IC 24-4-9-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) If a rental company enters into at least one (1) rental agreement containing a collision damage waiver in Indiana during a calendar year, the rental company shall compile and maintain the following statistics concerning
all the rental agreements the rental company enters into in Indiana during that calendar year:

(1) The total expenses incurred by the rental company as a result of damage to vehicles that is caused while the vehicles are subject to the rental agreements.
(2) The total amount of the expenses referred to in subdivision (1) for which the rental company is indemnified.
(3) The total number of vehicles subject to the rental agreements, multiplied by the total number of days of the calendar year during which the vehicles are subject to the rental agreements.

(b) The expenses on which a rental company must compile statistics under subsection (a)(1) are the following:

(1) The cost that the rental company pays to replace damaged vehicle parts, less all discounts and price reductions or adjustments received by the rental company.
(2) The cost of labor paid by the rental company to replace damaged vehicle parts.
(3) The cost of labor paid by the rental company to repair damaged vehicle parts.
(4) The loss of use of the damaged vehicles, which must be determined according to the following formula:

   **STEP ONE:** For each damaged vehicle, multiply the time necessary for the repair and replacement of damaged parts by eighty percent (80%).
   **STEP TWO:** For each damaged vehicle, multiply the product of **STEP ONE** by the rental rate set forth in the rental agreement to which the vehicle was subject when damaged.
   **STEP THREE:** Total the figures determined under **STEP TWO** for all of the damaged vehicles.
(5) Actual charges for towing, storage, and impound fees paid by the rental company.

(c) The director of the division of consumer protection appointed under IC 4-6-9-2 may request that rental companies provide the director with statistics compiled and maintained under subsection (a).

(d) Upon receiving a request under subsection (c), a rental company shall provide the director of the division of consumer protection with the statistics that are requested by the director.
AN ACT concerning Medicaid.

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

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "family planning services" does not include the performance of abortions or the use of a drug or device intended to terminate a pregnancy after fertilization.

(b) As used in this SECTION, "fertilization" means the joining of a human egg cell with a human sperm cell.

(c) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(d) As used in this SECTION, "waiver" refers to a Section 1115 demonstration waiver under the federal Social Security Act (42 U.S.C. 1315).

(e) Before January 1, 2006, the office shall apply to the United States Department of Health and Human Services for approval of a waiver to:

1) continue coverage of family planning services for a woman described in IC 12-15-2-13 for two (2) years after the expiration of the postpartum eligibility period under IC 12-15-2-13(d); and

2) provide Medicaid coverage for any other service required by the waiver.

The waiver application must include language stating that the waiver will not include coverage for the performance of abortions or the use of a drug or device intended to terminate a pregnancy after fertilization.

(f) If a provision of this SECTION differs from the requirements of a waiver, the office shall submit the waiver request in a manner that complies with the requirements of the waiver. However, if the waiver is approved, the office, not more than one hundred twenty (120) days after the waiver is approved, shall
apply for an amendment to the waiver that contains the provisions of this SECTION that were not included in the approved waiver.

(g) The office may not implement the waiver until the office files an affidavit with the governor attesting that the waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not more than five (5) days after the office is notified that the waiver is approved.

(h) If the office receives a waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (g), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

(i) The office may adopt rules under IC 4-22-2 to implement this SECTION.

(j) This SECTION expires January 1, 2011.

SECTION 2. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning public safety and to make an appropriation.

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

SECTION 1. IC 5-2-1-3, AS AMENDED BY SEA 165-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is created, as a criminal justice agency of the state, a law enforcement training board to carry out the provisions of this chapter. The board members are to be selected as provided by this chapter. The board is composed of the following members:

(1) The superintendent of the Indiana state police department, who shall serve as ex officio chairperson of the board.
(2) The deputy director of the division of preparedness and training of the department of homeland security. The deputy director shall serve as the vice chair of the board.
(3) The chief of police of a consolidated city.
(4) One (1) county sheriff from a county with a population of at least one hundred thousand (100,000).
(5) One (1) county sheriff from a county of at least fifty thousand (50,000) but less than one hundred thousand (100,000) population.
(6) One (1) county sheriff from a county of under fifty thousand (50,000) population.
(7) One (1) chief of police from a city of at least thirty-five thousand (35,000) population, who is not the chief of police of a consolidated city.
(8) One (1) chief of police from a city of at least ten thousand (10,000) but under thirty-five thousand (35,000) population.
(9) One (1) chief of police, police officer, or town marshal from a city or town of under ten thousand (10,000) population.
(10) One (1) prosecuting attorney.
(11) One (1) judge of a circuit or superior court exercising criminal jurisdiction.
(12) One (1) member representing professional journalism.
(13) One (1) member representing the medical profession.
(14) One (1) member representing education.
(15) One (1) member representing business and industry.
(16) One (1) member representing labor. and
(17) One (1) member representing Indiana elected officials of counties, cities, and towns.

(b) The following members constitute an advisory council to assist the members of the board in an advisory, nonvoting capacity:

1. The special agent in charge of the Federal Bureau of Investigation field office covering the state of Indiana, subject to the agent's approval to serve in such capacity.
2. The attorney general of Indiana.
3. One (1) member representing forensic science, to be appointed by the governor.
4. One (1) member representing theology, to be appointed by the governor.
5. The director of the law enforcement division of the department of natural resources.

SECTION 2. IC 5-14-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 9. (a) A denial of disclosure by a public agency occurs when the person making the request is physically present in the office of the agency, makes the request by telephone, or requests enhanced access to a document and:

1. the person designated by the public agency as being responsible for public records release decisions refuses to permit inspection and copying of a public record when a request has been made; or
2. twenty-four (24) hours elapse after any employee of the public agency refuses to permit inspection and copying of a public record when a request has been made;

whichever occurs first.

(b) If a person requests by mail or by facsimile a copy or copies of a public record, a denial of disclosure does not occur until seven (7) days have elapsed from the date the public agency receives the request.

(c) If a request is made orally, either in person or by telephone, a
public agency may deny the request orally. However, if a request initially is made in writing, by facsimile, or through enhanced access, or if an oral request that has been denied is renewed in writing or by facsimile, a public agency may deny the request if:

(1) the denial is in writing or by facsimile; and
(2) the denial includes:

(A) a statement of the specific exemption or exemptions authorizing the withholding of all or part of the public record; and

(B) the name and the title or position of the person responsible for the denial.

(d) This subsection applies to a board, a commission, a department, a division, a bureau, a committee, an agency, an office, an instrumentality, or an authority, by whatever name designated, exercising any part of the executive, administrative, judicial, or legislative power of the state. If an agency receives a request to inspect or copy a record that the agency considers to be excepted from disclosure under section 4(b)(19) of this chapter, the agency may consult with the counterterrorism and security council established under IC 4-3-20. If an agency denies the disclosure of a record or a part of a record under section 4(b)(19) of this chapter, the agency or the counterterrorism and security council shall provide a general description of the record being withheld and of how disclosure of the record would have a reasonable likelihood of threatening the public safety.

(e) A person who has been denied the right to inspect or copy a public record by a public agency may file an action in the circuit or superior court of the county in which the denial occurred to compel the public agency to permit the person to inspect and copy the public record. Whenever an action is filed under this subsection, the public agency must notify each person who supplied any part of the public record at issue:

(1) that a request for release of the public record has been denied; and

(2) whether the denial was in compliance with an informal inquiry response or advisory opinion of the public access counselor.

Such persons are entitled to intervene in any litigation that results from the denial. The person who has been denied the right to inspect or copy...
need not allege or prove any special damage different from that suffered by the public at large.

(f) The court shall determine the matter de novo, with the burden of proof on the public agency to sustain its denial. If the issue in de novo review under this section is whether a public agency properly denied access to a public record because the record is exempted under section 4(a) of this chapter, the public agency meets its burden of proof under this subsection by establishing the content of the record with adequate specificity and not by relying on a conclusory statement or affidavit.

(g) If the issue in a de novo review under this section is whether a public agency properly denied access to a public record because the record is exempted under section 4(b) of this chapter:

(1) the public agency meets its burden of proof under this subsection by:

(A) proving that the record falls within any one (1) of the categories of exempted records under section 4(b) of this chapter; and

(B) establishing the content of the record with adequate specificity and not by relying on a conclusory statement or affidavit; and

(2) a person requesting access to a public record meets the person's burden of proof under this subsection by proving that the denial of access is arbitrary or capricious.

(h) The court may review the public record in camera to determine whether any part of it may be withheld under this chapter.

(i) In any action filed under this section, a court shall award reasonable attorney's fees, court costs, and other reasonable expenses of litigation to the prevailing party if:

(1) the plaintiff substantially prevails; or

(2) the defendant substantially prevails and the court finds the action was frivolous or vexatious.

The plaintiff is not eligible for the awarding of attorney's fees, court costs, and other reasonable expenses if the plaintiff filed the action without first seeking and receiving an informal inquiry response or advisory opinion from the public access counselor, unless the plaintiff can show the filing of the action was necessary because the denial of access to a public record under this chapter would prevent the plaintiff from presenting that public record to a public agency preparing to act
on a matter of relevance to the public record whose disclosure was denied.

(j) A court shall expedite the hearing of an action filed under this section.

SECTION 3. IC 5-22-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. (a) A purchasing agent may make a special purchase when there exists, under emergency conditions, a threat to public health, welfare, or safety.

(b) The counterterrorism and security council established by IC 4-3-20-2 IC 10-19-8-1 may make a purchase under this section to preserve security or act in an emergency as determined by the governor.

SECTION 4. IC 10-14-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. "Agency" refers to the state emergency management agency department of homeland security established by IC 10-14-2-1 IC 10-19-2-1.

SECTION 5. IC 10-14-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. "Director" refers to the executive director of the agency department of homeland security appointed under IC 10-14-2-2 IC 10-19-3-1.

SECTION 6. IC 10-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 5. (a) For purposes of this section, "member of the military or public safety officer" means an individual who is any of the following:

(1) A member of a fire department (as defined in IC 36-8-1-8).
(2) An emergency medical service provider (as defined in IC 16-41-10-1).
(3) A member of a police department (as defined in IC 36-8-1-9).
(4) A correctional officer (as defined in IC 5-10-10-1.5).
(5) A state police officer.
(6) A county police officer.
(7) A police reserve officer.
(8) A county sheriff.
(9) A deputy sheriff.
(10) An excise police officer.
(11) A conservation enforcement officer.
(12) A town marshal.
(13) A deputy town marshal.
(14) A university police officer appointed under IC 20-12-3.5.
(15) A probation officer.
(16) A paramedic.
(17) A volunteer firefighter (as defined in IC 36-8-12-2).
(18) An emergency medical technician or a paramedic working in a volunteer capacity.
(19) A member of the armed forces of the United States.
(20) A member of the Indiana Air National Guard. or
(21) A member of the Indiana Army National Guard.
(22) A member of a state or local emergency management agency.

(b) For purposes of this section, "dies in the line of duty" refers to a death that occurs as a direct result of personal injury or illness resulting from any action that a member of the military or public safety officer, in the member of the military's or public safety officer's official capacity, is obligated or authorized by rule, regulation, condition of employment or services, or law to perform in the course of performing the member of the military's or public safety officer's duty.

(c) If a member of the military or public safety officer dies in the line of duty, a state flag shall be presented to:
   (1) the surviving spouse;
   (2) the surviving children if there is no surviving spouse; or
   (3) the surviving parent or parents if there is no surviving spouse and there are no surviving children.

(d) The state emergency management agency shall administer this section. and

(e) The director may adopt rules under IC 4-22-2 to implement this section.

SECTION 7. IC 10-14-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 1. (a) As used in this chapter, "disaster" means an occurrence or imminent threat of widespread or severe damage, injury, or loss of life or property resulting from any natural phenomenon or manmade human act.

(b) The term includes any of the following:
   (1) Fire.
   (2) Flood.
(3) Earthquake.
(4) Wind.
(4) Windstorm.
(5) Storm.
(5) Snowstorm.
(6) Ice storm.
(7) Tornado.
(6) (8) Wave action.
(7) (9) Oil spill.
(8) (10) Other water contamination requiring emergency action to avert danger or damage.
(9) (11) Air contamination.
(10) (12) Drought.
(11) (13) Explosion.
(14) Technological emergency.
(15) Utility failure.
(16) Critical shortages of essential fuels or energy.
(17) Major transportation accident.
(18) Hazardous material or chemical incident.
(19) Radiological incident.
(20) Nuclear incident.
(21) Biological incident.
(22) Epidemic.
(23) Public health emergency.
(24) Animal disease event requiring emergency action.
(25) Blight.
(26) Infestation.
(27) (28) Riot.
(28) Hostile military or paramilitary action.
(29) Act of terrorism.
(30) Any other public calamity requiring emergency action.

SECTION 8. IC 10-14-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 11. The agency director shall adopt rules under IC 4-22-2 to carry out this chapter.

SECTION 9. IC 10-14-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 8. The agency director may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 10. IC 10-15-1-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. "Department" refers to the fire and building services department of homeland security established by IC 22-12-5-1; IC 10-19-2-1.

SECTION 11. IC 10-15-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. "Executive director" refers to the executive director of the Indiana emergency management, fire and building services, and public safety training foundation established by IC 10-15-2-1; department of homeland security appointed under IC 10-19-3-1.

SECTION 12. IC 10-15-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. (a) The foundation consists of fifteen (15) nine (9) voting members and four (4) nonvoting advisory members.

(b) The voting members shall be appointed by the governor. The voting members are as follows:

1. The executive director, subject to subsection (d):
2. The state fire marshal:
3. The state building commissioner:
4. The deputy director of the state emergency management agency:
5. The deputy director of the state emergency management agency for emergency medical services:
6. Ten (10) individuals appointed by the governor: Each Indiana congressional district must be represented by at least one (1) member who is a resident of that congressional district. Not more than five (5) of the members appointed under this subdivision subsection may represent the same political party.

(c) The four (4) nonvoting advisory members are as follows:

1. Two (2) members, one (1) from each political party, appointed by the president pro tempore of the senate with advice from the minority leader of the senate.
2. Two (2) members, one (1) from each political party, appointed by the speaker of the house of representatives with advice from the minority leader of the house of representatives.

(d) The executive director may vote for tie breaking purposes only.

(e) (d) In the absence of a member, the member's vote may be cast by another member if the member casting the vote has a written proxy in proper form as required by the foundation.
SECTION 13. IC 10-15-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. (a) A quorum consists of eight (8) five (5) of the voting members of the foundation described in section 2(b)(2) through 2(b)(6) of this chapter.

(b) One (1) of The following affirmative vote of at least five (5) voting members of the foundation is necessary for the foundation to take action.

(1) An affirmative vote by at least eight (8) of the fifteen (15) members;

(2) A tie vote broken by the executive director.

SECTION 14. IC 10-15-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 5. (a) The term of each voting member appointed under section 2(b)(6) of this chapter is four (4) years.

(b) A member appointed to fill the unexpired term of a member serves until the end of the unexpired term.

(c) At the expiration of a member's term, the member may be reappointed if the member continues to be a part of reside in the represented entity, congressional district. A person is no longer a member when the person individual ceases to be a part resident of the represented entity, congressional district.

SECTION 15. IC 10-15-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 6. The terms of the voting members appointed under section 2(b)(6) of this chapter begin on July 1.

SECTION 16. IC 10-15-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 7. (a) At the foundation's first meeting after June 30 of each year, the voting members appointed under section 2(b)(2) through 2(b)(6) of this chapter shall select:

(1) one (1) of the voting members who is not a state employee to serve as chairperson; and

(2) one (1) of the voting members who is not a state employee to serve as vice chairperson.

(b) The vice chairperson shall exercise all the duties and powers of the chairperson in the chairperson's absence or disability.

SECTION 17. IC 10-19 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE APRIL
ARTICLE 19. DEPARTMENT OF HOMELAND SECURITY
Chapter 1. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Council" refers to the counterterrorism and security council established by IC 10-19-8-1.
Sec. 3. "Department" refers to the department of homeland security established by IC 10-19-2-1.
Sec. 4. "Executive director" refers to the executive director of the department of homeland security appointed under IC 10-19-3-1.
Chapter 2. Department Established
Sec. 1. The department of homeland security is established.
Sec. 2. The department consists of the following divisions:
   (1) The division of planning and assessment.
   (2) The division of preparedness and training.
   (3) The division of emergency response and recovery.
   (4) The division of fire and building safety.
Chapter 3. Executive Director
Sec. 1. The governor shall appoint an individual to be the executive director of the department.
Sec. 2. The executive director:
   (1) serves at the governor's pleasure; and
   (2) is entitled to receive compensation in an amount set by the governor.
Sec. 3. The executive director shall do the following:
   (1) Serve as the chief executive and administrative officer of the department.
   (2) Serve as the director of the council.
   (3) Administer the application for, and disbursement of, federal and state homeland security money for all Indiana state and local governments.
   (4) Develop a single strategic plan for preparing and responding to homeland security emergencies in consultation with the council.
   (5) Serve as the state coordinating officer under federal law for all matters relating to emergency and disaster mitigation, preparedness, response, and recovery.
(6) Use and allocate the services, facilities, equipment, personnel, and resources of any state agency, on the governor's behalf, as is reasonably necessary in the preparation for, response to, or recovery from an emergency or disaster situation that threatens or has occurred in Indiana.

(7) Develop a plan to protect key state assets and public infrastructure from a disaster or terrorist attack.

Sec. 4. The executive director may appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13.

Sec. 5. The executive director may delegate the executive director's authority to the appropriate department staff.

Sec. 6. For purposes of IC 4-21.5, the executive director, or the executive director's designee, is the ultimate authority for the department.

Sec. 7. (a) Except as provided in this section, for purposes of IC 4-22-2, the executive director is the authority that adopts rules for the department.

(b) The Indiana emergency medical services commission is the authority that adopts rules under IC 16-31.

(c) Except as provided in subsection (e) or (f), the fire prevention and building safety commission is the authority that adopts rules under any of the following:
   (1) IC 22-11.
   (2) IC 22-12.
   (3) IC 22-13.
   (4) IC 22-14.
   (5) IC 22-15.

(d) The board of firefighting personnel standards and education is the authority that adopts rules under IC 22-14-2-7(c)(7) and IC 36-8-10.5.

(e) The boiler and pressure vessel rules board established by IC 22-12-4-1 is the authority that adopts:
   (1) emergency rules under IC 22-13-2-8(c); and
   (2) rules under IC 22-15-6.

(f) The regulated amusement device safety board established by IC 22-12-4.5-2 is the authority that adopts rules under IC 22-15-7.
Sec. 1. The division of planning and assessment is established within the department.

Sec. 2. The division shall do the following:
   (1) Develop a single strategic plan for preparing for and responding to homeland security emergencies.
   (2) Assess state and local security needs.
   (3) Disburse federal and state homeland security money for all Indiana state and local governments.

Sec. 3. The executive director shall appoint an individual as a deputy executive director to manage the division.

Chapter 5. Division of Preparedness and Training

Sec. 1. The division of preparedness and training is established within the department.

Sec. 2. The division shall administer the following:
   (1) IC 10-15.
   (2) All other state emergency management and response training programs.

Sec. 3. The executive director shall appoint an individual as a deputy executive director to manage the division.

Sec. 4. The deputy executive director appointed under section 3 of this chapter shall serve as the vice chair of the law enforcement training board under IC 5-2-1-3.

Sec. 5. The executive director may adopt rules under IC 4-22-2 to establish continuing education requirements relating to any certifications issued by the division.

Chapter 6. Division of Emergency Response and Recovery

Sec. 1. The division of emergency response and recovery is established within the department.

Sec. 2. The division shall do the following:
   (1) Administer IC 10-14.
   (2) Administer the state's emergency operations functions during an emergency.

Sec. 3. The executive director shall appoint an individual as a deputy executive director to manage the division.

Chapter 7. Division of Fire and Building Safety

Sec. 1. The division of fire and building safety is established within the department.

Sec. 2. The division shall administer the following:
   (1) IC 16-31.
Sec. 3. (a) The state fire marshal appointed under IC 22-14-2-2 shall do the following:
   (1) Serve as the deputy executive director of the division.
   (2) Administer the division.
   (3) Provide staff to support the fire prevention and building safety commission established by IC 22-12-2-1.
   (b) The state fire marshal may not exercise any powers or perform any duties specifically assigned to either of the following:
       (1) The fire prevention and building safety commission.
       (2) The building law compliance officer.
   (c) The state fire marshal may delegate the state fire marshal's authority to the appropriate division staff.

Sec. 4. (a) The division shall employ a building law compliance officer.
   (b) An individual must be a design professional with not less than ten (10) years of experience in the building trades industry to be the building law compliance officer.
   (c) The building law compliance officer shall administer the building safety laws (as defined in IC 22-12-1-3).

Chapter 8. Counterterrorism and Security Council
Sec. 1. The counterterrorism and security council is established.
Sec. 2. (a) The council consists of the following members:
   (1) The lieutenant governor.
   (2) The executive director.
   (3) The superintendent of the state police department.
   (4) The adjutant general.
   (5) The state health commissioner.
   (6) The commissioner of the department of environmental management.
   (7) The assistant commissioner of agriculture.
   (8) The chairman of the Indiana utility regulatory commission.
   (9) The commissioner of the Indiana department of transportation.
(10) The executive director of the Indiana criminal justice institute.
(11) The commissioner of the bureau of motor vehicles.
(12) A local law enforcement officer or a member of the law enforcement training academy appointed by the governor.
(13) The speaker of the house of representatives or the speaker's designee.
(14) The president pro tempore of the senate or the president pro tempore's designee.
(15) The chief justice of the supreme court.

(b) The members of the council under subsection (a)(13), (a)(14), and (a)(15) are nonvoting members.

(c) Representatives of the United States Department of Justice may serve as members of the council as the council and the Department of Justice may determine. Any representatives of the Department of Justice serve as nonvoting members of the council.

Sec. 3. The lieutenant governor shall serve as the chair of the council and in this capacity report directly to the governor.

Sec. 4. (a) The council shall do the following:

(1) Develop a strategy in concert with the department to enhance the state's capacity to prevent and respond to terrorism.
(2) Develop a counterterrorism plan in conjunction with relevant state agencies, including a comprehensive needs assessment.
(3) Review each year and update when necessary the plan developed under subdivision (2).
(4) Develop in concert with the department a counterterrorism curriculum for use in basic police training and for advanced in-service training of veteran law enforcement officers.
(5) Develop affiliates of the council to coordinate local efforts and serve as the point of contact for the council and the United States Department of Homeland Security.
(6) Develop a plan for sharing intelligence information across multiple federal, state, and local law enforcement and homeland security agencies.

(b) The council shall report periodically its findings and recommendations to the governor.
Sec. 5. (a) The executive director may employ staff for the council, subject to the approval of the governor.

(b) The executive director shall serve as:

(1) the central coordinator for counterterrorism issues; and

(2) the state’s point of contact for:

(A) the Office for Domestic Preparedness in the United States Department of Justice; and

(B) the United States Department of Homeland Security.

Sec. 6. (a) The expenses of the council shall be paid from appropriations made by the general assembly.

(b) Money received by the council as a grant or a gift is appropriated for the purposes of the grant or the gift.

Sec. 7. (a) Each member of the council who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for travel expenses as provided in IC 4-13-1-4 and other expenses actually incurred in connection with the member’s duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the council who is a state employee but who is not a member of the general assembly is entitled to reimbursement for travel expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member’s duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(c) Each member of the council who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

Sec. 8. The affirmative votes of a majority of the voting members of the council are required for the council to take action on any measure, including final reports.

Sec. 9. (a) The council may receive confidential law enforcement information from the state police department, the Federal Bureau
of Investigation, or other federal, state, or local law enforcement agencies.

(b) For purposes of IC 5-14-1.5 and IC 5-14-3, information received under subsection (a) is confidential.

Sec. 10. All state agencies shall cooperate to the fullest extent possible with the council and the executive director to implement this chapter.

Chapter 9. Public Safety Training

Sec. 1. As used in this chapter, "division" refers to the division of preparedness and training.

Sec. 2. As used in this chapter, "public safety service provider" or "provider" means an officer or employee of the state, an officer or employee of a governmental unit, or a volunteer who is engaged in at least one (1) of the following activities:

1. Firefighting.
2. Emergency management.
3. Environmental management.
4. Fire or building inspection.
5. Emergency medical service.
6. Any other public safety or homeland security activity that the division may designate.

Sec. 3. (a) The division shall develop and provide a training program for public safety service providers.

(b) Participation in the training program is optional for a provider.

Sec. 4. Subject to section 3(b) of this chapter, the division shall establish and conduct advanced training programs in public safety and homeland security subjects on a voluntary enrollment basis. The division may offer courses to any public safety service provider that the division determines will benefit from the training.

Sec. 5. The division may establish training facilities at which the division provides programs. The division shall establish policies and procedures for the use of any training facilities that the division establishes.

Sec. 6. The division may recommend or conduct studies or surveys. The division may require reports from the chief executive of a governmental or volunteer provider organization for the purposes of this chapter.

Sec. 7. The division may originate, compile, and disseminate
training materials to providers.

Sec. 8. The division may establish a system of issuing diplomas or certificates for persons who successfully complete the division's training programs.

Sec. 9. Upon request, the division may assist a provider organization in the development of training programs for the organization's personnel.

Sec. 10. The division may consult, cooperate, or contract with the law enforcement training board, a college or university, or any other individual or entity for the development and providing of courses of study for public safety service providers.

Sec. 11. (a) The division's facilities are available for the training of any public safety or health services provider that the division determines will benefit from the training.

(b) The division shall determine the terms and conditions for use of the division's facilities by the providers listed in subsection (a).

Sec. 12. The division may establish fee schedules and charges for the following:

(1) Items or services provided by the division under this chapter.

(2) Training conducted by the division under this chapter.

(3) Other division activities conducted under this chapter.

Sec. 13. The division may accept gifts and grants from any source and use them for the purposes of this chapter.

Sec. 14. The division may perform any other acts that are necessary or appropriate to implement this chapter.

Sec. 15. The executive director may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 18. IC 16-18-2-96 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 96. (a) "Director", for purposes of IC 16-19-13, refers to the director of the office of women's health established by IC 16-19-13.

(b) "Director", for purposes of IC 16-27, means the individual acting under the authority of and assigned the responsibility by the state health commissioner to implement IC 16-27.

(c) "Director", for purposes of IC 16-28, IC 16-29, and IC 16-30, means the individual acting under the authority of and assigned the responsibility by the state health commissioner to implement IC 16-28, IC 16-29, and IC 16-30.
(d) "Director", for purposes of IC 16-31, refers to the executive director of the state emergency management agency department of homeland security established under IC 10-14-2-1, by IC 10-19-2-1.

(e) "Director", for purposes of IC 16-35-2, refers to the director of the program for children with special health care needs.

SECTION 19. IC 16-31-3-2 IS AMENDED TO READ AS follows [EFFECTIVE APRIL 15, 2005]: Sec. 2. The commission shall establish standards for persons required to be certified by the commission to provide emergency medical services. To be certified, a person must meet the following minimum requirements:

(1) The personnel certified under this chapter must do the following:
   (A) Meet the standards for education and training established by the commission by rule.
   (B) Successfully complete a basic or an inservice course of education and training on sudden infant death syndrome that is certified by the Indiana emergency medical services commission (created under IC 16-31-2-1) in conjunction with the state health commissioner.

(2) Ambulances to be used must conform with the requirements of the commission and must either be:
   (A) covered by insurance issued by a company licensed to do business in Indiana in the amounts and under the terms required in rules adopted by the commission; taking into consideration recommendations of the technical advisory committee; or
   (B) owned by a governmental entity covered under IC 34-13-3.

(3) Emergency ambulance service shall be provided in accordance with rules adopted by the commission, taking into consideration recommendations of the advisory committee concerning staffing, equipping, and operating procedures. However, the rules adopted under this chapter may not prohibit the dispatch of an ambulance to aid an emergency patient because an emergency medical technician is not immediately available to staff the ambulance.

(4) Ambulances must be equipped with a system of emergency medical communications approved by the commission. The emergency medical communication system must properly integrate and coordinate appropriate local and state emergency
communications systems and reasonably available area emergency medical facilities with the general public's need for emergency medical services.

(5) Emergency medical communications shall be provided in accordance with rules adopted by the commission, taking into consideration recommendations of the technical advisory committee concerning such matters.

(6) A nontransporting emergency medical services vehicle must conform with the commission's requirements.

SECTION 20. IC 16-31-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. (a) A certificate is not required for a person who provides emergency ambulance service, an emergency medical technician, an emergency medical technician-basic advanced, an ambulance, a nontransporting emergency medical services vehicle, or advanced life support when doing any of the following:

(1) Providing assistance to persons certified to provide emergency ambulance service or to emergency medical technicians.
(2) Operating from a location or headquarters outside Indiana to provide emergency ambulance services to patients who are picked up outside Indiana for transportation to locations within Indiana.
(3) Providing emergency medical services during a major catastrophe or disaster with which persons or ambulances certified to provide emergency ambulance services are insufficient or unable to cope.

(b) An agency or instrumentality of the United States and any paramedic, or advanced emergency technician, emergency medical technician-intermediate, emergency medical technician-basic advanced, emergency medical technician, or first responder of the agency or instrumentality is not required to:

(1) be certified; or
(2) conform to the standards prescribed under this chapter.

SECTION 21. IC 16-31-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 14. (a) A person holding a certificate issued under this article must comply with the applicable standards and rules established under this article. A certificate holder is subject to disciplinary sanctions under subsection (b) if the state emergency management agency determines that the
certificate holder:

(1) engaged in or knowingly cooperated in fraud or material deception in order to obtain a certificate, including cheating on a certification examination;

(2) engaged in fraud or material deception in the course of professional services or activities;

(3) advertised services or goods in a false or misleading manner;

(4) falsified or knowingly allowed another person to falsify attendance records or certificates of completion of continuing education courses required under this article or rules adopted under this article;

(5) is convicted of a crime, if the act that resulted in the conviction has a direct bearing on determining if the certificate holder should be entrusted to provide emergency medical services;

(6) is convicted of violating IC 9-19-14.5;

(7) fails to comply and maintain compliance with or violates any applicable provision, standard, or other requirement of this article or rules adopted under this article;

(8) continues to practice if the certificate holder becomes unfit to practice due to:

   (A) professional incompetence that includes the undertaking of professional activities that the certificate holder is not qualified by training or experience to undertake;
   (B) failure to keep abreast of current professional theory or practice;
   (C) physical or mental disability; or
   (D) addiction to, abuse of, or dependency on alcohol or other drugs that endanger the public by impairing the certificate holder's ability to practice safely;

(9) engages in a course of lewd or immoral conduct in connection with the delivery of services to the public;

(10) allows the certificate holder's name or a certificate issued under this article to be used in connection with a person who renders services beyond the scope of that person's training, experience, or competence;

(11) is subjected to disciplinary action in another state or jurisdiction on grounds similar to those contained in this chapter.
For purposes of this subdivision, a certified copy of a record of disciplinary action constitutes prima facie evidence of a disciplinary action in another jurisdiction;

(12) assists another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; or

(13) allows a certificate issued by the commission to be:
   (A) used by another person; or
   (B) displayed to the public when the certificate is expired, inactive, invalid, revoked, or suspended.

(b) The state emergency management agency may issue an order under IC 4-21.5-3-6 to impose one (1) or more of the following sanctions if the state emergency management agency determines that a certificate holder is subject to disciplinary sanctions under subsection (a):

(1) Revocation of a certificate holder's certificate for a period not to exceed seven (7) years.
(2) Suspension of a certificate holder's certificate for a period not to exceed seven (7) years.
(3) Censure of a certificate holder.
(4) Issuance of a letter of reprimand.
(5) Assessment of a civil penalty against the certificate holder in accordance with the following:
   (A) The civil penalty may not exceed five hundred dollars ($500) per day per violation.
   (B) If the certificate holder fails to pay the civil penalty within the time specified by the state emergency management agency, the state emergency management agency may suspend the certificate holder's certificate without additional proceedings.
(6) Placement of a certificate holder on probation status and requirement of the certificate holder to:
   (A) report regularly to the state emergency management agency upon the matters that are the basis of probation;
   (B) limit practice to those areas prescribed by the state emergency management agency;
   (C) continue or renew professional education approved by the state emergency management agency until a satisfactory degree of skill has been attained in those areas that are the
basis of the probation; or
(D) perform or refrain from performing any acts, including community restitution or service without compensation, that the state emergency management agency considers appropriate to the public interest or to the rehabilitation or treatment of the certificate holder.

The state emergency management agency may withdraw or modify this probation if the state emergency management agency finds after a hearing that the deficiency that required disciplinary action is remedied or that changed circumstances warrant a modification of the order.

(c) If an applicant or a certificate holder has engaged in or knowingly cooperated in fraud or material deception to obtain a certificate, including cheating on the certification examination, the state emergency management agency may rescind the certificate if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the certificate for a length of time established by the state emergency management agency.

(d) The state emergency management agency may deny certification to an applicant who would be subject to disciplinary sanctions under subsection (b) if that person were a certificate holder, has had disciplinary action taken against the applicant or the applicant's certificate to practice in another state or jurisdiction, or has practiced without a certificate in violation of the law. A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action.

(e) The state emergency management agency may order a certificate holder to submit to a reasonable physical or mental examination if the certificate holder's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding. Failure to comply with a state emergency management agency order to submit to a physical or mental examination makes a certificate holder liable to temporary suspension under subsection (i).

(f) Except as provided under subsection (a), subsection (g), and section 14.5 of this chapter, a certificate may not be denied, revoked, or suspended because the applicant or certificate holder has been convicted of an offense. The acts from which the applicant's or
certificate holder's conviction resulted may be considered as to whether
the applicant or certificate holder should be entrusted to serve the
public in a specific capacity.

(g) The state emergency management agency may deny, suspend, or
revoke a certificate issued under this chapter article if the individual
who holds or is applying for the certificate is convicted of any of the
following:

1. Possession of cocaine, a narcotic drug, or methamphetamine
   under IC 35-48-4-6.
2. Possession of a controlled substance under IC 35-48-4-7(a).
3. Fraudulently obtaining a controlled substance under IC 35-48-4-7(b).
4. Manufacture of paraphernalia as a Class D felony under IC 35-48-4-8.1(b).
5. Dealing in paraphernalia as a Class D felony under IC 35-48-4-8.5(b).
6. Possession of paraphernalia as a Class D felony under IC 35-48-4-8.3(b).
7. Possession of marijuana, hash oil, or hashish as a Class D
   felony under IC 35-48-4-11.
9. An offense relating to registration, labeling, and prescription
   forms under IC 35-48-4-14.
10. Conspiracy under IC 35-41-5-2 to commit an offense listed
    in subdivisions (1) through (9).
11. Attempt under IC 35-41-5-1 to commit an offense listed in
    subdivisions (1) through (10).
12. An offense in any other jurisdiction in which the elements of
    the offense for which the conviction was entered are substantially
    similar to the elements of an offense described by subdivisions (1)
    through (11).

(h) A decision of the state emergency management agency under
subsections (b) through (g) may be appealed to the commission under
IC 4-21.5-3-7.

(i) The state emergency management agency may temporarily
suspend a certificate holder's certificate under IC 4-21.5-4 before a
final adjudication or during the appeals process if the state emergency
management agency finds that a certificate holder would represent a
clear and immediate danger to the public's health, safety, or property if the certificate holder were allowed to continue to practice.

(j) On receipt of a complaint or information alleging that a person certified under this chapter or IC 16-31-3.5 has engaged in or is engaging in a practice that is subject to disciplinary sanctions under this chapter, the state emergency management agency must initiate an investigation against the person.

(k) The state emergency management agency shall conduct a factfinding investigation as the state emergency management agency considers proper in relation to the complaint.

(l) The state emergency management agency may reinstate a certificate that has been suspended under this section if the state emergency management agency is satisfied that the applicant is able to practice with reasonable skill, competency, and safety to the public. As a condition of reinstatement, the state emergency management agency may impose disciplinary or corrective measures authorized under this chapter.

(m) The state emergency management agency may not reinstate a certificate that has been revoked under this chapter.

(n) The state emergency management agency must be consistent in the application of sanctions authorized in this chapter. Significant departures from prior decisions involving similar conduct must be explained in the state emergency management agency's findings or orders.

(o) A certificate holder may not surrender the certificate holder's certificate without the written approval of the state emergency management agency, and the state emergency management agency may impose any conditions appropriate to the surrender or reinstatement of a surrendered certificate.

(p) For purposes of this section, "certificate holder" means a person who holds:

(1) an unlimited certificate;
(2) a limited or probationary certificate; or
(3) an inactive certificate.

SECTION 22. IC 16-31-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. This chapter does not apply to the following:

(1) A person who solely dispatches prescheduled emergency
medical transports.

(2) A person who provides emergency medical dispatching during a major catastrophe or disaster with which individuals or dispatch agencies certified to provide emergency medical dispatching are unable to cope.

SECTION 23. IC 16-31-3.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. (a) After December 31, 2006, an individual may not furnish, operate, conduct, maintain, or advertise services as an emergency medical dispatcher or otherwise be engaged as an emergency medical dispatcher unless that individual is certified by the commission as an emergency medical dispatcher.

(b) After December 31, 2006, a person may not furnish, operate, conduct, maintain, or advertise services as an emergency medical dispatcher or otherwise be engaged as an emergency medical dispatch agency unless certified by the commission as an emergency medical dispatch agency.

SECTION 24. IC 16-31-3.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. (a) To be certified as an emergency medical dispatcher, an individual must:

(1) meet the standards for education and training established by the commission;

(2) successfully complete a written competency examination approved by the commission; and

(3) pay the fee established by the commission.

(b) An emergency medical dispatcher certificate expires on the expiration date established when it is issued, which must be at least two (2) years after the date of its issuance. To renew a certificate, an emergency medical dispatcher must:

(1) meet the education and training renewal standards established by the commission; and

(2) pay the fee established by the commission.

(c) An emergency medical dispatcher must follow protocols, procedures, standards, and policies established by the commission.

(d) An emergency medical dispatcher shall keep the commission informed of the entity or agency that employs or supervises the dispatcher's activities as an emergency medical dispatcher.

(e) An emergency medical dispatcher shall report to the commission
whenever an action has taken place that may justify the revocation or suspension of a certificate issued by the commission.

SECTION 25. IC 16-31-3.5-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4.5. (a) A temporary emergency medical dispatcher certificate may be issued by the state emergency management agency. To obtain a temporary certificate, an individual must do the following:

1. Meet the standards established by the commission. The commission’s standards must include a declaration by a certified emergency medical dispatch agency that the certified emergency medical dispatch agency is temporarily unable to secure a certified emergency medical dispatcher.
2. Pay the fee established by the commission.

(b) A temporary emergency medical dispatcher certificate is valid:

1. for sixty (60) days after the date of issuance; and
2. only for emergency medical dispatching performed for the emergency medical dispatching agency that supported the temporary certification.

(c) A temporary emergency medical dispatcher certificate issued under this section may be renewed for one (1) subsequent sixty (60) day period. To renew the temporary certification, the certificate holder must submit the same information and fee required for the original temporary certification.

SECTION 26. IC 16-31-3.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 5. (a) To be certified as an emergency medical dispatch agency, a person must:

1. meet the standards established by the commission; and
2. pay the fee established by the commission.

(b) An emergency medical dispatch agency certificate expires on the expiration date established when it is issued, which must be at least two (2) years after the date of its issuance. To renew a certificate, an emergency medical dispatch agency must:

1. meet the renewal requirements established by the commission; and
2. pay the fee established by the commission.

(c) The emergency medical dispatch agency must be operated in a
safe, efficient, and effective manner in accordance with commission approved standards that include the following requirements:

(1) All personnel providing emergency medical dispatch services must be certified as emergency medical dispatchers by the commission before functioning alone in an online capacity.

(2) The protocols, procedures, standards, and policies used by an emergency medical dispatch agency to dispatch emergency medical aid must comply with the requirements established by the commission.

(3) The commission must require the emergency medical dispatch agency to appoint a dispatch medical director to provide supervision and oversight over the medical aspects of the operation of the emergency medical dispatch agency.

(d) The commission may require the submission of periodic reports from an emergency medical dispatch agency. The emergency medical dispatch agency must submit the reports in the manner and with the frequency required by the commission.

(e) An emergency medical dispatch agency shall report to the commission whenever an action occurs that may justify the revocation or suspension of a certificate issued by the commission.

SECTION 27. IC 16-31-3.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 6. (a) The commission must require emergency medical dispatchers to participate in continuing emergency medical dispatch education and training.

(b) An emergency medical dispatcher education and training course must:

(1) meet the curriculum and standards approved by the commission; and must

(2) be conducted by an instructor or instructors that meet qualifications established by the commission.

(c) A person may not offer or conduct a training course that is represented as a course for emergency medical dispatcher certification unless the course is approved by the commission state emergency management agency and the instructor or instructors meet the qualifications established by the commission.

SECTION 28. IC 16-31-8.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 1. As used in this chapter, "agency" refers to the state emergency management agency
department of homeland security established by IC 10-19-2-1.

SECTION 29. IC 16-31-8.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. (a) The emergency medical services fund is established to defray the personal services expense, other operating expense, and capital outlay of the:
   (1) commission; and
   (2) employees of the agency.

(b) The fund includes money collected under IC 16-31-3.5.

SECTION 30. IC 16-31-8.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. (a) The agency shall administer the fund.

(b) The agency shall deposit money collected under IC 16-31-3.5 in the fund at least monthly.

(c) Expenses of administering the fund shall be paid from money in the fund.

SECTION 31. IC 22-12-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. "Building law" means any fire safety law, equipment law or other law governing any of the following:
   (1) Fabrication of an industrialized building system or mobile structure for installation, assembly, or use at another site.
   (2) Construction, addition, or alteration of any part of a Class 1 or Class 2 structure at the site where the structure will be used.
   (3) Assembly of an industrialized building system or mobile structure that is covered by neither subdivision (1) nor (2).

SECTION 32. IC 22-12-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 9. "Department" refers to the fire and building services department of homeland security established by IC 10-19-2-1.

SECTION 33. IC 22-12-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. (a) The commission consists of nineteen (19) voting eleven (11) members, and two (2) nonvoting members; nine (9) of whom shall be appointed by the governor. shall appoint seventeen (17) voting members to the commission; each to

(b) serve a The term of a commission member is four (4) years.

(c) The state health commissioner or the commissioner's designee
shall serve as a voting member of the commission, and the commissioner of labor or the commissioner's designee shall serve as a voting member of the commission. The state fire marshal and the state building commissioner shall serve as nonvoting members of the commission.

(b) (d) Each appointed member of the commission must have a recognized interest, knowledge, and experience in the field of fire prevention, fire protection, building safety, or other related matters.

(c) The appointed members of governor shall consider appointing individuals to the commission must include with experience in the following:

1. One (+) member of a paid fire department.
2. One (+) member of a volunteer fire department.
3. One (+) individual in the field of fire insurance.
4. One (+) individual in the fire service industry.
5. One (+) individual in the manufactured housing industry.
6. One (+) individual in the field of fire protection engineering.
7. One (+) professional engineer.
8. One (+) Building contractor.
9. One (+) individual in the field of building one (1) and two (2) family dwellings.
10. One (+) registered architect.
11. One (+) individual engaged in the design or construction of heating, ventilating, air conditioning, or plumbing systems.
12. One (+) individual engaged in the design or construction of regulated lifting devices.
13. One (+) building commissioner or building inspector of a City, town, or county building inspection.
14. One (+) individual in an industry that operates Regulated amusement devices.
15. One (+) individual who is knowledgeable in Accessibility requirements and who has personal experience with a disability.
16. One (+) individual who represents owners, operators, and installers of Underground and aboveground motor fuel storage tanks and dispensing systems.
17. One (+) individual in the masonry trades.
(18) Energy conservation codes and standards, including the manner in which energy conservation codes and standards apply to:

(A) residential;
(B) single and multiple family dwelling; or
(C) commercial; building codes.

(d) Not more than ten (10) five (5) of the appointed members of the commission may be affiliated with the same political party.

(e) An appointed member of the commission may not serve more than two (2) consecutive terms. However, any part of an unexpired term served by a member filling a vacancy does not count toward this limitation.

SECTION 34. IC 22-12-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 5. The commission governor shall annually elect a chairperson from among its members: appoint a member of the commission to be the commission’s chair.

(b) The member appointed by the governor serves as the commission’s chair at the governor’s pleasure.

SECTION 35. IC 22-12-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 6. (a) The commission shall meet at least quarterly.

(b) A quorum of the commission consists of ten (10) voting six (6) members. IC 4-21.5-3-3 applies to a commission action governed by IC 4-21.5. The commission may take other actions by an affirmative vote of:

(1) nine (9) members; if less than nineteen (19) voting members are present and voting on the action; or
(2) ten (10) members; if nineteen (19) members are present and voting on the action:

(c) In the case of a tie vote on an action of the commission, the deciding vote shall be cast by the:

(1) state fire marshal; in even-numbered years; or
(2) state building commissioner; in odd-numbered years.

SECTION 36. IC 22-13-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 10. (a) A county, city, or town may regulate regulated lifting devices if the unit’s regulatory program is approved by the commission.
(b) A unit must submit its ordinances and other regulations that regulate lifting devices to the commission for approval. The ordinance or other regulation is not effective until it is approved by the commission. If any of these ordinances or regulations conflict with the commission's rules, the commission's rules supersede the local ordinance or other regulation.

(c) A unit may issue permits only to applicants who qualify under IC 22-15-5. However, the unit may specify a lesser fee than that set under IC 22-12-6-6(a)(7).

(d) A unit must inspect regulated lifting devices with inspectors who possess the qualifications necessary to be employed by the office of the state division of fire and building commissioner safety of the department of homeland security as a regulated lifting device inspector.

SECTION 37. IC 22-13-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 1. As used in this chapter, "interested person" refers to a person that has a dispute with a county or a municipality regarding the interpretation of a building law or a fire safety law.

SECTION 38. IC 22-13-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. (a) Upon the written request of an interested person, the office of the state building commissioner law compliance officer in the department of homeland security may issue a written interpretation of a building law or a fire safety law. An interpretation issued by the office of the state building commissioner law compliance officer in the department of homeland security must be consistent with building laws and fire safety laws enacted by the general assembly or adopted by the commission.

(b) The office of the state building commissioner law compliance officer in the department of homeland security may issue a written interpretation of a building law or fire safety law under subsection (a) whether or not the county or municipality has taken any action to enforce the building law or fire safety law.

SECTION 39. IC 22-13-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. (a) A written interpretation of a building law or fire safety law binds all counties and municipalities if the office of the state building commissioner law
compliance officer in the department of homeland security publishes the written interpretation of the building law or fire safety law in the Indiana Register under IC 4-22-7-7(b). For purposes of IC 4-22-7-7, a written interpretation of a building law or fire safety law published by the office of the state building commissioner law compliance officer in the department of homeland security is considered adopted by an agency.

(b) A written interpretation of a building law or fire safety law published under subsection (a) binds all counties and municipalities until the earlier of the following:

1. The general assembly enacts a statute that substantively changes the building law or fire safety law interpreted or voids the written interpretation.
2. The commission adopts a rule under IC 4-22-2 to state a different interpretation of the building law or fire safety law.
3. The written interpretation is found to be an erroneous interpretation of the building law or fire safety law in a judicial proceeding.
4. The office of the state building commissioner law compliance officer in the department of homeland security publishes a different written interpretation of the building law or fire safety law.

SECTION 40. IC 22-14-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. "Office" refers to the office of the state fire marshal division of fire and building safety established by IC 10-19-7-1.

SECTION 41. IC 22-14-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 7. (a) This section does not limit the powers, rights, duties, and other responsibilities of municipal or county governments or impose requirements affecting pension laws or any other laws.
(b) This section does not require a member of a fire department to be certified.
(c) The education board may:
1. Certify firefighting training and education programs that meet the standards set by the education board;
2. Certify fire department instructors who meet the qualifications set by the education board;
(3) direct research in the field of firefighting and fire prevention and accept gifts and grants to direct this research;
(4) recommend curricula for advanced training courses and seminars in fire science or fire engineering training to public and private institutions of higher education;
(5) certify fire service personnel and nonfire service personnel who meet the qualifications set by the education board;
(6) require fire service personnel certified at any instructor level to fulfill continuing education requirements in order to maintain certification;
(7) contract or cooperate with any person and adopt rules under IC 4-22-2 to carry out its responsibilities under this section; or
(8) grant a variance to a rule the education board has adopted.

SECTION 42. IC 22-15-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. (a) This section applies to a provision of this article that requires an applicant for a certification, registration, permit, approval, or other license to:
(1) demonstrate that the person is in compliance with all building laws, fire safety laws, or equipment laws; or
(2) submit proof that a person is acting or will act in conformity with all building laws, fire safety laws, or equipment laws.
(b) Compliance with the conditions of a variance issued under IC 22-13-2-11 shall be treated under this article as compliance with the building law, fire safety law, or equipment law from which the variance is granted.

SECTION 43. IC 22-15-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. “Office” refers to the office of the state building commissioner; division of fire and building safety established by IC 10-19-7-1.

SECTION 44. IC 22-15-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 1. (a) The office building law compliance officer employed under IC 10-19-7-4 shall issue a design release for:
(1) the construction of a Class 1 structure to an applicant who qualifies under section 2 or 3 of this chapter; and
(2) the fabrication of an industrial building system or mobile structure under section 4 of this chapter.
(b) The office may not issue a design release until the plans and
specifications submitted with the application have been:

(1) presented to the office of the state fire marshal by the office; and

(2) approved in writing by the office of the state fire marshal.

(c) A meeting between the executive director of the department; the state building commissioner; and the state fire marshal may be called by the executive director:

(1) upon request of the state building commissioner or the state fire marshal, if the state building commissioner and the state fire marshal cannot agree on the issuance of a design release; or

(2) upon request of the applicant for the design release, if the office and the office of the state fire marshal have not acted to issue or deny the design release within a reasonable time after the application is submitted to the office.

(d) At a meeting called under subsection (c), the executive director of the department; the state building commissioner; and the state fire marshal shall review the application for a design release and shall, by majority vote, issue a final decision.

(e) Subject to subsection (b), the office building law compliance officer may issue a design release based on a plan review performed by a city, town, or county if:

(1) the state building commissioner law compliance officer has certified that the city, town, or county is competent; and

(2) the city, town, or county has adopted the rules of the commission under IC 22-13-2-3.

(f) For the purposes of subsection (e)(1), competency must be established by a test approved by the commission and administered by the division of education and information.

(g) A design release issued under this chapter expires on the date specified in the rules adopted by the commission.

SECTION 45. IC 22-15-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. To qualify for a design release under this section, an applicant must:

(1) demonstrate, through the submission of plans and specifications for the construction covered by the application, that the construction will comply with all applicable building laws and fire safety laws;

(2) pay the fees set under IC 22-12-6-6;
(3) have the plans and specifications:
   (A) prepared by a registered architect or professional engineer who is:
      (i) competent to design the construction covered by the application as determined by the office; and
      (ii) registered under IC 25-4 or IC 25-31;
   (B) include on each page of all drawings and the title page of all specifications the seal of the registered architect or professional engineer described by clause (A) or the person's technical or professional staff; and
   (C) filed by the registered architect or professional engineer described by clause (A) or the person's technical or professional staff; and
(4) submit a certificate prepared on a form provided by the office and sworn or affirmed under penalty of perjury by the registered architect or professional engineer described in subdivision (3)(A):
   (A) providing an estimate of the cost of the construction covered by the application, its square footage, and any other information required under the rules of the commission;
   (B) stating that the plans and specifications submitted for the application were prepared either by or under the immediate supervision of the person making the statement;
   (C) stating that the plans and specifications submitted for the application provide for construction that will meet all building laws; and
   (D) stating that the construction covered by the application will be subject to inspection at intervals appropriate to the stage of the construction by a registered architect or professional engineer identified in the statement for the purpose of determining in general if work is proceeding in accordance with the released plans and specifications.

SECTION 46. IC 22-15-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 3. (a) This section applies only to an application for a design release to construct:
   (1) A Class 1 structure with thirty thousand (30,000) or fewer cubic feet of space;
   (2) An addition to a Class 1 structure, if the addition adds thirty thousand (30,000) or fewer cubic feet of space;
(3) An alteration to a Class 1 structure, if the alteration does not involve changes affecting the structural safety of the Class 1 structure; or

(4) An installation or alteration of an automatic fire sprinkler system in a Class 1 structure by persons qualified pursuant to rules set forth by the fire prevention and building safety commission.

(b) To qualify for a design release under this section, an applicant must do the following:

1. Demonstrate, through the submission of plans and specifications for the construction covered by the application, that the construction will comply with all applicable building laws and fire safety laws.

2. Pay the fees set under IC 22-12-6-6.

SECTION 47. IC 22-15-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 4. (a) This section applies to a design release for the fabrication of a model or other series of similar industrialized building systems or mobile structures.

(b) To qualify for a design release under this section, an applicant must:

1. Demonstrate, through the submission of plans and specifications for the construction covered by the application, that the construction will comply with all applicable building laws and fire safety laws;

2. Have the submitted plans and specifications prepared by an architect registered under IC 25-4 or a professional engineer registered under IC 25-31, if required under the rules adopted by the commission; and

3. Pay the fees set under IC 22-12-6-6.

SECTION 48. IC 22-15-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 1. (a) The office shall certify an industrialized building system for use in Indiana to an applicant who qualifies under this section. If an applicant qualifies for certification under this section, the office shall provide the applicant with a seal for the certified industrial building system.

(b) To qualify for a certification under this section, an applicant must:

1. Submit proof that the office has issued a design release under
IC 22-15-3 for the model or series of industrialized building systems being constructed;
(2) demonstrate, in an in-plant inspection, that the industrialized building system covered by the application has been constructed in conformity with all applicable building laws and fire safety laws; and
(3) pay the fee set by the commission under IC 22-12-6-6.

(c) The exemption under IC 22-13-4-2 applies to an industrialized building system certified under this section.

SECTION 49. IC 22-15-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 2. (a) The office shall certify a mobile structure for sale and use in Indiana for an applicant who qualifies under this section. If an applicant qualifies for certification under this section, the office shall provide the applicant with a seal for the certified mobile structure.

(b) To qualify for certification under this section, an applicant must:
(1) submit proof that the office has issued a design release under IC 22-15-3 for the model or series of mobile structures being constructed;
(2) demonstrate, in an in-plant inspection, that the mobile structure covered by the application has been constructed in conformity with all applicable building laws and fire safety laws;
(3) certify in an affidavit that a seal provided by the office will not be attached to a mobile structure that does not conform to the requirements adopted by the commission in its rules; and
(4) pay the fee set by the commission under IC 22-12-6-6.

(c) The exemption under IC 22-13-4-2 applies to a mobile structure certified under this chapter.

SECTION 50. IC 36-7-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: Sec. 9. Each unit shall require compliance with:
(1) the code of building laws and fire safety laws that is adopted in the rules of the fire prevention and building safety commission under IC 22-13;
(2) orders issued under IC 22-13-2-11 that grant a variance to the code of building laws and fire safety laws described in subdivision (1); and
(3) orders issued under IC 22-12-7 that apply the code of building
laws described in subdivision (1);
(4) IC 22-15-3-7; and
(5) a written interpretation of a building law and fire safety law
binding on the unit under IC 22-13-5-3 or IC 22-13-5-4.

SECTION 51. IC 4-3-20 IS REPEALED [EFFECTIVE APRIL 15, 2005].

SECTION 52. IC 5-2-10.5 IS REPEALED [EFFECTIVE APRIL 15, 2005].

SECTION 53. THE FOLLOWING ARE REPEALED [EFFECTIVE APRIL 15, 2005]: IC 10-14-2-1; IC 10-14-2-2; IC 10-14-2-3.


SECTION 55. IC 16-31-3-19 IS REPEALED [EFFECTIVE APRIL 15, 2005].


SECTION 57. P.L.205-2003, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2005]: SECTION 45.
(a) Notwithstanding IC 16-31-3.5-3(a), as added by this act, the prohibition against an individual acting as an emergency medical dispatcher unless the individual is certified by the Indiana emergency medical services commission as an emergency medical dispatcher does not apply to an individual before July 1, 2005.

(b) Notwithstanding IC 16-31-3.5-3(b), as added by this act, the prohibition against a person acting as an emergency medical dispatch agency unless the person is certified by the Indiana emergency medical services commission as an emergency medical dispatch agency does not apply to a person before July 1, 2005.

(c) This SECTION expires July 2, 2005.

SECTION 58. [EFFECTIVE APRIL 15, 2005] (a) The definitions in IC 10-19-1, as added by this act, apply throughout this SECTION.

(b) After April 14, 2005, the following apply:

(1) The powers and duties of the counterterrorism and security council established by IC 4-3-20-2 are transferred to the council established by IC 10-19-8-1, as added by this act.

(2) A reference to the counterterrorism and security council
established by IC 4-3-20-2 in a statute, a rule, or another document is considered a reference to the council established by IC 10-19-8-1, as added by this act.

(3) All the property of the counterterrorism and security council established by IC 4-3-20-2 is transferred to the department.

(4) An appropriation to the counterterrorism and security council established by IC 4-3-20-2, in effect after June 30, 2005, is transferred to the department.

(5) Personnel positions of the counterterrorism and security council established by IC 4-3-20-2 are transferred to the department.

(6) This subdivision applies to an individual employed by the counterterrorism and security council established by IC 4-3-20-2 on April 14, 2005:

(A) The individual is entitled to become an employee of the department on April 15, 2005.

(B) The individual is entitled to have the individual's service as an employee of the counterterrorism and security council before April 15, 2005, included for the purpose of computing all applicable employment rights and benefits with the department.

(7) All leases and obligations entered into by the counterterrorism and security council established by IC 4-3-20-2 before April 15, 2005, that are legal and valid on April 15, 2005, are obligations of the department beginning April 15, 2005.

(c) This SECTION expires July 1, 2008.

SECTION 59. [EFFECTIVE APRIL 15, 2005] (a) The definitions in IC 10-19-1, as added by this act, apply throughout this SECTION.

(b) As used in this SECTION, "board" refers to the public safety training board created by IC 5-2-10.5-5.

(c) As used in this SECTION, "division" refers to the division of preparedness and training of the department.

(d) As used in this SECTION, "institute" refers to the public safety institute established by IC 5-2-10.5-4.

(e) After April 14, 2005, the following apply:

(1) The board and the institute are abolished.
(2) The powers and duties of the board and the institute are transferred to the division.
(3) A reference to the board or the institute in a statute, a rule, or another document is considered a reference to the division.
(4) All the property of the board and the institute is transferred to the department.
(5) An appropriation to the board or the institute, in effect after April 14, 2005, is transferred to the department.
(6) Personnel positions of the board or the institute are transferred to the department.
(7) This subdivision applies to an individual employed by the board or the institute on April 14, 2005:
   (A) The individual is entitled to become an employee of the department on April 15, 2005.
   (B) The individual is entitled to have the individual's service as an employee of the board or the institute before April 15, 2005, included for the purpose of computing all applicable employment rights and benefits with the department.
(8) All leases and obligations entered into by the board or the institute before April 15, 2005, that are legal and valid on April 15, 2005, are obligations of the department beginning April 15, 2005.

(f) This SECTION expires July 1, 2008.
SECTION 60. [EFFECTIVE APRIL 15, 2005] (a) The definitions in IC 10-19-1, as added by this act, apply throughout this SECTION.
(b) As used in this SECTION, "agency" refers to the state emergency management agency established by IC 10-14-2-1.
(c) After April 14, 2005, the following apply:
   (1) The agency is abolished.
   (2) The powers and duties of the agency are transferred to the department.
   (3) A reference to the agency in a statute, a rule, or another document is considered a reference to the department.
   (4) All the property of the agency is transferred to the department.
   (5) An appropriation to the agency, in effect after April 14, 2005, is transferred to the department.
(6) The following funds are transferred to the department:
   (A) The emergency management contingency fund established by IC 10-14-3-28.
   (B) The state disaster relief fund established by IC 10-14-4-5.
   (C) The nuclear response fund established under IC 10-14-6.

(7) Personnel positions of the agency are transferred to the department.

(8) This subdivision applies to an individual employed by the agency on April 14, 2005:
   (A) The individual is entitled to become an employee of the department on April 15, 2005.
   (B) The individual is entitled to have the individual's service as an employee of the agency before April 15, 2005, included for the purpose of computing all applicable employment rights and benefits with the department.

(9) All leases and obligations entered into by the agency before April 15, 2005, that are legal and valid on April 15, 2005, are obligations of the department beginning April 15, 2005.

(d) This SECTION expires July 1, 2008.

SECTION 61. [EFFECTIVE APRIL 15, 2005] (a) The definitions in IC 10-19-1, as added by this act, apply throughout this SECTION.

(b) As used in this SECTION, "fire and building services department" refers to the department established by IC 22-12-5-1, before its repeal by this act.

(c) As used in this SECTION, "department of homeland security" refers to the department established by IC 10-19-2-1, as added by this act.

(d) After April 14, 2005, the following apply:
   (1) The fire and building services department is abolished.
   (2) The powers and duties of the fire and building services department are transferred to the department of homeland security.
   (3) A reference to the fire and building services department in a statute, a rule, or another document is considered a reference to the department of homeland security.
(4) All the property of the fire and building services department is transferred to the department of homeland security.

(5) An appropriation to the fire and building services department, in effect after April 14, 2005, is transferred to the department of homeland security.

(6) The following funds are transferred to the department of homeland security:
   (A) The fire and building services fund established by IC 22-12-6-1.
   (B) The statewide arson investigation financial assistance fund established by IC 22-12-6-2.
   (C) The statewide fire and building safety education fund established by IC 22-12-6-3.
   (D) The firefighting and emergency equipment revolving loan fund established by IC 22-14-5-1.

(7) Personnel positions of the fire and building services department are transferred to the department of homeland security.

(8) This subdivision applies to an individual employed by the fire and building services department on April 14, 2005:
   (A) The individual is entitled to become an employee of the department of homeland security on April 15, 2005.
   (B) The individual is entitled to have the individual's service as an employee of the fire and building services department before April 15, 2005, included for the purpose of computing all applicable employment rights and benefits with the department of homeland security.

(9) All leases and obligations entered into by the fire and building services department before April 15, 2005, that are legal and valid on April 15, 2005, are obligations of the department of homeland security beginning April 15, 2005.

(e) This SECTION expires July 1, 2008.

SECTION 62. [EFFECTIVE APRIL 15, 2005] (a) The definitions in IC 10-19-1, as added by this act, apply throughout this SECTION.
   (b) As used in this SECTION, "division" refers to the division of fire and building safety of the department of homeland security established by IC 10-19-7-1, as added by this act.
(c) As used in this SECTION, "office" refers to the office of the state building commissioner established by IC 22-15-2-1, before its repeal by this act.

(d) After April 14, 2005, the following apply:

1. The office is abolished.
2. The powers and duties of the office are transferred to the division.
3. A reference to the office in a statute, a rule, or another document is considered a reference to the division.
4. All the property of the office is transferred to the division.
5. An appropriation to the office, in effect after April 14, 2005, is transferred to the division.
6. Personnel positions of the office are transferred to the division.
7. This subdivision applies to an individual employed by the office on April 14, 2005:
   A. The individual is entitled to become an employee of the division on April 15, 2005.
   B. The individual is entitled to have the individual's service as an employee of the office before April 15, 2005, included for the purpose of computing all applicable employment rights and benefits with the department of homeland security.
8. All leases and obligations entered into by the office before April 15, 2005, that are legal and valid on April 15, 2005, are obligations of the department of homeland security beginning April 15, 2005.

(e) This SECTION expires July 1, 2008.

SECTION 63. [EFFECTIVE APRIL 15, 2005] (a) The definitions in IC 10-19-1, as added by this act, apply throughout this SECTION.

(b) As used in this SECTION, "commissioner" refers to the state building commissioner appointed under IC 22-15-2-2, before its repeal by this act.

(c) As used in this SECTION, "division" refers to the division of fire and building safety of the department of homeland security established by IC 10-19-7-1, as added by this act.

(d) After April 14, 2005, the following apply:

1. The powers and duties of the commissioner are
transferred to the division.

(2) A reference to the commissioner in a statute, a rule, or another document is considered a reference to the division.

e) This SECTION expires July 1, 2008.

SECTION 64. [EFFECTIVE APRIL 15, 2005] (a) As used in this SECTION, "commission" refers to the fire prevention and building safety commission established by IC 22-12-2-1.

(b) Notwithstanding any other law, the term of office of a member of the commission serving on April 14, 2005, terminates April 15, 2005.

(c) The governor shall appoint the number of members of the commission provided by IC 22-12-2-2, as amended by this act.

(d) This SECTION expires July 1, 2009.

SECTION 65. [EFFECTIVE APRIL 15, 2005] (a) As used in this SECTION, "department" refers to the department of homeland security established by IC 10-19-2-1, as added by this act.

(b) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by the establishment of the department by this act.

(c) This SECTION expires July 1, 2006.

SECTION 66. [EFFECTIVE APRIL 15, 2005] (a) Beginning April 15, 2005, and ending July 1, 2005, this SECTION, and not IC 5-2-1-3, governs the membership of the law enforcement training board established by IC 5-2-1-3.

(b) As used in this SECTION, "board" refers to the law enforcement training board established by IC 5-2-1-3.

(c) The members of the board are to be selected as provided by IC 5-2-1. The board is composed of the following members:

1. The superintendent of the Indiana state police department, who shall serve as chairperson of the board.
2. The deputy director of the division of preparedness and training of the department of homeland security, who shall serve as the vice chairperson of the board.
3. The chief of police of a consolidated city.
4. One (1) county sheriff from a county with a population of at least one hundred thousand (100,000).
5. One (1) county sheriff from a county with a population of at least fifty thousand (50,000) but less than one hundred
thousand (100,000).
(6) One (1) county sheriff from a county with a population of less than fifty thousand (50,000).
(7) One (1) chief of police who is from a city with a population of at least thirty-five thousand (35,000) but who is not the chief of police of a consolidated city.
(8) One (1) chief of police from a city with a population of at least ten thousand (10,000) but less than thirty-five thousand (35,000).
(9) One (1) chief of police, police officer, or town marshal from a city or town with a population of less than ten thousand (10,000).
(10) One (1) prosecuting attorney.
(11) One (1) judge of a circuit or superior court exercising criminal jurisdiction.
(12) One (1) member representing professional journalism.
(13) One (1) member representing the medical profession.
(14) One (1) member representing education.
(15) One (1) member representing business and industry.
(16) One (1) member representing labor.
(17) One (1) member representing Indiana elected officials of counties, cities, and towns.
(d) The following members constitute an advisory council to assist the members of the board in an advisory, nonvoting capacity:
   (1) The special agent in charge of the Federal Bureau of Investigation field office covering the state of Indiana, subject to the agent’s approval to serve in such capacity.
   (2) The attorney general of Indiana.
   (3) One (1) member representing forensic science, to be appointed by the governor.
   (4) One (1) member representing theology, to be appointed by the governor.
   (5) The director of the law enforcement division of the department of natural resources.
(e) This SECTION expires July 1, 2005.
SECTION 67. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning property.

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

SECTION 1. IC 32-30-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section does not apply if a nuisance results from the negligent operation of an agricultural or industrial operation or its appurtenances.

(b) The general assembly declares that it is the policy of the state to conserve, protect, and encourage the development and improvement of its agricultural land for the production of food and other agricultural products. The general assembly finds that when nonagricultural land uses extend into agricultural areas, agricultural operations often become the subject of nuisance suits. As a result, agricultural operations are sometimes forced to cease operations, and many persons may be discouraged from making investments in farm improvements. It is the purpose of this section to reduce the loss to the state of its agricultural resources by limiting the circumstances under which agricultural operations may be deemed to be a nuisance.

(c) For purposes of this section, the continuity of an agricultural or industrial operation shall be considered to have been interrupted when the operation has been discontinued for more than one (1) year.

(d) An agricultural or industrial operation or any of its appurtenances is not and does not become a nuisance, private or public, by any changed conditions in the vicinity of the locality after the agricultural or industrial operation, as the case may be, has been in operation continuously on the locality for more than one (1) year if the following conditions exist:

1. There is no significant change in the hours of operation.
2. There is no significant change in the type of operation. and
   A significant change in the type of agricultural operation does not include the following:
   A. The conversion from one type of agricultural operation
to another type of agricultural operation. 
(B) A change in the ownership or size of the agricultural operation. 
(C) The: 
(i) enrollment; or 
(ii) reduction or cessation of participation; 
of the agricultural operation in a government program. 
(D) Adoption of new technology by the agricultural operation. 

(3) (2) The operation would not have been a nuisance at the time 
the agricultural or industrial operation began on that locality.

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

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

SECTION 1. IC 5-10-8-6 IS AMENDED TO READ AS FOLLOWS 
[EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The state police department, 
conservation officers of the department of natural resources, and the 
state excise police may establish common and unified plans of 
self-insurance for their employees, including retired employees, as 
separate entities of state government. These plans may be administered 
by a private agency, business firm, limited liability company, or 
corporation. 

(b) Except as provided in IC 5-10-14, the state agencies listed in 
subsection (a) may not pay as the employer portion part of benefits for 
any employee or retiree an amount greater than that paid for other state 
employees for group insurance. 

SECTION 2. IC 5-10-14 IS ADDED TO THE INDIANA CODE AS A 
NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 
1, 2005]:

P.L.24-2005
[S.484. Approved April 14, 2005.]
Chapter 14. State Police Officer Survivor Health Coverage

Sec. 1. As used in this chapter, "dies in the line of duty" refers to a death that occurs as a direct result of personal injury or illness resulting from an action that an employee, in the employee's capacity as an employee, is obligated or authorized to perform by rule, regulation, law, or condition of employment.

Sec. 2. As used in this chapter, "employee" means an individual who is employed full time by the state as a state police officer.

Sec. 3. (a) If the state police department offers health coverage for active employees, the state police department shall offer to provide and pay for health coverage under the health coverage plan provided for active employees for:

1. the surviving spouse; and
2. each natural child, stepchild, and adopted child;

of an employee who dies in the line of duty, regardless of whether the death occurs before July 1, 2005, or on or after July 1, 2005.

(b) The health coverage for a surviving natural child, stepchild, or adopted child provided under subsection (a) continues:

1. until the child becomes eighteen (18) years of age;
2. if the child is:
   (A) enrolled in and regularly attending a secondary school; or
   (B) a full-time student at an accredited college or university;

   until the child becomes twenty-three (23) years of age; or
3. if the child is physically or mentally disabled, until the end of the physical or mental disability;

   whichever period is longest.

(c) If the state police department offers health coverage to active employees, the health coverage that the state police department provides to a surviving spouse or a natural child, a stepchild, or an adopted child under this section must be equal to that offered to active employees.

(d) The state police department's offer to provide and pay for health coverage under subsection (a) must remain open as long as the state police department continues to offer the health coverage for active employees, and:

1. a surviving spouse is eligible for the health coverage under subsection (a); or
(2) a natural child, a stepchild, or an adopted child is eligible for the health coverage under subsections (a) and (b).

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

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

SECTION 1. IC 4-4-11-44 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 44. (a) As used in this section, "permit" means any state agency permit, license, certificate, approval, registration, or similar form of approval required by a statute or administrative rule.

(b) The shovel ready site development center is established within the authority. The center has the following duties:

(1) Providing comprehensive information on permits required for business activities in Indiana, and making this information available to any person.

(2) Working with other state government offices, departments, and administrative entities in assisting applicants in obtaining timely and efficient permit review and the resolution of issues arising from permit review.

(3) Encouraging the participation of federal and local government agencies in permit coordination.

SECTION 2. IC 4-4-11-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. (a) As used in this section, "permit" means any local, state, or federal agency permit, license, certificate, approval, registration, or similar form of approval required by statute, administrative rule, regulation, ordinance, or resolution.

(b) In addition to the duties set forth in section 44 of this
chapter, the shovel ready site development center shall, in cooperation with political subdivisions, create programs to enable political subdivisions to obtain all or part of any permits to create sites that are ready for economic development.

SECTION 3. IC 13-25-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in subsection (b), (c), or (d), a person that is liable under Section 107(a) of CERCLA (42 U.S.C. 9607(a)) for:

1. the costs of removal or remedial action incurred by the commissioner consistent with the national contingency plan;
2. the costs of any health assessment or health effects study carried out by or on behalf of the commissioner under Section 104(i) of CERCLA (42 U.S.C. 9604(i)); or
3. damages for:
   (A) injury to;
   (B) destruction of; or
   (C) loss of;
   natural resources of Indiana;

is liable, in the same manner and to the same extent, to the state under this section.

(b) The exceptions provided by Section 107(b) Sections 107(b), 107(q), and 107(r) of CERCLA (42 U.S.C. 9607(b)) to liability otherwise imposed by Section 107(a) of CERCLA (42 U.S.C. 9607(a)) are equally applicable to any liability otherwise imposed under subsection (a).

(c) Notwithstanding any liability imposed by the environmental management laws, a lender, a secured or unsecured creditor, or a fiduciary is not liable under the environmental management laws, in connection with the release or threatened release of a hazardous substance from a facility unless the lender, the fiduciary, or creditor has participated in the management of the hazardous substance at the facility.

(d) Notwithstanding any liability imposed by the environmental management laws, the liability of a fiduciary for a release or threatened release of a hazardous substance from a facility that is held by the fiduciary in its fiduciary capacity may be satisfied only from the assets held by the fiduciary in the same estate or trust as the facility that gives rise to the liability.
(e) A political subdivision (as defined in IC 36-1-2-13) is not liable to the state under this section for costs or damages associated with the presence of a hazardous substance on, in, or at a property in which the political subdivision acquired an interest in the property:
   (1) under IC 6-1.1-24 or IC 6-1.1-25, bankruptcy, abandonment, or other circumstances in which the political subdivision involuntarily acquired an interest in the property; or
   (2) to conduct remedial actions on a brownfield; after the hazardous substance was disposed of or placed on, in, or at the property.

SECTION 4. An emergency is declared for this act.

P.L.26-2005
[S.43. Approved April 15, 2005.]

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-8-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in (a) The definitions in this section apply throughout this chapter.
   (b) "Credentialing" means a process through which an insurer makes a determination:
      (1) based on criteria established by the insurer; and
      (2) concerning whether a provider is eligible to:
         (A) provide health care services to an insured; and
         (B) receive reimbursement for the health care services; under an agreement entered into between the provider and the insurer under section 3 of this chapter.
   (c) "Health care services":
      (1) means health care related services or products rendered or sold by a provider within the scope of the provider's license or legal authorization; and
      (2) includes hospital, medical, surgical, dental, vision, and
pharmaceutical services or products.

(d) "Insured" means an individual entitled to reimbursement for expenses of health care services under a policy issued or administered by an insurer.

(e) "Insurer" means an insurance company authorized in this state to issue policies that provide reimbursement for expenses of health care services.

(f) "Person" means an individual, an agency, a political subdivision, a partnership, a corporation, an association, or any other entity.

(g) "Preferred provider plan" means an undertaking to enter into agreements with providers relating to terms and conditions of reimbursements for the health care services of insureds, members, or enrollees relating to the amounts to be charged to insureds, members, or enrollees for health care services.

(h) "Provider" means an individual or entity duly licensed or legally authorized to provide health care services.

SECTION 2. IC 27-8-11-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section applies to an insurer that issues or administers a policy that provides coverage for basic health care services (as defined in IC 27-13-1-4).

(b) The department of insurance shall prescribe the credentialing application form used by the Council for Affordable Quality Healthcare (CAQH) in electronic or paper format, which must be used by:

(1) a provider who applies for credentialing by an insurer; and

(2) an insurer that performs credentialing activities.

(c) An insurer shall notify a provider concerning a deficiency on a completed credentialing application form submitted by the provider not later than thirty (30) business days after the insurer receives the completed credentialing application form.

(d) An insurer shall notify a provider concerning the status of the provider's completed credentialing application not later than:

(1) sixty (60) days after the insurer receives the completed credentialing application form; and

(2) every thirty (30) days after the notice is provided under subdivision (1), until the insurer makes a final credentialing
determination concerning the provider.

SECTION 3. IC 27-13-1-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. "Credentialing" means a process through which a health maintenance organization makes a determination:

(1) based on criteria established by the health maintenance organization; and

(2) concerning whether a provider may serve as a participating provider.

SECTION 4. IC 27-13-43 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 43. Credentialing

Sec. 1. (a) Except as provided in subsection (b), this chapter applies to a health maintenance organization that provides basic health care services.

(b) This chapter does not apply to the credentialing of a provider by a health maintenance organization if the provider's application for credentialing is only for purposes of providing health care services to the following:

(1) A Medicaid recipient under a Medicaid risk based managed care program described in IC 12-15-12.

(2) An individual who is covered under the children's health insurance program established under IC 12-17.6-2.

Sec. 2. (a) The department shall prescribe the credentialing application form used by the Council for Affordable Quality Healthcare (CAQH) in electronic or paper format, which must be used by:

(1) a provider who applies for credentialing by a health maintenance organization; and

(2) a health maintenance organization that performs credentialing activities.

(b) A health maintenance organization shall notify a provider concerning a deficiency on a completed credentialing application form submitted by the provider not later than thirty (30) business days after the health maintenance organization receives the completed credentialing application form.

(c) A health maintenance organization shall notify a provider
concerning the status of the provider's completed credentialing application not later than:

(1) sixty (60) days after the health maintenance organization receives the completed credentialing application form; and

(2) every thirty (30) days after the notice is provided under subdivision (1), until the health maintenance organization makes a final credentialing determination concerning the provider.

P.L.27-2005
[S.60. Approved April 15, 2005.]

AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

SECTION 1. IC 14-13-6-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) The commission is authorized to do the following:

(1) Hold public hearings.

(2) Request the presence and participation at a commission meeting of representatives of any governmental or private entity that has an interest in natural resources, tourism, historic preservation, archaeology, or environmental issues.

(3) Enter into contracts, within the limit of available funds, with individuals, organizations, and institutions for services that further the purposes of this chapter.

(4) Enter into contracts, within the limit of available funds, with local and regional nonprofit corporations and associations for cooperative endeavors that further the purposes of this chapter.

(5) Enter with governmental and private entities into cooperative agreements that further the purposes of this chapter.

(6) Receive appropriations of federal funds.

(7) Accept gifts, contributions, and bequests of funds from any source.
(8) Apply for, receive, and disburse funds available from the state or federal government in furtherance of the purposes of this chapter, and enter into any agreements that may be required as a condition of obtaining the funds.

(9) Enter into any agreement and perform any act that is necessary to carrying out the duties of the commission and the purposes of this chapter.

(b) The following conditions apply to the handling and disbursement of any funds that the commission receives under subsection (a)(8):

(1) The department shall provide accounting services pertaining to the funds.

(2) The commission may appoint an individual to act as treasurer of the commission for purposes of the handling and disbursement of the funds.

(3) Before the funds can be spent for any purpose, a claim for the All expenditure expenditures must be approved reviewed by the commission at a meeting of the commission.

(4) A claim against the funds may not be paid without the signatures 

(A) the president of the commission selected under section 44 of this chapter or the treasurer appointed under subdivision (2); and

(B) the director or the director's designee.

P.L.28-2005
[S.88. Approved April 15, 2005.]

AN ACT to amend the Indiana Code concerning courts and court officers.

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

SECTION 1. IC 33-38-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Benefits
provided under this section are subject to IC 33-38-6-13 and section 16 of this chapter.

(b) A participant whose employment as judge is terminated, regardless of cause, is entitled to a retirement annuity beginning on the date specified by the participant in a written application, if the following conditions are met:

(1) The date the annuity begins is not:
   (A) before the date of final termination of employment by the participant; or
   (B) the date thirty (30) days before the receipt of the participant's written application by the board.

(2) The participant:
   (A) is at least sixty-two (62) years of age and has at least eight (8) years of service credit;
   (B) is at least fifty-five (55) years of age and the participant's age in years plus the participant's years of service is at least eighty-five (85); or
   (C) has become permanently disabled.

(3) The participant is not receiving a salary from the state for services currently performed; except for services rendered in the capacity of judge pro tempore or senior judge, performed as:
   (A) a judge (as defined in IC 33-38-6-7); or
   (B) a magistrate under IC 33-23-5.

(c) A participant:
   (1) who:
      (A) elects to accept retirement after June 30, 1977; and
      (B) is at least sixty-five (65) years of age; or
   (2) who:
      (A) elects to accept retirement after June 30, 1999;
      (B) is at least fifty-five (55) years of age; and
      (C) meets the requirements under subsection (b)(2)(B);

   is entitled to an annual retirement benefit as calculated in subsection (d).

(d) The annual retirement benefit for a participant who meets the requirements of subsection (c) equals the product of:

   (1) the salary being paid for the office that the participant held at the time of the participant's separation from service; multiplied by

   (2) the percentage prescribed in the following table:
### TABLE A

<table>
<thead>
<tr>
<th>Participant's Years of Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>24%</td>
</tr>
<tr>
<td>9</td>
<td>27%</td>
</tr>
<tr>
<td>10</td>
<td>30%</td>
</tr>
<tr>
<td>11</td>
<td>33%</td>
</tr>
<tr>
<td>12</td>
<td>50%</td>
</tr>
<tr>
<td>13</td>
<td>51%</td>
</tr>
<tr>
<td>14</td>
<td>52%</td>
</tr>
<tr>
<td>15</td>
<td>53%</td>
</tr>
<tr>
<td>16</td>
<td>54%</td>
</tr>
<tr>
<td>17</td>
<td>55%</td>
</tr>
<tr>
<td>18</td>
<td>56%</td>
</tr>
<tr>
<td>19</td>
<td>57%</td>
</tr>
<tr>
<td>20</td>
<td>58%</td>
</tr>
<tr>
<td>21</td>
<td>59%</td>
</tr>
<tr>
<td>22 or more</td>
<td>60%</td>
</tr>
</tbody>
</table>

If a participant has a partial year of service in addition to at least eight (8) full years of service, an additional percentage shall be calculated by prorating between the applicable percentages, based on the number of months in the partial year of service. A participant who elects to accept retirement before July 1, 1977, is entitled to an annual retirement benefit that equals the average of the benefit computed under this subsection and the benefit the participant would have received under IC 33-38-6 as in effect on June 30, 1977.

(e) If the annual retirement benefit of a participant who began service as a judge before July 1, 1977, as computed under subsection (d), is less than the amount the participant would have received under IC 33-38-6 as in effect on June 30, 1977, the participant is entitled to receive the greater amount as the participant's annual retirement benefit instead of the benefit computed under subsection (d).

(f) Except as provided in subsections (b)(2)(B) and (d), if a participant who elects to accept retirement after June 30, 1977, has not attained sixty-five (65) years of age, the participant is entitled to receive a reduced annual retirement benefit that equals the benefit that would be payable if the participant were sixty-five (65) years of age reduced by one-tenth percent (0.1%) for each month that the
participant's age at retirement precedes the participant's sixty-fifth birthday. This reduction does not apply to:

1. participants who are separated from service because of permanent disability;
2. survivors of participants who die while in service after August 1, 1992; or
3. survivors of participants who die while not in service but while entitled to a future benefit.

(g) A participant who is permanently disabled is entitled to an annual benefit equal to the product of:

1. the salary being paid for the office that the participant held at the time of separation from service; multiplied by
2. the percentage prescribed in the following table:

<table>
<thead>
<tr>
<th>Participant's Years of Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-12</td>
<td>50%</td>
</tr>
<tr>
<td>13</td>
<td>51%</td>
</tr>
<tr>
<td>14</td>
<td>52%</td>
</tr>
<tr>
<td>15</td>
<td>53%</td>
</tr>
<tr>
<td>16</td>
<td>54%</td>
</tr>
<tr>
<td>17</td>
<td>55%</td>
</tr>
<tr>
<td>18</td>
<td>56%</td>
</tr>
<tr>
<td>19</td>
<td>57%</td>
</tr>
<tr>
<td>20</td>
<td>58%</td>
</tr>
<tr>
<td>21</td>
<td>59%</td>
</tr>
<tr>
<td>22 or more</td>
<td>60%</td>
</tr>
</tbody>
</table>

If a participant has a partial year of service in addition to at least eight (8) full years of service, an additional percentage shall be calculated by prorating between the applicable percentages, based on the number of months in the partial year of service.

(h) The surviving spouse or surviving child or children, as designated by the participant, of a participant who has qualified before July 1, 1977, to receive the retirement annuity under the provisions of this chapter, either by length of service or by being permanently disabled, shall, upon the death of such participant, be entitled to an annuity in an amount equal to the greater of:

1. the sum of:
(A) two thousand dollars ($2,000); plus
(B) fifty percent (50%) of the amount of retirement annuity the participant was drawing at the time of the participant's death, or to that which the participant would have been entitled had the participant retired and begun receiving retirement annuity benefits prior to the participant's death; or
(2) the amount determined under the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 1995, to June 30, 1996</td>
<td>$10,000</td>
</tr>
<tr>
<td>July 1, 1996, to June 30, 1997</td>
<td>$11,000</td>
</tr>
<tr>
<td>July 1, 1997, and thereafter</td>
<td>$12,000</td>
</tr>
</tbody>
</table>

(i) If a participant who qualifies after June 30, 1977, and before July 1, 1983, to receive a retirement annuity under the provisions of this chapter, either by length of service or by being permanently disabled, dies, the participant's surviving spouse or surviving child or children, as designated by the participant, is or are entitled to an annuity in an amount equal to the greater of:

(1) fifty percent (50%) of the amount of retirement annuity the participant was drawing at the time of death, or to that which the participant would have been entitled had the participant retired and begun receiving retirement annuity benefits before death; or
(2) the amount determined under TABLE C in subsection (h)(2).

(j) If a participant:

(1) dies after June 30, 1983; and
(2) on the date of the participant's death:
   (A) was receiving benefits under this chapter;
   (B) had completed at least eight (8) years of service and was in service as a judge;
   (C) was permanently disabled; or
   (D) had completed at least eight (8) years of service, was not still in service as a judge, and was entitled to a future benefit; the participant's surviving spouse or surviving child or children, as designated by the participant, is or are entitled, regardless of the participant's age, to an annuity in an amount equal to the greater of the
amount determined under TABLE C in subsection (h)(2) or fifty percent (50%) of the amount of retirement annuity the participant was drawing at the time of death, or to that which the participant would have been entitled had the participant retired and begun receiving retirement annuity benefits on the participant's date of death, with reductions as necessary under subsection (f).

(k) Notwithstanding subsection (j), if a participant:

(1) died after June 30, 1983, and before July 1, 1985; and
(2) was serving as a judge at the time of death;
the surviving spouse is entitled to the same retirement annuity as the surviving spouse of a permanently disabled participant entitled to benefits under subsection (i).

(l) The annuity payable to a surviving child or children under subsection (h), (i), or (j), is subject to the following:

(1) The total monthly benefit payable to a surviving child or children is equal to the same monthly annuity that was to have been payable to the surviving spouse.
(2) If there is more than one (1) child designated by the participant, then the children are entitled to share the annuity in equal monthly amounts.
(3) Each child entitled to an annuity shall receive that child's share until the child becomes eighteen (18) years of age or during the entire period of the child's physical or mental disability, whichever period is longer.
(4) Upon the cessation of payments to one (1) designated child, if there is at least one (1) other child then surviving and still entitled to payments, the remaining child or children shall share equally the annuity. If the surviving spouse of the participant is surviving upon the cessation of payments to all designated children, the surviving spouse will then receive the annuity for the remainder of the surviving spouse's life.
(5) The annuity shall be payable to the participant's surviving spouse if any of the following occur:

(A) No child named as a beneficiary by a participant survives the participant.
(B) No children designated by the participant are entitled to an annuity due to their age at the time of death of the participant.
(C) A designation is not made.
(6) An annuity payable to a surviving child or children may be paid to a trust or a custodian account under IC 30-2-8.5, established for the surviving child or children as designated by the participant.

SECTION 2. IC 33-38-8-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. A participant whose employment as judge is terminated is entitled to a retirement benefit computed under section 14 of this chapter, beginning on the date specified by the participant in a written application, if the following conditions are met:

(1) The date on which the benefit begins is not:
   (A) before the date of final termination of employment of the participant; or
   (B) the date thirty (30) days before the receipt of the application by the board.

(2) The participant:
   (A) is at least sixty-two (62) years of age and has at least eight (8) years of service credit;
   (B) is at least fifty-five (55) years of age and the participant's age in years plus the participant's years of service is at least eighty-five (85); or
   (C) has become permanently disabled.

(3) The participant is not receiving a salary from the state for services currently performed except for services rendered in the capacity of judge pro tempore or senior judge performed as:
   (A) a judge (as defined in IC 33-38-6-7); or
   (B) a magistrate under IC 33-23-5.

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 33-38-7-11, as amended by this act, applies to participants in the judges' 1977 retirement, disability, and death benefit system regardless of whether they:

(1) retired before July 1, 2005; or
(2) retire after June 30, 2005.

However, IC 33-38-7-11, as amended by this act, applies only to benefits first payable after June 30, 2005.

SECTION 4. [EFFECTIVE JULY 1, 2005] IC 33-38-8-13, as amended by this act, applies to participants in the judges' 1985 retirement, disability, and death benefit system regardless of
whether they:
   (1) retired before July 1, 2005; or
   (2) retire after June 30, 2005.
However, IC 33-38-8-13, as amended by this act, applies only to
benefits first payable after June 30, 2005.

P.L.29-2005
[S.111. Approved April 15, 2005.]

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

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

SECTION 1. IC 10-18-8-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The
respective authorities of counties, townships, cities, and towns may
appropriate annually to one (1) post, garrison, or camp of each of the
following organizations in the respective counties, townships, cities, or
towns a sum of not more than five hundred dollars ($500) to any post,
garrison, or camp to aid in defraying the expenses of Memorial Day:
   (1) Veterans of Foreign Wars of the United States.
   (2) United Spanish War Veterans.
   (3) Disabled American Veterans of the World War.
   (4) The American Legion.
   (6) Marine Corps League.
   (7) Veterans of World War I, Inc.
   (8) American Veterans of World War II.
   (9) Catholic War Veterans.
   (10) Jewish War Veterans.
   (11) American Ex-Prisoners of War.
   (12) American Veterans of World War II, Korea, and Vietnam
       (AMVETS).
   (13) American War Mothers.
(14) Blinded Veterans Association.
(15) Congressional Medal of Honor Society of the United States of America.
(16) Gold Star Wives of America, Inc.
(17) Legion of Valor of the U.S.A., Inc.
(18) Military Order of the Purple Heart of the U.S.A., Inc.
(19) Non Commissioned Officers Association (NCOA).
(20) Paralyzed Veterans of America.
(21) Pearl Harbor Survivors Association, Inc.
(22) Polish Legion of American Veterans, USA.
(23) Regular Veterans Association.
(25) U.S. Submarine Veterans of World War II.
(26) Vietnam Veterans of America, Inc.
(27) Women's Army Corps Veterans Association.

(b) In a county in which one (1) of the organizations listed in subsection (a) coordinates the Memorial Day celebration for the county, the county council may annually appropriate to the organization coordinating the celebration a sum not to exceed the total amount to which the organizations listed in subsection (a) would be collectively entitled to receive to defray the expenses of the Memorial Day celebration.

(b) (c) However, in a county in which there is a county Memorial Day society, county veterans' council, or any other county Memorial Day association not listed in subsection (a) that coordinates the Memorial Day celebration for the county instead of one (1) of the organizations listed in subsection (a), the county council may annually appropriate to one (1) society, council, or association, instead of the appropriations to the various organizations listed in subsection (a), a sum of not more than the total amounts to which the organizations listed in subsection (a) would be collectively entitled, to aid in defraying the expenses of the Memorial Day celebration.

SECTION 2. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning professions and occupations.

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

SECTION 1. IC 25-13-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as otherwise provided in this chapter, it is unlawful for any person to practice dental hygiene in Indiana without a license from the board authorizing that person to practice dental hygiene in this state.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

P.L.31-2005
[S.175. Approved April 15, 2005.]

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-38-2.5-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. As used in this chapter, "contract agency" means an agency or a company that contracts with a community corrections program or a probation department to monitor an offender or alleged offender using a monitoring device.

SECTION 2. IC 35-38-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this
chapter, "monitoring device" means an electronic device that:

(1) *is limited in capability to the recording can record or transmitting of transmit* information twenty-four (24) hours each day regarding an offender's:

(A) presence or absence from the offender's home; or

(B) precise location;

(2) is minimally intrusive upon the privacy of the offender or other persons residing in the offender's home; and

(3) with the written consent of the offender and with the written consent of other persons residing in the home at the time an order for home detention is entered, may record or transmit:

(A) a visual image; image;

(B) oral or wire an electronic communication or any auditory sound; or

(C) information regarding the offender's activities while inside the offender's home; and

(4) can notify a probation department, a community corrections program, or a contract agency if the offender violates the terms of a home detention order.

(b) The term includes any device that can reliably determine the location of an offender and track the locations where the offender has been, including a device that uses a global positioning system satellite service.

SECTION 3. IC 35-38-2.5-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.7. As used in this chapter, "violent offender" means a person who is:

(1) convicted of an offense or attempted offense except for an offense under IC 35-50-1-2(a), IC 35-42-2-1, IC 35-42-2-1.3, IC 35-43-1-1, IC 35-44-3-5, IC 35-45-10-5, IC 35-47-5-1 (repealed), or IC 35-47.5-5;

(2) charged with an offense or attempted offense listed in IC 35-50-1-2(a), IC 35-42-2-1, IC 35-42-2-1.3, IC 35-42-4, IC 35-43-1-1, IC 35-44-3-5, IC 35-45-10-5, IC 35-46-1-3, IC 35-47-5-1 (repealed), or IC 35-47.5-5; or

(3) a security risk as determined under section 10 of this chapter.

SECTION 4. IC 35-38-2.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A court may not order home detention for an offender unless the offender agrees to
abide by all of the requirements set forth in the court's order issued under this chapter.

(b) A court may not order home detention for an offender who is being held under a detainer, warrant, or process issued by a court of another jurisdiction.

(c) A court may not order home detention for an offender who has been convicted of a sex offense under IC 35-42-4 or IC 35-46-1-3 unless:

1. the home detention is supervised by a court approved home detention program; and
2. the conditions of home detention:
   (A) include twenty-four (24) hour per day supervision of the offender; and
   (B) require the use of surveillance equipment and a monitoring device that can transmit information twenty-four (24) hours each day regarding an offender's precise location.

SECTION 5. IC 35-38-2.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Each probation department or community corrections program shall establish written criteria and procedures for determining whether an offender or alleged offender that the department or program supervises on home detention qualifies as a violent offender.

(b) A probation department or community corrections program shall use the criteria and procedures established under subsection (a) to establish a record keeping system that allows the department or program to quickly determine whether an offender or alleged offender who violates the terms of a home detention order is a violent offender.

(c) A probation department or a community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall provide all law enforcement agencies (including any contract agencies) having jurisdiction in the place where the probation department or a community corrections program is located with a list of offenders and alleged offenders under home detention supervised by the probation department or the community corrections program. The list must include the following information about each offender and alleged offender:

1. The offender's name, any known aliases, and the location of
the offender's home detention.
(2) The crime for which the offender was convicted.
(3) The date the offender's home detention expires.
(4) The name, address, and telephone number of the offender's supervising probation or community corrections program officer for home detention.
(5) An indication of whether the offender or alleged offender is a violent offender.

(d) Except as provided under section 6(1) of this chapter, a probation department or community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall, at the beginning of a period of home detention, set the monitoring device and surveillance equipment to minimize the possibility that the offender or alleged offender can enter another residence or structure without a violation.

(e) A probation department or community corrections program charged by a court with supervision of offenders and alleged offenders ordered to undergo home detention shall:

(1) maintain or contract with a contract agency to maintain constant supervision of each offender and alleged offender; and

(2) have adequate staff available twenty-four (24) hours each day to respond if an offender or alleged offender violates the conditions of a home detention order.

(f) A contract agency that maintains supervision of an offender or alleged offender under subsection (e)(1) shall notify the contracting probation department or community corrections program within one (1) hour if the offender or alleged offender violates the conditions of a home detention order. However:

(1) a community corrections advisory board, if the offender is serving home detention as part of a community corrections program; or

(2) a probation department, if the offender or alleged offender is serving home detention as a condition of probation or bail; may shorten the time in which the contract agency must give notice of a home detention order violation.

(g) A probation department or community corrections program may contract with a contract agency under subsection (e)(1) only
if the contract agency can comply with subsection (f).

SECTION 6. IC 35-38-2.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) A probation department or community corrections program charged by a court with supervision of a violent offender placed on home detention under this chapter shall:

1. cause a local law enforcement agency or contract agency described in section 10 of this chapter to be the initial agency contacted upon determining that the violent offender is in violation of a court order for home detention; 

2. maintain constant supervision of the violent offender using surveillance equipment and a monitoring device and surveillance equipment that can transmit information twenty-four (24) hours each day regarding an offender's precise location. The supervising entity may do this by either:

   (1) using the supervising entity's equipment and personnel;
   or
   (2) contracting with an outside entity; a contract agency;

3. have adequate staff available twenty-four (24) hours each day to respond if the violent offender violates the conditions of a home detention order.

(b) A contract agency that maintains supervision of a violent offender under subsection (a)(2) shall notify the contracting probation department or community corrections program within one (1) hour if the violent offender violates the conditions of a home detention order. However, a:

1. community corrections advisory board, if the violent offender is serving home detention as part of a community corrections program; or
2. probation department, if the violent offender is serving home detention as a condition of probation or bail;

may shorten the time in which the contract agency must give notice of a home detention order violation.

(c) A probation department or community corrections program
may contract with a contract agency under subsection (a)(2) only
if the contract agency can comply with subsection (b).

AN ACT to amend the Indiana Code concerning courts and court
officers.

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

SECTION 1. IC 33-23-3-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A circuit court,
a superior court, a county court, a probate court, the tax court,
or the court of appeals may apply to the supreme court for the appointment of
a senior judge to serve the court.
(b) The application submitted under this section must include the
following:
(1) Reasons for the request.
(2) Estimated duration of the need for a senior judge.

SECTION 2. IC 33-23-3-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Upon approving the
request by a circuit court, a superior court, a county court, a probate
court, the tax court, or the court of appeals for a senior judge, the
supreme court may appoint a senior judge to serve that court for the
duration specified in the application submitted under section 1 of this
chapter.

SECTION 3. IC 33-23-3-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The supreme court
may not require a senior judge to accept an assignment to serve a
circuit court, a superior court, a county court, a probate court, the tax
court, or the court of appeals. If a senior judge declines an assignment
to serve, the supreme court may offer the senior judge subsequent
assignments to serve a circuit court, a superior court, a county court, a
probate court, the tax court, or the court of appeals.
SECTION 4. IC 33-24-3-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The supreme
court may appoint a judge who is certified as a senior judge by the
judicial nominating commission to serve a circuit court, or a superior
court, a county court, a probate court, the tax court, or the court of
appeals if the court requests the services of a senior judge.
(b) The supreme court may adopt rules concerning:
(1) certification by the judicial nominating commission; and
(2) appointment by the supreme court;
of senior judges.

P.L.33-2005
[S.303. Approved April 15, 2005.]

AN ACT to amend the Indiana Code concerning courts and court
officers.

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

SECTION 1. IC 33-33-49-32 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) In addition to
the magistrate appointed under section 31 of this chapter, the judges of
the superior court may, by a vote of a majority of the judges, appoint
four (4) full-time magistrates under IC 33-23-5.
(b) Not more than two (2) of the magistrates appointed under this
section may be of the same political party.
(c) The magistrates continue in office until removed by the vote of
a majority of the judges of the court.
(d) A party to a superior court proceeding that has been assigned to
a magistrate appointed under this section may request that an elected
judge of the superior court preside over the proceeding instead of the
magistrate to whom the proceeding has been assigned. A request
under this subsection must be in writing and must be filed with the
court:
(1) in a civil case, not later than:
(A) ten (10) days after the pleadings are closed; or
(B) thirty (30) days after the case is entered on the chronological case summary, in a case in which the defendant is not required to answer; or
(2) in a criminal case, not later than ten (10) days after the omnibus date.

Upon a timely request made under this subsection by either party, the magistrate to whom the proceeding has been assigned shall transfer the proceeding back to the superior court judge.

SECTION 2. IC 33-33-49-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) The executive committee elected under section 14 of this chapter shall employ a court administrator to administer the business activities of the court. A court administrator is subject to rules of the court and oversight by the executive committee.

(b) The salary of the court administrator shall be set by the executive committee. but may not be more than eighty percent (80%) of the salary of a superior court judge.

AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

SECTION 1. IC 4-13.6-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If the estimated cost of a public works project is less than seventy-five thousand dollars ($75,000), the division may perform the public work without awarding a public works contract under section 2 of this chapter. In performing the public work, the division may authorize use of equipment owned, rented, or leased by the state, may authorize purchase of materials in the manner provided by law, and may authorize performance of the
public work using employees of the state.

(b) If a public works project involves a structure, improvement, or facility under the control of the department of natural resources, the department of natural resources may purchase materials for the project in the manner provided by law and without a contract being awarded, and may use its employees to perform the labor and supervision, if:

1. the department of natural resources uses equipment owned or leased by it; and
2. the division of engineering of the department of natural resources estimates the cost of the public works project will be less than $50,000.

(c) If a public works project involves a structure, improvement, or facility under the control of the department of correction, the department of correction may purchase materials for the project in the manner provided by law and use inmates in the custody of the department of correction to perform the labor and use its own employees for supervisory purposes, without awarding a contract, if:

1. the department of correction uses equipment owned or leased by it; and
2. the estimated cost of the public works project using employee or inmate labor is less than the greater of:
   (A) fifty thousand dollars ($50,000); or
   (B) the project cost limitation set by IC 4-13-2-11.1.

All public works projects covered by this subsection must comply with the remaining provisions of this article, and all plans and specifications for the public works project must be approved by a licensed architect or engineer.
AN ACT to amend the Indiana Code concerning utilities and transportation.

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

SECTION 1. IC 8-23-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The department, through the commissioner or the commissioner's designee, shall:

(1) develop, continuously update, and implement:
   (A) long range comprehensive transportation plans;
   (B) work programs; and
   (C) budgets;

to assure the orderly development and maintenance of an efficient statewide system of transportation;
(2) implement the policies, plans, and work programs adopted by the department;
(3) organize by creating, merging, or abolishing divisions;
(4) evaluate and utilize whenever possible improved transportation facility maintenance and construction techniques;
(5) carry out public transportation responsibilities, including:
   (A) developing and recommending public transportation policies, plans, and work programs;
   (B) providing technical assistance and guidance in the area of public transportation to political subdivisions with public transportation responsibilities;
   (C) developing work programs for the utilization of federal mass transportation funds;
   (D) furnishing data from surveys, plans, specifications, and estimates required to qualify a state agency or political subdivision for federal mass transportation funds;
   (E) conducting or participating in any public hearings to qualify urbanized areas for an allocation of federal mass transportation funding;
(F) serving, upon designation of the governor, as the state agency to receive and disburse any state or federal mass transportation funds that are not directly allocated to an urbanized area;

(G) entering into agreements with other states, regional agencies created in other states, and municipalities in other states for the purpose of improving public transportation service to the citizens; and

(H) developing and including in its own proposed transportation plan a specialized transportation services plan for the elderly and persons with disabilities;

(6) provide technical assistance to units of local government with road and street responsibilities;

(7) develop, undertake, and administer the program of research and extension required under IC 8-17-7; and

(8) allow public testimony in accordance with section 17 of this chapter whenever the department holds a public hearing (as defined in section 17 of this chapter); and

(9) adopt rules under IC 4-22-2 to reasonably and cost effectively manage the right-of-way of the state highway system by establishing a formal procedure for highway improvement projects that involve the relocation of utility facilities by providing for an exchange of information among the department, utilities, and the department’s highway construction contractors.

(b) Rules adopted under subsection (a)(9) shall not unreasonably affect the cost, or impair the safety or reliability, of a utility service.

(c) A civil action may be prosecuted by or against the department, a department highway construction contractor or a utility to recover costs and expenses directly resulting from willful violation of the rules. Nothing in this section or in subsection (a)(9) shall be construed as granting authority to the department to adopt rules establishing fines, assessments or other penalties for or against utilities or the department’s highway construction contractors.

SECTION 2. IC 8-23-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The department may acquire real
property for any purpose necessary to carry out this article, including the following:

(1) To locate, relocate, construct, reconstruct, repair, or maintain a state highway, including area for:
   (A) the placement of a utility facility within the right-of-way of the state highway system; or
   (B) the relocation of a utility facility within the right-of-way of the state highway system due to interference with a highway improvement project.

(2) To widen or straighten a highway.

(3) To clear and remove obstructions to vision at crossings and curves.

(4) To construct weigh stations and rest areas.

(5) To provide scenic easements and other areas necessary to cooperate with the federal government or carry out a federal law.

(6) To facilitate long-range transportation planning.

SECTION 3. IC 8-23-9-58 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 58. (a) This section applies to a construction contract entered into by the department and a contractor after June 30, 2005.

   (b) The department may not include in a contract, or in any specifications or other documents that are a part of or incorporated in a contract, a provision that prohibits a contractor from receiving, or restricts the contractor in receiving, reasonable compensation or reasonable expenses directly related to unforeseen conditions encountered during the construction project as a result of:

   (1) a conflict with the facilities of a utility (as defined in IC 8-1-9-2(a)); or

   (2) delays due to the relocation of utility facilities; that differ materially from the affected utilities or utility relocations specified in the contract documents.

SECTION 4. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the Indiana department of transportation established by IC 8-23-2-1.

   (b) Not later than June 30, 2005, the department shall revise the department's standard specifications, drawings, and other
documents that apply to a construction contract under IC 8-23-9 to remove any provision that prohibits a contractor from receiving, or restricts the contractor in receiving, reasonable compensation or reasonable expenses directly related to unforeseen conditions encountered during a construction project as a result of:

1. a conflict with the facilities of a utility (as defined in IC 8-1-9-2(a)); or
2. delays due to the relocation of utility facilities; that differ materially from the affected utilities or utility relocations specified in the contract documents for a particular project.

(c) This SECTION expires January 1, 2007.

SECTION 5. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-34-2-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) An abortion shall not be performed except with the voluntary and informed consent of the pregnant woman upon whom the abortion is to be performed. Except in the case of a medical emergency, consent to an abortion is voluntary and informed only if the following conditions are met:

1. At least eighteen (18) hours before the abortion and in the presence of the pregnant woman, the physician who is to perform the abortion, the referring physician or a physician assistant (as defined in IC 25-27.5-2-10), an advanced practice nurse (as defined in IC 25-23-1-1(b)), or a midwife (as defined in IC 34-18-2-19) to whom the responsibility has been delegated by the physician who is to perform the abortion or the referring physician has orally informed the pregnant woman of the
following:

(A) The name of the physician performing the abortion.
(B) The nature of the proposed procedure or treatment.
(C) The risks of and alternatives to the procedure or treatment.
(D) The probable gestational age of the fetus, including an offer to provide:
   (i) a picture or drawing of a fetus;
   (ii) the dimensions of a fetus; and
   (iii) relevant information on the potential survival of an unborn fetus;
   at this stage of development.
(E) The medical risks associated with carrying the fetus to term.

(F) The availability of fetal ultrasound imaging and auscultation of fetal heart tone services to enable the pregnant woman to view the image and hear the heartbeat of the fetus and how to obtain access to these services.

(2) At least eighteen (18) hours before the abortion, the pregnant woman will be orally informed of the following:

(A) That medical assistance benefits may be available for prenatal care, childbirth, and neonatal care from the county office of family and children.
(B) That the father of the unborn fetus is legally required to assist in the support of the child. In the case of rape, the information required under this clause may be omitted.
(C) That adoption alternatives are available and that adoptive parents may legally pay the costs of prenatal care, childbirth, and neonatal care.

(3) The pregnant woman certifies in writing, before the abortion is performed, that the information required by subdivisions (1) and (2) has been provided.

(b) Before an abortion is performed, the pregnant woman may, upon the pregnant woman’s request, view the fetal ultrasound imaging and hear the auscultation of the fetal heart tone if the fetal heart tone is audible.
AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-10.5-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The division of disability, aging, and rehabilitative services established by IC 12-9-1-1 shall administer the caretaker support program established under this chapter.

(b) The division of disability, aging, and rehabilitative services shall do the following:

(1) Subject to section 9 of this chapter, adopt rules under IC 4-22-2 for the coordination and administration of the caretaker support program.

(2) Administer any money for the caretaker support program that is appropriated by the general assembly.

SECTION 2. IC 12-10.5-1-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Before finally adopting a rule under IC 4-22-2 to implement this chapter, the division shall consult with and fully consider any comments submitted by:

(1) caretakers providing care for a special needs individual under this chapter;

(2) individuals with special needs receiving care from a caretaker under this chapter;

(3) area agencies on aging;

(4) consumers and providers of home and community based services under IC 12-10-10 and IC 12-10-11.5; and

(5) any other agency, volunteer group, faith based group, or individual that the division considers appropriate;

(b) Rules adopted under this chapter must:
include protections for the rights, safety, and welfare of individuals with special needs receiving care from a caretaker under this chapter, including reasonable monitoring and reporting requirements;

(2) serve distinct populations, including:
   (A) the aged;
   (B) persons with developmental disabilities; and
   (C) persons with physical disabilities;
   in a manner that recognizes, and appropriately responds to, the particular needs of the population;

(3) not create barriers to the availability of home and community based services under IC 12-10-10 and IC 12-10-11.5 by imposing costly or unduly burdensome requirements on caretakers or other service providers, including:
   (A) requirements for proof of financial responsibility; and
   (B) monitoring, enforcement, reporting, or other administrative requirements; and

(4) otherwise comply with IC 12-10-10, IC 12-10-11.5, and this chapter.

(c) Before submitting a rule adopted under this chapter to the attorney general for final approval under IC 4-22-2-31, the division shall submit to the publisher (as defined in IC 4-22-2-3(f)) for publication in the Indiana Register the division's written response under IC 4-22-2-23 to any comments received from the parties described in subsection (a).

SECTION 3. IC 12-10.5-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Subject to section 3 of this chapter, the division may adopt rules under IC 4-22-2 necessary to carry out this chapter.

SECTION 4. IC 12-10.5-2-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Before finally adopting a rule under IC 4-22-2 to implement this chapter, the division shall consult with and fully consider any comments submitted by:

(1) continuum of care providers providing care under this chapter;

(2) individuals receiving care under this chapter;

(3) area agencies on aging;
(4) consumers and providers of home and community based services under IC 12-10-10 and IC 12-10-11.5; and
(5) any other agency, volunteer group, faith based group, or individual that the division considers appropriate;
to ensure that the rule complies with the requirements set forth in subsection (b).

(b) Rules adopted under this chapter must:
(1) include protections for the rights, safety, and welfare of individuals receiving care under this chapter;
(2) serve distinct populations, including:
   (A) the aged;
   (B) persons with developmental disabilities; and
   (C) persons with physical disabilities;
in a manner that recognizes, and appropriately responds to, the particular needs of the population;
(3) not create barriers to the availability of home and community based services under IC 12-10-10 and IC 12-10-11.5 by imposing costly or unduly burdensome requirements on continuum of care providers or other service providers, including:
   (A) requirements for proof of financial responsibility; and
   (B) monitoring, enforcement, reporting, or other administrative requirements; and
(4) otherwise comply with IC 12-10-10, IC 12-10-11.5, and this chapter.

(c) Before submitting a rule adopted under this chapter to the attorney general for final approval under IC 4-22-2-31, the division shall submit to the publisher (as defined in IC 4-22-2-3(f)) for publication in the Indiana Register the division's written response under IC 4-22-2-23 to any comments received from the parties described in subsection (a).

SECTION 5. [EFFECTIVE UPON PASSAGE] 460 IAC 1.1 is void.
The publisher of the Indiana Administrative Code and Indiana Register shall remove this article from the Indiana Administrative Code.

SECTION 6. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the administrative rules oversight committee established by IC 2-5-18-4.
(b) As used in this SECTION, "division" refers to the division
of disability, aging, and rehabilitative services established by IC 12-9-1-1.

(c) The division shall adopt rules under IC 4-22-2 to implement IC 12-10.5-1 and IC 12-10.5-2, both as amended by this act, not later than January 1, 2006.

(d) Not later than September 1, 2005, the division shall report to the committee on the division's progress in adopting the rules described in subsection (c).

(e) This SECTION expires January 1, 2007.

SECTION 7. An emergency is declared for this act.

---

P.L.38-2005
[H.1126. Approved April 19, 2005.]

AN ACT to amend the Indiana Code concerning civil law and procedure.

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

SECTION 1. IC 34-30-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This section does not apply to a health care provider (as defined in IC 34-18-2-14).

(b) Notwithstanding any other provision of or any other law, An individual who:

(1) serves without compensation as a volunteer or volunteer director of:

(A) a nonprofit corporation operating under IC 12-29-3-6; or
(B) an agency providing services under IC 12-12-3; or
(C) a nonprofit organization that is exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code; and

(2) exercises reasonable care in the performance of the individual's duties of a director; as a volunteer or a volunteer director of an entity described in subdivision (1);
is immune from civil liability arising out of the performance of those duties.

P.L.39-2005
[H.1219. Approved April 19, 2005.]

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-1-22-26.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 26.1. (a) As used in this section, "armed forces" means the active and reserve components of the following:

(1) The United States Army.
(2) The United States Navy.
(3) The United States Air Force.
(4) The United States Marine Corps.
(5) The United States Coast Guard.
(6) The Indiana National Guard.

(b) As used in this section, "motor vehicle insurance" means any type of insurance described in IC 27-1-5-1, Class 2(f).

(c) As used in this chapter, "rating plan" means the rating schedule or rating plan of an insurer:

(1) concerning premium rates for motor vehicle insurance;
(2) that has been filed with the commissioner; and
(3) that is in effect under section 4 of this chapter.

(d) An insurer that issues or renews a policy of motor vehicle insurance may not set the premium rate for a policy of motor vehicle insurance that covers an individual who is serving in one (1) of the armed forces at an amount higher than the applicable rate set forth in the rating plan for a policy of motor vehicle insurance that covers an individual who is not serving in one (1) of the armed forces.
(e) A violation of this section is an unfair and deceptive act or practice in the business of insurance under IC 27-4-1-4.

SECTION 2. IC 27-4-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The following are hereby defined as unfair methods of competition and unfair and deceptive acts and practices in the business of insurance:

(1) Making, issuing, circulating, or causing to be made, issued, or circulated, any estimate, illustration, circular, or statement:
   (A) misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon;
   (B) making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies;
   (C) making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates;
   (D) using any name or title of any policy or class of policies misrepresenting the true nature thereof; or
   (E) making any misrepresentation to any policyholder insured in any company for the purpose of inducing or tending to induce such policyholder to lapse, forfeit, or surrender the policyholder's insurance.

(2) Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to any person in the conduct of the person's insurance business, which is untrue, deceptive, or misleading.

(3) Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating of any oral or written statement or any pamphlet, circular, article, or literature which is
false, or maliciously critical of or derogatory to the financial condition of an insurer, and which is calculated to injure any person engaged in the business of insurance.

(4) Entering into any agreement to commit, or individually or by a concerted action committing any act of boycott, coercion, or intimidation resulting or tending to result in unreasonable restraint of, or a monopoly in, the business of insurance.

(5) Filing with any supervisory or other public official, or making, publishing, disseminating, circulating, or delivering to any person, or placing before the public, or causing directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false statement of financial condition of an insurer with intent to deceive. Making any false entry in any book, report, or statement of any insurer with intent to deceive any agent or examiner lawfully appointed to examine into its condition or into any of its affairs, or any public official to which such insurer is required by law to report, or which has authority by law to examine into its condition or into any of its affairs, or, with like intent, willfully omitting to make a true entry of any material fact pertaining to the business of such insurer in any book, report, or statement of such insurer.

(6) Issuing or delivering or permitting agents, officers, or employees to issue or deliver, agency company stock or other capital stock, or benefit certificates or shares in any common law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance.

(7) Making or permitting any of the following:
   (A) Unfair discrimination between individuals of the same class and equal expectation of life in the rates or assessments charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract; however, in determining the class, consideration may be given to the nature of the risk, plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.
   (B) Unfair discrimination between individuals of the same
class involving essentially the same hazards in the amount of premium, policy fees, assessments, or rates charged or made for any policy or contract of accident or health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever; however, in determining the class, consideration may be given to the nature of the risk, the plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(C) Excessive or inadequate charges for premiums, policy fees, assessments, or rates, or making or permitting any unfair discrimination between persons of the same class involving essentially the same hazards, in the amount of premiums, policy fees, assessments, or rates charged or made for:

(i) policies or contracts of reinsurance or joint reinsurance, or abstract and title insurance;

(ii) policies or contracts of insurance against loss or damage to aircraft, or against liability arising out of the ownership, maintenance, or use of any aircraft, or of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance; or

(iii) policies or contracts of any other kind or kinds of insurance whatsoever.

However, nothing contained in clause (C) shall be construed to apply to any of the kinds of insurance referred to in clauses (A) and (B) nor to reinsurance in relation to such kinds of insurance.

Nothing in clause (A), (B), or (C) shall be construed as making or permitting any excessive, inadequate, or unfairly discriminatory charge or rate or any charge or rate determined by the department or commissioner to meet the requirements of any other insurance rate regulatory law of this state.

(8) Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any contract or policy of insurance of any kind or kinds whatsoever, including but not in limitation, life annuities, or agreement as to such contract or policy other than as plainly expressed in such contract or policy issued thereon, or paying or allowing, or giving or offering to pay,
allow, or give, directly or indirectly, as inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends, savings, or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract or policy; or giving, or selling, or purchasing or offering to give, sell, or purchase as inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, limited liability company, or partnership, or any dividends, savings, or profits accrued thereon, or anything of value whatsoever not specified in the contract. Nothing in this subdivision and subdivision (7) shall be construed as including within the definition of discrimination or rebates any of the following practices:

(A) Paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, so long as any such bonuses or abatement of premiums are fair and equitable to policyholders and for the best interests of the company and its policyholders.

(B) In the case of life insurance policies issued on the industrial debit plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expense.

(C) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, which may be made retroactive only for such policy year.

(D) Paying by an insurer or insurance producer thereof duly licensed as such under the laws of this state of money, commission, or brokerage, or giving or allowing by an insurer or such licensed insurance producer thereof anything of value, for or on account of the solicitation or negotiation of policies or other contracts of any kind or kinds, to a broker, an insurance producer, or a solicitor duly licensed under the laws of this state, but such broker, insurance producer, or solicitor
receiving such consideration shall not pay, give, or allow credit for such consideration as received in whole or in part, directly or indirectly, to the insured by way of rebate.

(9) Requiring, as a condition precedent to loaning money upon the security of a mortgage upon real property, that the owner of the property to whom the money is to be loaned negotiate any policy of insurance covering such real property through a particular insurance producer or broker or brokers. However, this subdivision shall not prevent the exercise by any lender of the lender's right to approve or disapprove of the insurance company selected by the borrower to underwrite the insurance.

(10) Entering into any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of commerce in the business of insurance.

(11) Monopolizing or attempting to monopolize or combining or conspiring with any other person or persons to monopolize any part of commerce in the business of insurance. However, participation as a member, director, or officer in the activities of any nonprofit organization of insurance producers or other workers in the insurance business shall not be interpreted, in itself, to constitute a combination in restraint of trade or as combining to create a monopoly as provided in this subdivision and subdivision (10). The enumeration in this chapter of specific unfair methods of competition and unfair or deceptive acts and practices in the business of insurance is not exclusive or restrictive or intended to limit the powers of the commissioner or department or of any court of review under section 8 of this chapter.

(12) Requiring as a condition precedent to the sale of real or personal property under any contract of sale, conditional sales contract, or other similar instrument or upon the security of a chattel mortgage, that the buyer of such property negotiate any policy of insurance covering such property through a particular insurance company, insurance producer, or broker or brokers. However, this subdivision shall not prevent the exercise by any seller of such property or the one making a loan thereon of the right to approve or disapprove of the insurance company selected by the buyer to underwrite the insurance.
(13) Issuing, offering, or participating in a plan to issue or offer, any policy or certificate of insurance of any kind or character as an inducement to the purchase of any property, real, personal, or mixed, or services of any kind, where a charge to the insured is not made for and on account of such policy or certificate of insurance. However, this subdivision shall not apply to any of the following:

(A) Insurance issued to credit unions or members of credit unions in connection with the purchase of shares in such credit unions.

(B) Insurance employed as a means of guaranteeing the performance of goods and designed to benefit the purchasers or users of such goods.

(C) Title insurance.

(D) Insurance written in connection with an indebtedness and intended as a means of repaying such indebtedness in the event of the death or disability of the insured.

(E) Insurance provided by or through motorists service clubs or associations.

(F) Insurance that is provided to the purchaser or holder of an air transportation ticket and that:
   (i) insures against death or nonfatal injury that occurs during the flight to which the ticket relates;
   (ii) insures against personal injury or property damage that occurs during travel to or from the airport in a common carrier immediately before or after the flight;
   (iii) insures against baggage loss during the flight to which the ticket relates; or
   (iv) insures against a flight cancellation to which the ticket relates.

(14) Refusing, because of the for-profit status of a hospital or medical facility, to make payments otherwise required to be made under a contract or policy of insurance for charges incurred by an insured in such a for-profit hospital or other for-profit medical facility licensed by the state department of health.

(15) Refusing to insure an individual, refusing to continue to issue insurance to an individual, limiting the amount, extent, or kind of coverage available to an individual, or charging an individual a
different rate for the same coverage, solely because of that individual's blindness or partial blindness, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience.

(16) Committing or performing, with such frequency as to indicate a general practice, unfair claim settlement practices (as defined in section 4.5 of this chapter).

(17) Between policy renewal dates, unilaterally canceling an individual's coverage under an individual or group health insurance policy solely because of the individual's medical or physical condition.

(18) Using a policy form or rider that would permit a cancellation of coverage as described in subdivision (17).

(19) Violating IC 27-1-22-25, or IC 27-1-22-26, or IC 27-1-22-26.1 concerning motor vehicle insurance rates.

(20) Violating IC 27-8-21-2 concerning advertisements referring to interest rate guarantees.

(21) Violating IC 27-8-24.3 concerning insurance and health plan coverage for victims of abuse.

(22) Violating IC 27-8-26 concerning genetic screening or testing.

(23) Violating IC 27-1-15.6-3(b) concerning licensure of insurance producers.

(24) Violating IC 27-1-38 concerning depository institutions.

(25) Violating IC 27-8-28-17(c) or IC 27-13-10-8(c) concerning the resolution of an appealed grievance decision.

(26) Violating IC 27-8-5-2.5(e) through IC 27-8-5-2.5(j) or IC 27-8-5-19.2.

(27) Violating IC 27-2-21 concerning use of credit information.
AN ACT to amend the Indiana Code concerning agriculture and animals.

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

SECTION 1. IC 15-4-1-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) Except as provided in subsection (c), a political subdivision (as defined in IC 36-1-2-13) may not regulate the advertising, labeling, distribution, sale, transportation, storage, or use of seeds.

(b) A political subdivision may, by resolution, petition the state seed commissioner for a hearing to allow a waiver to adopt an ordinance because of special circumstances relating to the advertising, labeling, distribution, sale, transportation, storage, or use of seeds. If a petition is received, the state seed commissioner shall hold a public hearing to consider granting the waiver requested. The public hearing must be conducted in an informal manner. IC 4-21.5 does not apply to a public hearing under this section.

(c) If the state seed commissioner, after a public hearing under subsection (b), grants a political subdivision's petition for a waiver, the political subdivision may regulate the advertising, labeling, distribution, sale, transportation, storage, or use of seeds to the extent allowed by the waiver.
AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

SECTION 1. IC 31-11-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A person who: (1) is: (A) An applicant for a marriage license who (B) a physician who examines a marriage license applicant under IC 31-11-5; or (C) a person who makes a test of an applicant's blood under IC 31-11-5; and (2) knowingly furnishes false information concerning a marriage license the applicant's physical condition to the clerk of a circuit court commits a Class D felony.

SECTION 2. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 31-11-5; IC 34-46-2-27.

SECTION 3. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning utilities and transportation.

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

SECTION 1. IC 8-1-13-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18.5. (a) Except as provided in subsection (i), a corporation organized under this chapter or a corporation organized under IC 23-17 whose membership includes one (1) or more corporations organized under this chapter may withdraw from the jurisdiction of the commission. A corporation organized under this chapter that withdraws from the jurisdiction of the commission must comply with all provisions of this chapter that do not directly concern the commission and must continue to pay the public utility fee required under IC 8-1-6. A member of a corporation that has withdrawn from the commission's jurisdiction shall have reasonable access to the meetings and the minutes of the meetings of the corporation's board of directors, except for executive sessions that concern personnel matters and confidential or proprietary matters that may:

(1) invade the privacy of a member or an employee of the corporation; or

(2) impair the corporation's bargaining, legal, or competitive position;

if the matter is disclosed to the member.

(b) A corporation that proposes to withdraw under this chapter from the jurisdiction of the commission must first obtain the approval of the members.

(c) The board of a corporation that proposes to withdraw under this chapter from the jurisdiction of the commission must conduct a referendum of the members of the corporation to determine whether the members approve of the removal of the corporation from the jurisdiction of the commission.
(d) A board must send written notice of the board's intent to conduct a referendum to the commission before the board may conduct the referendum.

(e) A referendum may be conducted at an annual or special meeting of the members held under section 8 of this chapter if a quorum is present.

(f) Written notice of a meeting at which a referendum is to be conducted must be sent to every member not less than thirty (30) days before the date of the meeting. The notice must contain the following information:

1. The place, date, and hour of the meeting.
2. The fact that a referendum will be conducted at the meeting to determine whether the members approve of the removal of the corporation from the jurisdiction of the commission.
3. The fact that no proxies will be permitted to determine whether the members approve of the removal of the corporation from the jurisdiction of the commission.

(g) A board shall distribute secret ballots to the members present at the meeting. The ballots must be in a form substantially equivalent to the following:

___ YES. I want the corporation to withdraw from the jurisdiction of the commission.
___ NO. I want the corporation to remain under the jurisdiction of the commission.

Only those members present in person at the meeting may vote. Each member is entitled to one (1) vote on the question of the corporation's withdrawal from jurisdiction of the commission. If a majority of the members present vote in favor of withdrawing from the jurisdiction of the commission, the withdrawal is effective thirty (30) days after the date of the vote. If less than a majority of the members vote in favor of withdrawing the corporation from jurisdiction of the commission, the corporation is prohibited from conducting another referendum concerning withdrawal for eighteen (18) months following the date of the meeting at which the vote was taken. Parties aggrieved by the conduct of the referendum must file an action in the circuit or superior court with jurisdiction in the county where the corporation has the corporation's principal office to allege noncompliance with this section not more than thirty (30) days after the date of the vote.
(h) If a corporation withdraws from jurisdiction of the commission, the corporation's secretary shall not more than five (5) days after the date of the vote send a verified certification of the vote to the commission affirming that all the requirements of this section were met and include all of the following:

(1) The total membership of the corporation.
(2) The total number of members voting in the referendum.
(3) The actual vote, for and against withdrawal.

(i) If a corporation withdraws from the jurisdiction of the commission, the commission shall continue to exercise jurisdiction over the corporation only as to the following:

(1) Electric service area assignments under IC 8-1-2.3.
(2) Certificates of public convenience and necessity, certificates of territorial authority, and indeterminate permits under IC 8-1-2, IC 8-1-8.5, or IC 8-1-8.7.
(3) Water utility disputes under IC 8-1-2-86.5.

(j) Whenever two (2) or more corporations organized under this chapter consolidate or merge under section 16 of this chapter, and one (1) but not all of the corporations has withdrawn from the jurisdiction of the commission under this section, the consolidated or merged corporation is under the jurisdiction of the commission until the consolidated or merged corporation withdraws from jurisdiction of the commission under this section, unless the agreement for consolidation or merger approved under section 16 of this chapter includes the withdrawal from the jurisdiction of the commission under this section.

(k) A board of a corporation that has withdrawn from the jurisdiction of the commission under this section must conduct a referendum of the corporation's members to determine whether the corporation should return to the jurisdiction of the commission upon receipt of:

(1) a petition for a referendum signed by not less than fifteen percent (15%) of the corporation's members; or
(2) a resolution ordering a referendum adopted by a majority vote of the board of directors of the corporation.

Upon receipt of the petition or adoption of the resolution by the board, the board shall inform the commission of the petition or resolution and shall thereafter conduct a referendum at the next annual meeting of the corporation held under section 8 of this chapter, or if the next annual
meeting is more than ninety (90) days after the date the petition was received or resolution for referendum was adopted by the board, then at a special meeting called by the board and held not more than ninety (90) days after receipt of the petition or adoption of the resolution. The process provided in subsections (d), (e), (f), (g), and (h) shall be followed when conducting a referendum under this subsection, except the form of the ballots must be as follows:

___ YES. I want the corporation to return to the jurisdiction of the commission.

___ NO. I want the corporation to remain outside the jurisdiction of the commission.

If a corporation returns to the jurisdiction of the commission, the commission shall resume all the jurisdiction it would have if the corporation had not withdrawn, effective thirty (30) days following the date the referendum was conducted. If less than a majority of the members voting at the referendum vote in favor of returning to the jurisdiction of the commission, a referendum on the question presented at the referendum may not be conducted for eighteen (18) months following the date of the vote.

SECTION 2. An emergency is declared for this act.

P.L.43-2005
[H.1580. Approved April 19, 2005.]

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 34-11-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. An action brought by a volunteer:

(1) firefighter; or

(2) member of a volunteer emergency medical services association connected with a unit of government as set forth
in IC 16-31-5-1(6);
against the volunteer's political subdivision employer for being disciplined for being absent from employment while responding to an emergency must be commenced within one (1) year after the date of the disciplinary action, as provided in IC 36-8-12-10.5(e).

SECTION 2. IC 36-8-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

"Employee" means a person in the service of another person under a written or implied contract of hire or apprenticeship.

"Employer" means:
(1) a political subdivision;
(2) an individual or the legal representative of a deceased individual;
(3) a firm;
(4) an association;
(5) a limited liability company;
(6) an employer that provides on-the-job training under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth in IC 22-3-2-2.5(a); or
(7) a corporation or its receiver or trustee;
that uses the services of another person for pay.

"Essential employee" means an employee:
(1) who the employer has determined to be essential to the operation of the employer's daily enterprise; and
(2) without whom the employer is likely to suffer economic injury as a result of the absence of the essential employee.

"Nominal compensation" means annual compensation of not more than twenty thousand dollars ($20,000).

"Public servant" has the meaning set forth in IC 35-41-1-24.

"Responsible party" has the meaning set forth in IC 13-11-2-191(d).

"Volunteer fire department" means a department or association organized for the purpose of answering fire alarms, extinguishing fires, and providing other emergency services, the majority of members of which receive no compensation or nominal compensation for their services.

"Volunteer firefighter" means a firefighter:
(1) who, as a result of a written application, has been elected or
appointed to membership in a volunteer fire department;
(2) who has executed a pledge to faithfully perform, with or
without nominal compensation, the work related duties assigned
and orders given to the firefighter by the chief of the volunteer
fire department or an officer of the volunteer fire department,
including orders or duties involving education and training as
prescribed by the volunteer fire department or the state; and
(3) whose name has been entered on a roster of volunteer
firefighters that is kept by the volunteer fire department and that
has been approved by the proper officers of the unit.

"Volunteer member" means a member of a volunteer
emergency medical services association connected with a unit as set
forth in IC 16-31-5-1(6).

SECTION 3. IC 36-8-12-10.5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) This section
does not apply to an employee of the state subject to IC 4-15-10-7.
(b) This section applies to an employee of a political subdivision
who:
   (1) is a volunteer firefighter or volunteer member; and
   (2) has notified the employee's employer in writing that the
employee is a volunteer firefighter or volunteer member.
(c) The political subdivision employer may not discipline an
employee:
   (1) for being absent from employment by reason of responding to
a fire or emergency call that was received before the time that the
employee was to report to employment; or
   (2) for leaving the employee's duty station to respond to a fire or
an emergency call if the employee has secured authorization from
the employee's supervisor to leave the duty station in response to
a fire or an emergency call received after the employee has
reported to work.
(d) The political subdivision employer may require an employee
who has been absent from employment as set forth in subsection (c)(1)
or (c)(2) to present a written statement from the fire chief or other
officer in charge of the volunteer fire department, or officer in charge
of the volunteer emergency medical services association, at the time
of the absence indicating that the employee was engaged in emergency
firefighting or emergency activity at the time of the absence.
(e) An employee who is disciplined by the employer in violation of subsection (c) may bring a civil action against the employer in the county of employment. In the action, the employee may seek the following:

(1) Payment of back wages.
(2) Reinstatement to the employee's former position.
(3) Fringe benefits wrongly denied or withdrawn.
(4) Seniority rights wrongly denied or withdrawn.

An action brought under this subsection must be filed within one (1) year after the date of the disciplinary action.

(f) A public servant who permits or authorizes an employee of a political subdivision under the supervision of the public servant to be absent from employment as set forth in subsection (c) is not considered to have committed a violation of IC 35-44-2-4(b).

SECTION 4. IC 36-8-12-10.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.7. (a) This section applies to an employee of a private employer who:

(1) is a volunteer firefighter or volunteer member; and
(2) has notified the employee's employer in writing that the employee is a volunteer firefighter or volunteer member.

(b) Except as provided in subsection (c), the employer may not discipline an employee:

(1) for being absent from employment by reason of responding to a fire or emergency call that was received before the time that the employee was to report to employment; or
(2) for leaving the employee's duty station to respond to a fire or emergency call if the employee has secured authorization from the employee's supervisor to leave the duty station in response to a fire or an emergency call received after the employee has reported to work.

(c) After the employer has received the notice required under subsection (a)(2), the employer may reject the notification from the employee on the grounds that the employee is an essential employee to the employer. If the employer has rejected the notification of the employee:

(1) subsection (b) does not apply to the employee; and
(2) the employee must promptly notify the:
   (A) fire chief or other officer in charge of the volunteer fire department; or
   (B) the officer in charge of the volunteer emergency medical services association;

of the rejection of the notice of the employee who is a volunteer firefighter or a volunteer member.

(d) The employer may require an employee who has been absent from employment as set forth in subsection (b) to present a written statement from the fire chief or other officer in charge of the volunteer fire department, or officer in charge of the emergency medical services association, at the time of the absence indicating that the employee was engaged in emergency firefighting or emergency activity at the time of the absence.

SECTION 5. IC 36-8-12-10.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.9. (a) The employer may require an employee who will be absent from employment as set forth in:

   (1) section 10.5(c)(1); or
   (2) section 10.7(b)(1);

of this chapter to notify the employer before the scheduled start time for the absence from employment to be excused by the employer.

(b) The employer is not required to pay salary or wages to an employee who has been absent from employment as set forth in section 10.5(c) or 10.7(b) of this chapter for the time away from the employee's duty station. The employee may seek remuneration for the absence from employment by the use of:

   (1) vacation leave;
   (2) personal time; or
   (3) compensatory time off.
AN ACT to amend the Indiana Code concerning labor and safety.

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

SECTION 1. IC 22-13-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The commission shall adopt rules under IC 4-22-2 and IC 22-13-2.5 to adopt a statewide code of fire safety laws and building laws.

(b) Before December 1, 2003, the commission shall adopt the most recent edition, including addenda, of the following national codes by rules under IC 4-22-2 and IC 22-13-2.5:

(1) ANSI A10.4 (Safety Requirements for Personnel Hoists).
(4) ASME QEI-1 (Standard for the Qualification of Elevator Inspectors, an American National Standard).
(5) The American Society of Civil Engineers (ASCE) Automated People Mover Standard 21.
(6) ANSI A90.1 Safety Code for Manlifts.

(c) Before July 1, 2006, the commission shall adopt the most recent edition, including addenda, of ASME A17.3 (Safety Code for Existing Elevators and Escalators, an American National Standard) by rules under IC 4-22-2 and IC 22-13-2.5.

(d) The commission shall adopt the subsequent edition of each national code, including addenda, to be adopted as provided under subsections (b) and (c) within eighteen (18) months after the effective date of the subsequent edition.

(e) The commission may amend the national codes as a condition of the adoption under subsections (b), (c), and (d).

(f) To the extent that the following sections of the International Fire Code, 2000 edition, as adopted by reference in
675 IAC 22-2.3-1, apply to tents or canopies in which cooking does not occur, the commission shall suspend enforcement of the following sections of the International Fire Code, 2000 edition, until the office of the state fire marshal recommends amendments to the commission under subsection (h) and the commission adopts rules under subsection (i) based on the recommendations:

(1) Section 2406.1 (675 IAC 22-2.3-233).
(2) Section 2406.2.
(3) Section 2406.3.

(g) To the extent that section 2403.2 of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1, applies to a tent or canopy in which there is an open flame, the commission shall suspend enforcement of section 2403.2 until the office of the state fire marshal recommends amendments to section 2403.2 to the commission under subsection (h) and the commission adopts rules under subsection (i) based on the recommendations and amending section 2403.2.

(h) The office of the state fire marshal shall recommend amendments to the commission to the following sections of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1:

(1) Section 2403.2.
(2) Section 2406.1 (675 IAC 22-2.3-233).
(3) Section 2406.2.
(4) Section 2406.3.

(i) After receiving and considering recommendations from the office of the state fire marshal under subsection (h), and using the procedure set forth in IC 4-22-2-38, the commission shall amend the following sections of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1:

(1) Section 2403.2.
(2) Section 2406.1 (675 IAC 22-2.3-233).
(3) Section 2406.2.
(4) Section 2406.3.

SECTION 2. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 34-24-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The following may be seized:

(1) All vehicles (as defined by IC 35-41-1), if they are used or are intended for use by the person or persons in possession of them to transport or in any manner to facilitate the transportation of the following:
   (A) A controlled substance for the purpose of committing, attempting to commit, or conspiring to commit any of the following:
      (i) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
      (ii) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
      (iii) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
      (iv) Dealing in a schedule V controlled substance (IC 35-48-4-4).
      (v) Dealing in a counterfeit substance (IC 35-48-4-5).
      (vi) Possession of cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-6).
      (vii) Dealing in paraphernalia (IC 35-48-4-8.5).
   (B) Any stolen (IC 35-43-4-2) or converted property (IC 35-43-4-3) if the retail or repurchase value of that property is one hundred dollars ($100) or more.
   (C) Any hazardous waste in violation of IC 13-30-6-6.
(D) A bomb (as defined in IC 35-41-1-4.3) or weapon of mass destruction (as defined in IC 35-41-1-29.4) used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism (as defined by IC 35-41-1-26.5).

(2) All money, negotiable instruments, securities, weapons, communications devices, or any property used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism or commonly used as consideration for a violation of IC 35-48-4 (other than items subject to forfeiture under IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):
   (A) furnished or intended to be furnished by any person in exchange for an act that is in violation of a criminal statute;
   (B) used to facilitate any violation of a criminal statute; or
   (C) traceable as proceeds of the violation of a criminal statute.

(3) Any portion of real or personal property purchased with money that is traceable as a proceed of a violation of a criminal statute.

(4) A vehicle that is used by a person to:
   (A) commit, attempt to commit, or conspire to commit;
   (B) facilitate the commission of; or
   (C) escape from the commission of;
   murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense under IC 35-47 as part of or in furtherance of an act of terrorism.

(5) Real property owned by a person who uses it to commit any of the following as a Class A felony, a Class B felony, or a Class C felony:
   (A) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
   (B) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
   (C) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
   (D) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10).

(6) Equipment and recordings used by a person to commit fraud
under IC 35-43-5-4(11).
(7) Recordings sold, rented, transported, or possessed by a person in violation of IC 24-4-10.
(8) Property (as defined by IC 35-41-1-23) or an enterprise (as defined by IC 35-45-6-1) that is the object of a corrupt business influence violation (IC 35-45-6-2).
(9) Unlawful telecommunications devices (as defined in IC 35-45-13-6) and plans, instructions, or publications used to commit an offense under IC 35-45-13.
(10) Any equipment used or intended for use in preparing, photographing, recording, videotaping, digitizing, printing, copying, or disseminating matter in violation of IC 35-42-4-4.
(11) Destructive devices used, possessed, transported, or sold in violation of IC 35-47.5.
(12) Cigarettes that are sold in violation of IC 24-3-5.2, cigarettes that a person attempts to sell in violation of IC 24-3-5.2, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.2.
(13) Tobacco products that are sold in violation of IC 24-3-5, tobacco products that a person attempts to sell in violation of IC 24-3-5, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.

14) Property used by a person to commit counterfeiting or forgery in violation of IC 35-43-5-2.

(b) A vehicle used by any person as a common or contract carrier in the transaction of business as a common or contract carrier is not subject to seizure under this section, unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a).

(c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the equipment knowingly permitted the equipment to be used to engage in conduct that subjects it to seizure under subsection (a)(10).

(d) Money, negotiable instruments, securities, weapons, communications devices, or any property commonly used as consideration for a violation of IC 35-48-4 found near or on a person who is committing, attempting to commit, or conspiring to commit any
of the following offenses shall be admitted into evidence in an action under this chapter as prima facie evidence that the money, negotiable instrument, security, or other thing of value is property that has been used or was to have been used to facilitate the violation of a criminal statute or is the proceeds of the violation of a criminal statute:

(1) IC 35-48-4-1 (dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine).
(2) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled substance).
(3) IC 35-48-4-3 (dealing in a schedule IV controlled substance).
(4) IC 35-48-4-4 (dealing in a schedule V controlled substance) as a Class B felony.
(5) IC 35-48-4-6 (possession of cocaine, a narcotic drug, or methamphetamine) as a Class A felony, Class B felony, or Class C felony.
(6) IC 35-48-4-10 (dealing in marijuana, hash oil, or hashish) as a Class C felony.

SECTION 2. IC 35-43-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2.

(a) A person who with intent to defraud, knowingly or intentionally:

(1) makes or utters a written instrument in such a manner that it purports to have been made:
   (A) by another person;
   (B) at another time;
   (C) with different provisions; or
   (D) by authority of one who did not give authority; or

(2) possesses more than one (1) written instrument knowing that the written instruments were made in a manner that they purport to have been made:
   (A) by another person;
   (B) at another time;
   (C) with different provisions; or
   (D) by authority of one who did not give authority;

commits forgery counterfeiting, a Class C Class D felony.

(b) A person who, with intent to defraud, makes, or utters, or possesses a written instrument in such a manner that it purports to have been made:

(1) by another person;
(2) at another time;
(3) with different provisions; or
(4) by authority of one who did not give authority;
commits forgery, a Class C felony.

AN ACT to amend the Indiana Code concerning professions and occupations.

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

SECTION 1. IC 25-14-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) An applicant for examination under this article must submit to the board at least forty-five (45) days before the examination date an application in a form and manner prescribed by the board and proof satisfactory to the board that the applicant has not been convicted of a crime that has a direct bearing on the applicant's ability to practice competently. An applicant must submit proof to the board at least seven (7) days before the examination date that the applicant is a graduate of a dental school that is recognized by the board.

(b) The board may issue a license upon payment of a fee, set by the board under section 13 of this chapter, to an applicant who furnishes proof satisfactory to the board that the applicant is a dentist who:
   (1) is licensed in another state or a province of Canada that has licensing requirements substantially equal to those in effect in Indiana on the date of application;
   (2) has practiced dentistry for at least five (5) two (2) of the nine (9) three (3) years preceding the date of application;
   (3) passes the law examination administered by the board;
   (4) has completed at least twenty (20) hours of continuing education in the previous two (2) years; and
   (5) meets all other requirements of this chapter.
(c) The board shall have power to adopt rules under section 13 of this chapter for licensure by endorsement.

(d) An applicant shall, at the request of the board, make an appearance before the board.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-39-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 10. Disclosure of Protected Health Information

Sec. 1. As used in this chapter, "covered entity" has the meaning set forth in 45 CFR 160.103 as in effect on November 4, 2004.

Sec. 2. As used in this chapter, "law enforcement official" has the meaning set forth in 45 CFR 164.501 as in effect on November 4, 2004.

Sec. 3. As used in this chapter, "protected health information" has the meaning set forth in 45 CFR 160.103 as in effect on November 4, 2004.

Sec. 4. A covered entity may disclose the following protected health information to a law enforcement official who requests the protected health information for the purpose of identifying or locating a missing person:

(1) Contact information, including family, personal representative, and friends of the individual.

(2) Previous addresses of the individual and the individual's family, personal representative, and friends.

SECTION 2. [EFFECTIVE JULY 1, 2005] (a) The state department of health shall, not later than September 1, 2005, request that the Secretary of the United States Department of
Health and Human Services make a determination under 45 CFR 160.204 that IC 16-39-10, as added by this act, is not preempted by 45 CFR 164 because an intrusion into privacy that may result from implementing this chapter is warranted when balanced against a compelling state interest, including a public health, safety, or welfare need to identify or locate a missing person.

(b) Upon receiving a determination from the Secretary concerning a request made under subsection (a), the state department of health shall:

1) publish the determination on the state department's Internet web site; and
2) forward the results of the determination to:
   (A) the licensing authority for each covered entity;
   (B) each law enforcement agency in Indiana; and
   (C) the executive director of the legislative services agency.

(c) This SECTION expires December 31, 2008.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 12-15-12-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) This section applies to an individual who is a Medicaid recipient.

(b) Subject to subsection (c), the office shall develop the following programs regarding individuals described in subsection (a):

1) A disease management program for recipients with any of the following chronic diseases:
   (A) Asthma.
   (B) Diabetes.
   (C) Congestive heart failure or coronary heart disease.
   (D) Hypertension.
(E) Kidney disease.

(2) A case management program for recipients described in subsection (a) who are at high risk of chronic disease, that is based on a combination of cost measures, clinical measures, and health outcomes identified and developed by the office with input and guidance from the state department of health and other experts in health care case management or disease management programs.

(c) The office shall implement:

(1) a pilot program for at least two (2) of the diseases listed in subsection (b) not later than July 1, 2003; and

(2) a statewide chronic disease program as soon as practicable after the office has done the following:

(A) Evaluated a pilot program described in subdivision (1).

(B) Made any necessary changes in the program based on the evaluation performed under clause (A).

(d) The office shall develop and implement a program required under this section in cooperation with the state department of health and shall use the following persons to the extent possible:

(1) Community health centers.

(2) Federally qualified health centers (as defined in 42 U.S.C. 1396d(l)(2)(B)).

(3) Rural health clinics (as defined in 42 U.S.C. 1396d(l)(1)).

(4) Local health departments.

(5) Hospitals.

(6) Public and private third party payers.

(e) The office may contract with an outside vendor or vendors to assist in the development and implementation of the programs required under this section.

(f) The office and the state department of health shall provide the select joint commission on Medicaid oversight established by IC 2-5-26-3 with an evaluation and recommendations on the costs, benefits, and health outcomes of the pilot programs required under this section. The evaluations required under this subsection must be provided not more than twelve (12) months after the implementation date of the pilot programs.

(g) The office and the state department of health shall report to the select joint commission on Medicaid oversight established by
IC 2-5-26-3 not later than November 1 of each year regarding the programs developed under this section.

SECTION 2. IC 16-38-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "chronic disease" means one (1) of the following conditions:

(1) Asthma.
(2) Diabetes.
(3) Congestive heart failure or coronary heart disease.
(4) Hypertension.
(5) Kidney disease.
(5) (6) A condition that the state department:
(A) determines should be included on the registry; and
(B) chooses to add to the registry by rule under IC 4-22-2.

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-47-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "Proper person" means a person who: does not:
(1) does not have a conviction for resisting law enforcement under IC 35-44-3-3 within five (5) years before the person applies for a license or permit under this chapter;
(2) does not have a conviction for a crime for which the person could have been sentenced for more than one (1) year;
(3) does not have a conviction for a crime of domestic violence (as defined in IC 35-41-1-6.3), unless a court has restored the person's right to possess a firearm under IC 3-7-13-5;
(4) is not prohibited by a court order from possessing a handgun;
(5) does not have a record of being an alcohol or drug abuser as defined in this chapter;
(6) does not have documented evidence which would give rise to a reasonable belief that the person has a propensity for violent or emotionally unstable conduct;
(7) does not make a false statement of material fact on his the person's application;
(8) does not have a conviction for any crime involving an inability to safely handle a handgun;
(9) does not have a conviction for violation of the provisions of this article within five (5) years of his the person's application; or
(10) does not have an adjudication as a delinquent child for an act that would be a felony if committed by an adult, if the person applying for a license or permit under this chapter is less than twenty-three (23) years of age.

SECTION 2. IC 35-47-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person desiring a license to carry a handgun shall apply:
(1) to the chief of police or corresponding law enforcement officer of the municipality in which the applicant resides;
(2) if that municipality has no such officer, or if the applicant does not reside in a municipality, to the sheriff of the county in which the applicant resides after the applicant has obtained an application form prescribed by the superintendent; or
(3) if the applicant is a resident of another state and has a regular place of business or employment in Indiana, to the sheriff of the county in which the applicant has a regular place of business or employment.

(b) The law enforcement agency which accepts an application for a handgun license shall collect a ten dollar ($10) application fee, five dollars ($5) of which shall be refunded if the license is not issued. Except as provided in subsection (h), the fee shall be:
(1) deposited into the law enforcement agency's firearms training fund or other appropriate training activities fund; and
(2) used by the agency for the purpose of:
(A) training law enforcement officers in the proper use of firearms or other law enforcement duties; or
(B) purchasing for the law enforcement officers employed by the law enforcement agency firearms, or firearm related equipment, or both.

The state board of accounts shall establish rules for the proper accounting and expenditure of funds collected under this subsection.

(c) The officer to whom the application is made shall ascertain the applicant's name, full address, length of residence in the community, whether the applicant's residence is located within the limits of any city or town, the applicant's occupation, place of business or employment, criminal record, if any, and convictions (minor traffic offenses excepted), age, race, sex, nationality, date of birth, citizenship, height, weight, build, color of hair, color of eyes, scars and marks, whether the applicant has previously held an Indiana license to carry a handgun and, if so, the serial number of the license and year issued, whether the applicant's license has ever been suspended or revoked, and if so, the year and reason for the suspension or revocation, and the applicant's reason for desiring a license. The officer to whom the application is made shall conduct an investigation into the applicant's official records and verify thereby the applicant's character and reputation, and shall in addition verify for accuracy the information contained in the application, and shall forward this information together with the officer's recommendation for approval or disapproval and one (1) set of legible and classifiable fingerprints of the applicant to the superintendent.

(d) The superintendent may make whatever further investigation the superintendent deems necessary. Whenever disapproval is recommended, the officer to whom the application is made shall provide the superintendent and the applicant with the officer's complete and specific reasons, in writing, for the recommendation of disapproval.

(e) If it appears to the superintendent that the applicant:

(1) has a proper reason for carrying a handgun; and

(2) is of good character and reputation; and

(3) is a proper person to be licensed; and

(4) is:

(A) a citizen of the United States; or

(B) not a citizen of the United States but is allowed to carry a firearm in the United States under federal law;
the superintendent shall issue to the applicant a qualified or an unlimited license to carry any handgun lawfully possessed by the applicant. The original license shall be delivered to the licensee. A copy shall be delivered to the officer to whom the application for license was made. A copy shall be retained by the superintendent for at least four (4) years. This license shall be valid for a period of four (4) years from the date of issue. The license of police officers, sheriffs or their deputies, and law enforcement officers of the United States government who have been honorably retired by a lawfully created pension board or its equivalent after twenty (20) or more years of service, shall be valid for the life of such individuals. However, such lifetime licenses are automatically revoked if the license holder does not remain a proper person.

(f) At the time a license is issued and delivered to a licensee under subsection (e), the superintendent shall include with the license information concerning handgun safety rules that:

(1) neither opposes nor supports an individual's right to bear arms; and

(2) is:

(A) recommended by a nonprofit educational organization that is dedicated to providing education on safe handling and use of firearms;

(B) prepared by the state police department; and

(C) approved by the superintendent.

The superintendent may not deny a license under this section because the information required under this subsection is unavailable at the time the superintendent would otherwise issue a license. The state police department may accept private donations or grants to defray the cost of printing and mailing the information required under this subsection.

(g) A license to carry a handgun shall not be issued to any person who:

(1) has been convicted of a felony;

(2) is under eighteen (18) years of age;

(3) is under twenty-three (23) years of age if the person has been adjudicated a delinquent child for an act that would be a felony if committed by an adult; or

(4) has been arrested for a Class A or Class B felony, or any other
felony that was committed while armed with a deadly weapon or that involved the use of violence, if a court has found probable cause to believe that the person committed the offense charged.

In the case of an arrest under subdivision (4), a license to carry a handgun may be issued to a person who has been acquitted of the specific offense charged or if the charges for the specific offense are dismissed. The superintendent shall prescribe all forms to be used in connection with the administration of this chapter.

(h) If the law enforcement agency that charges a fee under subsection (b) is a city or town law enforcement agency, the fee shall be deposited in the law enforcement continuing education fund established under IC 5-2-8-2.

(i) If a person who holds a valid license to carry a handgun issued under this chapter:

(1) changes the person's name; or
(2) changes the person's address;
the person shall, not later than sixty (60) days after the date of the change, notify the superintendent, in writing, of the person's new name or new address.

(j) The state police shall indicate on the form for a license to carry a handgun the notification requirements of subsection (i).

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-33-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A law enforcement officer may arrest a person when the officer has:

(1) a warrant commanding that the person be arrested;
(2) probable cause to believe the person has committed or
attempted to commit, or is committing or attempting to commit, a felony;

(3) probable cause to believe the person has violated the provisions of IC 9-26-1-1(1), IC 9-26-1-1(2), IC 9-26-1-2(1), IC 9-26-1-2(2), IC 9-26-1-3, IC 9-26-1-4, or IC 9-30-5;

(4) probable cause to believe the person is committing or attempting to commit a misdemeanor in the officer's presence;

(5) probable cause to believe the person has committed a:
   (A) battery resulting in bodily injury under IC 35-42-2-1; or
   (B) domestic battery under IC 35-42-2-1.3.

The officer may use an affidavit executed by an individual alleged to have direct knowledge of the incident alleging the elements of the offense of battery to establish probable cause;

(6) probable cause to believe that the person violated IC 35-46-1-15.1 (invasion of privacy);

(7) probable cause to believe that the person violated IC 35-47-2-1 (carrying a handgun without a license) or IC 35-47-2-22 (counterfeit handgun license);

(8) probable cause to believe that the person is violating or has violated an order issued under IC 35-50-7; or

(9) probable cause to believe that the person is violating or has violated IC 35-47-6-1.1 (undisclosed transport of a dangerous device); or

(9) (10) probable cause to believe that the person is:
   (A) violating or has violated IC 35-45-2-5 (interference with the reporting of a crime); and
   (B) interfering with or preventing the reporting of a crime involving domestic or family violence (as defined in IC 34-6-2-34.5).

(b) A person who:
   (1) is employed full time as a federal enforcement officer;
   (2) is empowered to effect an arrest with or without warrant for a violation of the United States Code; and
   (3) is authorized to carry firearms in the performance of the person's duties;

may act as an officer for the arrest of offenders against the laws of this state where the person reasonably believes that a felony has been or is about to be committed or attempted in the person's presence.
SECTION 2. IC 35-47-6-1.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) As used in this section, "dangerous device" means:
   (1) a firearm;
   (2) a destructive device (as defined in IC 35-47.5-2-4); or
   (3) a weapon of mass destruction (IC 35-41-1-29.4).
   (b) A person who checks an item to be transported on a commercial passenger airline and who:
      (1) knows the item contains a dangerous device; and
      (2) knowingly or intentionally fails to disclose orally or in writing to the person to whom possession of the item is delivered for carriage that the item contains a dangerous device;
   commits undisclosed transport of a dangerous device, a Class A misdemeanor.

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 35-47-6-1.1, as added by this act, applies only to offenses committed after June 30, 2005.

P.L.51-2005
[S.164. Approved April 21, 2005.]

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 5-2-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this chapter, "offender" means a person convicted of any of the following sex and violent offenses:
   (1) Rape (IC 35-42-4-1).
   (2) Criminal deviate conduct (IC 35-42-4-2).
   (3) Child molesting (IC 35-42-4-3).
(4) Child exploitation (IC 35-42-4-4(b)).
(5) Vicarious sexual gratification (IC 35-42-4-5).
(6) Child solicitation (IC 35-42-4-6).
(7) Child seduction (IC 35-42-4-7).
(8) Sexual misconduct with a minor as a Class A, Class B, or Class C felony (IC 35-42-4-9).
(9) Incest (IC 35-46-1-3).
(10) Sexual battery (IC 35-42-4-8).
(11) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.
(12) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age.
(13) Possession of child pornography (IC 35-42-4-4(c)) if the person has a prior unrelated conviction for possession of child pornography (IC 35-42-4-4(c)).
(14) An attempt or conspiracy to commit a crime listed in subdivisions (1) through (13).
(15) A crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in subdivisions (1) through (13).

(b) The term includes a child who has committed a delinquent act and who:

(1) is at least fourteen (14) years of age;
(2) is on probation, is on parole, or is discharged from a facility by the department of correction, is discharged from a secure private facility (as defined in IC 31-9-2-115), or is discharged from a juvenile detention facility as a result of an adjudication as a delinquent child for an act that would be an offense described in subsection (a) if committed by an adult; and
(3) is found by a court by clear and convincing evidence to be likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.
AN ACT to amend the Indiana Code concerning public safety.

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

SECTION 1. IC 5-2-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In order to ensure the public safety and general welfare of the people of the state of Indiana and to promote equity for all segments of society, a program of mandatory training for law enforcement officers is established.

(b) This chapter shall be interpreted to achieve said purposes through the establishment of minimum standards in law enforcement training.

(c) It is the intent of this chapter to encourage all law enforcement officers, departments, and agencies within this state to adopt standards which are higher than the minimum standards implemented under this chapter and such minimum standards shall in no way be deemed sufficient or adequate in those cases where higher standards have been adopted or proposed.

(d) The chief executive officer of a law enforcement department or agency in Indiana shall use all reasonable means to ensure that the law enforcement officers within the department or agency comply with this chapter. The chief executive officer shall submit to the executive director of the board, not later than September 31 of each year, a written report detailing the basic and inservice training status of each law enforcement officer on the payroll of the department or agency. The report must also include similarly detailed information pertaining to the training status of each police reserve officer.

SECTION 2. IC 5-2-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. For the purposes of this chapter, and unless the context clearly denotes otherwise, the following definitions apply throughout this chapter:

(1) "Law enforcement officer" shall mean an appointed officer or employee hired by and on the payroll of the state, or any
of its the state's political subdivisions, or a public or private college or university whose board of trustees has established a police department under IC 20-12-3.5-1, who is granted statutory lawful authority to enforce all or some of the penal laws of the state of Indiana and who possesses, with respect to those laws, the power to effect arrests for offenses committed in the officer's or employee's presence. However, the following are hereby expressly excluded from the term "law enforcement officer" for the purposes of this chapter:

(A) A constable.
(B) A special officer including a special officer receiving only token payment for services whose powers and duties are described in IC 36-8-3-7 or a special deputy whose powers and duties are described in IC 36-8-10-10.6.
(C) A county police reserve officer who receives compensation for lake patrol duties under IC 36-8-3-20(f)(4).
(D) A conservation reserve officer who receives compensation for lake patrol duties under IC 14-9-8-27.

(2) "Board" shall mean the law enforcement training board created by this chapter.

(3) "Advisory council" shall mean the law enforcement advisory council created by this chapter.

(4) "Executive training program" means the police chief executive training program developed by the board under section 9 of this chapter.

(5) "Law enforcement training council" means one (1) of the confederations of law enforcement agencies recognized by the board and organized for the sole purpose of sharing training, instructors, and related resources.

(6) "Training regarding the lawful use of force" includes classroom and skills training in the proper application of hand to hand defensive tactics, use of firearms, and other methods of:

(A) overcoming unlawful resistance; or
(B) countering other action that threatens the safety of the public or a law enforcement officer.

(7) "Hiring or appointing authority" means:

(A) the chief executive officer, board, or other entity of a
police department or agency with authority to appoint and hire law enforcement officers; or
(B) the governor, mayor, board, or other entity with the authority to appoint a chief executive officer of a police department or agency.

SECTION 3. IC 5-2-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is created, as a criminal justice agency of the state, a law enforcement training board to carry out the provisions of this chapter. The board members are to be selected as provided by this chapter. The board is composed of:

1. the superintendent of the Indiana state police department, who shall serve as ex officio chairman of the board;
2. the chief of police of a consolidated city;
3. one (1) county sheriff from a county with a population of at least one hundred thousand (100,000);
4. one (1) county sheriff from a county of at least fifty thousand (50,000) but less than one hundred thousand (100,000) population;
5. one (1) county sheriff from a county of under fifty thousand (50,000) population;
6. one (1) chief of police from a city of at least thirty-five thousand (35,000) population, who is not the chief of police of a consolidated city;
7. one (1) chief of police, police officer, or town marshal from a city or town of under ten thousand (10,000) population;
8. one (1) prosecuting attorney;
9. one (1) judge of a circuit or superior court exercising criminal jurisdiction;
10. one (1) member representing professional journalism;
11. one (1) member representing the medical profession;
12. one (1) member representing education;
13. one (1) member representing business and industry;
14. one (1) member representing labor; and
15. one (1) member representing Indiana elected officials of counties, cities, and towns.

(b) The following members constitute an advisory council to assist
the members of the law enforcement training board in an advisory, nonvoting capacity:

1. The special agent in charge of the Federal Bureau of Investigation field office covering the state of Indiana, subject to the agent's approval to serve in such capacity.
2. The attorney general of Indiana.
3. The administrative director of the Indiana commission on forensic sciences.
4. One (1) member representing forensic science, to be appointed by the governor.
5. One (1) member representing theology, to be appointed by the governor.
6. The director of the law enforcement division of the department of natural resources.

SECTION 4. IC 5-2-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) All members of the law enforcement training board shall be appointed to the board by the governor. Such appointments shall be made on a bipartisan basis so that not more than one-half (1/2) of the members of the board shall at any time be members of either of the two (2) major political parties. Four (4) of the initial appointments to the board shall be for a term of one (1) year; four (4) shall be for two (2) years; three (3) for three (3) years; and the remaining three (3) for a term of four (4) years. Thereafter, all appointments shall be for terms of four (4) years or while maintaining the position held at the time of appointment to the board, whichever is the lesser period. Appointees to the board shall serve as members of the board only while holding the office or position held at the time of appointment to the board in order that the representative nature of the board outlined in section 3 of this chapter may be maintained. However, each member of the board shall serve until the member's successor has been appointed and qualified, unless the member's services are terminated earlier for sufficient reason. Vacancies on the board caused by expiration of a term, termination of the office or position held at time of appointment, or for any other reason shall be filled in the same manner as original appointments. A member appointed to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member succeeded in the same manner as an original appointment.
Members of the board may be reappointed for additional terms. All members of the board shall serve, unless their services are terminated earlier for sufficient reason, until their successors have been appointed and qualified. Members of the board may be removed by the governor for inefficiency, incompetence, neglect of duty, or other good cause after having been accorded a hearing by the governor upon reasonable notice of the charge being made against them.

(b) Members of the advisory council who serve in such capacity by virtue of their office or position shall serve as members of the advisory council only during the term of their office or position as the case may be. The governor is hereby authorized and empowered to appoint members to the advisory council in addition to those enumerated in section 3(b) of this chapter. All members appointed to the advisory council by the governor shall serve only during the pleasure of the governor. Advisory council appointments need not be made on a bipartisan basis.

SECTION 5. IC 5-2-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The board and advisory council shall meet at least four (4) times in each year and shall hold special meetings when called by the chairman of the board. The chairman shall call the organization meeting of the board within ten (10) days after the last initial appointment to the board shall have been made by the governor. The presence of nine (9) eleven (11) members of the board shall constitute a quorum for doing business. At least eight (8) eleven (11) affirmative votes shall be required for the passage of any matter put to a vote of the board. Advisory council members shall be entitled to participate in the business and deliberation of the board, but only board members shall be entitled to vote. The board shall establish its own procedure and requirements with respect to place and conduct of its meetings.

SECTION 6. IC 5-2-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The board shall adopt in accordance with IC 4-22-2 all necessary rules to carry out the provisions of this chapter. Such rules, which shall be adopted only after necessary and proper investigation and inquiry by the board, shall include the establishment of the following:

(1) Minimum standards of physical, educational, mental, and moral fitness which shall govern the acceptance of any person for
training by any law enforcement training school or academy meeting or exceeding the minimum standards established pursuant to this chapter.

(2) Minimum standards for law enforcement training schools administered by towns, cities, counties, the northwest Indiana law enforcement training center, centers, agencies, or departments of the state.

(3) Minimum standards for courses of study, attendance requirements, equipment, and facilities for approved town, city, county, and state law enforcement officer, police reserve officer, and conservation reserve officer training schools.

(4) Minimum standards for a course of study on cultural diversity awareness that must be required for each person accepted for training at a law enforcement training school or academy.

(5) Minimum qualifications for instructors at approved law enforcement training schools.

(6) Minimum basic training requirements which law enforcement officers appointed to probationary terms shall complete before being eligible for continued or permanent employment.

(7) Minimum basic training requirements which law enforcement officers not appointed for probationary terms but appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent appointment.

(8) Minimum basic training requirements which law enforcement officers appointed on a permanent basis shall complete in order to be eligible for continued employment.

(9) Minimum basic training requirements for each person accepted for training at a law enforcement training school or academy that include six (6) hours of training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board.

(b) Except as provided in subsection (l), a law enforcement officer appointed after July 5, 1972, and before July 1, 1993, may not enforce the laws or ordinances of the state or any political subdivision unless the officer has, within one (1) year from the date of appointment, successfully completed the minimum basic training requirements
established under this chapter by the board. If a person fails to successfully complete the basic training requirements within one (1) year from the date of employment, the officer may not perform any of the duties of a law enforcement officer involving control or direction of members of the public or exercising the power of arrest until the officer has successfully completed the training requirements. This subsection does not apply to any law enforcement officer appointed before July 6, 1972, or after June 30, 1993.

(c) Military leave or other authorized leave of absence from law enforcement duty during the first year of employment after July 6, 1972, shall toll the running of the first year, which in such cases shall be calculated by the aggregate of the time before and after the leave, for the purposes of this chapter.

(d) Except as provided in subsections (e) and (l), a law enforcement officer appointed to a law enforcement department or agency after June 30, 1993, may not:

(1) make an arrest;
(2) conduct a search or a seizure of a person or property; or
(3) carry a firearm;

unless the law enforcement officer successfully completes, at a board certified law enforcement academy at the southwest Indiana law enforcement training academy under section 10.5 of this chapter, or at the northwest Indiana a law enforcement training center under section 10.5 or 15.2 of this chapter, the basic training requirements established by the board under this chapter.

(e) Before a law enforcement officer appointed after June 30, 1993, completes the basic training requirements, the law enforcement officer may exercise the police powers described in subsection (d) if the officer successfully completes the pre-basic course established in subsection (f). Successful completion of the pre-basic course authorizes a law enforcement officer to exercise the police powers described in subsection (d) for one (1) year after the date the law enforcement officer is appointed.

(f) The board shall adopt rules under IC 4-22-2 to establish a pre-basic course for the purpose of training:

(1) law enforcement officers;
(2) police reserve officers (as described in IC 36-8-3-20); and
(3) conservation reserve officers (as described in IC 14-9-8-27);
regarding the subjects of arrest, search and seizure, the lawful use of force, and firearm qualification: the operation of an emergency vehicle. The pre-basic course must be offered on a periodic basis throughout the year at regional sites statewide. The pre-basic course must consist of at least forty (40) hours of course work. The board may prepare a the classroom part of the pre-basic course on videotape that must be used using available technology in conjunction with live instruction. The board shall provide the course material, the instructors, and the facilities at the regional sites throughout the state that are used for the pre-basic course. In addition, the board may certify pre-basic courses that may be conducted by other public or private training entities, including colleges and universities.

(g) The board shall adopt rules under IC 4-22-2 to establish a mandatory inservice training program for police officers. After June 30, 1993, a law enforcement officer who has satisfactorily completed the basic training and has been appointed to a law enforcement department or agency on either a full-time or part-time basis is not eligible for continued employment unless the officer satisfactorily completes a minimum of sixteen (16) hours each year of inservice training in any subject area included in the law enforcement academy's basic training course or other job related subjects that are approved by the board as determined by the law enforcement department's or agency's needs: the mandatory inservice training requirements established by rules adopted by the board. Inservice training must include training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board. In addition, a certified academy staff may develop and make available inservice training programs on a regional or local basis. The board may approve courses offered by other public or private training entities, including colleges and universities, as necessary in order to ensure the availability of an adequate number of inservice training programs. The board may waive an officer's inservice training requirements if the board determines that the officer's reason for lacking the required amount of inservice training hours is due to any either of the following:

(1) An emergency situation.
(2) The unavailability of courses.
(h) The board shall also adopt rules establishing a town marshal basic training program, subject to the following:

1. The program must require fewer hours of instruction and class attendance and fewer courses of study than are required for the mandated basic training program.
2. Certain parts of the course materials may be studied by a candidate at the candidate's home in order to fulfill requirements of the program.
3. Law enforcement officers successfully completing the requirements of the program are eligible for appointment only in towns employing the town marshal system (IC 36-5-7) and having no more than one (1) marshal and two (2) deputies.
4. The limitation imposed by subdivision (3) does not apply to an officer who has successfully completed the mandated basic training program.
5. The time limitations imposed by subsections (b) and (c) for completing the training are also applicable to the town marshal basic training program.

(i) The board shall adopt rules under IC 4-22-2 to establish a police chief executive training program. The executive training program must include training in the following areas:

1. Liability.
2. Media relations.
3. Accounting and administration.
4. Discipline.
5. Department policy making.
6. Firearm policies.
7. Lawful use of force.
8. Department programs.
9. Cultural diversity.

(j) A police chief shall apply for admission to the police chief executive training program within two (2) months of the date the police chief initially takes office. A police chief must successfully complete the police chief executive training program within six (6) months of the date the police chief initially takes office. However, if space in the executive training program is not available at a time that will allow the police chief to complete completion of the executive training
program within six (6) months of the date the police chief initially takes office, the police chief must successfully complete the next available **executive training** program that is offered to the police chief after the police chief initially takes office.

(k) A police chief who fails to comply with subsection (j) may not **continue to serve** as the police chief until the police chief has completed the police chief completion of the executive training program. For the purposes of this subsection and subsection (j), "police chief" refers to:

1. the police chief of any city; and
2. the police chief of any town having a metropolitan police department.

A town marshal is not considered to be a police chief for these purposes, but a town marshal may enroll in the police chief executive training program.

(l) An investigator in the arson division of the office of the state fire marshal appointed

- (1) before January 1, 1994; is not required; or
- (2) after December 31, 1993, is required

to comply with the basic training standards established under this section: chapter.

(m) The board shall adopt rules under IC 4-22-2 to establish a program to certify handgun safety courses, including courses offered in the private sector, that meet standards approved by the board for training probation officers in handgun safety as required by IC 11-13-1-3.5.(3).

(n) The board shall adopt rules under IC 4-22-2 to establish a refresher course for an officer who:

1. is hired by an Indiana law enforcement department or agency as a law enforcement officer;
2. worked as a full-time law enforcement officer for at least one (1) year before the officer is hired under subdivision (1);
3. has not been employed as a law enforcement officer for at least two (2) years and less than six (6) years before the officer is hired under subdivision (1) due to the officer's resignation or retirement; and
4. completed a basic training course certified by the board before the officer is hired under subdivision (1).
(o) An officer to whom subsection (n) applies must successfully complete the refresher course described in subsection (n) not later than six (6) months after the officer’s date of hire, or the officer loses the officer’s powers of:

(1) arrest;
(2) search; and
(3) seizure.

(p) A law enforcement officer who:

(1) has completed a basic training course certified by the board; and
(2) has not been employed as a law enforcement officer in the six (6) years before the officer is hired as a law enforcement officer;

is not eligible to attend the refresher course described in subsection (n) and must repeat the full basic training course to regain law enforcement powers.

SECTION 7. IC 5-2-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The board is further authorized and empowered, in accordance with the rule making power granted in section 9 of this chapter, to adopt all necessary rules to:

(1) establish inservice and advanced training programs, and minimum courses of study and attendance requirements for such programs, to ensure that all appointed and elected law enforcement officers both appointed and elected either before or after July 1, 1967; may be offered training in current enforcement and related subjects; on a voluntary enrollment basis;
(2) establish training programs for railroad police, prison and industrial guards, college and university safety and security personnel, whether public or private, and such other enforcement related groups as the board may deem necessary, on a voluntary enrollment basis;
(3) establish policies and procedures governing the use of state owned law enforcement training facilities constructed or established pursuant to this chapter; and
(4) give public notice of any other policies, procedures, functions, or requirements which the board may deem necessary and appropriate to carry out the provisions of this chapter.

(b) The board is further authorized and empowered to:
(1) recommend or conduct studies, make surveys, and require such reports to be made by the chief administrative officer of any law enforcement agency or department of the state or any of its political subdivisions as may be necessary to carry out the objectives and purposes of this chapter; 
(2) originate, compile, and disseminate lecture outlines and other training material, and design and furnish forms and certificates necessary to carry out and certify compliance with the training program authorized or required by this chapter; and 
(3) perform such other acts as may be necessary and appropriate to carry out the duties, responsibilities, and functions of the board as set forth in this chapter.

SECTION 8. IC 5-2-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. The board or any of its designated representatives are further authorized and empowered to:
(a) (1) visit and inspect any law enforcement training school of the state or any of its political subdivisions for the purpose of determining whether or not the minimum standards established pursuant to this chapter are being complied with and to issue or revoke certificates indicating such compliance;
(b) (2) issue and revoke certificates for instructors qualified or unqualified to participate in law enforcement training under the provisions of this chapter;
(c) (3) issue, or authorize, or revoke the issuance of:
   (A) diplomas;
   (B) certificates;
   (C) badges; and
   (D) other appropriate indicia of documents showing compliance and qualification;

to law enforcement officers or other persons trained under the provisions of this chapter;
(d) (4) consult with and cooperate with any law enforcement agency of the state or any of its political subdivisions for the development of inservice and advanced training programs for the fulfillment of specific needs in law enforcement;
(e) (5) consult with and cooperate with universities, colleges, and institutes for the development of specialized courses of study in police science and administration;
consult with and cooperate with other departments and agencies concerned with law enforcement training; and

perform such other acts as may be necessary or appropriate to carry out the provisions of this chapter.

SECTION 9. IC 5-2-1-12.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.5. (a) The board may revoke a diploma, certificate, badge, or other document showing compliance and qualification issued by the board for any of the following reasons:

1. The officer has been convicted of:
   A. a felony; or
   B. two (2) or more misdemeanors that would cause a reasonable person to believe that the officer is potentially dangerous or violent or has a propensity to violate the law.

2. The officer has been found not guilty of a felony by reason of mental disease or defect.

3. The officer's diploma, certificate, badge, or other document showing compliance and qualification was issued in error or was issued on the basis of information later determined to be false.

(b) A person who knows of cause for the revocation of an officer's diploma, certificate, badge, or other document showing compliance and qualification shall inform the officer's hiring or appointing authority or the board. A person who makes a good faith report of cause for revocation of an officer's diploma, certificate, badge, or other document showing compliance and qualification is immune from civil liability.

(c) If the chief executive officer receives a report of cause for revocation concerning an officer within the chief executive officer's agency, the chief executive officer shall:

1. cause the internal affairs division (or a similar unit) of the agency to investigate the report without unnecessary delay; or

2. request that the investigation be conducted by a law enforcement agency other than the law enforcement agency to which the subject of the investigation belongs.

(d) If a hiring or appointing authority receives a report of cause for revocation concerning the chief executive officer, the hiring or appointing authority shall cause an appropriate investigative
agency to investigate without unnecessary delay.

(e) If the board receives a report or otherwise learns of cause for revocation concerning a law enforcement officer or chief executive officer, the board shall consider the report and direct the executive director to notify the subject officer's hiring or appointing authority about the report and request an investigation. The hiring or appointing authority shall cause an investigation to be conducted by an appropriate investigative agency without unnecessary delay.

(f) When a hiring or appointing authority completes an investigation of cause for revocation, the hiring or appointing authority shall forward a complete report of its investigation, findings, and recommendations, if any, to the board. The hiring or appointing authority shall also forward to the board a description of any administrative or disciplinary action taken as a result of the investigation not later than sixty (60) days after the hiring or appointing authority takes administrative or disciplinary action.

(g) Except as provided in subsection (h), if the board receives the results of an investigation described in subsection (f), the board shall conduct a hearing on the report, considering the report, the recommendations, and any additional information. The board shall provide the officer who is the subject of the report with notice and an opportunity to be heard. The board may appoint the executive director or another qualified person to present the report and the results of the investigation to the board. In determining whether to revoke the subject officer's diploma, certificate, badge, or other document showing compliance and qualification, the board shall consider the opinion and testimony of the hiring or appointing authority. If the board determines that cause for revocation exists, the board may revoke the subject officer's diploma, certificate, badge, or other document showing compliance and qualification. The board shall send notice of revocation by certified mail to the subject officer's hiring or appointing authority. The subject officer may pursue judicial review of the board's action under IC 4-21.5-5-13.

(h) When the board receives the results of an investigation described in subsection (f), the board may, instead of conducting a hearing under subsection (g), direct the executive director or another qualified person to serve as an administrative law judge to
conduct the hearing described in subsection (g). If the administrative law judge determines that cause for revocation exists, the administrative law judge shall revoke the subject officer's diploma, certificate, badge, or other document showing compliance and qualification and notify the subject officer by certified mail of the decision, with notice of the subject officer's right to appeal to the board not later than fifteen (15) days after receipt of the notice. An appeal to the board must be in writing and may be decided by the board without a hearing. The board shall notify the subject officer of the board's appellate decision under this subsection by certified mail. The subject officer may pursue judicial review of the board's action under IC 4-21.5-5-13.

(i) An officer whose diploma, certificate, badge, or other document showing compliance and qualification has been revoked may apply to the board for reinstatement. The application for reinstatement:

(1) must be in writing; and
(2) must show:
   (A) that the cause for revocation no longer exists legally; or
   (B) that reinstatement is otherwise appropriate and that the applicant poses no danger to the public and can perform as a law enforcement officer according to the board's standards.

The board may direct the executive director to investigate the application for reinstatement and make a report to the board. The board shall consider the application and notify the applicant by certified mail of the board's decision.

SECTION 10. IC 5-2-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. There is hereby created the position of executive director of the law enforcement training board. The executive director shall be selected by the board and the executive director's tenure of office shall be protected by a four (4) year, renewable contract of employment which may be terminated earlier by the board only for inefficiency, neglect of duty, or other good cause after having been accorded a hearing by the board upon reasonable notice of the charge being made against the executive director. A vote of at least nine (9) members of the board shall be necessary for the early
termination of said contract of employment. The executive director shall be selected on the basis of education, training, and experience and shall have had at least ten (10) years experience as an active law enforcement officer, at least five (5) years of which shall have been in an executive or administrative capacity. The executive director shall perform such duties as may be assigned by the board and shall be the chief administrative officer of the law enforcement academy. The salary and compensation for the executive director, the training staff, and employees shall be fixed by the board with the approval of the governor. The executive director shall establish a table of organization to be supplemented with job descriptions for each position subordinate to that of the executive director, all of which shall be subject to the approval of the board. All persons hired to fill such approved vacancies shall be selected on the basis of qualifications and merit based on training, education, and experience through competitive examinations except that the filling of all new positions shall be made so as to maintain in each equivalent position not more than one-half (1/2) of members of either of the two (2) major political parties. Employees and members of the training staff shall not be subject to discharge, demotion, or suspension because of political affiliation, but may be discharged, demoted, or suspended only for cause after charges preferred submitted in writing by the executive director. Any person so discharged or disciplined shall have a right to a hearing before the board if such person requests a hearing by giving notice to the executive director within fifteen (15) days after receiving written notice of discharge or disciplinary action. Procedures shall be consistent with IC 4-21.5.

SECTION 11. IC 5-2-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The facilities of the law enforcement academy shall be available to any law enforcement agency of the state, or any of its political subdivisions, subject to the rules of the board.

(b) Any law enforcement agency of the state, any of its political subdivisions, or the northwest Indiana law enforcement any board certified training center may conduct training:

(1) for the law enforcement agency of any political subdivision in Indiana; and

(2) in facilities other than those of the law enforcement academy;
if the minimum standards established by the board are met or exceeded.

(c) A law enforcement agency or the northwest Indiana law enforcement a board certified training center conducting approved local training under subsection (b) shall be entitled to a per capita allowance from the law enforcement training fund to defray such portions of the cost of basic training as shall be approved by the board. Such per capita allowance shall be earmarked and expended only for law enforcement training.

(d) The facilities of the law enforcement academy shall be available for the training of railroad police, prison and industrial plant guards, college and university safety and security personnel, whether public or private, and such other enforcement related groups as shall be approved by the board, upon terms and conditions established by the board. Railroad police and nongovernmental enforcement related groups qualifying to use the facilities of the academy under the rules of the board shall be required to reimburse the law enforcement training fund for the cost of such training.

(e) The facilities of the law enforcement academy may be used for the training of firefighting personnel where the subject matter of the training relates to duties which involve law enforcement related conduct. Such training shall be conducted upon terms and conditions established by the board. However, no volunteer firefighter is required to attend training at the academy.

(f) The cost of the mandatory basic training conducted by the board at the facilities of the law enforcement academy shall be paid out of the law enforcement training fund, if the trainees have been previously appointed and are on the payroll of a law enforcement department or agency. All other training programs authorized by this chapter and conducted at the law enforcement training academy, including the mandatory basic training course when attended by trainees who have been investigated and approved but not yet hired by a law enforcement agency, are subject to fee schedules and charges for tuition, lodging, meals, instructors, training materials, and any other items or services established by the board.

SECTION 12. IC 5-2-1-15.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15.2. The northwest
Indiana law enforcement A board certified training center may provide basic training to a law enforcement officer who is:

(1) employed by a law enforcement agency that is a member agency of the northwest Indiana law enforcement training center; and

(2) not accepted by the law enforcement academy for the next basic training course because the academy does not have a space for the officer in the next basic training course.

SECTION 13. IC 34-30-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. IC 5-2-1-12.5 (Concerning a good faith report of cause for revoking a law enforcement officer's diploma, certificate, badge, or other document showing compliance with training requirements).

P.L.53-2005
[S.525. Approved April 21, 2005.]

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-50-2-1.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.8. As used in this chapter, "sex offense against a child" means an offense under IC 35-42-4 in which the victim is a child less than eighteen (18) years of age.

SECTION 2. IC 35-50-2-8.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.5. (a) The state may seek to have a person sentenced to life imprisonment without parole for any felony described in section 2(b)(4) of this chapter by alleging, on a page separate from the rest of the charging instrument, that the person has accumulated two (2) prior unrelated felony convictions described in section 2(b)(4) of this chapter.
(b) The state may seek to have a person sentenced to life imprisonment without parole for a Class A felony under IC 35-42-4 that is a sex offense against a child by alleging, on a page separate from the rest of the charging instrument, that the person has a prior unrelated Class A felony conviction under IC 35-42-4 that is a sex offense against a child.

†(c) If the person was convicted of the felony in a jury trial, the jury shall reconvene to hear evidence on the life imprisonment without parole allegation. If the person was convicted of the felony by trial to the court without a jury or if the judgment was entered to guilty plea, the court alone shall hear evidence on the life imprisonment without parole allegation.

†(d) A person is subject to life imprisonment without parole if the jury (in a case tried by a jury) or the court (in a case tried by the court or on a judgment entered on a guilty plea) finds that the state has proved beyond a reasonable doubt that the person:

(1) has accumulated two (2) prior unrelated convictions for offenses described in section 2(b)(4) of this chapter; or

(2) has a prior unrelated Class A felony conviction under IC 35-42-4 that is a sex offense against a child.

†(e) The court may sentence a person found to be subject to life imprisonment without parole under this section to life imprisonment without parole.

SECTION 3. IC 35-50-6-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. A person serving a sentence of life imprisonment without parole does not earn credit time under this chapter.

SECTION 4. [EFFECTIVE JULY 1, 2005] IC 35-50-2-8.5, as amended by this act, applies only to offenses committed after June 30, 2005.
AN ACT to amend the Indiana Code concerning environmental law.

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

SECTION 1. IC 13-14-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) A variance from a water quality standard that is at least in part the basis of a National Pollutant Discharge Elimination System (NPDES) permit issued under this title must meet the conditions specified in:

(1) 40 CFR Part 132, Appendix F, Procedure 2.C; and

(2) rules adopted by the board.

(b) Except as provided in subsection (c), a variance from a water quality standard of the water pollution control board under section 8 of this chapter or IC 13-7-7-6 (before its repeal) may be:

(1) granted for not more than five (5) years; and

(2) renewed for not more than five (5) years.

(b) A variance application must contain a pollutant minimization plan specific to the pollutant for which the variance is requested. With respect to a variance relating to an NPDES permit for a combined sewer overflow discharge, this subsection is satisfied if the NPDES permit holder has prepared a long term control plan and is implementing the nine (9) minimum controls pursuant to:

(1) 33 U.S.C. 1342(q); and

(2) 59 FR 18688.

(c) A variance granted under section 8 of this chapter or IC 13-7-7-6 (before its repeal) from a water quality standard that is at least in part the basis of a National Pollutant Discharge Elimination System permit issued under this title; and

(2) extended under IC 13-15-3-6 or IC 13-7-10-2(e) (before its repeal);

remains in effect until the National Pollutant Discharge Elimination System permit expires.
(c) Subject to subsection (d), a variance described in subsection (a) may be granted for a period not to exceed the term of the NPDES permit affected by the variance.

(d) If an NPDES permit remains in effect beyond its stated term under IC 13-15-3-6, a variance described in subsection (a) remains in effect for as long as the NPDES permit requirements affected by the variance are in effect.

(e) A variance described in subsection (a) may be renewed each time the NPDES permit affected by the variance is renewed if the conditions of subsections (a) and (b) continue to be met.

SECTION 2. IC 13-18-3-2.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.3. (a) A long term control plan, upon implementation, fulfills the water quality goals of the state with respect to wet weather discharges that are a result of overflows from the combined sewer system addressed by the plan if:

(1) the plan provides for the implementation of cost effective control alternatives that will attain water quality standards or maximize the extent to which water quality standards will be attained if they are not otherwise attainable;

(2) the plan provides, at a minimum, for the capture for treatment of first flush;

(3) the plan is reviewed periodically; and

(4) additional controls are implemented as provided in section 2.4 of this chapter.

Cost effectiveness may be determined, at the option of the permit holder, by using a knee of the curve analysis.

(b) (a) When This subsection applies if a use attainability analysis is required for a suspension of designated uses under this chapter, the department must to the maximum extent permitted under state or federal law, performed and approved to change the designated use of a water body receiving wet weather discharges from combined sewer overflows from the recreational use designation that applied to the waters immediately before the application to the waters of the CSO wet weather subcategory established in section 2.5 of this chapter to that subcategory. Upon implementation of the approved long term control plan, the plan fulfills the water quality goals of the state with respect to wet weather discharges that are a result of overflows from the combined sewer system addressed by the plan.
(b) A long term control plan must meet the requirements of:
   (1) Section 402(q) of the federal Clean Water Act (33 U.S.C. 1342(q)); and
   (2) 59 FR 18688.

(c) An approved long term control plan shall be incorporated into:
   (1) the NPDES permit holder's NPDES permit; or
   (2) an order of the commissioner under IC 13-14-2-6.

(d) If a use attainability analysis is performed, the department shall:
   (1) review a use attainability analysis submitted under this chapter concurrently with a long term control plan submitted under this chapter; and
   (2) use the approved long term control plan to satisfy the requirements of the use attainability analysis.

SECTION 3. IC 13-18-3-2.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.4. An NPDES permit holder shall review the feasibility of implementing additional or new control alternatives to attain water quality standards, including standards suspended under section 2.5 of this chapter. The NPDES permit holder shall conduct such a review periodically, but not less than every five (5) years after approval of the long term control plan by the department. The NPDES permit holder shall:
   (1) document to the department that the long term control plan has been reviewed;
   (2) update the long term control plan as necessary;
   (3) submit any amendments to the long term control plan to the department for approval; and
   (4) implement control alternatives determined to be cost effective and affordable.

Cost effectiveness may be determined, at the option of the NPDES permit holder, by using a knee of the curve analysis in accordance with section 402(q) of the federal Clean Water Act (33 U.S.C. 1342(q)) and 59 FR 18688.

SECTION 4. IC 13-18-3-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) Subject to the limitations of subsection (d), designated uses and associated water quality criteria are temporarily suspended on a site specific basis; A
CSO wet weather limited use subcategory is established for waters affected by discharges from receiving combined sewer overflow points listed in the National Pollutant Discharge Elimination System (NPDES) permit due to overflows, as specified in an approved long term control plan. The CSO wet weather events if limited use subcategory applies to a specific water body after implementation of an approved long term control plan for the combined sewer system whose overflow discharges affect those waters is implemented and the conditions of subsection (b) are satisfied. The following requirements apply to the CSO wet weather limited use subcategory:

1. the department has approved a long term control plan for the NPDES permit holder for the combined sewer system;
2. the approved long term control plan is incorporated into the permit holder’s NPDES permit;
3. the approved long term control plan:
   (A) satisfies the requirements of section 2.3 of this chapter;
   and
   (B) specifies the designated uses and water quality standards to be suspended under this section;
4. the permit holder:
   (A) has implemented the approved long term control plan; or
   (B) is implementing the approved long term control plan in accordance with the schedule approved in the long term control plan;
5. the permit holder is in compliance with the requirements for the operation and maintenance of its wastewater treatment facilities and combined sewer system, including its combined sewer operational plan approved by the department; and

The provisions of 40 CFR 131.10 may be satisfied by including appropriate data and information in the long term control plan.

(b) Existing uses as defined in 40 CFR 131.3(c) and associated water quality criteria may be suspended only in accordance with federal law.

(c) To the extent permitted under federal law, the department shall provide a compliance schedule for attainment of water quality based
limitations for discharges from combined sewer overflow points in the NPDES permit during the period when the long term control plan is being developed:

(d) A temporary suspension applies only:
(1) to the NPDES permit holder for discharges from the permit holder’s listed combined sewer overflow points; and
(2) (1) The water quality based requirements associated with the CSO wet weather limited use subcategory that apply to waters affected by wet weather combined sewer overflows are determined by an approved long term control plan for the combined sewer system. The water quality based requirements remain in effect during the time and to the physical extent that the designated uses and water quality standards are not attained due to the discharges from the listed combined sewer overflow points; recreational use designation that applied to the waters immediately before the application to the waters of the CSO wet weather limited use subcategory is not attained, but no for not more than four (4) days after the date the overflow discharge ends.

(e) The board may adopt rules in accordance with IC 13-14-8 and IC 13-14-9 to amend the water quality standards to include the terms of the temporary suspension allowed by this section:

(2) At all times other than those described in subdivision (1), the water quality criteria associated with the appropriate recreational use designation that applied to the waters immediately before the application to the waters of the CSO wet weather limited use subcategory apply unless there is a change in the use designation as a result of a use attainability analysis.

(b) The CSO wet weather limited use subcategory applies if:
(1) the department has approved a long term control plan for the NPDES permit holder for the combined sewer system;
(2) the approved long term control plan:
(A) is incorporated into:
   (i) the NPDES permit holder’s NPDES permit; or
   (ii) an order of the commissioner under IC 13-14-2-6;
(B) satisfies the requirements of section 2.3 of this chapter; and
(C) specifies the water quality based requirements that apply to combined sewer overflows during and immediately following wet weather events, as provided in subsection (a)(1);

(3) the NPDES permit holder has implemented the approved long term control plan; and

(4) subject to subsection (c), 40 CFR 131.10, 40 CFR 131.20, and 40 CFR 131.21 are satisfied.

(c) For purposes of subsection (b)(4), 40 CFR 131.10 may be satisfied by including appropriate data and information in the long term control plan.

(d) The department shall implement the CSO wet weather limited use subcategory and associated water quality based requirements under this section when the subcategory and requirements are approved by the United States Environmental Protection Agency. The department shall seek approval of the United States Environmental Protection Agency in a timely manner.

(e) The NPDES permit holder shall monitor its discharges and the water quality in the affected receiving stream periodically but at least every three (3) years. The NPDES permit holder shall provide all such information to the department.

(f) In conjunction with a review of its long term control plan under section 2.4 of this chapter, the NPDES permit holder shall review information generated after the use attainability analysis was approved by the department to determine whether the conclusion of the use attainability analysis is still valid. The NPDES permit holder shall provide the results of the review to the department.

(h) A temporary suspension under this section may be authorized only to the extent allowed under federal law. If the department determines that information provided under this section demonstrates that uses being suspended are attainable, the department shall promptly notify the permit holder of its determination. A permit holder may appeal the department's determination under this section in accordance with IC 4-21.5.

(i) After the effective date of the determination under subsection (h), the long term control plan may be modified to achieve attainment of the
previously suspended uses and associated water quality criteria. The compliance schedule and other provisions of the NPDES permit shall also be modified as necessary:

(g) The board shall adopt rules under IC 13-14-8 and IC 13-14-9 to implement this section before October 1, 2006.

SECTION 5. IC 13-18-3-2.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.6. (a) Where appropriate, permits shall contain schedules of compliance requiring the permittee to take specific steps to achieve expeditious compliance with applicable standards, limitations, and other requirements.

(b) The schedule of compliance shall require compliance as soon as reasonably possible, but may remain in effect as long as the National Pollutant Discharge Elimination System (NPDES) permit requirements are in effect.

(c) The department shall, at the request of the NPDES permit holder, incorporate in the permit a schedule of compliance for meeting the water quality based requirements associated with combined sewer overflows during the period of development, approval, and implementation of the long term control plan. The schedules of compliance:

(1) may exceed time frames authorized under 327 IAC; and
(2) may not exceed the period specified for implementation in an approved long term control plan.

(d) If the term of a schedule of compliance exceeds the term of an NPDES permit, the department shall continue to implement the schedule of compliance continuously before and during each successive permit term, to the maximum duration as provided in subsection (c). The permit shall specify that the schedule of compliance lasts beyond the term of the permit.

(e) Upon request of the permittee, the department shall modify NPDES permits containing water quality based requirements associated with combined sewer overflows to provide schedules of compliance as provided in subsection (c).

(f) The board shall adopt rules under IC 13-14-8 and IC 13-14-9 to implement this section before October 1, 2006.

SECTION 6. [EFFECTIVE UPON PASSAGE] (a) Before September 1, 2005, the department of environmental management shall review and revise the guidance developed for combined sewer
overflow communities to incorporate and reflect the law as in effect on July 1, 2005.

(b) This SECTION expires September 1, 2005.

SECTION 7. An emergency is declared for this act.

P.L.55-2005
[H.1263. Approved April 21, 2005.]

AN ACT to amend the Indiana Code concerning courts and court officers.

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

SECTION 1. IC 33-23-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In each county participating in the program under this chapter, there is established an alternative dispute resolution fund for each of the following:

(1) The circuit court. and an alternative dispute resolution fund for the
(2) The superior court.
(3) The probate court established by IC 33-31-1.

(b) Notwithstanding subsection (a), if more than one (1) court exercises jurisdiction over domestic relations and paternity cases in a county, one (1) alternative dispute resolution fund may be established to be used by all the courts to implement this chapter if:

(1) the:
(A) county auditor; and
(B) judge of each court that exercises jurisdiction over domestic relations and paternity cases in the county;
agree to establish one (1) fund; and
(2) the agreement to establish the fund is included in the plan adopted by the county under section 3 of this chapter.
(c) The exclusive source sources of money for each fund is established under subsection (a) or (b) are:
(1) the alternative dispute resolution fee collected under section 1 of this chapter for the circuit court, superior court, or probate court, respectively; and

(2) copayments collected under subsection (d) if:
   (A) a county chooses to deposit the copayments into the fund; and
   (B) the county specifies in the plan adopted by the county under section 3 of this chapter that the copayments will be deposited in the fund.

(d) The funds shall be used to foster domestic relations alternative dispute resolution, including:

   (1) mediation;
   (2) reconciliation;
   (3) nonbinding arbitration; and
   (4) parental counseling.

Litigants referred by the court to services covered by the fund shall make a copayment for the services in an amount determined by the court based on the litigants' ability to pay. The fund shall be administered by the circuit, superior, or probate court that exercises jurisdiction over domestic relations and paternity cases in the county. A fund used by multiple courts under subsection (b) shall be administered jointly by all the courts using the fund. Money in each fund at the end of a fiscal year does not revert to the county general fund but remains in the fund for the uses specified in this section.

(e) Each circuit, superior, or probate court that administers an alternative dispute resolution fund shall ensure that money in the fund is disbursed in a manner that primarily benefits those litigants who have the least ability to pay, in accordance with the plan adopted by the county under section 3 of this chapter.

(f) A court may not order parties into mediation or refer parties to mediation if a party is currently charged with or has been convicted of a crime:

   (1) under IC 35-42; or
   (2) in another jurisdiction that is substantially similar to the elements of a crime described in IC 35-42.
AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-1-15.7-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. The commissioner shall, not later than September 1, 2005, establish a policy to allow a waiver of the:

(1) continuing education requirements of this chapter; and
(2) license renewal requirements of IC 27-1-15.6 and this chapter;
for an insurance producer who is serving on active duty in the armed forces of the United States in an area designated as a combat zone by the President of the United States.

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-1-15.7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The commissioner shall approve and disapprove continuing education courses after considering recommendations made by the insurance producer education and continuing education advisory council created under section 6 of this chapter.

(b) The commissioner may not approve a course under this section
if the course:

(1) is designed to prepare an individual to receive an initial license under this chapter;

(2) concerns only routine, basic office skills, including filing, keyboarding, and basic computer skills;

(3) concerns sales promotion and sales techniques;

(4) concerns motivation, psychology, or time management; or

(5) may be completed by a licensee without supervision by an instructor, unless the course involves an examination process that is:

(A) completed and passed by the licensee as determined by the provider of the course; and

(B) approved by the commissioner.

(c) The commissioner shall approve a course under this section that is submitted for approval by an insurance trade association or professional insurance association if:

(1) the objective of the course is to educate a manager or an owner of a business entity that is required to obtain an insurance producer license under IC 27-1-15.6-6(d);

(2) the course teaches insurance producer management and is designed to result in improved efficiency in insurance producer operations, systems use, or key functions;

(3) the course is designed to benefit consumers; and

(4) the course is not described in subsection (b).

(d) Approval of a continuing education course under this section shall be for a period of not more than two (2) years.

(e) A prospective provider of a continuing education course shall pay:

(1) a fee of forty dollars ($40) for each course submitted for approval of the commissioner under this section; or

(2) an annual fee of five hundred dollars ($500) not later than January 1 of a calendar year, which entitles the prospective provider to submit an unlimited number of courses for approval of the commissioner under this section during the calendar year.

The commissioner may waive all or a portion of the fee for a course submitted under a reciprocity agreement with another state for the approval or disapproval of continuing education courses. Fees collected under this subsection shall be deposited in the department of insurance.
fund established under IC 27-1-3-28.

(f) The commissioner shall adopt rules under IC 4-22-2 to establish procedures for approving continuing education courses.

AN ACT to amend the Indiana Code concerning elections.

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

SECTION 1. IC 3-5-2-8.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.7. (a) "Chad" means the part of a ballot card that indicates a vote on the card when entirely punched out by the voter.

(b) This section expires December 31, 2005.

SECTION 2. IC 3-5-2-34.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34.7. (a) "Paper ballot" refers to a ballot that is:

(1) marked by a voter using a pen or pencil; and
(2) designed to be counted by hand and not counted on an automatic tabulating machine.

(b) "Paper ballot" does not include a ballot card.

SECTION 3. IC 3-10-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The primary election paper ballots, ballot cards, and ballot labels of each political party must be of uniform size and of the same quality paper as the paper ballots, ballot cards, and ballot labels used at the general election.

(b) The paper ballots and ballot cards must be distinctively marked or be of a different color so that the ballots of each party are easily distinguishable.

(c) This subsection applies to all voting systems. All the
candidates representing one (1) party shall be placed on one (1) ticket with the name of the party placed at the top or beginning of the ballot in the form prescribed by section 19 of this chapter.

SECTION 4. IC 3-10-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Each political party holding a primary election shall have a separate ticket, either in printed ballot form as prescribed by sections 13 and 14.1 of this chapter, or on separate ballot cards or ballot labels.

(b) Except as provided in subsection (c) or (d), the name of each candidate who has qualified under IC 3-8 shall be placed on the ballot under a designation of the office for which the person is a candidate. However:

(c) This subsection applies to a punch card ballot and expires December 31, 2005. The name of each candidate who has qualified under IC 3-8 shall be placed on the ballot and indicated by reference to a number printed on the punch card.

(d) This subsection applies to an optical scan ballot card voting system that does not list the name of a candidate on the ballot card. The name of each candidate who has qualified under IC 3-8 shall be placed on the ballot and indicated by reference to a number printed on the optical scan ballot card.

(e) The name of a candidate may not appear on the ballot of more than one (1) party for the same office.

SECTION 5. IC 3-10-1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. Political parties may be distinguished in a primary election by the use of different color paper ballots, ballot cards, or ballot labels. The party name shall be placed before the list of candidates of the party.

SECTION 6. IC 3-10-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The ballot for a primary election shall be printed in substantially the following form for all the offices for which candidates have qualified under IC 3-8:

OFFICIAL PRIMARY BALLOT
_________________ Party

For paper ballots, print: To vote for a person, make a voting mark (X or ✓) on or in the box before the person’s name in the proper column. For punch card ballots, print: To vote for a person, punch
through the chad before the number assigned to the person's name in the proper column. For optical scan ballots, print: To vote for a person, darken or shade in the circle, oval, or square (or draw a line to connect the arrow) that precedes the person's name in the proper column. For optical scan ballots that do not contain a candidate's name, print: To vote for a person, darken or shade in the oval that precedes the number assigned to the person's name in the proper column. For electronic voting systems, print: To vote for a person, touch the screen (or press the button) in the location indicated.

Vote for one (1) only
Representative in Congress
[ ] (1) AB__________
[ ] (2) CD__________
[ ] (3) EF__________
[ ] (4) GH__________

(b) The offices with candidates for nomination shall be placed on the primary election ballot in the following order:

(1) Federal and state offices:
(A) President of the United States.
(B) United States Senator.
(C) Governor.
(D) United States Representative.

(2) Legislative offices:
(A) State senator.
(B) State representative.

(3) Circuit offices and county judicial offices:
(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.
(C) Judge of the probate court.
(D) Judge of the county court, with each division separate, as required by IC 33-30-3-3.
(E) Prosecuting attorney.
(F) Clerk of the circuit court.
P.L.58—2005

(4) County offices:
   (A) County auditor.
   (B) County recorder.
   (C) County treasurer.
   (D) County sheriff.
   (E) County coroner.
   (F) County surveyor.
   (G) County assessor.
   (H) County commissioner.
   (I) County council member.

(5) Township offices:
   (A) Township assessor.
   (B) Township trustee.
   (C) Township board member.
   (D) Judge of the small claims court.
   (E) Constable of the small claims court.

(6) City offices:
   (A) Mayor.
   (B) Clerk or clerk-treasurer.
   (C) Judge of the city court.
   (D) City-county council member or common council member.

(7) Town offices:
   (A) Clerk-treasurer.
   (B) Judge of the town court.
   (C) Town council member.

(c) The political party offices with candidates for election shall be placed on the primary election ballot in the following order after the offices described in subsection (b):
   (1) Precinct committeeman.
   (2) State convention delegate.

(d) The following offices and public questions shall be placed on the primary election ballot in the following order after the offices described in subsection (c):
   (1) School board offices to be elected at the primary election.
   (2) Other local offices to be elected at the primary election.
   (3) Local public questions.

(e) The offices and public questions described in subsection (d) shall be placed:
(1) in a separate column on the ballot if voting is by paper ballot;
(2) after the offices described in subsection (c) in the form specified in IC 3-11-13-11 if voting is by ballot card; voting system; or
(3) either:
   (A) on a separate screen for each office or public question;
   or
   (B) after the offices described in subsection (c) in the form specified in IC 3-11-14-3.5;
if voting is by an electronic voting system; or
(4) in a separate column of ballot labels if voting is by voting machine.

(f) A public question shall be placed on the primary election ballot in the following form:

   (The explanatory text for the public question, if required by law.)
   "Shall (insert public question)?"

   [] YES
   [] NO

SECTION 7. IC 3-10-1-19.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.7. The ballot for a primary election is not required to contain the information set forth under IC 3-11-2-10, IC 3-11-13-11, or IC 3-11-14-3.5 concerning:

   (1) write-in voting; or
   (2) independent candidates or independent tickets (described in IC 3-11-2-6);
except when an office for which write-in candidates or independent candidates or independent tickets (described in IC 3-11-2-6) are permitted is elected at the same time as the primary election.

SECTION 8. IC 3-10-1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) This section applies only to paper ballots.

   (a) (b) After marking a paper ballot, a voter shall fold each ballot separately in a manner that its face will be concealed and the initials of the poll clerks or assistant poll clerks seen.

   (b) (c) After leaving the booth, a voter shall return the pencil to a poll clerk or assistant poll clerk and display the initials on each ballot to the inspector.
(c) (d) If a voter offers to vote a ballot folded so that it does not disclose the initials of the poll clerks or assistant poll clerks while also not disclosing the face of the ballot, the precinct election board shall direct the voter to return to the booth and fold the ballot properly.

(e) After properly displaying the initials on the ballot, the voter then shall:

(1) deposit the ballot in the ballot box; or
(2) at the voter's option return the ballot to the inspector, who shall deposit it in the ballot box.

(f) The poll clerk or assistant poll clerk shall then place a voting mark opposite the voter's name on the poll list. The voter then shall leave the polls.

SECTION 9. IC 3-10-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The names of the candidates of:

(1) a political party;
(2) a group of petitioners under IC 3-8-6; or
(3) a write-in candidate for the office of President or Vice President of the United States under IC 3-8-2-1.5; IC 3-8-2-2.5;

for electors of President and Vice President of the United States may not be placed on the ballot.

(b) The names of the nominees for President and Vice President of the United States of each political party or group of petitioners shall be placed:

(1) in one (1) column on the ballot if paper ballots or a ballot card voting system is are used;
(2) on one (1) ballot label in one (1) column or row if voting machines are used; or
(3) in a separate column on the ballot label either:
   (A) grouped together on a separate screen; or
   (B) grouped together below the names of the offices as specified in IC 3-11-14-3.5;

if an electronic voting system is used; or

(4) grouped together below the names of the offices as specified in IC 3-11-13-11 if a ballot card is used.

(c) The name of each write-in candidate for the office of President or Vice President of the United States shall be placed as provided under IC 3-11-2-6.
SECTION 10. IC 3-10-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) If this section applies when paper ballots or a ballot card voting system is used.

(b) A single square shall be printed in front of a bracket enclosing the names of the nominees for President and Vice President of the United States on the left margin of each separate column of the ballot, immediately opposite the names of the nominees.

(c) The device named and list of nominees of the political party whose nominee received the highest number of votes in that county for secretary of state at the last election shall be placed in the first column on the left side of the ballot. If paper ballots or a ballot card voting system is used or, if voting machines or an electronic voting system is used, in the first column or row. The political party whose nominee received the second highest number of votes in that county for secretary of state at the last election shall be placed in the second column or row. Other political parties shall be placed on the ballot in the same order.

(d) If a political party or an independent ticket did not have a candidate for secretary of state in the last election, the party or ticket shall be placed on the ballot after the parties described in subsection (b), (c). If more than one political party or independent ticket that has qualified to be on the ballot did not have a candidate for secretary of state in the last election, each party or independent ticket shall be listed on the ballot in the order in which the party or independent ticket filed a petition of nomination under IC 3-8-6-12.

SECTION 11. IC 3-10-4-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) If this section applies when an optical scan ballot card is used.

(b) The names of the nominees for President and Vice President of the United States for each political party or group of petitioners grouped as described in section 1(b)(4) of this chapter must be:

1. listed together so that a voter is aware that the voter votes for both offices with a single vote; and
2. printed behind or beside a single connectable arrow, oval, circle, or square.

(c) The nominees for President and Vice President of the United
States must be grouped under the names of the offices in the order established by IC 3-11-13-11.

SECTION 12. IC 3-10-4-2.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.2. (a) This section applies when an electronic voting system is used.

(b) The names of the nominees for President and Vice President of the United States for each political party or group of petitioners grouped as described in section 1(b)(3) of this chapter must be:

1. listed together so that a voter is aware that the voter votes for both offices with a single vote; and
2. behind or beside a single touch sensitive point or button place.

(c) The nominees for President and Vice President of the United States must be grouped under the names of the offices in the order established by IC 3-11-14-3.5.

SECTION 13. IC 3-10-7-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) A town election board shall determine what voting method will be used in a municipal election.

(b) The town election board and its precinct election officers shall perform the duties of the county election board and its precinct election officers under IC 3-11 for each voting method used.

(c) The town election board shall prepare the ballots in the form prescribed by IC 3-11-2 and distribute them to the precincts in the town.

(d) This subsection applies only to paper ballots. Notwithstanding subsection (c), the town election board, by unanimous consent of the board's entire membership, may authorize the printing or reproduction of ballots on equipment under the control of the town clerk-treasurer. If the town election board acts under this subsection, the ballots are not required to conform to the precise dimensions concerning the size of political party devices under IC 3-11-2-9 or the placement of a candidate's name under IC 3-11-2-10(e). However, the ballots must otherwise substantially conform with IC 3-11-2.

SECTION 14. IC 3-11-2-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) This chapter applies only to paper
ballots.

(b) This chapter does not apply to:

(1) an electronic voting system; or

(2) an optical scan voting system.

(c) This chapter does not apply to a punch card ballot voting system. This subsection expires December 31, 2005.

SECTION 15. IC 3-11-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) The name or title of the political party or independent ticket described in section 6 of this chapter shall be placed at the top of the ballot. The device of the political party or independent ticket shall be placed immediately under the name of the political party or independent ticket. The instructions for voting a straight party ticket shall be placed to the right of the device, or if the ballot is part of a direct recording electronic voting system:

(1) the instructions for voting a straight party ticket; and

(2) the statement concerning presidential electors required under IC 3-10-4-3;

may be posted in any location within the voting booth that permits the voter to easily read the instructions instead of on the ballot face:

(b) The instructions for voting a straight party ticket must conform as nearly as possible to the following: "To vote a straight (insert political party name) ticket for all (political party name) candidates on this ballot, make a voting mark on or in this circle and do not make any other marks on this ballot. If you wish to vote for a candidate seeking a nonpartisan office or on a public question, you must make another voting mark on the appropriate place on this ballot."

(c) If the ballot contains an independent ticket described in section 6 of this chapter and at least one (1) other independent candidate, the ballot must also contain a statement that reads substantially as follows: "A vote cast for an independent ticket will only be counted for the candidates for President and Vice President or governor and lieutenant governor comprising that independent ticket. This vote will NOT be counted for any OTHER independent candidate appearing on the ballot."

(d) The ballot must also contain a statement that reads substantially as follows: "A write-in vote will NOT be counted unless the vote is for a DECLARED write-in candidate. To vote for a write-in candidate, you
must make a voting mark on or in the square to the left of the name you have written in or your vote will not be counted.

(c) Except for variations in ballot arrangement permitted for voting machines under IC 3-11-12-7; ballot card voting systems under IC 3-11-13-11; or electronic voting systems under IC 3-11-14-7; The list of candidates of the political party shall be placed immediately under the instructions for voting a straight party ticket. The names of the candidates shall be placed three-fourths (3/4) of an inch apart from center to center of the name. The name of each candidate must have, immediately on its left, a square three-eighths (3/8) of an inch on each side.

(f) The election division or the circuit court clerk may authorize the printing of ballots containing a ballot variation code to ensure that the proper version of a ballot is used within a precinct.

SECTION 16. IC 3-11-2-12.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.9. (a) School board offices to be elected at the general election shall be placed on the general election ballot after the offices described in section 12 of this chapter.

(b) School board offices shall be placed in a separate column on the ballot. or ballot label if voting is by paper ballot; ballot card voting system, or electronic voting system or in a separate column of ballot labels if voting is by voting machine:

(c) This subsection applies to voting done by paper ballot or a ballot card voting system. If the ballot contains a candidate for a school board office, the ballot must also contain a statement that reads substantially as follows: "To vote for a candidate for this office, make a voting mark on or in the square to the left of the candidate's name."

SECTION 17. IC 3-11-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The following offices and public questions shall be placed on the general election ballot in the following order after the offices described in section 12.9 of this chapter:

1. Retention of a justice of the supreme court.
2. Retention of a judge of the court of appeals.
3. Retention of the judge of the tax court.
4. Ratification of a state constitutional amendment.

(b) Whenever more than one (1) justice of the supreme court is
subject to retention, the name of each justice must appear on the ballot in alphabetical order. However, if the justice serving as chief justice is subject to retention, the chief justice's name must appear first.

(c) Whenever more than one (1) judge of the court of appeals is subject to retention, the name of each judge must appear on the ballot in alphabetical order. However, if the judge serving as chief judge is subject to retention, the chief judge's name must appear first.

(d) These offices and public questions shall be placed in a separate column on the ballot.

SECTION 18. IC 3-11-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

(a) The following offices and public questions shall be placed on the general election ballot in the following order after the offices and public questions described in section 13 of this chapter:

(1) Retention of a local judge.
(2) Local nonpartisan judicial offices.
(3) Local public questions.

(b) These offices and public questions shall be placed in a separate column on the ballot.

(c) If the ballot contains a candidate for a local nonpartisan judicial office, the ballot must also contain a statement that reads substantially as follows: "To vote for a candidate for this office, make a voting mark on or in the square to the left of the candidate's name."

(d) If more than one (1) local public question concerning the retention of a local judge is to be placed on a ballot, the public questions shall be placed on the ballot:

(1) in alphabetical order according to the surname of the local judge; and
(2) identifying the court (including division or room) in which the judge serves.

SECTION 19. IC 3-11-13-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

(a) The ballot information, whether placed on the ballot card or on the marking device, should as far as practicable be in the order of arrangement.
provided for ballots under IC 3-11-2. However, the ballot information may be in vertical or horizontal rows or in a number of separate pages. Ballot cards for all public questions must be provided in the same manner and must be arranged on or in the marking device in the places provided for that purpose: this section.

(b) Each county election board shall have the names of all candidates for all elected offices, political party offices, and public questions printed on a ballot card as provided in this chapter. The county may:

(1) print all offices and questions on a single ballot card; and
(2) include a ballot variation code to ensure that the proper version of a ballot is used within a precinct.

(c) Each type of ballot card must be of uniform size and of the same quality and color of paper (except as permitted under IC 3-10-1-17).

(d) The nominees of a political party or an independent candidate or independent ticket (described in IC 3-11-2-6) nominated by petitioners shall be listed on the ballot with the name and device set forth on the certification or petition. The circle containing the device may be of any size that permits a voter to readily identify the device. IC 3-11-2-5 applies if the certification or petition does not include a name or device, or if the same device is selected by two (2) or more parties or petitioners.

(e) The offices on the general election ballot must be placed on the ballot in the order listed in IC 3-11-2-12, IC 3-11-2-12.2, IC 3-11-2-12.5, IC 3-11-2-12.7(b), IC 3-11-2-12.9(a), IC 3-11-2-13(a) through IC 3-11-2-13(c), IC 3-11-2-14(a), and IC 3-11-2-14(d). The offices and public questions may be listed in a continuous column either vertically or horizontally and on a number of separate pages. However, school board offices, public questions concerning the retention of a justice or judge, local nonpartisan judicial offices, and local public questions must be placed at the beginning of separate columns.

(f) The name of each office must be printed in a uniform size in bold type. A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) for this office."

(g) Below the name of the office and the statement required by
subsection (f), the names of the candidates for each office must be grouped together in the following order:

1. The major political party whose candidate received the highest number of votes in the county for secretary of state at the last election is listed first.
2. The major political party whose candidate received the second highest number of votes in the county for secretary of state is listed second.
3. All other political parties listed in the order that the parties' candidates for secretary of state finished in the last election are listed after the party listed in subdivision (2).
4. If a political party did not have a candidate for secretary of state in the last election or a nominee is an independent candidate or independent ticket (described in IC 3-11-2-6), the party or candidate is listed after the parties described in subdivisions (1), (2), and (3).
5. If more than one (1) political party or independent candidate or ticket described in subdivision (4) qualifies to be on the ballot, the parties, candidates, or tickets are listed in the order in which the party filed its petition of nomination under IC 3-8-6-12.
6. A space for write-in voting is placed after the candidates listed in subdivisions (1) through (5), if required by law.
7. The name of a write-in candidate may not be listed on the ballot.

(h) The names of the candidates grouped in the order established by subsection (g) must be printed in type with uniform capital letters and have a uniform space between each name. The name of the candidate's political party, or the word "Independent" if the:

1. candidate; or
2. ticket of candidates for:
   (A) President and Vice President of the United States; or
   (B) governor and lieutenant governor;
   is independent, must be placed immediately below or beside the name of the candidate and must be printed in a uniform size and type.

(i) All the candidates of the same political party for election to at-large seats on the fiscal or legislative body of a political
subdivision must be grouped together:
   (1) under the name of the office that the candidates are seeking;
   (2) in the order established by subsection (g); and
   (3) within the political party, in alphabetical order according to surname.
A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) of ANY party for this office."

(j) Candidates for election to at-large seats on the governing body of a school corporation must be grouped:
   (1) under the name of the office that the candidates are seeking; and
   (2) in alphabetical order according to surname.
A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) for this office."

(k) The following information must be placed at the top of the ballot before the first office is listed:
   (1) The cautionary statement described in IC 3-11-2-7.
   (2) The instructions described in IC 3-11-2-8, IC 3-11-2-10(c), and IC 3-11-2-10(d).

(l) The ballot must include a single connectable arrow, circle, oval, or square, or a voting position for voting a straight party or an independent ticket (described in IC 3-11-2-6) by one (1) mark as required by section 14 of this chapter, and the single connectable arrow, circle, oval, or square, or the voting position for casting a straight party or an independent ticket ballot must be identified by:
   (1) the name of the political party or independent ticket (described in IC 3-11-2-6); and
   (2) immediately below or beside the political party's or independent ticket's name, the device of that party or ticket (described in IC 3-11-2-5).
The name and device of each political party or independent ticket must be of uniform size and type and arranged in the order
established by subsection (g) for listing candidates under each office. The instructions described in IC 3-11-2-10(b) for voting a straight party ticket and the statement concerning presidential electors required under IC 3-10-4-3 may be placed on the ballot beside or above the names and devices within the voting booth in a location that permits the voter to easily read the instructions.

(m) A public question must be in the form described in IC 3-11-2-15(a) and IC 3-11-2-15(b), except that a single connectable arrow, a circle, or an oval may be used instead of a square. Except as expressly authorized or required by statute, a county election board may not print a ballot card that contains language concerning the public question other than the language authorized by a statute.

(n) The requirements in this section:
(1) do not replace; and
(2) are in addition to;
any other requirements in this title that apply to optical scan ballots.

(o) The procedure described in IC 3-11-2-16 must be used when a ballot does not comply with the requirements imposed by this title or contains another error or omission that might result in confusion or mistakes by voters.

(p) This subsection applies to an optical scan ballot that does not list:
(1) the names of political parties or candidates; or
(2) the text of public questions;
on the face of the ballot. The ballot must be prepared in accordance with this section, except that the ballot must include a numbered circle or oval to refer to each political party, candidate, or public question.

(q) This subsection:
(1) applies to a punch card ballot voting system; and
(2) expires December 31, 2005.
Except as otherwise provided in this chapter, a punch card ballot must include a numbered box and chad in the locations and in the layout specified by this section for connectable arrows, circles, ovals, or squares.

SECTION 20. IC 3-11-13-31.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31.7. (a) This
section is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what constitutes a vote on an optical scan voting system.

(b) After receiving ballot cards, a voter shall, without leaving the room, go alone into one (1) of the booths or compartments that is unoccupied and indicate:

1. the candidates for whom the voter desires to vote by punching a hole in or marking the connectable arrows, circles, ovals, or squares immediately beside:
   - (A) the candidates' names; or
   - (B) the numbers referring to the candidates; and
2. the voter's preference on each public question by punching a hole in or marking the connectable arrow, oval, or square beside:
   - (A) the word "yes" or "no" under the question; or
   - (B) the number referring to the word "yes" or "no" on the ballot.

(c) If an election is a general or municipal election and a voter desires to vote for all the candidates of one (1) political party or group of petitioners, independent ticket (described in IC 3-11-2-6), the voter may punch a hole in or mark:

1. the circle enclosing the device; and beside the name under which the candidates of the party or group of petitioners are printed; or
2. the connectable arrow, circle, oval, or square described in section 11 of this chapter;

that designates the candidates of that political party or independent ticket (described in IC 3-11-2-6). The voter's vote shall then be counted for all the candidates under of that name: political party or included in the independent ticket (described in IC 3-11-2-6). However, if the voter punches a hole in or marks the circle, arrow, oval, or square of an independent ticket comprised of two (2) candidates, (described in IC 3-11-2-6), the vote shall not be counted for any other independent candidate on the ballot.

SECTION 21. IC 3-11-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The county election board shall furnish ballot labels prepared as required by section 3.5 of this chapter.
(b) The county election board shall have them the ballot labels printed:

(1) in black ink on clear white material;
(2) in the size that will fit on an electronic system; and
(3) in plain, clear type as space will reasonably permit.

SECTION 22. IC 3-11-14-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) Each county election board shall have the names of all candidates for all elected offices, political party offices, and public questions printed on ballot labels for use in an electronic voting system as provided in this chapter.

(b) The county may:

(1) print all offices and public questions on a single ballot label; and

(2) include a ballot variation code to ensure that the proper version of a ballot label is used within a precinct.

(c) Each type of ballot label or paster must be of uniform size and of the same quality and color of paper (except as permitted under IC 3-10-1-17).

(d) The nominees of a political party or an independent candidate or independent ticket (described in IC 3-11-2-6) nominated by petitioners must be listed on the ballot label with the name and device set forth on the certification or petition. The circle containing the device may be of any size that permits a voter to readily identify the device. IC 3-11-2-5 applies if the certification or petition does not include a name or device, or if the same device is selected by two (2) or more parties or petitioners.

(e) The ballot labels must list the offices on the general election ballot in the order listed in IC 3-11-2-12, IC 3-11-2-12.2, IC 3-11-2-12.5, IC 3-11-2-12.7(b), IC 3-11-2-12.9(a), IC 3-11-2-13(a) through IC 3-11-2-13(c), IC 3-11-2-14(a), and IC 3-11-2-14(d). Each office and public question may have a separate screen, or the offices and public questions may be listed in a continuous column either vertically or horizontally. However, school board offices, public questions concerning the retention of a justice or judge, local nonpartisan judicial offices, and local public questions shall be placed at the beginning of separate columns or pages.

(f) The name of each office must be printed in a uniform size in
bold type. A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) for this office."

(g) Below the name of the office and the statement required by subsection (f), the names of the candidates for each office must be grouped together in the following order:

1. The major political party whose candidate received the highest number of votes in the county for secretary of state at the last election is listed first.
2. The major political party whose candidate received the second highest number of votes in the county for secretary of state is listed second.
3. All other political parties listed in the order that the parties' candidates for secretary of state finished in the last election are listed after the party listed in subdivision (2).
4. If a political party did not have a candidate for secretary of state in the last election or a nominee is an independent candidate or independent ticket (described in IC 3-11-2-6), the party or candidate is listed after the parties described in subdivisions (1), (2), and (3).
5. If more than one (1) political party or independent candidate or ticket described in subdivision (4) qualifies to be on the ballot, the parties, candidates, or tickets are listed in the order in which the party filed its petition of nomination under IC 3-8-6-12.
6. A space for write-in voting is placed after the candidates listed in subdivisions (1) through (5), if required by law.
7. The name of a write-in candidate may not be listed on the ballot.

(h) The names of the candidates grouped in the order established by subsection (g) must be printed in type with uniform capital letters and have a uniform space between each name. The name of the candidate's political party, or the word "Independent", if the:

1. candidate; or
2. ticket of candidates for:
   (A) President and Vice President of the United States; or
   (B) governor and lieutenant governor;
is independent, must be placed immediately below or beside the name of the candidate and must be printed in uniform size and type.

(i) All the candidates of the same political party for election to at-large seats on the fiscal or legislative body of a political subdivision must be grouped together:

1. under the name of the office that the candidates are seeking;
2. in the party order established by subsection (g); and
3. within the political party, in alphabetical order according to surname.

A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) of ANY party for this office."

(j) Candidates for election to at-large seats on the governing body of a school corporation must be grouped:

1. under the name of the office that the candidates are seeking; and
2. in alphabetical order according to surname.

A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) for this office."

(k) The cautionary statement described in IC 3-11-2-7 must be placed at the top or beginning of the ballot label before the first office is listed.

(l) The instructions described in IC 3-11-2-8, IC 3-11-2-10(c), and IC 3-11-2-10(d) may be:

1. placed on the ballot label; or
2. posted in a location within the voting booth that permits the voter to easily read the instructions.

(m) The ballot label must include a touch sensitive point or button for voting a straight political party or independent ticket (described in IC 3-11-2-6) by one (1) touch, and the touch sensitive point or button must be identified by:

1. the name of the political party or independent ticket; and
2. immediately below or beside the political party's or
independent ticket's name, the device of that party or ticket (described in IC 3-11-2-5).
The name and device of each party or ticket must be of uniform size and type, and arranged in the order established by subsection (g) for listing candidates under each office. The instructions described in IC 3-11-2-10(b) for voting a straight party ticket and the statement concerning presidential electors required under IC 3-10-4-3 may be placed on the ballot label or in a location within the voting booth that permits the voter to easily read the instructions.

(n) A public question must be in the form described in IC 3-11-2-15(a) and IC 3-11-2-15(b), except that a touch sensitive point or button must be used instead of a square. Except as expressly authorized or required by statute, a county election board may not print a ballot label that contains language concerning the public question other than the language authorized by a statute.

(o) The requirements in this section:
(1) do not replace; and
(2) are in addition to;
any other requirements in this title that apply to ballots for electronic voting systems.

(p) The procedure described in IC 3-11-2-16 must be used when a ballot label does not comply with the requirements imposed by this title or contains another error or omission that might result in confusion or mistakes by voters.

SECTION 23. IC 3-11-14-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Each county election board shall, before election day, have the proper ballot labels prepared as required by section 3.5 of this chapter and put on each electronic voting system. with the device named and the list of candidates of each political party or independent candidate or ticket in the same order as on the sample ballot:

SECTION 24. IC 3-11-14-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. In school district elections, the county election board shall arrange the names of candidates in alphabetical order on an electronic voting system in such a way that the name of each candidate appears in the same column of
each system used in each precinct as required by section 3.5 of this chapter.

SECTION 25. IC 3-11-14-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 23. (a) This section is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what constitutes a vote on an electronic voting system.

(b) If a voter is not challenged by a member of the precinct election board, the voter may pass the railing to the side where an electronic voting system is and into the voting booth. There the voter shall register the voter's vote in secret by indicating:

(1) the candidates for whom the voter desires to vote by touching a device on or in the squares immediately above the candidates' names;

(2) if the voter intends to cast a write-in vote, a write-in vote by touching a device on or in the square immediately below the candidates' names and printing the name of the candidate in the window provided for write-in voting; and

(3) the voter's preference on each public question by touching a device above the word "yes" or "no" under the question.

(c) If an election is a general or municipal election and a voter desires to vote for all the candidates of one (1) political party or group of petitioners, the voter may cast a straight party ticket by touching that party's device. The voter's vote shall then be counted for all the candidates under that name. However, if the voter casts a vote by touching the circle of an independent ticket comprised of two (2) candidates, the vote shall not be counted for any other independent candidate on the ballot.

(d) After December 31, 2005, as provided by 42 U.S.C. 15481, a voter casting a ballot on an electronic voting system must be:

(1) permitted to verify in a private and an independent manner the votes selected by the voter before the ballot is cast and counted;

(2) provided the opportunity to change the ballot or correct any error in a private and independent manner before the ballot is cast and counted, including the opportunity to receive a replacement ballot if the voter is otherwise unable to change or correct the ballot; and

(3) notified before the ballot is cast regarding the effect of casting
multiple votes for the office and provided an opportunity to correct the ballot before the ballot is cast and counted.

SECTION 26. IC 3-12-1-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) This section applies to counting votes cast on ballot cards.

(b) As used in this section; “chad” means the part of a ballot card that indicates a vote on the card when entirely punched out by the voter:

(c) A chad that has been pierced, but not entirely punched out of the card, shall be counted as a vote for the indicated candidate or for the indicated response to a public question.

(d) A chad that has been indented, but not in any way separated from the remainder of the card, may not be counted as a vote for a candidate or on a public question.

(e) Whenever:

(1) a ballot card contains a numbered box indicating which chad should be punched out by the voter to cast a vote for a candidate or on a public question;

(2) the indicated chad has not been punched out; and

(3) a hole has been made in the card that touches any part of the numbered box;

the hole shall be counted as a vote for the candidate or on the public question as if the indicated chad had been punched out. However, if a hole has been made in the ballot that does not touch a numbered box or punch out a chad, the hole may not be counted as a vote for a candidate or on a public question.

(f) Whenever:

(1) a chad has been punched out of a ballot card;

(2) a numbered box indicates that another chad may be punched out to cast a vote for:

(A) a different candidate for the same office as the candidate for whom a vote was cast under subdivision (1); or

(B) a different response to the same public question on which a vote was cast under subdivision (1); and

(3) a hole has been punched in the card that touches the numbered box described in subdivision (2);

neither the chad described in subdivision (1) nor the hole described in subdivision (3) may be counted as a vote for a candidate or on a public
question.

(f) This subsection applies to a ballot card that:
(1) has been cast in a precinct whose votes are being recounted by a local recount commission or the state recount commission;
(2) is damaged or defective so that it cannot properly be counted by automated tabulating machines; and
(3) cannot be counted for the office subject to the recount due to the damage or defect.

The ballot card shall be remade only if the conditions in subdivisions (1) through (3) exist.

(g) Subsections (b) through (e) expire December 31, 2005.

SECTION 27. IC 20-4-1-26.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26.4. (a) This section applies to each school corporation, whenever created.

(b) If a plan provides for the election of members of the board of school trustees of the community school corporation at a primary election, at the time provided by IC 3-8-2 for the filing of notice of candidacies for the primary election next following the creation of the community school corporation, nominations for members of the board of school trustees of the community school corporation may be made by a petition signed by the candidates and ten (10) registered voters residing within the boundaries of the community school corporation.

(c) A petition must be filed with the circuit court clerk of the county that contains the greatest percentage of population of the school corporation. If the plan requires residence in a specified district or voting solely in a specified district for a board member office, the petition must clearly state the residence or electoral district from or for which the person is a candidate. If a school corporation is located in more than one (1) county, the circuit court clerk shall, after determining that a petition complies with subsection (b), promptly certify to each circuit court clerk of a county in which the school corporation is located, the names of the candidates to be placed on the ballot.

(d) If a plan provides for an election of members of the board of school trustees at a general election, the filing of notice of candidates must be made in the manner provided for filing at primary elections under this section. The filing must be made within the same period of time before the general election as would have been required before the
primary election had the election been held at the latter time.

(e) All nominations shall be listed for each office in the form prescribed by IC 3-10-1-19 or IC 3-11, but without party designation. Voting and tabulation of votes shall be conducted in the same manner as voting and tabulation in primary elections are conducted. The precinct election boards serving at each primary election in each county shall conduct the election for school board members. If a school corporation is located in more than one (1) county, each county election board shall print the ballots required for voters in that county to vote for candidates for members of the board of school trustees of the school corporation.

(f) If the plan provides that the board of school trustees shall be elected by all the voters of the community school corporation, candidates shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11, without party designation. Candidates elected shall be those having the greatest number of votes.

(g) If the plan provides that members of the board of school trustees are to be elected from residence districts by all voters in the community school corporation, nominees for the board of school trustees shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11, by residence districts without party designation. The ballot must state the number to be voted on from the electoral district. Candidates residing in the electoral district having the greatest number of votes are elected. However, if more than the maximum number that may be elected from a residence district are among those having the greatest number of votes, the lowest of those candidates from the residence districts in excess of the maximum number shall be eliminated in determining the candidates who are elected.

(h) If the plan provides that members of the board of school trustees are to be elected from electoral districts solely by the voters of each district, nominees residing in each electoral district shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11, without party designation. The ballot must state the number to be voted on from the electoral district. Candidates residing in the electoral district having the greatest number of votes are elected.
SECTION 28. IC 20-23-4-29, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) This section applies to each school corporation.

(b) If a plan provides for the election of members of the governing body of the community school corporation at a primary election, at the time provided by IC 3-8-2 for the filing of notice of candidacies for the primary election following the creation of the community school corporation, nominations for members of the governing body of the community school corporation may be made by a petition signed by the candidates and ten (10) registered voters residing within the boundaries of the community school corporation.

(c) A petition must be filed with the circuit court clerk of the county that contains the greatest percentage of population of the school corporation. If the plan requires residence in a specified district or voting solely in a specified district for a governing body member office, the petition must clearly state the residence or electoral district from or for which the person is a candidate. If a school corporation is located in more than one (1) county, the circuit court clerk shall, after determining that a petition complies with subsection (b), promptly certify to each circuit court clerk of a county in which the school corporation is located, the names of the candidates to be placed on the ballot.

(d) If a plan provides for an election of members of the governing body at a general election, the filing of notice of candidates must be made in the manner provided for filing at primary elections under this section. The filing must be made within the same period before the general election as would have been required before the primary election had the election been held at the latter time.

(e) All nominations shall be listed for each office in the form prescribed by IC 3-10-1-19 or IC 3-11-2 but without party designation. Voting and tabulation of votes shall be conducted in the same manner as voting and tabulation in primary elections are conducted. The precinct election boards serving at each primary election in each county shall conduct the election for governing board members. If a school corporation is located in more than one (1) county, each county election board shall print the ballots required for voters in that county to vote for candidates for members of the board.
of school trustees of the school corporation.

(f) If the plan provides that the governing body shall be elected by all the voters of the community school corporation, candidates shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11 without party designation. Candidates elected shall be those having the greatest number of votes.

(g) If the plan provides that members of the governing body are to be elected from residence districts by all voters in the community school corporation, nominees for the governing body shall be placed on the ballot in the form prescribed by IC 3-10-1-19 or IC 3-11 by residence districts without party designation. The ballot must state the:

1) number of members to be voted upon; and
2) maximum number that may be elected from each residence district as provided in the plan.

A ballot is not valid if a voter votes for more than the maximum number of members that are determined under subdivision (2). Candidates having the greatest number of votes are elected. However, if more than the maximum number that may be elected from a residence district are among those having the greatest number of votes, the lowest of those candidates from the residence districts in excess of the maximum number shall be eliminated in determining the candidates who are elected.

(h) If the plan provides that members of the governing body are to be elected from electoral districts solely by the voters of each district, nominees residing in each electoral district shall be placed on the ballot:

1) in the form prescribed by IC 3-10-1-19 or IC 3-11; and
2) without party designation.

The ballot must state the number to be voted on from the electoral district. Candidates residing in the electoral district having the greatest number of votes are elected.

SECTION 29. IC 33-24-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The question of approval or rejection of a justice shall be placed on the general election ballot in the form prescribed by IC 3-11 and must state "Shall Justice (insert name (as permitted under IC 3-5-7) here) be
retained in office?".

SECTION 30. IC 33-25-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The question of approval or rejection of a judge shall be placed on the general election ballot in the form prescribed by IC 3-11 and must state "Shall Judge (insert name (as permitted under IC 3-5-7) here) be retained in office?".

SECTION 31. IC 33-28-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. In any circuit for which IC 33-33 provides more than one (1) judge of the circuit court, the county election board shall assign a number to each seat on the court. After that, any candidate for judge of the circuit court must file a declaration of candidacy under IC 3-8-2 or petition of nomination under IC 3-8-6 for one (1) specified seat of the court. Each seat on the court shall be listed separately on the election ballot in the form prescribed by IC 3-10-1-19 and IC 3-11.

SECTION 32. IC 33-30-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The number of county court judges required by IC 33-30-2 shall be elected under IC 3-10-2-11 by the voters of each county or by the voters of two (2) counties if a judge is required to serve two (2) counties. The term of office of a county court judge is six (6) years, beginning on January 1 after election and continuing until a successor is elected and qualified.  

(b) In any county for which IC 33-30-2 provides more than one (1) judge of the county court, the county election board shall assign a number to each division of the court. After the assignment, any candidate for judge of the county court must file a declaration of candidacy under IC 3-8-2 or petition of nomination under IC 3-8-6 for one (1) specified division of the court. Each division of the court shall be listed separately on the election ballot in the form prescribed by IC 3-10-1-19 and IC 3-11.

SECTION 33. IC 33-33-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) All candidates for each respective Allen superior court judgeship shall be listed on the general election ballot in the form prescribed by IC 3-11, without party designation. The candidate receiving the highest number of votes for each judgeship shall be elected to that office.
(b) IC 3, except where inconsistent with this chapter, applies to elections held under this chapter.

c) The term of each Allen superior court judge:

(1) begins January 1 following election and ends December 31 following the election of a successor; and

(2) is six (6) years.

SECTION 34. IC 33-33-45-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 42. (a) The question of the retention in office or rejection of each judge of the following divisions of the superior court of Lake County shall be submitted to the electorate of Lake County at the general election immediately preceding expiration of the term of the judge:

(1) Civil division.

(2) Criminal division.

(3) Juvenile division.

(b) At the general election, the question of the retention in office or rejection of a judge described in subsection (a) shall be submitted to the electorate of Lake County in the form prescribed by IC 3-11-2 and must state "Shall Judge (insert name) of the superior court of Lake County be retained in office for an additional term?".

c) If a majority of the ballots cast by the electors voting on any question is "Yes", the judge whose name appeared on the question shall be approved for a six (6) year term beginning January 1 following the general election as provided in section 41(b) of this chapter.

d) If a majority of the ballots cast by the electors voting on any question is "No", the judge whose name appeared on the question shall be rejected. The office of the rejected judge is vacant on January 1 following the rejection. The vacancy shall be filled by appointment by the governor under section 38 of this chapter.

e) The Lake County election board shall submit the question of the retention in office or rejection of a judge described in subsection (a) to the electorate of Lake County. The submission of the question is subject to the provisions of IC 3 that are not inconsistent with this chapter.

(f) If a judge who is appointed does not desire to serve any further term, the judge shall notify in writing the clerk of the Lake circuit court at least sixty (60) days before any general election, in which case the question of that judge's retention in office or rejection shall not be
submitted to the electorate, and the office becomes vacant at the expiration of the term.

SECTION 35. IC 33-33-49-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Each judge of the court shall be elected for a term of six (6) years that begins January 1 after the year of the judge's election and continues through December 31 in the sixth year. The judge shall hold office for the six (6) year term or until the judge's successor is elected and qualified. A candidate for judge shall run at large for the office of judge of the court and not as a candidate for judge of a particular room or division of the court.

(b) Beginning with the primary election held in 1996 and every six (6) years thereafter, a political party may nominate not more than eight (8) candidates for judge of the court. Beginning with the primary election held in 2000 and every six (6) years thereafter, a political party may nominate not more than nine (9) candidates for judge of the court. The candidates shall be voted on at the general election. Other candidates may qualify under IC 3-8-6 to be voted on at the general election.

(c) The names of the party candidates nominated and properly certified to the Marion County election board, along with the names of other candidates who have qualified, shall be placed on the ballot at the general election in the form prescribed by IC 3-11-2. Beginning with the 1996 general election and every six (6) years thereafter, persons eligible to vote at the general election may vote for fifteen (15) candidates for judge of the court. Beginning with the 2000 general election and every six (6) years thereafter, persons eligible to vote at the general election may vote for seventeen (17) candidates for judge of the court.

(d) The candidates for judge of the court receiving the highest number of votes shall be elected to the vacancies. The names of the candidates elected as judges of the court shall be certified to the county election board as provided by law.

SECTION 36. IC 33-33-71-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 43. (a) The question of the retention in office or rejection of each judge of the St. Joseph superior court shall be submitted to the electorate of St. Joseph County at the general election immediately preceding expiration of the
term of that judge.

(b) If a judge subject to this chapter does not desire to serve a further term, the judge shall notify the judge's intention in writing to the clerk of the St. Joseph circuit court at least sixty (60) days before the general election immediately preceding expiration of the judge's term in which case the question of the judge's retention in office or rejection may not be submitted to the electorate, and the office is vacant at the expiration of the term.

(c) The St. Joseph County election board shall submit the question of the retention in office or rejection of any judge to the electorate of St. Joseph County. The submission of this question is subject to the provisions of IC 3 that are not inconsistent with this chapter.

(d) At the general election, the question of the retention in office or rejection of a judge shall be submitted to the electorate of St. Joseph County in the form prescribed by IC 3-11 and must state "Shall Judge (insert name) of the St. Joseph superior court be retained in office for an additional term?".

(e) If a majority of the ballots cast by the electors voting on the question is "No", the judge whose name appeared on such question is rejected. The office of the rejected judge is vacant on January 1 following the rejection. The vacancy shall be filled by appointment of the governor under section 40 of this chapter. The name of the rejected judge may not be included among those submitted to the governor. However, the judge's rejection does not disqualify a rejected judge from being considered for another judicial office that becomes vacant.

SECTION 37. IC 33-33-82-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) The judge of the Vanderburgh circuit court and each of the seven (7) judges of the Vanderburgh superior court shall be elected in nonpartisan elections every six (6) years.

(b) During the period under IC 3-8-2-4 in which a declaration of candidacy may be filed for a primary election, any person desiring to become a candidate for any one (1) of the eight (8) judgeships affected by this chapter shall file with the election division a declaration of candidacy adapted from the form prescribed under IC 3-8-2, signed by the candidate and designated which judgeship the candidate seeks. Any petition without the designation shall be rejected by the election division (or by the Indiana election commission under IC 3-8-1-2). To
be eligible for election, a candidate must be:
(1) domiciled in the county of Vanderburgh;
(2) a citizen of the United States; and
(3) admitted to the practice of law in Indiana.
(c) If an individual who files a declaration under subsection (b) ceases to be a candidate after the final date for filing a declaration under subsection (b), the election division may accept the filing of additional declarations of candidacy for that judgeship not later than noon August 1.
(d) All candidates for each respective judgeship shall be listed on the general election ballot in the form prescribed by IC 3-11-2, IC 3-11, without party designation. The candidate receiving the highest number of votes for each judgeship shall be elected to that office.
(e) IC 3, where not inconsistent with this chapter, applies to elections under this chapter.
SECTION 38. An emergency is declared for this act.

P.L.59-2005
[S.63. Approved April 22, 2005.]

AN ACT to amend the Indiana Code concerning utilities and transportation.

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

SECTION 1. IC 8-4.5-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The departments annually shall do the following:
(1) Prepare a list of existing rights-of-way that might be abandoned during the following year. The list shall be submitted to the board for review.
(2) Set priorities for potential future uses of rights-of-way consistent with the Indiana department of transportation’s comprehensive transportation plan and the department of natural resources trail system plan.
(3) Contact each railroad owner that holds an interest in a corridor in Indiana to assess the status and any issues concerning corridors that may be abandoned.

(b) The Indiana department of transportation annually, in consultation with affected state and local agencies, shall prepare a list of corridors for preservation.

SECTION 2. IC 8-4.5-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The Indiana department of transportation shall determine whether the state should acquire a railroad's interest in a corridor that is proposed to be abandoned. The department shall make its recommendations to the board regarding acquisition of a railroad's interest in any corridor.

(b) Acquisition of a railroad's interest in a corridor is subject to approval of the board.

SECTION 3. IC 8-4.5-4-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. The board shall advise and assist the Indiana department of transportation in matters concerning the acquisition of a railroad's interest in a corridor under this chapter.

SECTION 4. IC 8-4.5-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The Indiana department of transportation shall hold at least one (1) public meeting in each county through which the corridor passes before determining whether the state should acquire a railroad's interest in a corridor that is proposed to be abandoned. Notice of the meeting must be given in accordance with IC 5-14-1.5.

(b) In addition to the notice requirements of IC 5-14-1.5, the department shall give notice of a meeting under this section to the following:

(1) The county commissioners of each county through which the railroad's interest in the proposed abandoned corridor passes.

(2) The legislative body of each city or town:

(A) through which the railroad's interest in the corridor passes; or

(B) that is within one (1) mile of any part of the railroad's interest in the corridor.

(3) The railroad that proposes to abandon the railroad's interest in the corridor.
(4) The Indiana utility regulatory commission.
Notice must be given to the persons described in subdivisions (1) through (4) not later than the date notice is required to be published under IC 5-14-1.5.

(c) The department may hold additional meetings before making a determination under this chapter.

(d) The department shall hold a meeting under this section in each county through which the railroad's interest in the corridor passes.

SECTION 5. IC 8-4.5-4-5 IS REPEALED [EFFECTIVE JULY 1, 2005].

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-1-15.7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsection (b), to renew a license issued under IC 27-1-15.6:

(1) a resident insurance producer must complete at least forty (40) hours of credit in continuing education courses; and

(2) a resident limited lines producer must complete at least ten (10) hours of credit in continuing education courses.

An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses that are related to the business of insurance.

(b) To renew a license issued under IC 27-1-15.6, a limited lines producer with a title qualification under IC 27-1-15.6-7(a)(8) must complete at least fourteen (14) hours of credit in continuing education courses related to the business of title insurance with at least four (4)
hours one (1) hour of instruction in a structured setting or comparable self-study concerning: in each of the following:

(1) Ethical practices in the marketing and selling of title insurance.
(2) Title insurance underwriting.
(3) Escrow issues.

An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 with a title qualification under IC 27-1-15.6-7(a)(8) may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses related to the business of title insurance or any aspect of real property law.

(c) The following limited lines insurance producers are not required to complete continuing education courses to renew a license under this chapter:

(1) A limited lines producer who is licensed without examination under IC 27-1-15.6-18(1) or IC 27-1-15.6-18(2).
(2) A limited line credit insurance producer.
(3) An insurance producer who is at least seventy (70) years of age and has been a licensed insurance producer continuously for at least twenty (20) years immediately preceding the license renewal date.

(d) To satisfy the requirements of subsection (a) or (b), a licensee may use only those credit hours earned in continuing education courses completed by the licensee:

(1) after the effective date of the licensee's last renewal of a license under this chapter; or
(2) if the licensee is renewing a license for the first time, after the date on which the licensee was issued the license under this chapter.

(e) If an insurance producer receives qualification for a license in more than one (1) line of authority under IC 27-1-15.6, the insurance producer may not be required to complete a total of more than forty (40) hours of credit in continuing education courses to renew the license.
(f) Except as provided in subsection (g), a licensee may receive credit only for completing continuing education courses that have been approved by the commissioner under section 4 of this chapter.

(g) A licensee who teaches a course approved by the commissioner under section 4 of this chapter shall receive continuing education credit for teaching the course.

(h) When a licensee renews a license issued under this chapter, the licensee must submit:

1. a continuing education statement that:

   A) is in a format authorized by the commissioner;
   B) is signed by the licensee under oath; and
   C) lists the continuing education courses completed by the licensee to satisfy the continuing education requirements of this section; and

2. any other information required by the commissioner.

(i) A continuing education statement submitted under subsection (h) may be reviewed and audited by the department.

(j) A licensee shall retain a copy of the original certificate of completion received by the licensee for completion of a continuing education course.

SECTION 2. IC 27-1-15.7-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. The commissioner shall, not later than September 1, 2005, establish a policy to allow a waiver of the:

1. continuing education requirements of this chapter; and
2. license renewal requirements of IC 27-1-15.6 and this chapter;

for an insurance producer who is serving on active duty in the armed forces of the United States in an area designated as a combat zone by the President of the United States.

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 27-1-15.7-2, as amended by this act, applies to renewal of an insurance producer license after June 30, 2005.
AN ACT concerning criminal law and procedure.

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

SECTION 1. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "committee" refers to the sentencing policy study committee established by subsection (c).

(b) The general assembly finds that a comprehensive study of sentencing laws and policies is desirable in order to:

1. ensure that sentencing laws and policies protect the public safety;
2. establish fairness and uniformity in sentencing laws and policies;
3. determine whether incarceration or alternative sanctions are appropriate for various categories of criminal offenses; and
4. maximize cost effectiveness in the administration of sentencing laws and policies.

(c) The sentencing policy study committee is established to evaluate sentencing laws and policies as they relate to:

1. the purposes of the criminal justice and corrections systems;
2. the availability of sentencing options; and
3. the inmate population in department of correction facilities.

If, based on the committee’s evaluation under this subsection, the committee determines changes are necessary or appropriate, the committee shall make recommendations to the general assembly for the modification of sentencing laws and policies and for the addition, deletion, or expansion of sentencing options.

(d) The committee shall do the following:

1. Evaluate the existing classification of criminal offenses into felony and misdemeanor categories. In determining the
proper category for each felony and misdemeanor, the committee shall consider, to the extent they have relevance, the following:

(A) The nature and degree of harm likely to be caused by the offense, including whether the offense involves property, irreplaceable property, a person, a number of persons, or a breach of the public trust.
(B) The deterrent effect a particular classification may have on the commission of the offense.
(C) The current incidence of the offense in Indiana.
(D) The rights of the victim.

(2) Recommend structures to be used by a sentencing court in determining the most appropriate sentence to be imposed in a criminal case, including any combination of imprisonment, probation, restitution, community service, or house arrest. The committee shall also consider the following:

(A) The nature and characteristics of the offense.
(B) The severity of the offense in relation to other offenses.
(C) The characteristics of the defendant that mitigate or aggravate the seriousness of the criminal conduct and the punishment deserved for that conduct.
(D) The defendant’s number of prior convictions.
(E) The available resources and capacity of the department of correction, local confinement facilities, and community based sanctions.
(F) The rights of the victim.

The committee shall include with each set of sentencing structures an estimate of the effect of the sentencing structures on the department of correction and local facilities with respect to both fiscal impact and inmate population.

(3) Review community corrections and home detention programs for the purpose of:

(A) Standardizing procedures and establishing rules for the supervision of home detainees; and
(B) Establishing procedures for the supervision of home detainees by community corrections programs of adjoining counties.

(4) Determine the long range needs of the criminal justice and corrections systems and recommend policy priorities for those
(5) Identify critical problems in the criminal justice and corrections systems and recommend strategies to solve the problems.

(6) Assess the cost effectiveness of the use of state and local funds in the criminal justice and corrections systems.

(7) Recommend a comprehensive community corrections strategy based on the following:
   (A) A review of existing community corrections programs.
   (B) The identification of additional types of community corrections programs necessary to create an effective continuum of corrections sanctions.
   (C) The identification of categories of offenders who should be eligible for sentencing to community corrections programs and the impact that changes to the existing system of community corrections programs would have on sentencing practices.
   (D) The identification of necessary changes in state oversight and coordination of community corrections programs.
   (E) An evaluation of mechanisms for state funding and local community participation in the operation and implementation of community corrections programs.
   (F) An analysis of the rate of recidivism of clients under the supervision of existing community corrections programs.

(8) Propose plans, programs, and legislation for improving the effectiveness of the criminal justice and corrections systems.

(9) Evaluate the use of faith based organizations as an alternative to incarceration.

(e) The committee may study other topics assigned by the legislative council or as directed by the committee chair.

(f) The committee consists of nineteen (19) members appointed as follows:
   (1) Four (4) members of the senate, not more than two (2) of whom may be affiliated with the same political party, to be appointed by the president pro tempore of the senate.
   (2) Four (4) members of the house of representatives, not more than two (2) of whom may be affiliated with the same
political party, to be appointed by the speaker of the house of representatives.

(3) The chief justice of the supreme court or the chief justice's designee.

(4) The commissioner of the department of correction or the commissioner's designee.

(5) The director of the Indiana criminal justice institute or the director's designee.

(6) The executive director of the prosecuting attorneys council of Indiana or the executive director's designee.

(7) The executive director of the public defender council of Indiana or the executive director's designee.

(8) One (1) person with experience in administering community corrections programs, appointed by the governor.

(9) One (1) person with experience in administering probation programs, appointed by the governor.

(10) Two (2) judges who exercise juvenile jurisdiction, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the governor.

(11) Two (2) judges who exercise criminal jurisdiction, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the governor.

(g) The chairman of the legislative council shall appoint a legislative member of the committee to serve as chair of the committee. Whenever there is a new chairman of the legislative council, the new chairman may remove the chair of the committee and appoint another chair.

(h) If a legislative member of the committee ceases to be a member of the chamber from which the member was appointed, the member also ceases to be a member of the committee.

(i) A legislative member of the committee may be removed at any time by the appointing authority who appointed the legislative member.

(j) If a vacancy exists on the committee, the appointing authority who appointed the former member whose position is vacant shall appoint an individual to fill the vacancy.

(k) The committee shall submit a final report of the results of its study to the legislative council before November 1, 2006. The report must be in an electronic format under IC 5-14-6.
(l) The Indiana criminal justice institute shall provide staff
support to the committee.

(m) Each member of the committee is entitled to receive the
same per diem, mileage, and travel allowances paid to individuals
who serve as legislative and lay members, respectively, of interim
study committees established by the legislative council.

(n) The affirmative votes of a majority of the members
appointed to the committee are required for the committee to take
action on any measure, including the final report.

(o) Except as otherwise specifically provided by this act, the
committee shall operate under the rules of the legislative council.
All funds necessary to carry out this act shall be paid from
appropriations to the legislative council and legislative services
agency.

(p) This SECTION expires December 31, 2006.
guaranteed program). In addition, the board of the Indiana state
teachers' retirement fund shall establish and maintain a guaranteed
program within the 1996 account. Each board may establish investment
guidelines and limits on all types of investments (including, but not
limited to, stocks and bonds) and take other actions necessary to fulfill
its duty as a fiduciary of the annuity savings account, subject to the
limitations and restrictions set forth in IC 5-10.3-5-3 and IC 21-6.1-3-9.

(c) Each board shall establish alternative investment programs
within the annuity savings account of the public employees' retirement
fund, the pre-1996 account, and the 1996 account, based on the
following requirements:

(1) Each board shall maintain at least one (1) alternative
investment program that is an indexed stock fund and one (1)
alternative investment program that is a bond fund.
(2) The programs should represent a variety of investment
objectives under IC 5-10.3-5-3.
(3) No program may permit a member to withdraw money from
the member's account except as provided in IC 5-10.2-3 and
IC 5-10.2-4.
(4) All administrative costs of each alternative program shall be
paid from the earnings on that program or as may be determined
by the rules of each board.
(5) A valuation of each member's account must be completed as
of:

(A) the last day of each quarter; or

(B) another time as each board may specify by rule.

(d) The board must prepare, at least annually, an analysis of the
guaranteed program and each alternative investment program. This
analysis must:

(1) include a description of the procedure for selecting an
alternative investment program;
(2) be understandable by the majority of members; and
(3) include a description of prior investment performance.

(e) A member may direct the allocation of the amount credited to
the member among the guaranteed fund and any available alternative
investment funds, subject to the following conditions:

(1) A member may make a selection or change an existing
selection under rules established by each board. A board shall
allow a member to make a selection or change any existing selection at least once each quarter.

(2) The board shall implement the member's selection beginning the first day of the next calendar quarter that begins at least thirty (30) days after the selection is received by the board or an alternate date established by the rules of each board. This date is the effective date of the member's selection.

(3) A member may select any combination of the guaranteed fund or any available alternative investment funds, in ten percent (10%) increments or smaller increments that may be established by the rules of each board.

(4) A member's selection remains in effect until a new selection is made.

(5) On the effective date of a member's selection, the board shall reallocate the member's existing balance or balances in accordance with the member's direction, based on:

   (A) for an alternative investment program balance, the market value on the effective date; and
   
   (B) for any guaranteed program balance, the account balance on the effective date.

All contributions to the member's account shall be allocated as of the last day of that quarter or at an alternate time established by the rules of each board in accordance with the member's most recent effective direction. The board shall not reallocate the member's account at any other time.

(f) When a member who participates in an alternative investment program transfers the amount credited to the member from one (1) alternative investment program to another alternative investment program or to the guaranteed program, the amount credited to the member shall be valued at the market value of the member's investment, as of the day before the effective date of the member's selection or at an alternate time established by the rules of each board. When a member who participates in an alternative investment program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the market value of the member's investment as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus
contributions received after that date or at an alternate time established by the rules of each board.

(g) When a member who participates in the guaranteed program transfers the amount credited to the member to an alternative investment program, the amount credited to the member in the guaranteed program is computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the effective date of the transfer. However, each board may by rule provide for an alternate valuation date. When a member who participates in the guaranteed program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus any contributions received since that date plus interest since that date. However, each board may by rule provide for an alternate valuation date.

SECTION 2. IC 5-10.2-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Unless a member elects otherwise under this section, the retirement benefit for each member consists of the sum of a pension provided by employer contributions plus an annuity provided by the amount credited to the member in the annuity savings account.

(b) A member may choose at retirement or upon a disability retirement to receive a distribution of:

(1) the entire amount credited to the member in the annuity savings account; or
(2) an amount equal to the member's federal income tax basis in the member's annuity savings account balance as it existed on December 31, 1986.

If the member chooses to receive the distribution under subdivision (1), the member is not entitled to an annuity as part of the retirement or disability benefit. If the member chooses to receive the distribution under subdivision (2), the member is entitled to an annuity purchasable by the amount remaining in the member's annuity savings account after the payment under subdivision (2).
(c) Instead of choosing to receive the benefits described in subsection (a) or (b), a member may choose upon retirement or upon disability retirement to begin receiving a pension provided by employer contributions and to defer receiving in any form the member's annuity savings account. If a member chooses this option, the member:

1) is not entitled to an annuity as part of the member's retirement or disability benefit, and the member's annuity savings account will continue to be invested according to the member's direction under IC 5-10.2-2-3; and

2) may later choose, as of the first day of a month, or an alternate date established by the rules of each board, to receive a distribution of:

   A) the entire amount credited to the member in the annuity savings account; or

   B) an amount equal to the member's federal income tax basis in the member's annuity savings account balance as it existed on December 31, 1986.

If the member chooses to receive the distribution under subdivision (2)(A), the member is not entitled to an annuity as part of the member's retirement or disability benefit. If the member chooses to receive the distribution under subdivision (2)(B), the member is entitled to an annuity purchasable by the amount remaining in the member's annuity savings account after the payment under subdivision (2)(B). If the member does not choose to receive a distribution under this subsection, the member is entitled to an annuity purchasable by the entire amount in the member's annuity savings account, and the form of the annuity shall be as described in subsection (d) unless the member elects an option described in section 7(b)(1), 7(b)(2), or 7(b)(4) of this chapter. The amount to be paid under this section shall be determined in the manner described in IC 5-10.2-2-3, except that it shall be determined as of the last day of the quarter preceding the member's actual distribution or annuitization date. However, each board may by rule provide for an alternate valuation date.

(d) Retirement benefits must be distributed in a manner that complies with Section 401(a)(9) of the Internal Revenue Code, as specified in IC 5-10.2-2-1.5.

SECTION 3. IC 5-10.2-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this
section, "exempt amount" means, in the case of a member who has not attained the Social Security normal retirement age for unreduced benefits, twenty-five thirty-five thousand dollars ($25,000), ($35,000), computed for the calendar year in which a retired public employees' retirement fund member is reemployed and computed for the fiscal year in which a retired teachers' retirement fund member is reemployed.

(b) This subsection does not apply to a member who is employed by the department of education. If a member who is receiving retirement benefits and who has not attained the Social Security normal retirement age for unreduced benefits:

(1) becomes reemployed in a position covered by this article; and
(2) earns in that position more than the exempt amount;
his retirement benefit payments shall stop, and the member shall begin making contributions as required in IC 5-10.2-3-2. However, employer contributions shall be made throughout the period of reemployment. The earnings limitation under this subsection does not apply to a member who has attained the Social Security normal retirement age for unreduced benefits.

(c) If a member who is receiving retirement benefits is reemployed in a position covered by this article not more than ninety (90) days after the member's retirement, the member's retirement benefits shall stop, the member shall begin making contributions as required by IC 5-10.2-3-2, and employer contributions shall be made throughout the period of reemployment.

(d) If a retired member is reemployed in a position covered by this article, section 10 of this chapter applies to the member upon the member's retirement from reemployment.

SECTION 4. IC 5-10.3-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The board is composed of six (6) trustees.

(b) Five (5) of the trustees shall be appointed by the governor, as follows:

(1) One (1) of whom must be a member of the fund with at least ten (10) years of creditable service.
(2) Not more than three (3) of whom may be members of the same political party. and
(3) One (1) of whom must be:
   (A) a: member of:
(i) member of the fund or retired member of the fund; or
(ii) member of a collective bargaining unit of state employees represented by a labor organization; or

(B) an individual who is:
(i) an officer or a member of a local, a national, or an international labor union that represents state employees or university employees; and
(ii) an Indiana resident.

(c) The director of the budget agency or the director's designee is an ex officio voting member of the board. An individual appointed under this subsection to serve as the director's designee:
   (1) serves as a permanent designee until replaced by the director.
   (b) (d) The governor shall fill by appointment vacancies on the board in the manner described in subsection (a) of this section: (b).
   (c) (e) In making the appointments under subsection (a); (b)(1) or (b)(2), the governor may consider whether at least one (1) trustee is a retired member of the fund under subsection (b)(3)(A)(i).

SECTION 5. IC 5-10.3-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Each trustee who is not a state officer or employee is entitled to receive compensation of four hundred fifty dollars ($450) on October 1, January 1, April 1, and June 30. In addition, the board shall reimburse each trustee for necessary expenses actually incurred through service on the board.
   (b) Each trustee who is a state officer or employee is entitled to reimbursement for necessary expenses actually incurred through service on the board.

SECTION 6. IC 5-10.3-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Voting; Quorum. Three (3) Four (4) trustees constitute a quorum for the transaction of business. Each trustee is entitled to one (1) vote on the board. A majority vote is sufficient for adoption of a resolution or other action at regular or special meetings.

SECTION 7. IC 5-10.3-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The Auditor of State: The auditor of state shall draw warrants upon the treasurer of state in
payment of properly prepared vouchers signed by:

(1) a trustee of the fund, or except for the director of the budget agency or the director's designee;

(2) the director; or

(3) an assistant designated by the director;

as may be designated by the board.

SECTION 8. IC 21-6.1-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Composition; Appointment. (a) The board of trustees is composed of five (5) six (6) persons.

(b) Five (5) of the trustees shall be appointed by the governor. Not less than two (2) of whom are the trustees appointed by the governor must be members of the fund. The governor shall make these appointments after June 30 and before July 16 each year.

(c) The director of the budget agency or the director's designee is an ex officio voting member of the board. An individual appointed under this subsection to serve as the director's designee serves as a permanent designee until replaced by the director.

SECTION 9. IC 21-6.1-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) On the board's order:

(1) the trustees who are not state officers or employees shall receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council; and

(2) the trustees who are state officers or employees are entitled to reimbursement for necessary expenses actually incurred through service on the board.

These costs shall be paid from resources at the disposal of the fund.

(b) Special meetings may be conducted on the call of the president or on the signed call of three (3) trustees.

(c) A majority of the board constitutes a quorum at any meeting for transacting business.

SECTION 10. [EFFECTIVE JULY 1, 2005] IC 5-10.2-4-8, as amended by this act, applies to:

(1) fiscal years that begin after June 30, 2005, for teachers' retirement fund members; and

(2) calendar years that begin after December 31, 2005, for
public employees' retirement fund members.

SECTION 11. [EFFECTIVE JULY 1, 2005] Interest credited prior to July 1, 2005, in the annuity savings account of the public employees' retirement fund to suspended members participating in the guaranteed fund under IC 5-10.2-2-3 shall be treated as properly credited.

P.L.63—2005
[S.195. Approved April 22, 2005.]

AN ACT concerning environmental law.

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

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "task force" refers to the environmental crimes task force established by this SECTION.

(b) There is established the environmental crimes task force.

c) The task force consists of the following members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may not be members of the same political party.

(2) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may not be members of the same political party.

(3) Two (2) members appointed by the governor who are representatives of local government. The members appointed under this subdivision may not be members of the same political party.

(4) Three (3) members appointed by the governor who are representatives of environmental advocacy organizations.

(5) Two (2) members appointed by the governor who are representatives of business and industry.

(6) Two (2) members appointed by the governor who are
attorneys with expertise in environmental law.
(7) The commissioner of the department of environmental management or the commissioner's designee.
(8) One (1) member nominated by the attorney general and appointed by the president pro tempore of the senate.
(9) One (1) member nominated by the prosecuting attorneys council of Indiana and appointed by the speaker of the house of representatives who is a representative of prosecuting attorneys.
(10) The director of the law enforcement division of the department of natural resources or the director's designee.
(11) A representative of a business group affected by environmental laws appointed by the governor.

The appointments required under this subsection shall be made before July 1, 2005.
(d) The appointed members of the task force serve at the pleasure of the appointing authority. The appointing authority shall fill any vacancy on the task force within forty-five (45) days.
(e) The chairman of the legislative council shall designate a legislative member of the commission to serve as chairperson of the commission.
(f) The expenses of the task force shall be paid from appropriations made to the legislative council or the legislative services agency.
(g) The task force shall do the following:
(1) Conduct studies necessary to prepare a final report that includes at least the following:
   (A) A summary of environmental crime statutes of other states.
   (B) A summary of requirements of federal environmental programs delegated to states.
   (C) A summary of federal criminal sentencing guidelines.
   (D) Recommendations about which environmental law violations should be a misdemeanor, a Class D felony, or a felony of another class.
   (E) If determined appropriate by the task force, recommendations for legislation, including a set of specific statutory standards for determining criminal violations.

The task force must consider in its studies the full range of
issues dealing with environmental law.
(2) Submit its final report before November 1, 2007, to:
   (A) the governor;
   (B) the executive director of the legislative services agency
       in an electronic format under IC 5-14-6; and
   (C) the environmental quality service council.

(h) The department of environmental management shall provide
    staff support to the task force.
   (i) The task force shall operate under the policies governing
       study committees adopted by the legislative council.
   (j) A quorum of the task force must be present to conduct
       business. A quorum consists of a majority of the members of the
       task force. The task force may not take an official action unless the
       official action has been approved by at least a majority of the
       members of the task force.
   (k) This SECTION expires January 1, 2008.

SECTION 2. An emergency is declared for this act.

P.L.64—2005
[S.230. Approved April 22, 2005.]

AN ACT to amend the Indiana Code concerning criminal justice.

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

SECTION 1. IC 5-2-6-3.5, AS AMENDED BY HEA 1288-2005,
SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 3.5. (a) The sex and violent offender directory
established under section 3 of this chapter must include the names of
each offender who is or has been required to register under IC 5-2-12.
(b) The institute shall do the following:
   (1) Update the directory at least one (1) time every six (6) months.
   (2) Publish the directory on the Internet through the computer
gateway administered by the intelenet commission under
IC 5-21-2 and known as accessIndiana.
(3) Make the directory available on a computer disk and, at least one (1) time every six (6) months, send a copy of the computer disk to the following:

   (A) All school corporations (as defined in IC 20-18-2-16).
   (B) All nonpublic schools (as defined in IC 20-18-2-12).
   (C) All state agencies that license individuals who work with children.
   (D) The state personnel department to screen individuals who may be hired to work with children.
   (E) All child care facilities licensed by or registered in the state.

   (F) A neighborhood association that:
       (i) registers with the institute;
       (ii) includes a description of the geographic boundaries of the neighborhood association with its registration;
       (iii) requests a copy of the directory; and
       (iv) submits the name and address of a neighborhood association contact person to the institute at least one (1) time each year.

   (G) Other entities that:
       (i) provide services to children; and
       (ii) request the directory.

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

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

(c) A copy of the directory:

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

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

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

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

SECTION 2. IC 5-2-6-14 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The victim and witness
assistance fund is established. The institute shall administer the fund.
Except as provided in subsection (e), expenditures from the fund may
be made only in accordance with appropriations made by the general
assembly.

(b) The source of the victim and witness assistance fund is the
family violence and victim assistance fund established by IC 12-18-5-2.

(c) The institute may use money from the victim and witness
assistance fund when awarding a grant or entering into a contract under
this chapter, if the money is used for the support of a program in the
office of a prosecuting attorney or in a state or local law enforcement
agency designed to:

(1) help evaluate the physical, emotional, and personal needs of
a victim resulting from a crime, and counsel or refer the victim to
those agencies or persons in the community that can provide the
services needed;

(2) provide transportation for victims and witnesses of crime to
attend proceedings in the case when necessary; or

(3) provide other services to victims or witnesses of crime when
necessary to enable them to participate in criminal proceedings
without undue hardship or trauma.

(d) Money in the victim and witness assistance fund at the end of a
particular fiscal year does not revert to the general fund.

(e) The institute may use money in the fund to:

(1) pay the costs of administering the fund, including
expenditures for personnel and data;

(2) establish and maintain the sex and violent offender directory
under IC 5-2-12; and

(3) provide training for persons to assist victims; and

(4) establish and maintain a victim notification system under
IC 11-8-7 if the department of correction establishes the
system.

SECTION 3. IC 5-2-12-5 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Subject to section 13 of this
chapter, the following persons must register under this chapter:

1. An offender who resides in Indiana. An offender resides in Indiana if either of the following applies:
   - (A) The offender spends or intends to spend at least seven (7) days (including part of a day) in Indiana during a one hundred eighty (180) day period.
   - (B) The offender owns real property in Indiana and returns to Indiana at any time.

2. An offender not described in subdivision (1) who works or carries on a vocation or intends to work or carry on a vocation full time or part time for a period of time:
   - (A) exceeding fourteen (14) consecutive days; or
   - (B) for an aggregate period of time exceeding thirty (30) days; during any calendar year in Indiana, whether the offender is financially compensated, volunteered, or is acting for the purpose of government or educational benefit.

3. An offender not described in subdivision (1) who is enrolled or intends to be enrolled on a full-time or part-time basis in any public or private educational institution, including any secondary school, trade, or professional institution, or institution of higher education in Indiana.

   (b) Except as provided in subsection (e), an offender who resides in Indiana shall register with the sheriff of the county where the offender resides. If an offender resides in more than one (1) county, the offender shall register with the sheriff of each county in which the offender resides. However, if an offender resides in a county having a consolidated city, the offender shall register with the police chief of the consolidated city.

   (c) An offender described in subsection (a)(2) shall register with the sheriff of the county where the offender is or intends to be employed or carry on a vocation. However, an offender described in subsection (a)(2) who is employed or intends to be employed or to carry on a vocation in a consolidated city shall register with the police chief of the consolidated city. If an offender is or intends to be employed or carry on a vocation in more than one (1) county, the offender shall register with the sheriff of each county. However, if an offender is employed or intends to be employed or to carry on a vocation in a county containing a consolidated city and another county, the offender shall register with
the police chief of the consolidated city and the sheriff of the other county.

(d) An offender described in subsection (a)(3) shall register with the sheriff of the county where the offender is enrolled or intends to be enrolled as a student. However, if an offender described in subsection (a)(3) is enrolled or intends to be enrolled as a student in a county containing a consolidated city, the offender shall register with the police chief of the consolidated city.

(e) An offender described in subsection (a)(1)(B) shall register with the sheriff in the county in which the real property is located. However, if the offender owns real property in a county containing a consolidated city, the offender shall register with the police chief of the consolidated city.

(f) An offender shall complete a registration form. Each sheriff or police chief of a consolidated city shall make the registration forms available to registrants.

(g) The offender shall register not more than seven (7) days after the offender:

1. is released from a penal facility (as defined in IC 35-41-1-21);
2. is released from a secure private facility (as defined in IC 31-9-2-115);
3. is released from a juvenile detention facility;
4. is transferred to a community transition program;
5. is placed on parole;
6. is placed on probation;
7. is placed on home detention; or
8. arrives at the place where the offender is required to register under subsection (b), (c), or (d);

whichever occurs first.

(h) Whenever an offender registers with a sheriff or the police chief of a consolidated city, the sheriff or police chief shall immediately notify the institute of the offender's registration by forwarding a copy of the registration form to the institute.

(i) The sheriff with whom an offender registers under this section shall make and publish a photograph of an offender on the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. The police chief of a consolidated city with whom an offender registers under this section shall make a photograph of the
offender that complies with the requirements of IC 36-2-13-5.5 and transmit the photograph (and other identifying information required by IC 36-2-13-5.5) to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. Every time a sex offender submits a new registration form to the police chief of a consolidated city, but at least once per year, the police chief shall make a photograph of the sex offender that complies with the requirements of IC 36-2-13-5.5. The police chief of a consolidated city shall transmit the photograph and a copy of the registration form to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. The sheriff of a county containing a consolidated city shall provide the police chief of a consolidated city with all photographic and computer equipment necessary to enable the police chief of the consolidated city to transmit sex offender photographs (and other identifying information required by IC 36-2-13-5.5) to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. In addition, the sheriff of a county containing a consolidated city shall provide all funding for the county's financial obligation for the establishment and maintenance of the Indiana sheriff's sex offender registry web site established under IC 36-2-13-5.5.

(j) When an offender completes a new registration form, the sheriff or police chief of a consolidated city shall:

(1) forward a copy of the new registration form to the:
   (A) institute; and
   (B) department of correction if the department has established an automated victim notification system under IC 11-8-7; and

(2) notify every law enforcement agency having jurisdiction in the area where the offender resides.

SECTION 4. IC 11-8-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 7. Victim Notification Services

Sec. 1. As used in the chapter, "registered crime victim" refers to a crime victim who registers to receive victim notification services under section 2(a)(3) of this chapter if the department establishes an automated victim notification system under this chapter.
Sec. 2. (a) The department may establish an automated victim notification system that must do the following:

(1) Automatically notify a registered crime victim when a committed offender who committed the crime against the victim:
   (A) is assigned to a:
      (i) department facility; or
      (ii) county jail or any other facility not operated by the department;
   (B) is transferred to a:
      (i) department facility; or
      (ii) county jail or any other facility not operated by the department;
   (C) is given a different security classification;
   (D) is released on temporary leave;
   (E) is discharged; or
   (F) has escaped.

(2) Allow a registered crime victim to receive the most recent status report for an offender by calling the automated victim notification system on a toll free telephone number.

(3) Allow a crime victim to register or update the victim's registration for the automated victim notification system by calling a toll free telephone number.

(b) For purposes of subsection (a), if the department establishes an automated victim notification system, a sheriff responsible for the operation of a county jail shall immediately notify the department if a committed offender:

(1) is transferred to another county jail or another facility not operated by the department of correction;
(2) is released on temporary leave;
(3) is discharged; or
(4) has escaped.

Sheriffs and other law enforcement officers and prosecuting attorneys shall cooperate with the department in establishing and maintaining an automated victim notification system.

(c) An automated victim notification system may transmit information to a person by:

(1) telephone;
(2) electronic mail; or
(3) another method as determined by the department.

Sec. 3. (a) The department must ensure that the offender information contained in an automated victim notification system is updated frequently enough to timely notify a registered crime victim that an offender has:

(1) been released;
(2) been discharged; or
(3) escaped.

(b) The failure of an automated victim notification system to provide notice to the victim does not establish a separate cause of action by the victim against:

(1) the state; or
(2) the department.

Sec. 4. If the department establishes an automated victim notification system under this chapter, the department, in cooperation with the Indiana criminal justice institute:

(1) may use money in the victim and witness assistance fund under IC 5-2-6-14(e); and
(2) shall seek:

(A) federal grants; and
(B) other funding.

Sec. 5. The department may adopt rules under IC 4-22-2 to implement this chapter.

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-1-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) In addition to any other powers and duties prescribed by law, the Indiana state board of education shall adopt rules under IC 4-22-2 concerning but not limited
to the following matters:

(1) The designation and employment of the employees and consultants necessary for the department. The board shall fix the compensation of employees of the department, subject to the approval of the budget committee and the governor as provided for by IC 4-12-2.

(2) The establishment and maintenance of standards and guidelines, other than building, space, and site requirements, for media centers, libraries, instructional materials centers, or any other area or system of areas in the school where a full range of information sources, associated equipment, and services from professional media staff are accessible to the school community. With regard to library automation systems, the state board may only adopt rules that meet the standards established by the state library board for library automation systems under IC 4-23-7.1-11(b).

(3) The establishment and maintenance of standards for pupil personnel and guidance services.

(4) The establishment and maintenance of minimum standards for driver education programs (including classroom instruction and practice driving) and equipment. Beginning with classroom instruction for the 1993-1994 school year. Classroom instruction standards established under this subdivision must include instruction about:

(A) railroad-highway grade crossing safety; and

(B) the procedure for participation in the human organ donor program.

(5) The inspection of all public schools of the state for the purpose of determining the condition of the schools. The board shall establish standards governing the accreditation of public schools. Observance of:

(A) IC 20-1-1.2;

(B) IC 20-6.1-3-2;

(C) IC 20-6.1-4-4 through IC 20-6.1-4-8;

(D) IC 20-6.1-5-4;

(E) IC 20-6.1-5-5;

(F) IC 20-6.1-9; and

(G) IC 20-10.1-16 and IC 20-10.1-17;
is a prerequisite to the accreditation of a school. It shall be the
duty of local public school officials to make such reports as shall
be required of them and to otherwise cooperate with the board
regarding required inspections. Nonpublic schools may also
request the inspection for classification purposes should they
desire it. Compliance with the building and site guidelines
adopted by the Indiana state board of education is not a
prerequisite of accreditation.

(6) Subject to subsections (b) and (c), the adoption and approval
of textbooks under IC 20-10.1-9.

(7) The distribution of funds and revenues appropriated for the
support of schools in the state.

(8) The board may not establish an accreditation system for
nonpublic schools that is less stringent than the accreditation
system for public schools.

(9) A separate system for recognizing nonpublic schools under
IC 20-1-1-6.2. Recognition of nonpublic schools under this
subdivision constitutes the system of regulatory standards that
apply to nonpublic schools that seek to qualify for the system of
recognition.

(10) The establishment and enforcement of standards and
guidelines concerning the safety of students participating in
cheerleading activities.

(b) The advisory committee on textbook adoption may initiate rules
and hold public hearings under IC 4-22-2 on rules concerning the
adoption of textbooks. The advisory committee shall send a proposed
rule on which public hearings have been held to the board. The board
may adopt or reject a rule initiated by the advisory committee. If the
advisory committee holds hearings on a proposed rule, the board is not
required to hold hearings.

(c) Every rule initiated by the board concerning textbook adoption
shall be sent to the advisory committee on textbook adoption. Upon
receipt of a rule initiated by the board, an advisory committee may hold
public hearings on the rule. Whenever an advisory committee holds a
public hearing on a rule initiated by the board, it shall send the
proposed rule and a recommendation to the board within ninety (90)
days after it receives the rule from the board. If the advisory committee
fails to hold a hearing or to return the proposed rule with a
recommendation to the board within the ninety (90) day period, the board may hold public hearings on the proposed rule and proceed under IC 4-22-2 or may discontinue the proceedings. Whenever the advisory committee holds hearings on a proposed rule, the board is not required to do so.

(d) Before final adoption of any rule, the board shall make a finding on the estimated fiscal impact that the rule will have on local school corporations.

SECTION 2. IC 20-19-2-8, AS ADDED BY HEA 1288-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) In addition to any other powers and duties prescribed by law, the state board shall adopt rules under IC 4-22-2 concerning, but not limited to, the following matters:

1. The designation and employment of the employees and consultants necessary for the department. The state board shall fix the compensation of employees of the department, subject to the approval of the budget committee and the governor under IC 4-12-2.

2. The establishment and maintenance of standards and guidelines, other than building, space, and site requirements, for media centers, libraries, instructional materials centers, or any other area or system of areas in a school where a full range of information sources, associated equipment, and services from professional media staff are accessible to the school community. With regard to library automation systems, the state board may only adopt rules that meet the standards established by the state library board for library automation systems under IC 4-23-7.1-11(b).

3. The establishment and maintenance of standards for student personnel and guidance services.

4. The establishment and maintenance of minimum standards for driver education programs (including classroom instruction and practice driving) and equipment. Classroom instruction standards established under this subdivision must include instruction about:
   - railroad-highway grade crossing safety; and
   - the procedure for participation in the human organ donor program.

5. The inspection of all public schools in Indiana to determine
the condition of the schools. The state board shall establish standards governing the accreditation of public schools. Observance of:

(A) IC 20-31-4;
(B) IC 20-28-5-2;
(C) IC 20-28-6-3 through IC 20-28-6-7;
(D) IC 20-28-9-7 and IC 20-28-9-8;
(E) IC 20-28-11; and
(F) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, and IC 20-32-8;

is a prerequisite to the accreditation of a school. Local public school officials shall make the reports required of them and otherwise cooperate with the state board regarding required inspections. Nonpublic schools may also request the inspection for classification purposes. Compliance with the building and site guidelines adopted by the state board is not a prerequisite of accreditation.

(6) Subject to section 9 of this chapter, the adoption and approval of textbooks under IC 20-20-5.

(7) The distribution of funds and revenues appropriated for the support of schools in the state.

(8) The state board may not establish an accreditation system for nonpublic schools that is less stringent than the accreditation system for public schools.

(9) A separate system for recognizing nonpublic schools under IC 20-19-2-10. Recognition of nonpublic schools under this subdivision constitutes the system of regulatory standards that apply to nonpublic schools that seek to qualify for the system of recognition.

(10) The establishment and enforcement of standards and guidelines concerning the safety of students participating in cheerleading activities.

(b) Before final adoption of any rule, the state board shall make a finding on the estimated fiscal impact that the rule will have on school corporations.
AN ACT to amend the Indiana Code concerning public safety.

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

SECTION 1. IC 36-7-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) For purposes of this chapter, a building or structure, or any part of a building or structure, that is:

(1) in an impaired structural condition that makes it unsafe to a person or property;
(2) a fire hazard;
(3) a hazard to the public health;
(4) a public nuisance;
(5) dangerous to a person or property because of a violation of a statute or ordinance concerning building condition or maintenance; or
(6) vacant and not maintained in a manner that would allow human habitation, occupancy, or use under the requirements of a statute or an ordinance;

is considered an unsafe building.

(b) For purposes of this chapter:

(1) an unsafe building; and
(2) the tract of real property on which the unsafe building is located;

are considered unsafe premises.

(c) For purposes of this chapter, a tract of real property that does not contain a building or structure, not including land used for production agriculture, is considered an unsafe premises if the tract of real property is:

(1) a fire hazard;
(2) a hazard to public health;
(3) a public nuisance; or
(4) dangerous to a person or property because of a violation of a statute or an ordinance.
AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-18-2-70.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 70.1. "Construction project" has the meaning set forth in IC 16-21-2-11.5(a).

SECTION 2. IC 16-21-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11.5. (a) As used in this section, "construction project" means the erection, installation, alteration, repair, or remodeling of a building or structure that, when completed, will be subject to licensure as a hospital or an ambulatory outpatient surgical center under this article. The term does not include the acquisition or installation of medical equipment or the purchase of the services of an architect, engineer, or consultant to prepare plans or studies related to a construction project.

(b) Except as provided in subsection (c), this section applies to a hospital or an ambulatory outpatient surgical center for which licensure is required under this article.

(c) This section does not apply to:

(1) a hospital or an ambulatory outpatient surgical center that is operated by the federal government or an agency of the federal government; or

(2) a construction project begun before July 1, 2005.

For purposes of this subsection, a construction project is considered to have begun on the day that the physical erection, installation, alteration, repair, or remodeling of the building or structure commences.

(d) Before the owner of:

(1) a hospital or proposed hospital may begin a construction
project that is estimated by the owner to cost at least ten
million dollars ($10,000,000); or
(2) an ambulatory outpatient surgical center or a proposed
ambulatory outpatient surgical center may begin a
construction project that is estimated by the owner to cost at
least three million dollars ($3,000,000);
the owner shall hold at least two (2) public hearings concerning the
construction project and publish notice of each hearing at least ten
(10) days before the hearing is held.
(e) A notice published under subsection (d) must meet the
standards specified for public notices in IC 5-3-1.
(f) A hearing held under subsection (d):
(1) must:
(A) be held at a location not more than ten (10) miles from
the site of the construction project;
(B) be held exclusively by the owner or the owner's
representative; and
(C) include an announcement from the owner or the
owner's representative that provides to the public:
(i) a description of;
(ii) an estimate of the cost of; and
(iii) a statement regarding the owner's reason for;
the construction project, including a description of the
health care services that will be provided by the hospital or
ambulatory outpatient surgical center as a result of the
construction project; and
(2) may be held:
(A) on any day of the week other than Saturday or Sunday;
and
(B) at any time not earlier than 3 p.m. or later than 9 p.m.;
as determined by the owner.
(g) A hearing held as required under this section does not cause
any information or materials possessed or held by the owner or the
owner's employee, contractor, agent, or representative to be
discernible or considered public information or public materials.
(h) A statement or question concerning a construction project,
or an objection to a construction project, that arises during a
hearing held under this section may not cause a delay in or denial
of the issuance of a license under this article.
(i) Compliance with this section may be enforced only by the state department.

AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

SECTION 1. IC 9-24-15-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.7. (a) If a petitioner whose driving license or permit is suspended under IC 9-25-6-19, IC 9-25-6-20, or IC 9-25-6-21 proves to the satisfaction of the court that public transportation is unavailable for travel by the petitioner:

(1) to and from the petitioner’s regular place of employment;
(2) in the course of the petitioner’s regular employment;
(3) to and from the petitioner’s place of worship; or
(4) to participate in visitation parenting time with the petitioner’s children consistent with a court order granting visitation; parenting time;

the court may grant a petition for a restricted driving permit filed under this chapter.

(b) A restricted driving permit issued by the bureau under this section must specify that the restricted driving permit is valid only for purposes of driving under the conditions described in subsection (a).

(c) A restricted driving permit issued by the bureau under this section shall be:

(1) issued in the same manner; and
(2) subject to all requirements;
as other permits under this chapter.

SECTION 2. IC 9-25-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) The bureau shall, upon receiving an order of a court issued under IC 31-14-12-4 or
IC 31-16-12-7 (or IC 31-1-11.5-13(j) or IC 31-6-6.1-16(j) before their repeal), suspend the driving license or permit of the person who is the subject of the order.

(b) The bureau may not reinstate a driving license or permit suspended under this section until the bureau receives an order allowing reinstatement from the court that issued the order for suspension.

(c) Upon receiving an order for suspension under subsection (a), the bureau shall promptly mail a notice to the last known address of the person who is the subject of the order, stating the following:

(1) That the person's driving privileges are suspended, beginning five (5) business days after the date the notice is mailed, and that the suspension will terminate ten (10) business days after the bureau receives an order allowing reinstatement from the court that issued the suspension order.

(2) That the person has the right to petition for reinstatement of driving privileges to the court that issued the order for suspension.

(3) That the person may be granted a restricted driving permit under IC 9-24-15-6.7 if the person can prove that public transportation is unavailable for travel by the person:
   (A) to and from the person's regular place of employment;
   (B) in the course of the person's regular employment;
   (C) to and from the person's place of worship; or
   (D) to participate in visitation parenting time with the petitioner's children consistent with a court order granting visitation parenting time.

(d) Unless a person whose driving license or permit is suspended under this section has been issued a restricted driving permit under IC 9-24-15 as a result of a suspension under this section, a person who operates a motor vehicle in violation of the section commits a Class A infraction.

SECTION 3. IC 9-25-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) If the bureau is advised by the Title IV-D agency that the obligor (as defined in IC 12-17-2-2.5) either requested a hearing under IC 12-17-2-35 and failed to appear or appeared and was found to be delinquent, the bureau shall promptly mail a notice to the obligor stating the following:

(1) That the obligor's driving privileges are suspended, beginning
twenty (20) business days after the date the notice is mailed, and that the suspension will terminate after the bureau receives a notice from the Title IV-D agency that the obligor has:

(A) paid the obligor's child support arrearage in full; or
(B) established a payment plan with the Title IV-D agency to pay the arrearage and requested the activation of an income withholding order under IC 31-16-15-2.

(2) Explains That the obligor may be granted a restricted driving permit under IC 9-24-15-6.7 if the obligor can prove that public transportation is unavailable for travel by the obligor:

(A) to and from the obligor's regular place of employment;
(B) in the course of the obligor's regular employment;
(C) to and from the obligor's place of worship; or
(D) to participate in visitation parenting time with the petitioner's children consistent with a court order granting visitation parenting time.

(b) The bureau may not reinstate a driving license or permit suspended under this section until the bureau receives a notice from the Title IV-D agency that the obligor has:

(1) paid the obligor's child support arrearage in full; or
(2) established a payment plan with the Title IV-D agency to pay the arrearage and requested the activation of an income withholding order under IC 31-16-15-2.

(c) Unless an obligor whose driving license or permit is suspended under this section has been issued a restricted driving permit under IC 9-24-15 as a result of a suspension under this section, an obligor who operates a motor vehicle in violation of the section commits a Class A infraction.

SECTION 4. IC 10-16-7-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. If a member of the Indiana National Guard or a member of a reserve component of the armed forces of the United States:

(1) is a noncustodial parent (as defined in IC 31-9-2-83);
(2) misses visitation parenting time as provided in an order issued under IC 31-14-14 or IC 31-17-4 due to participating in an activity required under this chapter; and
(3) notifies the custodial parent at least seven (7) days before the member misses the anticipated visitation parenting time
described in subdivision (2), unless the member is unable to provide notice due to a government emergency; the member shall be allowed to make up the lost visitation parenting time at the member's earliest convenience but not later than one (1) month after the member misses the visitation parenting time under this section, if exercising the lost visitation parenting time does not conflict with the child's school schedule.

SECTION 5. IC 12-17-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The bureau shall make the agreements necessary for the effective administration of the plan with local governmental officials within Indiana. The bureau shall contract with:

1. a prosecuting attorney; or
2. a private attorney if the bureau determines that a reasonable contract cannot be entered into with a prosecuting attorney and the determination is approved by at least two-thirds (2/3) of the Indiana child custody and support advisory committee (established by IC 33-24-11-1);

in each judicial circuit to undertake activities required to be performed under Title IV-D of the federal Social Security Act (42 U.S.C. 651), including establishment of paternity, establishment, enforcement, and modification of child support orders, activities under the Uniform Reciprocal Enforcement of Support Act (IC 31-2-1, before its repeal) or the Uniform Interstate Family Support Act (IC 31-18, or IC 31-1.5 before its repeal), and if the contract is with a prosecuting attorney, prosecutions of welfare fraud.

(b) The hiring of an attorney by an agreement or a contract made under this section is not subject to the approval of the attorney general under IC 4-6-5-3. An agreement or a contract made under this section is not subject to IC 4-13-2-14.3 or IC 5-22.

(c) Subject to section 18.5 of this chapter, a prosecuting attorney with which the bureau contracts under subsection (a) may contract with a private organization to provide child support enforcement services.

(d) A prosecuting attorney or private attorney entering into an agreement or a contract with the bureau under this section enters into an attorney-client relationship with the state to represent the interests of the state in the effective administration of the plan and not the interests of any other person. An attorney-client relationship is not
created with any other person by reason of an agreement or contract with the bureau.

(c) At the time that an application for child support services is made, the applicant must be informed that:

(1) an attorney who provides services for the child support bureau is the attorney for the state and is not providing legal representation to the applicant; and

(2) communications made by the applicant to the attorney and the advice given by the attorney to the applicant are not confidential communications protected by the privilege provided under IC 34-46-3-1.

(f) A prosecuting attorney or private attorney who contracts or agrees under this section to undertake activities required to be performed under Title IV-D is not required to mediate, resolve, or litigate a dispute between the parties relating to the amount of parenting time or parenting time credit.

SECTION 6. IC 12-17-2-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) An obligor may contest the Title IV-D agency's determination to issue an order under section 34 of this chapter by making a written application to the Title IV-D agency within twenty (20) days after the date that notice is mailed to the obligor.

(b) The only basis for contesting an order issued under this section is a mistake of fact.

(c) The Title IV-D agency shall hold a hearing, within twenty-five (25) days after written application is made under subsection (a), to review its determination to issue an order under section 34 of this chapter. The Title IV-D agency shall make a determination in writing on the issuance of an order under section 34 of this chapter at the hearing.

(d) At the hearing described in subsection (c), if the obligor whose driving license or permit is suspended under this chapter proves to the satisfaction of the Title IV-D agency that public transportation is unavailable for travel by the obligor:

(1) to and from the obligor's regular place of employment;
(2) in the course of the obligor's regular employment;
(3) to and from the obligor's place of worship; or
(4) to participate in visitation parenting time with the obligor's
children consistent with a court order granting visitation; parenting time;
the Title IV-D agency may order the bureau of motor vehicles to issue
the obligor a restricted driving permit.

e) If the obligor requests a hearing but fails to appear or if the
obligor appears and is found to be delinquent, the Title IV-D agency
shall issue an order to the bureau of motor vehicles stating that the
obligor is delinquent.

(f) An order issued under subsection (e) must require the following:
   1) If the obligor who is the subject of the order holds a driving
      license or permit on the date the order is issued, that the obligor's
      driving privileges be suspended under further order of the Title
      IV-D agency.
   2) If the obligor who is the subject of the order does not hold a
      driving license or permit on the date the order is issued, that the
      bureau of motor vehicles may not issue a driving license or permit
      to the obligor until the bureau of motor vehicles receives a further
      order from the Title IV-D agency.

(g) A restricted driving permit issued by the bureau of motor
vehicles under this section must specify that the restricted driving
permit is valid only for purposes of driving under the conditions
described in subsection (d).

(h) Unless a person whose driving license or permit is suspended
under this chapter has been issued a restricted driving permit under this
section as a result of a suspension under this chapter, a person who
operates a motor vehicle in violation of this section commits a Class A
infraction.

SECTION 7. IC 29-3-3-6 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The surviving parent of a
minor does not have the right to custody of the minor without a
proceeding authorized by law if the parent was not granted custody of
the minor in a dissolution of marriage decree and the conditions
specified in this section exist.

(b) If:
   1) the surviving parent, at the time of the custodial parent's death,
      had required supervision during visiting parenting time
      privileges granted under a dissolution of marriage decree
      involving the minor; or
(2) the surviving parent’s visiting parenting time privileges with
the minor had been suspended at the time of the death of the
custodial parent;
the court on petition by any person, including a temporary custodian
named under IC 31-17-2-11 (or IC 31-1-11.5-27 before its repeal), or
on the court’s own motion, may appoint a temporary guardian for the
minor for a specified period not to exceed sixty (60) days.
(c) If a petition is filed under this section, a court shall appoint a
guardian ad litem (as defined in IC 31-9-2-50) or a court
appointed special advocate (as defined in IC 31-9-2-28) for the child. A guardian ad litem or court appointed special advocate
appointed under this section serves until removed by the court.
(d) If a temporary guardian is appointed without notice and the
minor files a petition that the guardianship be terminated or the court
order modified, the court shall hold a hearing and make a determination
on the petition at the earliest possible time.
(e) A temporary guardian appointed under this section has only the
responsibilities and powers that are ordered by the court.
(f) A proceeding under this section may be joined with a proceeding
under IC 29-3-4 or IC 29-3-5.
(g) The court shall appoint a guardian under this article if the court
finds that the surviving parent is not entitled to the right of custody of
the minor.

SECTION 8. IC 31-9-2-88.5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]:
Sec. 88.5. "Parenting time" means the time set aside by a
court order for a parent and child to spend together.

SECTION 9. IC 31-12-1-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 11. A domestic
relations counselor shall, when directed by the judge of any domestic
relations court, perform the following duties in domestic relations cases
and such other duties as the judge of the domestic relations court
assigns to the counselor:
(1) The domestic relations counselor shall promptly receive all
requests for counseling services for the purpose of disposing of
the requests under this chapter.
(2) Whenever a petition is filed and either party requests
counseling, the domestic relations counselor shall, in the
counselor's discretion:

(A) interview and counsel each plaintiff and, if feasible and desirable, each defendant; or
(B) confer with both jointly;

for the purpose of reconciling the differences between the parties and making recommendations to the judge of the domestic relations court.

(3) In each case assigned to the domestic relations court in which the custody, support, or welfare of a child is involved, in order to protect and conserve the interest of the child, the domestic relations counselor shall investigate and report upon:

(A) the status and condition of the parties to the cause;
(B) the status and condition of the child;
(C) the provisions made or to be made for the protection of the welfare of the child; and
(D) any other matter pertaining to the marriage that may affect the welfare of the child.

(4) Upon request of the domestic relations court judge, the counselor shall:

(A) make post-dissolution studies of problems arising in connection with child custody, support, and visitation: parenting time;
(B) provide assistance to the parties in the enforcement of support orders; and
(C) cause reports to be made and statistics to be compiled, which records and reports shall be kept as the judge of the domestic relations court may direct.

(5) The counselor shall provide such supervision in connection with the exercise of the jurisdiction of the domestic relations court as the judge may order.

SECTION 10. IC 31-12-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The domestic relations counseling bureau shall perform the following duties in domestic relations cases and such other duties as the judges described in section 1(1) of this chapter, the judge described in section 1(2) of this chapter, or a magistrate assigns to the domestic relations counseling bureau:

(1) The domestic relations counseling bureau shall promptly
receive all requests for counseling services for the purpose of disposing of the requests under this chapter.

(2) Whenever a proceeding is initiated and either party requests counseling or mediation, the domestic relations counseling bureau shall, in the bureau's discretion, interview and counsel each party or confer with both parties jointly for the purpose of reconciling the differences between the parties and making recommendations to the judge of any court upon referral.

(3) In each case assigned to the bureau in which the custody, support, or welfare of a child is involved, to protect and conserve the interest of the child, the domestic relations counseling bureau shall investigate and report upon:

   (A) the status and condition of the parties to the cause;
   (B) the status and condition of the child;
   (C) the provisions made or to be made for the protection of the welfare of the child; and
   (D) any other matter pertaining to the marriage that may affect the welfare of the child.

(4) Upon order of the judges described in section 1(1) of this chapter or the judge described in section 1(2) of this chapter, the domestic relations counseling bureau shall:

   (A) make post-divorce studies of problems arising in connection with child custody, support, and visitation; parenting time;
   (B) provide assistance to the parties in the enforcement of support orders; and
   (C) cause reports to be made and statistics to be compiled, which records and reports shall be kept as the judges described in section 1(1) of this chapter or the judge described in section 1(2) of this chapter directs.

(5) The domestic relations counseling bureau shall provide supervision in connection with referred cases or other cases as the judges described in section 1(1) of this chapter or the judge described in section 1(2) of this chapter may order.

SECTION 11. IC 31-14-1.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A bond required under this article to secure the obligation of child support, enforcement of a custody order, or enforcement of a visitation parenting time order
must:
(1) be in writing; and
(2) be secured by:
   (A) at least one (1) resident freehold surety; or
   (B) a commercial insurance company.

SECTION 12. IC 31-14-1.5-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A bond described in
section 1 of this chapter may be prepared in substantially the following
form:

STATE OF INDIANA )
   ) SS:
COUNTY OF __________________)
   )

IN THE MATTER OF:

Name of Parent (As the Principal)
   )
Name of Parent (As the Obligee)
   )

CHILD:

Name of Child
   )

KNOW ALL MEN BY THESE PRESENTS, that we _________, as
Principal, and _____, as Surety, are held and firmly bound unto _____,
as Obligee, in the penal sum of ____ Dollars ($____), for the payment
of which well and truly to be made we hereby bind ourselves and our
heirs, administrators, successors, and assigns, jointly and severally,
firmly by these presents.

WHEREAS, an Order was duly made and entered by the above
Court in the State of Indiana, County of ____, dated ____, defining
custody, visitation, ________________, and support rights regarding the
named children.

NOW THEREFORE, the conditions of this obligation are such that:

1. No right of action on this bond shall be granted for the use
or benefit of any individual, partnership, corporation, or other entity, other than the named Obligee.

2. It is agreed that neither this bond nor the obligation of this bond, nor any interest in this bond, may be assigned without the prior express written consent of the Surety.

3. Payment under this bond shall be conditioned upon the Obligee's, or the representative of the Obligee's, filing a motion with the court seeking a declaration of forfeiture of the bond and the Court's finding and entry of a final judgment ordering the Principal and Surety to make such payment. A certified copy of the filing shall be provided to the Surety at its address of record. The Surety shall make payment within thirty (30) days of receiving notification of the final judgment directly to a Trustee appointed by the Court who shall administer the funds in a fiduciary capacity.

4. The Surety shall not be liable hereunder for any amount larger than the face amount of this bond.

5. This bond and the obligation hereunder shall terminate and be of no further effect if the Court order requiring it is modified in any way without the Surety's consent, the Court order expires, or this cause is removed to another jurisdiction.

6. The Surety may file a motion with the Court for discharge of this bond and its obligation hereunder for any good cause. Good cause includes, but is not limited to, misrepresentation or fraud in the initial application for this bond, nonpayment of premium, loss of collateral, or resignation of the Indemnitor. The Surety shall give notice of any such motion to the Obligee.

NOW THEREFORE, if the Principal faithfully complies with the requirements and conditions of the Court Order within the limitations and parameters set forth therein, then this Obligation shall be void, otherwise it shall remain in full force and effect.

In witness whereof, each party to this bond has caused it to be executed at the place and on the date indicated below.

Signed, sealed and dated on this ____ day of ____, 20___.

Principal:  Surety:

______  _______
SECTION 13. IC 31-14-1.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Upon forfeiture, the proceeds of the security, a bond, or other guarantee ordered to secure the obligation of child support, enforcement of a custody order, or enforcement of a \textit{visitation parenting time} order under this article may only be used to:

1. reimburse the nonviolating party for actual costs or damages incurred in upholding the court's order;
2. locate and return the child to the residence as set forth in the court's order, if the security, bond, or guarantee covers custody or \textit{visitation parenting time}, or both; or
3. reimburse reasonable fees and court costs to the court appointed trustee.

SECTION 14. IC 31-14-1.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Upon forfeiture, the proceeds of the \textit{security, a bond, or other guarantee} ordered to secure the obligation of child support, enforcement of a custody order, or enforcement of a \textit{visitation parenting time} order under this article that are not applied to the expenses described in section 3 of this chapter must be applied toward:

1. the child's higher education; or
2. the support and maintenance of the child.

SECTION 15. IC 31-14-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Upon finding that a man is the child's biological father, the court shall, in the initial determination, conduct a hearing to determine the issues of support, custody, and \textit{visitation parenting time}. Upon the request of any party or on the court's own motion, the court may order a probation officer or caseworker to prepare a report to assist the court in determining these matters.

SECTION 16. IC 31-14-10-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The court may make findings and orders without holding the hearing required by section 1 of this chapter if:

(1) the mother and the alleged father execute and file with the court a verified written stipulation; or

(2) the parties have filed a joint petition; resolving the issues of custody, child support, and visitation parenting time. The court shall incorporate provisions of the written stipulation or joint petition into orders entered under this section.

SECTION 17. IC 31-14-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The court may order the probation department, the county office of family and children, or any licensed child placing agency to supervise the placement to ensure that the custodial or visitation parenting time terms of the decree are carried out if:

(1) both parents or the child request supervision; or

(2) the court finds that without supervision the child's physical health and well-being would be endangered or the child's emotional development would be significantly impaired.

SECTION 18. IC 31-14-13-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.7. (a) The court shall consider requiring security, a bond, or another guarantee under section 6.5 of this chapter if the court makes a finding under subdivision (1), (2), (4), or (7) by clear and convincing evidence. If the court makes a finding under subdivisions subdivision (1), (2), (4), or (7), the court shall also consider subdivisions (3), (5), (6), (8), and (9) in determining the amount of security, bond, or other guarantee. In making a determination under this section, the court shall consider the following:

(1) Whether a party has previously taken a child out of Indiana or another state in violation of a custody, parenting time, or visitation order.

(2) Whether a party has previously threatened to take a child out of Indiana or another state in violation of a custody, parenting time, or visitation order.

(3) Whether a party has strong ties to Indiana.

(4) Whether a party:

(A) is a citizen of another country;

(B) has strong emotional or cultural ties to the other country;
and

(C) has indicated or threatened to take a child out of Indiana to the other country.

(5) Whether a party has friends or family living outside Indiana.

(6) Whether a party does not have a financial reason to stay in Indiana, such as whether the party is unemployed, able to work anywhere, or is financially independent.

(7) Whether a party has engaged in planning that would facilitate removal from Indiana, such as quitting a job, selling the party's primary residence, terminating a lease, closing an account, liquidating other assets, hiding or destroying documents, applying for a passport, applying for a birth certificate, or applying for school or medical records.

(8) Whether a party has a history of marital instability, a lack of parental cooperation, domestic violence, or child abuse.

(9) Whether a party has a criminal record.

After considering evidence, the court shall issue a written determination of security, bond, or other written guarantee supported by findings of fact and conclusions of law.

(b) If a motion for change of judge or change of venue is filed, the court may, before a determination of change of judge or change of venue, consider security, bond, or other guarantee under this chapter.

SECTION 19. IC 31-14-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A noncustodial parent is entitled to reasonable visitation parenting time rights unless the court finds, after a hearing, that visitation parenting time might:

(1) endanger the child's physical health and well-being; or

(2) significantly impair the child's emotional development.

(b) The court may interview the child in chambers to assist the court in determining the child's perception of whether visitation parenting time by the noncustodial parent might endanger the child's physical health or significantly impair the child's emotional development.

(c) The court may permit counsel to be present at the interview. If counsel is present:

(1) a record may be made of the interview; and

(2) the interview may be made part of the record for purposes of appeal.

SECTION 20. IC 31-14-14-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The court may modify an order granting or denying visitation parenting time rights whenever modification would serve the best interests of the child.

SECTION 21. IC 31-14-14-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. The court may provide in:

1. a visitation parenting time order; or
2. a modification of a visitation parenting time order;

for the security, bond, or other guarantee that is satisfactory to secure enforcement of the visitation parenting time order.

SECTION 22. IC 31-14-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A noncustodial parent who misses visitation parenting time as the result of participation in an activity of:

1. the Indiana National Guard; or
2. a reserve component of the armed forces of the United States;

may make up the lost visitation parenting time as provided in IC 10-16-7-22.

SECTION 23. IC 31-14-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies if a court finds that a noncustodial parent has been convicted of a crime involving domestic or family violence that was witnessed or heard by the noncustodial parent's child.

(b) There is created a rebuttable presumption that the court shall order that the noncustodial parent's visitation parenting time with the child must be supervised:

1. for at least one (1) year and not more than two (2) years immediately following the crime involving domestic or family violence; or
2. until the child becomes emancipated;

whichever occurs first.

SECTION 24. IC 31-14-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A noncustodial parent who:

1. has been granted visitation parenting time rights with a child who lives with the custodial parent;
2. regularly pays support ordered by a court for the child; and
3. is barred by a custodial parent from exercising visitation parenting time;
**parenting time** rights ordered for the noncustodial parent and the child; may file, in the court that has jurisdiction over the paternity action, an application for a permanent injunction against the custodial parent under Rule 65 of the Indiana Rules of Trial Procedure.

SECTION 25. IC 31-14-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If:

(1) an application for an injunction is filed under this chapter (or IC 31-6-6.1-12.1 before its repeal); and
(2) the noncustodial parent submits an affidavit as described in subsection (b);
the court may grant, without notice, a temporary restraining order restraining the custodial parent from further violation of the **parenting time** order.

(b) In the affidavit, the noncustodial parent shall state under penalties for perjury:

(1) that the noncustodial parent has been granted **visitation parenting time** rights with the child; and
(2) that the noncustodial parent regularly pays the support ordered by a court for the child.

(c) The court shall hold a hearing upon the restraining order at the earliest convenience of the court.

SECTION 26. IC 31-14-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A court that finds a violation without justifiable cause by a custodial parent of an injunction or a temporary restraining order issued under this chapter (or IC 31-6-6.1-12.1 before its repeal):

(1) shall find the custodial parent in contempt of court;
(2) shall order the exercise of **visitation parenting time** that was not exercised due to the violation under this section (or IC 31-6-6.1-12.1(e) before its repeal) at a time the court considers compatible with the schedules of the noncustodial parent and the child;
(3) may order payment by the custodial parent of reasonable attorney's fees, costs, and expenses to the noncustodial parent; and
(4) may order the custodial parent to perform community restitution or service without compensation in a manner specified.
by the court.

SECTION 27. IC 31-15-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The filing by either party of a motion for change of venue or change from the judge during the period before the court makes a determination under section 6 of this chapter does not divest the court of jurisdiction to:

1. hear evidence upon the petition;
2. set an amount of temporary child support;
3. determine temporary custody; or
4. order appropriate visitation: parenting time.

SECTION 28. IC 31-15-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. If the court grants a change of venue or change from the judge after the preliminary order of support, custody, or visitation: parenting time is issued, either party may:

1. file a petition for a subsequent preliminary hearing on the issue of temporary child support, temporary custody, or visitation: parenting time;
2. seek relief from the original order; and
3. request that the court conduct a hearing relating to any other temporary order available under this article.

SECTION 29. IC 31-15-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The court may order a guardian ad litem or court appointed special advocate appointed by a court under this chapter (or IC 31-1-11.5-28 before its repeal) to exercise continuing supervision over the child to assure that the custodial or visitation: parenting time terms of an order entered by the court under this article (or IC 31-1-11.5 before its repeal) are carried out as required by the court.

SECTION 30. IC 31-16-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A bond described in section 1 of this chapter may be prepared in substantially the following form:

STATE OF INDIANA )
COUNTY OF _________________) SS:

)
IN THE MATTER OF:

) )

Name of Parent (As the Principal) )

) )

Name of Parent (As the Obligee) )

) )

CHILD:

) )

Name of Child )

KNOW ALL MEN BY THESE PRESENTS, that we __________, as Principal, and _____, as Surety, are held and firmly bound unto _____, as Obligee, in the penal sum of ____ Dollars ($____), for the payment of which well and truly to be made we hereby bind ourselves and our heirs, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, an Order was duly made and entered by the above Court in the State of Indiana, County of ____, dated ____, defining custody, visitation, parenting time, and support rights regarding the named children.

NOW THEREFORE, the conditions of this obligation are such that:

1. No right of action on this bond shall be granted for the use or benefit of any individual, partnership, corporation, or other entity, other than the named Obligee.

2. It is agreed that neither this bond nor the obligation of this bond, nor any interest in this bond, may be assigned without the prior express written consent of the Surety.

3. Payment under this bond shall be conditioned upon the Obligee's, or the representative of the Obligee's, filing a motion with the court seeking a declaration of forfeiture of the bond and the Court's finding and entry of a final judgment ordering the Principal and Surety to make such payment. A certified copy of the filing shall be provided to the Surety at its address of record. The Surety shall make payment within thirty (30) days of receiving notification of the final judgment directly to a Trustee appointed by the
Court who shall administer the funds in a fiduciary capacity.

4. The Surety shall not be liable hereunder for any amount larger than the face amount of this bond.

5. This bond and the obligation hereunder shall terminate and be of no further effect if the Court order requiring it is modified in any way without the Surety's consent, the Court order expires, or this cause is removed to another jurisdiction.

6. The Surety may file a motion with the Court for discharge of this bond and its obligation hereunder for any good cause. Good cause includes, but is not limited to, misrepresentation or fraud in the initial application for this bond, nonpayment of premium, loss of collateral, or resignation of the Indemnitor. The Surety shall give notice of any such motion to the Obligee.

NOW THEREFORE, if the Principal faithfully complies with the requirements and conditions of the Court Order within the limitations and parameters set forth therein, then this Obligation shall be void, otherwise it shall remain in full force and effect.

In witness whereof, each party to this bond has caused it to be executed at the place and on the date indicated below.

Signed, sealed and dated on this ____ day of ____, 20___.

Principal:    Surety:

____________    __________
(Name and address of Principal)
>Name and address of Surety)

____________
(Signature of Principal)

   (Countersigned by attorney-in-fact)
   (Surety seal)

Witness:

SECTION 31. IC 31-16-3.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Upon forfeiture, the proceeds of the security, a bond, or other guarantee ordered to secure the obligation of child support, enforcement of a custody order, or enforcement of a visitation parenting time order under this article may only be used to:

   (1) reimburse the nonviolating party for actual costs or damages
incurred in upholding the court's order;
(2) locate and return the child to the residence as set forth in the court's order, if the security, bond, or guarantee covers custody or parenting time, or both; or
(3) reimburse reasonable fees and court costs to the court appointed trustee.

SECTION 32. IC 31-17-2-8.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.3. (a) This section applies if a court finds that a noncustodial parent has been convicted of a crime involving domestic or family violence that was witnessed or heard by the noncustodial parent's child.

(b) There is created a rebuttable presumption that the court shall order that the noncustodial parent's visitation with the child must be supervised:
(1) for at least one (1) year and not more than two (2) years immediately following the crime involving domestic or family violence; or
(2) until the child becomes emancipated; whichever occurs first.

SECTION 33. IC 31-17-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If, in a proceeding for custody or modification of custody under IC 31-15, this chapter, IC 31-17-4, IC 31-17-6, or IC 31-17-7, the court:

(1) requires supervision during the noncustodial parent's visitation privileges; or
(2) suspends the noncustodial parent's visitation privileges;
the court shall enter a conditional order naming a temporary custodian for the child.

(b) A temporary custodian named by the court under this section receives temporary custody of a child upon the death of the child's custodial parent.

(c) Upon the death of a custodial parent, a temporary custodian named by a court under this section may petition the court having probate jurisdiction over the estate of the child's custodial parent for an order under IC 29-3-3-6 naming the temporary custodian as the temporary guardian of the child.

SECTION 34. IC 31-17-2-18 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. If both parents or all contestants agree to the order or if the court finds that, in the absence of the order, the child's physical health might be endangered or the child's emotional development significantly impaired, the court may order:

1. the court social service agency;
2. the staff of the juvenile court;
3. the local probation department;
4. the county office of family and children; or
5. a private agency employed by the court for that purpose;

to exercise continuing supervision over the case to assure that the custodial or visitation parenting time terms of the decree are carried out.

SECTION 35. IC 31-17-2-21.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21.7. (a) The court shall consider requiring security, a bond, or another guarantee under section 21.5 of this chapter if the court makes a finding under subdivision (1), (2), (4), or (7) by clear and convincing evidence. If the court makes a finding under subdivision (1), (2), (4), or (7), the court shall also consider subdivisions (3), (5), (6), (8), and (9) in determining the amount of security, bond, or other guarantee. In making a determination under this section, the court shall consider the following:

1. Whether a party has previously taken a child out of Indiana or another state in violation of a custody, parenting time, or visitation order.
2. Whether a party has previously threatened to take a child out of Indiana or another state in violation of a custody, parenting time, or visitation order.
3. Whether a party has strong ties to Indiana.
4. Whether a party:
   A. is a citizen of another country;
   B. has strong emotional or cultural ties to the other country;
   and
   C. has indicated or threatened to take a child out of Indiana to the other country.
5. Whether a party has friends or family living outside Indiana.
6. Whether a party does not have a financial reason to stay in Indiana, such as whether the party is unemployed, able to work
anywhere, or is financially independent.
(7) Whether a party has engaged in planning that would facilitate removal from Indiana, such as quitting a job, selling the party's primary residence, terminating a lease, closing an account, liquidating other assets, hiding or destroying documents, applying for a passport, applying for a birth certificate, or applying for school or medical records.
(8) Whether a party has a history of marital instability, a lack of parental cooperation, domestic violence, or child abuse.
(9) Whether a party has a criminal record.

After considering evidence, the court shall issue a written determination of security, bond, or other written guarantee supported by findings of fact and conclusions of law.

(b) If a motion for change of judge or change of venue is filed, the court may, before a determination of change of judge or change of venue, consider security, bond, or other guarantee under this chapter.

SECTION 36. IC 31-17-2-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) If an individual who has been awarded custody of a child under this chapter intends to move to a residence:

(1) other than a residence specified in the custody order; and
(2) that is outside Indiana or at least one hundred (100) miles from the individual's county of residence;

the individual must file a notice of the intent to move with the clerk of the court that issued the custody order and send a copy of the notice to a parent who was not awarded custody and who has been granted visitation parenting time rights under IC 31-17-4 (or IC 31-1-11.5-24 before its repeal).

(b) Upon request of either party, the court shall set the matter for a hearing for the purposes of reviewing and modifying, if appropriate, the custody, visitation parenting time, and support orders. The court shall take into account the following in determining whether to modify the custody, visitation parenting time, and support orders:

(1) The distance involved in the proposed change of residence.
(2) The hardship and expense involved for noncustodial parents to exercise visitation parenting time rights.
(c) Except in cases of extreme hardship, the court may not award attorney's fees.
SECTION 37. IC 31-17-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Definitions: As used in this chapter:

(1) "contestant" means a person, including a parent, who claims a right to custody or visitation parenting time rights with respect to a child;
(2) "custody determination" means a court decision and court orders and instructions providing for the custody of a child, including visitation parenting time rights; it does not include a decision relating to child support or any other monetary obligation of any person;
(3) "custody proceeding" includes proceedings in which a custody determination is one of several issues, such as an action for dissolution of marriage, but does not include child in need of services proceedings;
(4) "decree" or "custody decree" means a custody determination contained in a judicial decree or order made in a custody proceeding, and includes an initial decree and a modification decree;
(5) "home state" means the state in which the child, immediately preceding the time involved, lived with the child's parents, a parent, or a person acting as parent, for at least six (6) consecutive months, and in the case of a child less than six (6) months old, the state in which the child lived from birth with any of the persons mentioned. Periods of temporary absence of any of the named persons are counted as part of the six (6) month or other period;
(6) "initial decree" means the first custody decree concerning a particular child;
(7) "modification decree" means a custody decree which modifying or replaces a prior decree, whether made by the court which rendered the prior decree or by another court;
(8) "physical custody" means actual possession and control of a child;
(9) "person acting as parent" means a person, other than a parent, who has physical custody of a child and who has either been awarded custody by a court or claims a right to custody; and
(10) "state" means any state, territory, or possession of the United States, the Commonwealth of Puerto Rico, and the District of
Columbia.
SECTION 38. IC 31-17-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Denial of Jurisdiction. (a) If the petitioner for an initial decree has wrongfully taken the child from another state or has engaged in similar reprehensible conduct the court may decline to exercise jurisdiction if this is just and proper under the circumstances.

(b) Unless required in the interest of the child, the court shall not exercise its jurisdiction to modify a custody decree of another state if the petitioner, without consent of the person entitled to custody, has improperly removed the child from the physical custody of the person entitled to custody or has improperly retained the child after a visit parenting time or other temporary relinquishment of physical custody. If the petitioner has violated any other provision of a custody decree of another state the court may decline to exercise its jurisdiction if this is just and proper under the circumstances.

(c) In appropriate cases a court dismissing a petition under this section may charge the petitioner with necessary travel and other expenses, including attorneys' fees, incurred by other parties or their witnesses.

SECTION 39. IC 31-17-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Every party in a custody proceeding, other than an action for dissolution of marriage, in his the first pleading or in an affidavit attached to that pleading shall give information under oath as to the child's present address, the places where the child has lived within the last five (5) years, and the names and present addresses of the persons with whom the child has lived during that period. In this pleading or affidavit every party shall further declare under oath whether the party:

1. he has participated (as a party, witness, or in any other capacity) in any other litigation concerning the custody of the same child in this or any other state;

2. he has information of any custody proceeding concerning the child pending in a court of this or any other state; and

3. he knows of any person not a party to the proceedings who has physical custody of the child or claims to have custody, or visitation parenting time rights with respect to the child.

(b) If the declaration as to any of the above items is in the
affirmative the declarant shall give additional information under oath as required by the court. The court may examine the parties under oath as to details of the information furnished and as to other matters pertinent to the court's jurisdiction and the disposition of the case.

(c) Each party has a continuing duty to inform the court of any custody proceeding concerning the child in this or any other state of which the party obtained information during this proceeding.

SECTION 40. IC 31-17-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. Additional Parties. If the court learns from information furnished by the parties pursuant to section 9 of this chapter or from other sources that a person not a party to the custody proceeding has physical custody of the child or claims to have custody, or visitation parenting time rights with respect to the child, it shall order that person to be joined as a party and to be duly notified of the pendency of the proceeding and of his the person's joinder as a party. If the person joined as a party is outside this state he the person shall be served with process or otherwise notified in accordance with section 5 of this chapter.

SECTION 41. IC 31-17-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A bond required under this article to secure enforcement of a custody order or visitation parenting time order must:

(1) be in writing; and

(2) be secured by:

(A) at least one (1) resident freehold surety; or

(B) a commercial insurance company.

SECTION 42. IC 31-17-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A bond described in section 1 of this chapter may be prepared in substantially the following form:

STATE OF INDIANA )
) SS:
COUNTY OF __________________ )
) )
) )
) )
) )

IN THE MATTER OF:
Name of Parent (As the Principal)

Name of Parent (As the Obligee)

CHILD:

Name of Child

KNOW ALL MEN BY THESE PRESENTS, that we _________, as Principal, and _____, as Surety, are held and firmly bound unto _____, as Obligee, in the penal sum of ____ Dollars ($____), for the payment of which well and truly to be made we hereby bind ourselves and our heirs, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, an Order was duly made and entered by the above Court in the State of Indiana, County of ____, dated ____, defining custody, visitation, parenting time, and support rights regarding the named children.

NOW THEREFORE, the conditions of this obligation are such that:

1. No right of action on this bond shall be granted for the use or benefit of any individual, partnership, corporation, or other entity, other than the named Obligee.

2. It is agreed that neither this bond nor the obligation of this bond, nor any interest in this bond, may be assigned without the prior express written consent of the Surety.

3. Payment under this bond shall be conditioned upon the Obligee's, or the representative of the Obligee's, filing a motion with the court seeking a declaration of forfeiture of the bond and the Court's finding and entry of a final judgment ordering the Principal and Surety to make such payment. A certified copy of the filing shall be provided to the Surety at its address of record. The Surety shall make payment within thirty (30) days of receiving notification of the final judgment directly to a Trustee appointed by the Court who shall administer the funds in a fiduciary capacity.

4. The Surety shall not be liable hereunder for any amount larger than the face amount of this bond.
5. This bond and the obligation hereunder shall terminate and be of no further effect if the Court order requiring it is modified in any way without the Surety's consent, the Court order expires, or this cause is removed to another jurisdiction.

6. The Surety may file a motion with the Court for discharge of this bond and its obligation hereunder for any good cause. Good cause includes, but is not limited to, misrepresentation or fraud in the initial application for this bond, nonpayment of premium, loss of collateral, or resignation of the Indemnitor. The Surety shall give notice of any such motion to the Obligee.

NOW THEREFORE, if said Principal shall faithfully comply with the requirements and conditions of said Court Order within the limitations and parameters set forth therein, then this Obligation shall be void, otherwise it shall remain in full force and effect.

In witness whereof, each party to this bond has caused it to be executed at the place and on the date indicated below.

Signed, sealed and dated on this ____ day of ____, 20___.

Principal:  Surety:

_________    _________
(Name and address of Principal)  (Name and address of Surety)

_________    _________
(Signature of Principal)  (Countersigned by attorney-in-fact)
(Surety seal)

Witness:

SECTION 43. IC 31-17-3.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Upon forfeiture, the proceeds of security, a bond, or other guarantee ordered to secure enforcement of a custody order or parenting time order under this article may only be used to:

(1) reimburse the nonviolating party for actual costs or damages incurred in upholding the court's order;
(2) locate and return the child to the residence as set forth in the court's order; or
(3) reimburse reasonable fees and court costs to the court...
appointed trustee.

SECTION 44. IC 31-17-3.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Upon forfeiture, the proceeds of the security, a bond, or other guarantee ordered to secure enforcement of a custody order or visitation parent time order under this article that are not applied to the expenses described in section 3 of this chapter must be applied toward:

(1) the child's higher education; or
(2) the support and maintenance of the child.

SECTION 45. IC 31-17-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A parent not granted custody of the child is entitled to reasonable visitation parent time rights unless the court finds, after a hearing, that visitation parent time by the noncustodial parent might endanger the child's physical health or significantly impair the child's emotional development.

(b) The court may interview the child in chambers to assist the court in determining the child's perception of whether visitation parent time by the noncustodial parent might endanger the child's physical health or significantly impair the child's emotional development.

(c) The court may permit counsel to be present at the interview. If counsel is present:

(1) a record may be made of the interview; and
(2) the interview may be made part of the record for purposes of appeal.

SECTION 46. IC 31-17-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The court may modify an order granting or denying visitation parent time rights whenever modification would serve the best interests of the child. However, the court shall not restrict a parent's visitation parent time rights unless the court finds that the visitation parent time might endanger the child's physical health or significantly impair the child's emotional development.

SECTION 47. IC 31-17-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. The court may provide in:

(1) a visitation parent time order; or
(2) a modification to a visitation parent time order;
for the security, bond, or other guarantee that is satisfactory to the court to secure enforcement of the provisions of the visitation parenting time order.

SECTION 48. IC 31-17-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) In any action filed to enforce or modify an order granting or denying visitation parenting time rights, a court may award:

(1) reasonable attorney's fees;
(2) court costs; and
(3) other reasonable expenses of litigation.

(b) In determining whether to award reasonable attorney's fees, court costs, and other reasonable expenses of litigation, the court may consider among other factors:

(1) whether the petitioner substantially prevailed and whether the court found that the respondent knowingly or intentionally violated an order granting or denying rights; and
(2) whether the respondent substantially prevailed and the court found that the action was frivolous or vexatious.

SECTION 49. IC 31-17-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A noncustodial parent who:

(1) has been granted visitation parenting time rights with a child who lives with the custodial parent;
(2) regularly pays support ordered by a court for the child; and
(3) is barred by a custodial parent from exercising visitation parenting time rights ordered for the noncustodial parent and the child;

may file, in the court that has jurisdiction over the dissolution of marriage, an application for a permanent injunction against the custodial parent under Rule 65 of the Indiana Rules of Trial Procedure.

SECTION 50. IC 31-17-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) If an application for an injunction has been filed under section 4 of this chapter (or IC 31-1-11.5-26 before its repeal), the court may grant, without notice, upon affidavit of the noncustodial parent, a temporary restraining order restraining the custodial parent from further violation of the visitation parenting time order.

(b) In the affidavit, the noncustodial parent must state under
penalties for perjury that:

(1) the noncustodial parent has been granted visitation parenting time rights with the child; and

(2) the noncustodial parent regularly pays the support ordered by a court for the child.

SECTION 51. IC 31-17-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. A court that finds an intentional violation without justifiable cause by a custodial parent of an injunction or a temporary restraining order issued under this chapter (or IC 31-1-11.5-26 before its repeal):

(1) shall find the custodial parent in contempt of court;

(2) shall order the exercise of visitation parenting time that was not exercised due to the violation under this section at a time the court considers compatible with the schedules of the noncustodial parent and the child;

(3) may order payment by the custodial parent of reasonable attorney's fees, costs, and expenses to the noncustodial parent; and

(4) may order the custodial parent to perform community restitution or service without compensation in a manner specified by the court.

SECTION 52. IC 31-17-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. A noncustodial parent who misses visitation parenting time as the result of participation in an activity of:

(1) the Indiana National Guard; or

(2) a reserve component of the armed forces of the United States;

may make up the lost visitation parenting time as provided in IC 10-16-7-22.

SECTION 53. IC 31-17-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The court may order a guardian ad litem or court appointed special advocate appointed by a court under this chapter (or IC 31-1-11.5-28 before its repeal) to exercise continuing supervision over the child to assure that the custodial or visitation parenting time terms of an order entered by the court under IC 31-17-2 or IC 31-17-4 (or IC 31-1-11.5 before its repeal) are carried out as required by the court.

SECTION 54. IC 31-18-3-5 IS AMENDED TO READ AS
(a) When a responding Indiana tribunal receives a petition or comparable pleading from an initiating tribunal or directly under section 1(c) of this chapter, the responding tribunal shall:

1. file the petition or pleading; and
2. notify the petitioner by first class mail of the location and date that the petition or comparable pleading was filed.

(b) A responding Indiana tribunal, to the extent otherwise authorized by law, may do one (1) or more of the following:

1. Issue a support order, modify a child support order, or enter a judgment to establish paternity.
2. Order an obligor to comply with a support order, specifying the amount and the manner of compliance.
3. Order income withholding.
4. Determine the amount of any arrearages and specify a method of payment.
5. Enforce orders by civil or criminal contempt, or both.
6. Set aside property for satisfaction of the support order.
7. Place liens and order execution on the obligor's property.
8. Order an obligor to keep a tribunal informed of the obligor's current:
   - residential address;
   - telephone number;
   - income payor;
   - address of employment; and
   - telephone number at the place of employment.
9. Issue a bench warrant or body attachment for an obligor who has failed after proper notice to appear at a hearing ordered by the tribunal, and enter the bench warrant in any local and state computer systems for criminal warrants.
10. Order the obligor to seek appropriate employment by specified methods.
11. Award reasonable attorney's fees and other fees and costs.
12. As appropriate, grant any other available remedy under federal or state law.

(c) A responding Indiana tribunal shall include in:

1. a support order issued under this article; or
2. the documents accompanying the order;
the calculations upon which the support order is based.

(d) A responding Indiana tribunal may not condition the payment of a support order issued under this article upon a party's compliance with provisions for visitation, parenting time.

(e) If a responding Indiana tribunal issues an order under this article, the Indiana tribunal shall send a copy of the order by first class mail to the:

(1) petitioner;
(2) respondent; and
(3) initiating tribunal, if any.

SECTION 55. IC 31-18-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Nothing in this chapter shall be construed to confer jurisdiction on the court to determine issues of custody, visitation, parenting time, or the surname of a child. However, the parties may stipulate to the jurisdiction of the court with regard to custody, visitation, parenting time, or the surname of a child.

SECTION 56. IC 31-35-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. For purposes of sections 6 and 8 of this chapter, the parents must be advised that:

(1) their consent is permanent and cannot be revoked or set aside unless it was obtained by fraud or duress or unless the parent is incompetent;

(2) when the court terminates the parent-child relationship:
   (A) all rights, powers, privileges, immunities, duties, and obligations, including any rights to custody, control, visitation, parenting time, or support pertaining to the relationship, are permanently terminated; and
   (B) their consent to the child's adoption is not required;

(3) the parents have a right to the:
   (A) care;
   (B) custody; and
   (C) control;

of their child as long as the parents fulfill their parental obligations;

(4) the parents have a right to a judicial determination of any alleged failure to fulfill their parental obligations in a proceeding to adjudicate their child a delinquent child or a child in need of
services;
(5) the parents have a right to assistance in fulfilling their parental obligations after a court has determined that the parents are not doing so;
(6) proceedings to terminate the parent-child relationship against the will of the parents can be initiated only after:
   (A) the child has been adjudicated a delinquent child or a child in need of services and removed from their custody following the adjudication; or
   (B) a parent has been convicted and imprisoned for an offense listed in IC 31-35-3-4 (or has been convicted and imprisoned for an offense listed in IC 31-6-5-4.2(a) before its repeal), the child has been removed from the custody of the parents under a dispositional decree, and the child has been removed from the custody of the parents for six (6) months under a court order;
(7) the parents are entitled to representation by counsel, provided by the state if necessary, throughout any proceedings to terminate the parent-child relationship against the will of the parents; and
(8) the parents will receive notice of the hearing at which the court will decide if their consent was voluntary, and the parents may appear at the hearing and allege that the consent was not voluntary.

SECTION 57. IC 31-35-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If the juvenile or probate court terminates the parent-child relationship:
(1) all rights, powers, privileges, immunities, duties, and obligations, including any rights to custody, control, visitation, parenting time, or support, pertaining to the relationship, are permanently terminated; and
(2) the parent's consent to the child's adoption is not required.
(b) Any support obligations that accrued before the termination are not affected. However, the support payments shall be made under the juvenile or probate court's order.

SECTION 58. IC 34-7-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Statutes outside IC 34 providing causes of action or procedures include the following:
(1) IC 4-21.5-5 (Judicial review of administrative agency actions).
(2) IC 22-3-4 (Worker's compensation administration and procedures).
(3) IC 22-4-17 (Unemployment compensation system, employee's claims for benefits).
(4) IC 22-4-32 (Unemployment compensation system, employer's appeal process).
(5) IC 22-9 (Civil rights actions).
(6) IC 24-9 (Home loans).
(7) IC 31-14 (Paternity).
(8) IC 31-15 (Dissolution of marriage and legal separation).
(9) IC 31-16 (Support of children and other dependents).
(10) IC 31-17 (Custody and visitation, parenting time).
(11) IC 31-19 (Adoption).
(12) IC 32-27-2, IC 32-30-1, IC 32-30-2, IC 32-30-4, IC 32-30-9, IC 32-30-10, IC 32-30-12, IC 32-30-13, and IC 32-30-14 (Real property).
(13) IC 33-43-4 (Attorney liens).

SECTION 59. IC 34-26-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) If it appears from a petition for an order for protection or from a petition to modify an order for protection that domestic or family violence has occurred or that a modification of an order for protection is required, a court may:
   (1) without notice or hearing, immediately issue an order for protection ex parte or modify an order for protection ex parte; or
   (2) upon notice and after a hearing, whether or not a respondent appears, issue or modify an order for protection.

(b) A court may grant the following relief without notice and hearing in an ex parte order for protection or in an ex parte order for protection modification:
   (1) Enjoin a respondent from threatening to commit or committing acts of domestic or family violence against a petitioner and each designated family or household member.
   (2) Prohibit a respondent from harassing, annoying, telephoning, contacting, or directly or indirectly communicating with a petitioner.
   (3) Remove and exclude a respondent from the residence of a petitioner, regardless of ownership of the residence.
(4) Order a respondent to stay away from the residence, school, or place of employment of a petitioner or a specified place frequented by a petitioner and each designated family or household member.

(5) Order possession and use of the residence, an automobile, and other essential personal effects, regardless of the ownership of the residence, automobile, and essential personal effects. If possession is ordered under this subdivision, the court may direct a law enforcement officer to accompany a petitioner to the residence of the parties to:

(A) ensure that a petitioner is safely restored to possession of the residence, automobile, and other essential personal effects; or

(B) supervise a petitioner's or respondent's removal of personal belongings.

(6) Order other relief necessary to provide for the safety and welfare of a petitioner and each designated family or household member.

(c) A court may grant the following relief after notice and a hearing, whether or not a respondent appears, in an order for protection or in a modification of an order for protection:

(1) Grant the relief under subsection (b).

(2) Specify arrangements for visitation parenting time of a minor child by a respondent and:

(A) require supervision by a third party; or

(B) deny visitation parenting time;

if necessary to protect the safety of a petitioner or child.

(3) Order a respondent to:

(A) pay attorney's fees;

(B) pay rent or make payment on a mortgage on a petitioner's residence;

(C) if the respondent is found to have a duty of support, pay for the support of a petitioner and each minor child;

(D) reimburse a petitioner or other person for expenses related to the domestic or family violence, including:

(i) medical expenses;

(ii) counseling;

(iii) shelter; and
(iv) repair or replacement of damaged property; or
(E) pay the costs and fees incurred by a petitioner in bringing the action.

(4) Prohibit a respondent from using or possessing a firearm, ammunition, or a deadly weapon specified by the court, and direct the respondent to surrender to a specified law enforcement agency the firearm, ammunition, or deadly weapon for the duration of the order for protection unless another date is ordered by the court. An order issued under subdivision (4) does not apply to a person who is exempt under 18 U.S.C. 925.

(d) The court shall:
(1) cause the order for protection to be delivered to the county sheriff for service;
(2) make reasonable efforts to ensure that the order for protection is understood by a petitioner and a respondent if present;
(3) transmit, by the end of the same business day on which the order for protection is issued, a copy of the order for protection to each local law enforcement agency designated by a petitioner;
(4) transmit a copy of the order to the clerk for processing under IC 5-2-9; and
(5) notify the state police department of the order if the order and the parties meet the criteria under 18 U.S.C. 922(g)(8).

(e) An order for protection issued ex parte or upon notice and a hearing, or a modification of an order for protection issued ex parte or upon notice and a hearing, is effective for two (2) years after the date of issuance unless another date is ordered by the court. The sheriff of each county shall provide expedited service for an order for protection.

(f) A finding that domestic or family violence has occurred sufficient to justify the issuance of an order under this section means that a respondent represents a credible threat to the safety of a petitioner or a member of a petitioner's household. Upon a showing of domestic or family violence by a preponderance of the evidence, the court shall grant relief necessary to bring about a cessation of the violence or the threat of violence. The relief may include an order directing a respondent to surrender to a law enforcement officer or agency all firearms, ammunition, and deadly weapons:
(1) in the control, ownership, or possession of a respondent; or
(2) in the control or possession of another person on behalf of a
respondent;
for the duration of the order for protection unless another date is
ordered by the court.

(g) An order for custody, visitation, parenting time, or possession
or control of property issued under this chapter is superseded by an
order issued from a court exercising dissolution, legal separation,
paternity, or guardianship jurisdiction over the parties.

(h) The fact that an order for protection is issued under this chapter
does not raise an inference or presumption in a subsequent case or
hearings between the parties.

SECTION 60. IC 35-42-3-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person who
knowingly or intentionally:

(1) removes another person who is less than eighteen (18) years
of age to a place outside Indiana when the removal violates a
child custody order of a court; or
(2) removes another person who is less than eighteen (18) years
of age to a place outside Indiana and violates a child custody
order of a court by failing to return the other person to Indiana;
commits interference with custody, a Class D felony. However, the
offense is a Class C felony if the other person is less than fourteen (14)
years of age and is not the person's child, and a Class B felony if the
offense is committed while armed with a deadly weapon or results in
serious bodily injury to another person.

(b) A person who with the intent to deprive another person of
custody or visitation parenting time rights:

(1) knowingly or intentionally takes and conceals; or
(2) knowingly or intentionally detains and conceals;
a person who is less than eighteen (18) years of age commits
interference with custody, a Class C misdemeanor. However, the
offense is a Class B misdemeanor if the taking and concealment, or the
detention and concealment, is in violation of a court order.

(c) With respect to a violation of this section, a court may consider
as a mitigating circumstance the accused person's return of the other
person in accordance with the child custody order within seven (7) days
after the removal.

(d) The offenses described in this section continue as long as the
child is concealed or detained, or both.
(e) If a person is convicted of an offense under this section, a court may impose against the defendant reasonable costs incurred by a parent or guardian of the child because of the taking, detention, or concealment of the child.

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 10-13-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The superintendent may establish a data base of DNA identification records of:

(1) convicted criminals;
(2) crime scene specimens;
(3) unidentified missing persons; and
(4) close biological relatives of missing persons.

(b) The superintendent shall maintain the Indiana DNA data base.

(c) The superintendent may contract for services to perform DNA analysis of convicted offenders under section 10 of this chapter to assist federal, state, and local criminal justice and law enforcement agencies in the putative identification, detection, or exclusion of individuals who are subjects of an investigation or prosecution of a sex offense, a violent crime, or another crime in which biological evidence is recovered from the crime scene.

(d) The superintendent:

(1) may perform or contract for performance of testing, typing, or analysis of a DNA sample collected from a person described in section 10 of this chapter at any time; and
(2) shall perform or contract for the performance of testing, typing, or analysis of a DNA sample collected from a person
described in section 10 of this chapter if federal funds become available for the performance of DNA testing, typing, or analysis.

(e) The superintendent shall adopt rules under IC 4-22-2 necessary to administer and enforce the provisions and intent of this chapter.

(f) The detention, arrest, or conviction of a person based on a data base match or data base information is not invalidated if a court determines that the DNA sample was obtained or placed in the Indiana DNA data base by mistake.

SECTION 2. IC 10-13-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section applies to the following:

(1) A person convicted of a felony under IC 35-42 (offenses against the person) or IC 35-43-2-1 (burglary); or IC 35-42-4-6 (child solicitation):
   (A) after June 30, 1996, whether or not the person is sentenced to a term of imprisonment; and
   (B) before July 1, 1996, if the person is held in jail or prison on or after July 1, 1996.

(2) A person convicted of a criminal law in effect before October 1, 1977, that penalized an act substantially similar to a felony described in IC 35-42 or IC 35-43-2-1 or that would have been an included offense of a felony described in IC 35-42 or IC 35-43-2-1 if the felony had been in effect:
   (A) after June 30, 1998, whether or not the person is sentenced to a term of imprisonment; and
   (B) before July 1, 1998, if the person is held in jail or prison on or after July 1, 1998.

(3) A person convicted of a felony, conspiracy to commit a felony, or attempt to commit a felony:
   (A) after June 30, 2005, whether or not the person is sentenced to a term of imprisonment; or
   (B) before July 1, 2005, if the person is held in jail or prison on or after July 1, 2005.

(b) A person described in subsection (a) shall provide a DNA sample to the:
   (1) department of correction or the designee of the department of
correction if the offender is committed to the department of correction; or
(2) county sheriff or the designee of the county sheriff if the offender is held in a county jail or other county penal facility, placed in a community corrections program (as defined in IC 35-38-2.6-2), or placed on probation. A convicted person is not required to submit a blood sample if doing so would present a substantial and an unreasonable risk to the person's health.

(c) The detention, arrest, or conviction of a person based on a data base match or data base information is not invalidated if a court determines that the DNA sample was obtained or placed in the Indiana DNA data base by mistake.

P.L.70-2005
[S.92. Approved April 25, 2005.]

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 34-30-2-151.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 151.2. IC 35-45-5-4.6 (Concerning the action of an interactive computer service in blocking a transmission it reasonably believes to be sent in violation of IC 35-45-5).

SECTION 2. IC 35-45-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:
"Gain" means the direct realization of winnings.
"Gambling" means risking money or other property for gain, contingent in whole or in part upon lot, chance, or the operation of a gambling device; but it does not include participating in:
(1) bona fide contests of skill, speed, strength, or endurance in
which awards are made only to entrants or the owners of entries; or
(2) bona fide business transactions that are valid under the law of contracts.

"Gambling device" means:
(1) a mechanism by the operation of which a right to money or other property may be credited, in return for consideration, as the result of the operation of an element of chance;
(2) a mechanism that, when operated for a consideration, does not return the same value or property for the same consideration upon each operation;
(3) a mechanism, furniture, fixture, construction, or installation designed primarily for use in connection with professional gambling;
(4) a policy ticket or wheel; or
(5) a subassembly or essential part designed or intended for use in connection with such a device, mechanism, furniture, fixture, construction, or installation.

In the application of this definition, an immediate and unrecorded right to replay mechanically conferred on players of pinball machines and similar amusement devices is presumed to be without value.

"Gambling information" means:
(1) a communication with respect to a wager made in the course of professional gambling; or
(2) information intended to be used for professional gambling.

"Interactive computer service" means an Internet service, an information service, a system, or an access software provider that provides or enables computer access to a computer served by multiple users. The term includes the following:
(1) A service or system that provides access or is an intermediary to the Internet.
(2) A system operated or services offered by a library, school, state educational institution (as defined in IC 20-12-0.5-1), or private college or university.

"Operator" means a person who owns, maintains, or operates an Internet site that is used for interactive gambling.

"Profit" means a realized or unrealized benefit (other than a gain) and includes benefits from proprietorship or management and unequal
advantage in a series of transactions.

SECTION 3. IC 35-45-5-2 IS AMENDED TO READ AS
FOLLOW [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person who
knowingly or intentionally engages in gambling commits unlawful
gambling.

(b) Except as provided in subsection (c), unlawful gambling is a
Class B misdemeanor.

(c) An operator who knowingly or intentionally uses the
Internet to engage in unlawful gambling:

(1) in Indiana; or
(2) with a person located in Indiana;

commits a Class D felony.

SECTION 4. IC 35-45-5-3 IS AMENDED TO READ AS
FOLLOW [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person who
knowingly or intentionally:

(1) engages in pool-selling;
(2) engages in bookmaking;
(3) maintains, in a place accessible to the public, slot machines,
one-ball machines or variants thereof, pinball machines that
award anything other than an immediate and unrecorded right of
replay, roulette wheels, dice tables, or money or merchandise
pushcards, punchboards, jars, or spindles;
(4) conducts lotteries gift enterprises, or policy or numbers games
or sells chances therein;
(5) conducts any banking or percentage games played with cards,
dice, or counters, or accepts any fixed share of the stakes therein;
or
(6) accepts, or offers to accept, for profit, money, or other
property risked in gambling;

commits professional gambling, a Class D felony.

(b) An operator who knowingly or intentionally uses the
Internet to:

(1) engage in pool-selling:
   (A) in Indiana; or
   (B) in a transaction directly involving a person located in
       Indiana;
(2) engage in bookmaking:
   (A) in Indiana; or
(B) in a transaction directly involving a person located in Indiana;
(3) maintain, on an Internet site accessible to residents of Indiana, the equivalent of:
   (A) slot machines;
   (B) one-ball machines or variants of one-ball machines;
   (C) pinball machines that award anything other than an immediate and unrecorded right of replay; 
   (D) roulette wheels;
   (E) dice tables; or 
   (F) money or merchandise pushcards, punchboards, jars, or spindles;
(4) conduct lotteries or policy or numbers games or sell chances in lotteries or policy or numbers games:
   (A) in Indiana; or 
   (B) in a transaction directly involving a person located in Indiana;
(5) conduct any banking or percentage games played with the computer equivalent of cards, dice, or counters, or accept any fixed share of the stakes in those games:
   (A) in Indiana; or 
   (B) in a transaction directly involving a person located in Indiana; or
(6) accept, or offer to accept, for profit, money or other property risked in gambling:
   (A) in Indiana; or
   (B) in a transaction directly involving a person located in Indiana;

commits professional gambling over the Internet, a Class D felony.

SECTION 5. IC 35-45-5-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) A prosecuting attorney may send written notice to an operator described in section 2(c) or 3(b) of this chapter. The notice must:
(1) specify the illegal gambling activity;
(2) state that the operator has not more than thirty (30) days after the date the notice is received to remove the illegal gambling activity; and
(3) state that failure to remove the illegal gambling activity
not more than thirty (30) days after receiving the notice may result in the filing of criminal charges against the operator. A prosecuting attorney who sends a notice under this section shall forward a copy of the notice to the attorney general. The attorney general shall maintain a depository to collect, maintain, and retain each notice sent under this section.

(b) The manner of service of a notice under subsection (a) must be:

(1) in compliance with Rule 4.1, 4.4, 4.6, or 4.7 of the Indiana Rules of Trial Procedure; or

(2) by publication in compliance with Rule 4.13 of the Indiana Rules of Trial Procedure if service cannot be made under subdivision (1) after a diligent search for the operator.

(c) A notice served under subsection (a):

(1) is admissible in a criminal proceeding under this chapter; and

(2) constitutes prima facie evidence that the operator had knowledge that illegal gambling was occurring on the operator's Internet site.

(d) A person outside Indiana who transmits information on a computer network (as defined in IC 35-43-2-3) and who knows or should know that the information is broadcast in Indiana submits to the jurisdiction of Indiana courts for prosecution under this section.

SECTION 6. IC 35-45-5-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 4.6. (a) An interactive computer service may, on its own initiative, block the receipt or transmission through its service of any commercial electronic mail message that it reasonably believes is or will be sent in violation of this chapter.

(b) An interactive computer service is not liable for such action.

SECTION 7. IC 35-45-5-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 4.7. (a) An interactive computer service that handles or retransmits a commercial electronic mail message has a right of action against a person who initiates or assists the transmission of the commercial electronic mail message that violates this chapter.

(b) This chapter does not provide a right of action against:

(1) an interactive computer service;
(2) a telephone company (as defined in IC 8-1-2-88);
(3) a CMRS provider (as defined in IC 36-8-16.5-6);
(4) a cable operator (as defined in 47 U.S.C. 522(5)); or
(5) any other entity that primarily provides connectivity to an
operator;
if the entity's equipment is used only to transport, handle, or
retransmit information that violates this chapter and is not capable
of blocking the retransmission of information that violates this
chapter.

(c) It is a defense to an action under this section if the defendant
shows by a preponderance of the evidence that the violation of this
chapter resulted from a good faith error and occurred
notwithstanding the maintenance of procedures reasonably
adopted to avoid violating this chapter.

(d) If the plaintiff prevails in an action filed under this section,
the plaintiff is entitled to the following:

(1) An injunction to enjoin future violations of this chapter.
(2) Compensatory damages equal to any actual damage
proven by the plaintiff to have resulted from the initiation of
the commercial electronic mail message. If the plaintiff does
not prove actual damage, the plaintiff is entitled to
presumptive damages of five hundred dollars ($500) for each
commercial electronic mail message that violates this chapter
and that is sent by the defendant:

(A) to the plaintiff; or

(B) through the plaintiff's interactive computer service.
(3) The plaintiff's reasonable attorney's fees and other
litigation costs reasonably incurred in connection with the
action.

(e) A person outside Indiana who:
(1) initiates or assists the transmission of a commercial
electronic mail message that violates this chapter; and
(2) knows or should know that the commercial electronic mail
message will be received in Indiana;
submits to the jurisdiction of Indiana courts for purposes of this
chapter.

SECTION 8. [EFFECTIVE JULY 1, 2005] IC 35-45-5-2 and
IC 35-45-5-3, both as amended by this act, apply only to crimes
committed after June 30, 2005.
AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-35-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

"Advisory sentence" means the nonbinding guideline sentence defined in IC 35-50-2-1.3.

"Plea agreement" means an agreement between a prosecuting attorney and a defendant concerning the disposition of a felony or misdemeanor charge.

"Presumptive sentence" means the penalty prescribed by IC 35-50-2 without consideration of mitigating or aggravating circumstances.

"Prosecuting attorney" includes a deputy prosecuting attorney.

"Recommendation" means a proposal that is part of a plea agreement made to a court that:

(1) a felony charge be dismissed; or

(2) a defendant, if the defendant pleads guilty to a felony charge, receive less than the presumptive advisory sentence.

"Victim" means a person who has suffered harm as a result of a crime.

SECTION 2. IC 35-37-2.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 2.5. Aggravating Circumstances

Sec. 1. As used in this section, "aggravating circumstance" means the following:

(1) The harm, injury, loss, or damage suffered by the victim of the offense was:

(A) significant; and

(B) greater than the elements necessary to prove the
(2) The person has a history of criminal or delinquent behavior.

(3) The victim of the offense was less than twelve (12) years of age or at least sixty-five (65) years of age.

(4) The person:
   (A) committed a crime of violence (IC 35-50-1-2); and
   (B) knowingly committed the offense in the presence or within hearing of an individual who:
      (i) was less than eighteen (18) years of age at the time the person committed the offense; and
      (ii) is not the victim of the offense.

(5) The person violated a protective order issued against the person under IC 34-26-5 (or IC 31-1-11.5, IC 34-26-2, or IC 34-4-5.1 before their repeal), a workplace violence restraining order issued against the person under IC 34-26-6, or a no contact order issued against the person.

(6) The person has recently violated the conditions of any probation, parole, or pardon granted to the person.

(7) The victim of the offense was mentally or physically infirm.

(8) The person was in a position having care, custody, or control of the victim of the offense.

(9) The injury to or death of the victim of the offense was the result of shaken baby syndrome (as defined in IC 16-41-40-2).

(10) The person threatened to harm the victim of the offense or a witness if the victim or witness told anyone about the offense.

(11) The person:
   (A) committed trafficking with an inmate under IC 35-44-3-9; and
   (B) is an employee of the penal facility.

SECTION 3. IC 35-38-1-7.1 IS AMENDED TO READ AS FOLLOWS: Sec. 7.1. (a) In determining what sentence to impose for a crime, the court shall consider any aggravating circumstances.

(1) the risk that the person will commit another crime;
(2) the nature and circumstances of the crime committed;
(3) the person's: 
(A) prior criminal record;
(B) character; and
(C) condition;
(4) whether the victim of the crime was less than twelve (12) years of age or at least sixty-five (65) years of age;
(5) whether the person committed the offense in the presence or within hearing of a person who is less than eighteen (18) years of age who was not the victim of the offense;
(6) whether the person violated a protective order issued against the person under IC 34-26-5 (or IC 34-1-11.5; IC 34-26-2; or IC 34-4-5.1 before their repeal); a workplace violence restraining order issued against the person under IC 34-26-6; or a no contact order issued against the person; and
(7) any oral or written statement made by a victim of the crime.

(b) The court may consider the following factors as aggravating circumstances or as favoring imposing consecutive terms of imprisonment:
(1) The person has recently violated the conditions of any probation; parole; or pardon granted to the person:
(2) The person has a history of criminal or delinquent activity:
(3) The person is in need of correctional or rehabilitative treatment that can best be provided by commitment of the person to a penal facility:
(4) Imposition of a reduced sentence or suspension of the sentence and imposition of probation would depreciate the seriousness of the crime:
(5) The victim of the crime was less than twelve (12) years of age or at least sixty-five (65) years of age:
(6) The victim of the crime was mentally or physically infirm:
(7) The person committed a forcible felony while wearing a garment designed to resist the penetration of a bullet:
(8) The person committed a sex crime listed in subsection (e) and:
(A) the crime created an epidemiologically demonstrated risk of transmission of the human immunodeficiency virus (HIV) and involved the sex organ of one (1) person and the mouth; anus; or sex organ of another person;
(B) the person had knowledge that the person was a carrier of HIV; and
(C) the person had received risk counseling as described in subsection (g).

(9) The person committed an offense related to controlled substances listed in subsection (f) if:

(A) the offense involved:

(i) the delivery by any person to another person; or

(ii) the use by any person on another person;

of a contaminated sharp (as defined in IC 16-41-16-2) or other paraphernalia that creates an epidemiologically demonstrated risk of transmission of HIV by involving percutaneous contact;

(B) the person had knowledge that the person was a carrier of the human immunodeficiency virus (HIV); and

(C) the person had received risk counseling as described in subsection (g).

(10) The person committed the offense in an area of a consolidated or second class city that is designated as a public safety improvement area by the Indiana criminal justice institute under IC 36-8-19.5.

(11) The injury to or death of the victim of the crime was the result of shaken baby syndrome (as defined in IC 16-41-40-2).

(12) Before the commission of the crime, the person administered to the victim of the crime, without the victim's knowledge, a sedating drug or a drug that had a hypnotic effect on the victim; or the person had knowledge that such a drug had been administered to the victim without the victim's knowledge.

(13) The person:

(A) committed trafficking with an inmate under IC 35-44-3-9; and

(B) is an employee of the penal facility.

(14) The person committed the offense in the presence or within hearing of a person who is less than eighteen (18) years of age who was not the victim of the offense.

(c) (b) The court may consider the following factors as mitigating circumstances or as favoring suspending the sentence and imposing probation:

(1) The crime neither caused nor threatened serious harm to persons or property, or the person did not contemplate that it would do so.
(2) The crime was the result of circumstances unlikely to recur.
(3) The victim of the crime induced or facilitated the offense.
(4) There are substantial grounds tending to excuse or justify the crime, though failing to establish a defense.
(5) The person acted under strong provocation.
(6) The person has no history of delinquency or criminal activity, or the person has led a law-abiding life for a substantial period before commission of the crime.
(7) The person is likely to respond affirmatively to probation or short term imprisonment.
(8) The character and attitudes of the person indicate that the person is unlikely to commit another crime.
(9) The person has made or will make restitution to the victim of the crime for the injury, damage, or loss sustained.
(10) Imprisonment of the person will result in undue hardship to the person or the dependents of the person.
(11) The person was convicted of a crime involving the use of force against a person who had repeatedly inflicted physical or sexual abuse upon the convicted person and evidence shows that the convicted person suffered from the effects of battery as a result of the past course of conduct of the individual who is the victim of the crime for which the person was convicted.

(d) (c) The criteria listed in subsections subsection (b) and (c) do not limit the matters aggravating circumstances or mitigating circumstances that the court may consider in determining the sentence.

(d) A court may impose any sentence that is:
(1) authorized by statute; and
(2) permissible under the Constitution of the State of Indiana; regardless of the presence or absence of aggravating circumstances or mitigating circumstances.

(e) For the purposes of this article, the following crimes are considered sex crimes:
(1) Rape (IC 35-42-4-1);
(2) Criminal deviate conduct (IC 35-42-4-2);
(3) Child molesting (IC 35-42-4-3);
(4) Child seduction (IC 35-42-4-7);
(5) Prostitution (IC 35-45-4-2).
(6) Patronizing a prostitute (IC 35-45-4-3);
(7) Incest (IC 35-46-1-3);
(8) Sexual misconduct with a minor under IC 35-42-4-9(a);
(f) For the purposes of this article, the following crimes are considered offenses related to controlled substances:
(1) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1);
(2) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2);
(3) Dealing in a schedule IV controlled substance (IC 35-48-4-3);
(4) Dealing in a schedule V controlled substance (IC 35-48-4-4);
(5) Possession of cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-6);
(6) Possession of a controlled substance (IC 35-48-4-7);
(7) Dealing in paraphernalia (IC 35-48-4-8.5);
(8) Possession of paraphernalia (IC 35-48-4-8.3);
(9) Offenses relating to registration (IC 35-48-4-14);
(g) For the purposes of this section, a person received risk counseling if the person had been:
(1) notified in person or in writing that tests have confirmed the presence of antibodies to the human immunodeficiency virus (HIV) in the person's blood; and
(2) warned of the behavior that can transmit HIV.

SECTION 4. IC 35-50-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in this section, "crime of violence" means:
(1) murder (IC 35-42-1-1);
(2) attempted murder (IC 35-41-5-1);
(3) voluntary manslaughter (IC 35-42-1-3);
(4) involuntary manslaughter (IC 35-42-1-4);
(5) reckless homicide (IC 35-42-1-5);
(6) aggravated battery (IC 35-42-2-1.5);
(7) kidnapping (IC 35-42-3-2);
(8) rape (IC 35-42-4-1);
(9) criminal deviate conduct (IC 35-42-4-2);
(10) child molesting (IC 35-42-4-3);
(11) sexual misconduct with a minor as a Class A felony under IC 35-42-4-9(a)(2) or a Class B felony under IC 35-42-4-9(b)(2);
(12) robbery as a Class A felony or a Class B felony (IC 35-42-5-1);
(13) burglary as a Class A felony or a Class B felony (IC 35-43-2-1); or
(14) causing death when operating a motor vehicle (IC 9-30-5-5).
(b) As used in this section, "episode of criminal conduct" means offenses or a connected series of offenses that are closely related in time, place, and circumstance.
(c) Except as provided in subsection (d) or (e), the court shall determine whether terms of imprisonment shall be served concurrently or consecutively. The court may consider the:
   (1) aggravating and circumstances in IC 35-37-2.5-2; and
   (2) mitigating circumstances in IC 35-38-1-7.1(b) and IC 35-38-1-7.1(c);
in making a determination under this subsection. The court may order terms of imprisonment to be served consecutively even if the sentences are not imposed at the same time. However, except for crimes of violence, the total of the consecutive terms of imprisonment, exclusive of terms of imprisonment under IC 35-50-2-8 and IC 35-50-2-10, to which the defendant is sentenced for felony convictions arising out of an episode of criminal conduct shall not exceed the presumptive advisory sentence for a felony which is one (1) class of felony higher than the most serious of the felonies for which the person has been convicted.
(d) If, after being arrested for one (1) crime, a person commits another crime:
   (1) before the date the person is discharged from probation, parole, or a term of imprisonment imposed for the first crime; or
   (2) while the person is released:
       (A) upon the person's own recognizance; or
       (B) on bond;
the terms of imprisonment for the crimes shall be served consecutively, regardless of the order in which the crimes are tried and sentences are imposed.
(e) If a court the factfinder determines under IC 35-50-2-11 that a person used a firearm in the commission of the offense for which the person was convicted, the term of imprisonment for the underlying offense and the additional term of imprisonment imposed under
IC 35-50-2-11 must be served consecutively.

SECTION 5. IC 35-50-2-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.3. (a) For purposes of sections 3 through 7 of this chapter, "advisory sentence" means a guideline sentence that the court may voluntarily consider as the midpoint between the maximum sentence and the minimum sentence.

(b) Except as provided in subsection (c), a court is not required to use an advisory sentence.

(c) In imposing:

(1) consecutive sentences in accordance with IC 35-50-1-2;

(2) an additional fixed term to an habitual offender under section 8 of this chapter; or

(3) an additional fixed term to a repeat sexual offender under section 14 of this chapter;

a court is required to use the appropriate advisory sentence in imposing a consecutive sentence or an additional fixed term. However, the court is not required to use the advisory sentence in imposing the sentence for the underlying offense.

SECTION 6. IC 35-50-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A person who commits murder shall be imprisoned for a fixed term of fifty-five (55) years, with not more than ten (10) years added for aggravating circumstances or not more than ten (10) years subtracted for mitigating circumstances: between forty-five (45) and sixty-five (65) years, with the advisory sentence being fifty-five (55) years. In addition, the person may be fined not more than ten thousand dollars ($10,000).

(b) Notwithstanding subsection (a), a person who was:

(1) at least eighteen (18) years of age at the time the murder was committed may be sentenced to:

(A) death; or

(B) life imprisonment without parole; and

(2) at least sixteen (16) years of age but less than eighteen (18) years of age at the time the murder was committed may be sentenced to life imprisonment without parole;

under section 9 of this chapter unless a court determines under IC 35-36-9 that the person is a mentally retarded individual.

SECTION 7. IC 35-50-2-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. A person who commits a Class A felony shall be imprisoned for a fixed term of thirty (30) years, with not more than twenty (20) years added for aggravating circumstances or not more than ten (10) years subtracted for mitigating circumstances: between twenty (20) and fifty (50) years, with the advisory sentence being thirty (30) years. In addition, the person may be fined not more than ten thousand dollars ($10,000).

SECTION 8. IC 35-50-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A person who commits a Class B felony shall be imprisoned for a fixed term of ten (10) years, with not more than ten (10) years added for aggravating circumstances or not more than four (4) years subtracted for mitigating circumstances: between six (6) and twenty (20) years, with the advisory sentence being ten (10) years. In addition, the person may be fined not more than ten thousand dollars ($10,000).

SECTION 9. IC 35-50-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) A person who commits a Class C felony shall be imprisoned for a fixed term of four (4) years, with not more than four (4) years added for aggravating circumstances or not more than two (2) years subtracted for mitigating circumstances: between two (2) and eight (8) years, with the advisory sentence being four (4) years. In addition, the person may be fined not more than ten thousand dollars ($10,000).

(b) Notwithstanding subsection (a), if a person has committed nonsupport of a child as a Class C felony under IC 35-46-1-5, upon motion of the prosecuting attorney, the court may enter judgment of conviction of a Class D felony under IC 35-46-1-5 and sentence the person accordingly. The court shall enter in the record detailed reasons for the court's action when the court enters a judgment of conviction of a Class D felony under this subsection.

SECTION 10. IC 35-50-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) A person who commits a Class D felony shall be imprisoned for a fixed term of one and one-half (1 1/2) years, with not more than one and one-half (1 1/2) years added for aggravating circumstances or not more than one (1) year subtracted for mitigating circumstances: between six (6) months and three (3) years, with the advisory sentence being one and one-half (1 1/2) years. In addition, the person may be fined
not more than ten thousand dollars ($10,000).

(b) Notwithstanding subsection (a), if a person has committed a Class D felony, the court may enter judgment of conviction of a Class A misdemeanor and sentence accordingly. However, the court shall enter a judgment of conviction of a Class D felony if:

(1) the court finds that:
   (A) the person has committed a prior, unrelated felony for which judgment was entered as a conviction of a Class A misdemeanor; and
   (B) the prior felony was committed less than three (3) years before the second felony was committed;
(2) the offense is domestic battery as a Class D felony under IC 35-42-2-1.3; or
(3) the offense is possession of child pornography (IC 35-42-4-4(c)).

The court shall enter in the record, in detail, the reason for its action whenever it exercises the power to enter judgment of conviction of a Class A misdemeanor granted in this subsection.

SECTION 11. IC 35-50-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Except as otherwise provided in this section, the state may seek to have a person sentenced as a habitual offender for any felony by alleging, on a page separate from the rest of the charging instrument, that the person has accumulated two (2) prior unrelated felony convictions.

(b) The state may not seek to have a person sentenced as a habitual offender for a felony offense under this section if:

(1) the offense is a misdemeanor that is enhanced to a felony in the same proceeding as the habitual offender proceeding solely because the person had a prior unrelated conviction;
(2) the offense is an offense under IC 9-30-10-16 or IC 9-30-10-17; or
(3) all of the following apply:
   (A) The offense is an offense under IC 16-42-19 or IC 35-48-4.
   (B) The offense is not listed in section 2(b)(4) of this chapter.
   (C) The total number of unrelated convictions that the person has for:
      (i) dealing in or selling a legend drug under IC 16-42-19-27;
(ii) dealing in cocaine or a narcotic drug (IC 35-48-4-1);
(iii) dealing in a schedule I, II, III controlled substance (IC 35-48-4-2);
(iv) dealing in a schedule IV controlled substance (IC 35-48-4-3; and
(v) dealing in a schedule V controlled substance (IC 35-48-4-4);

does not exceed one (1).

(c) A person has accumulated two (2) prior unrelated felony convictions for purposes of this section only if:

(1) the second prior unrelated felony conviction was committed after sentencing for the first prior unrelated felony conviction; and
(2) the offense for which the state seeks to have the person sentenced as a habitual offender was committed after sentencing for the second prior unrelated felony conviction.

(d) A conviction does not count for purposes of this section as a prior unrelated felony conviction if:

(1) the conviction has been set aside;
(2) the conviction is one for which the person has been pardoned; or
(3) all of the following apply:
   (A) The offense is an offense under IC 16-42-19 or IC 35-48-4.
   (B) The offense is not listed in section 2(b)(4) of this chapter.
   (C) The total number of unrelated convictions that the person has for:
      (i) dealing in or selling a legend drug under IC 16-42-19-27;
      (ii) dealing in cocaine or a narcotic drug (IC 35-48-4-1);
      (iii) dealing in a schedule I, II, III controlled substance (IC 35-48-4-2);
      (iv) dealing in a schedule IV controlled substance (IC 35-48-4-3; and
      (v) dealing in a schedule V controlled substance (IC 35-48-4-4);
      does not exceed one (1).

(e) The requirements in subsection (b) do not apply to a prior unrelated felony conviction that is used to support a sentence as a habitual offender. A prior unrelated felony conviction may be used
under this section to support a sentence as a habitual offender even if
the sentence for the prior unrelated offense was enhanced for any
reason, including an enhancement because the person had been
convicted of another offense. However, a prior unrelated felony
conviction under IC 9-30-10-16, IC 9-30-10-17, IC 9-12-3-1 (repealed),
or IC 9-12-3-2 (repealed) may not be used to support a sentence as a
habitual offender.

(f) If the person was convicted of the felony in a jury trial, the jury
shall reconvene for the sentencing hearing. If the trial was to the court
or the judgment was entered on a guilty plea, the court alone shall
conduct the sentencing hearing under IC 35-38-1-3.

(g) A person is a habitual offender if the jury (if the hearing is by
jury) or the court (if the hearing is to the court alone) finds that the
state has proved beyond a reasonable doubt that the person had
accumulated two (2) prior unrelated felony convictions.

(h) The court shall sentence a person found to be a habitual offender
to an additional fixed term that is not less than the presumptive
advisory sentence for the underlying offense nor more than three (3)
times the presumptive advisory sentence for the underlying offense.
However, the additional sentence may not exceed thirty (30) years.

SECTION 12. IC 35-50-2-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) As used in
this section:

(1) "Drug" means a drug or a controlled substance (as defined in
IC 35-48-1).

(2) "Substance offense" means a Class A misdemeanor or a felony
in which the possession, use, abuse, delivery, transportation, or
manufacture of alcohol or drugs is a material element of the
crime. The term includes an offense under IC 9-30-5 and an

(b) The state may seek to have a person sentenced as a habitual
substance offender for any substance offense by alleging, on a page
separate from the rest of the charging instrument, that the person has
accumulated two (2) prior unrelated substance offense convictions.

(c) After a person has been convicted and sentenced for a substance
offense committed after sentencing for a prior unrelated substance
offense conviction, the person has accumulated two (2) prior unrelated
substance offense convictions. However, a conviction does not count
for purposes of this subsection if:

(1) it has been set aside; or

(2) it is a conviction for which the person has been pardoned.

d) If the person was convicted of the substance offense in a jury trial, the jury shall reconvene for the sentencing hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall conduct the sentencing hearing, under IC 35-38-1-3.

e) A person is a habitual substance offender if the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person had accumulated two (2) prior unrelated substance offense convictions.

f) The court shall sentence a person found to be a habitual substance offender to an additional fixed term of at least three (3) years but not more than eight (8) years imprisonment, to be added to the term of imprisonment imposed under IC 35-50-2 or IC 35-50-3. If the court finds that:

(1) three (3) years or more have elapsed since the date the person was discharged from probation, imprisonment, or parole (whichever is later) for the last prior unrelated substance offense conviction and the date the person committed the substance offense for which the person is being sentenced as a habitual substance offender; or

(2) all of the substance offenses for which the person has been convicted are substance offenses under IC 16-42-19 or IC 35-48-4, the person has not been convicted of a substance offense listed in section 2(b)(4) of this chapter, and the total number of convictions that the person has for:

(A) dealing in or selling a legend drug under IC 16-42-19-27;
(B) dealing in cocaine or a narcotic drug (IC 35-48-4-1);
(C) dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2);
(D) dealing in a schedule IV controlled substance (IC 35-48-4-3); and
(E) dealing in a schedule V controlled substance (IC 35-48-4-4);

does not exceed one (1);

then the court may reduce the additional fixed term. However, the court
may not reduce the additional fixed term to less than one (1) year.

(g) If a reduction of the additional year fixed term is authorized under subsection (f), the court may also consider the aggravating or circumstances in IC 35-37-2.5-2 and the mitigating circumstances in IC 35-38-1-7.1 to:

(1) decide the issue of granting a reduction; or
(2) determine the number of years, if any, to be subtracted under subsection (f).

SECTION 13. IC 35-50-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) As used in this section, "firearm" has the meaning set forth in IC 35-47-1-5.

(b) As used in this section, "offense" means:

(1) a felony under IC 35-42 that resulted in death or serious bodily injury;
(2) kidnapping; or
(3) criminal confinement as a Class B felony.

(c) The state may seek, on a page separate from the rest of a charging instrument, to have a person who allegedly committed an offense sentenced to an additional fixed term of imprisonment if the state can show beyond a reasonable doubt that the person knowingly or intentionally used a firearm in the commission of the offense.

(d) If after a sentencing hearing a court finds that a person who committed an offense used a firearm in the commission of the offense, the court may sentence the person to an additional fixed term of imprisonment of five (5) years.

(d) If the person was convicted of the offense in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(e) If the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person knowingly or intentionally used a firearm in the commission of the offense, the court may sentence the person to an additional fixed term of imprisonment of five (5) years.

SECTION 14. IC 35-50-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The state
may seek, on a page separate from the rest of a charging instrument, to have a person who allegedly committed an offense of dealing in a controlled substance under IC 35-48-4-1 through IC 35-48-4-4 sentenced to an additional fixed term of imprisonment if the state can show beyond a reasonable doubt that the person knowingly or intentionally:

(1) used a firearm; or
(2) possessed a:
   (A) handgun in violation of IC 35-47-2-1;
   (B) sawed-off shotgun in violation of IC 35-47-5-4.1; or
   (C) machine gun in violation of IC 35-47-5-8;
while committing the offense.

(b) If after a sentencing hearing a court finds that a person committed an offense as described in subsection (a), the court may sentence the person to an additional fixed term of imprisonment of not more than five (5) years; except as follows:

(1) If the firearm is a sawed-off shotgun, the court may sentence the person to an additional fixed term of imprisonment of not more than ten (10) years;

(2) If the firearm is a machine gun or is equipped with a firearm silencer or firearm muffler, the court may sentence the person to an additional fixed term of imprisonment of not more than twenty (20) years: The additional sentence under this subdivision is in addition to any additional sentence imposed under section 11 of this chapter for use of a firearm in the commission of an offense.

(b) If the person was convicted of the offense in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(c) If the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person knowingly or intentionally committed an offense as described in subsection (a), the court may sentence the person to an additional fixed term of imprisonment of not more than five (5) years, except as follows:

(1) If the firearm is a sawed-off shotgun, the court may sentence the person to an additional fixed term of
imprisonment of not more than ten (10) years.
(2) If the firearm is a machine gun or is equipped with a firearm silencer or firearm muffler, the court may sentence the person to an additional fixed term of imprisonment of not more than twenty (20) years. The additional sentence under this subdivision is in addition to any additional sentence imposed under section 11 of this chapter for use of a firearm in the commission of an offense.

SECTION 15. IC 35-50-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The state may seek to have a person sentenced as a repeat sexual offender for a sex offense under IC 35-42-4-1 through IC 35-42-4-9 or IC 35-46-1-3 by alleging, on a page separate from the rest of the charging instrument, that the person has accumulated one (1) prior unrelated felony conviction for a sex offense under IC 35-42-4-1 through IC 35-42-4-9 or IC 35-46-1-3.

(b) After a person has been convicted and sentenced for a felony committed after sentencing for a prior unrelated felony conviction under IC 35-42-4-1 through IC 35-42-4-9 or IC 35-46-1-3, the person has accumulated one (1) prior unrelated felony conviction. However, a conviction does not count for purposes of this subsection, if:
   (1) it has been set aside; or
   (2) it is one for which the person has been pardoned.

(c) The court alone shall conduct the sentencing hearing under IC 35-38-1-3.

(c) If the person was convicted of the offense in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(d) A person is a repeat sexual offender if the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person had accumulated one (1) prior unrelated felony conviction under IC 35-42-4-1 through IC 35-42-4-9 or IC 35-46-1-3.

(e) The court may sentence a person found to be a repeat sexual offender to an additional fixed term that is the presumptive advisory sentence for the underlying offense. However, the additional sentence
may not exceed ten (10) years.

SECTION 16. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-7-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) As used in this section, "commercial vehicle policy" means an insurance policy that provides coverage for at least one (1) of the following:

(1) A motor vehicle that is rated or insured as a business or commercial vehicle.

(2) A motor vehicle that is licensed by the state as a commercial vehicle.

(3) A commercial motor vehicle business, including an:

(A) individual who; or

(B) entity that;

is in the business or occupation of selling, repairing, servicing, storing, or parking motor vehicles, including a business that is a commercial garage operation, an automobile sales entity, a motor vehicle repair entity, a motor vehicle service station, or a public parking operation.

(4) A motor vehicle that is used as a public or private livery or a rental conveyance.

(5) A motor vehicle that is owned or used by a named insured that is not a natural person.

(b) This chapter does not require an insurer to make available uninsured motorist or underinsured motorist coverage described in section 2 of this chapter in connection with the issuance of a:

(1) commercial liability policy, including a commercial vehicle
policy;
(2) commercial umbrella or excess liability policy;
(3) commercial liability policy that provides hired or nonowned motor vehicle liability coverage; or
(4) commercial liability policy that provides limited or incidental coverage for liability arising out of the ownership, maintenance, operation, or use of a motor vehicle, including a motor vehicle that is:
   (A) not subject to motor vehicle registration; and
   (B) not intended or designed to be used on a public roadway.

SECTION 2. [EFFECTIVE JULY 1, 2005] (a) The department of insurance shall, not later than December 31, 2007, assess and report to the legislative council in an electronic format under IC 5-14-6 the:
   (1) market availability of;
   (2) competition for; and
   (3) sales since June 30, 2005, of;
commercial uninsured motorist and underinsured motorist coverage in Indiana on July 1, 2007.
(b) This SECTION expires January 1, 2008.

P.L.73-2005
[S.209. Approved April 25, 2005.]

AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 6-1.1-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. When formulating an annual budget estimate the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues
shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds to be received from the state or the federal government for:

1. (1) poor relief;
   (2) township assistance;
   (3) unemployment relief;
   (4) old age pensions; or
   (4) other funds which may at any time be made available under "The Economic Security Act" or under any other federal act which provides for civil and public works projects.

SECTION 2. IC 6-1.1-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

1. (1) the estimated budget;
   (2) the estimated maximum permissible levy;
   (3) the current and proposed tax levies of each fund; and
   (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing.

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):
   (1) in any county of the solid waste management district; and
   (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of poor relief township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of poor relief township assistance. The taxes collected
as a result of the tax rate adopted under this subsection are credited to the township poor relief assistance fund.

SECTION 3. IC 6-1.1-17-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county board of tax adjustment reduces a poor relief township assistance tax rate below the rate necessary to meet the estimated cost of poor relief township assistance.

SECTION 4. IC 6-1.1-18.5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. With respect to an appeal filed under section 12 of this chapter, the local government tax control board may recommend that a civil taxing unit receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the local government tax control board the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons.

(2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's share of the costs of operating a court for the first full calendar year in which it is in existence.

(3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and three-hundredths (1.03):

STEP ONE: Determine the three (3) calendar years that most
immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year, divided by the sum of the civil taxing unit's total assessed value of all taxable property and the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year, divided by the sum of the total assessed value of all taxable property in all counties and the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this chapter.

(4) Permission to the civil taxing unit to increase its levy in excess
of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township’s need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit’s levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars ($10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(5) Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by
distributions made to a civil taxing unit by the state.

(6) Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's \text{poor relief township assistance} ad valorem property tax rate is less than one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing \text{poor relief township assistance} under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's \text{poor relief township assistance} ad valorem property tax rate of one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars ($100) of assessed valuation before the increase.

(7) Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent ($0.01) per one hundred dollars ($100) of assessed valuation.

(8) Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:
(A) the civil taxing unit is:
   (i) a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000);
   (ii) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000);
   (iii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);
   (iv) a city having a population of more than fifteen thousand four hundred (15,400) but less than sixteen thousand six hundred (16,600); or
   (v) a city having a population of more than seven thousand (7,000) but less than seven thousand three hundred (7,300);
   and

(B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents ($0.0667) for each one hundred dollars ($100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

(9) Permission for a county:

   (A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the county needs the increase to meet the county's share of
the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991;
(B) that operates a county jail or juvenile detention center that is subject to an order that:
   (i) was issued by a federal district court; and
   (ii) has not been terminated;
(C) that operates a county jail that fails to meet:
   (i) American Correctional Association Jail Construction Standards; and
   (ii) Indiana jail operation standards adopted by the department of correction; or
(D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.
Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.
(10) Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second
time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(11) Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township has been required, for the three (3) consecutive years preceding the year for which the appeal under this subdivision is to become effective, to borrow funds under IC 36-6-6-14 to furnish fire protection for the township or a part of the township. However, the maximum increase in a township's levy that may be allowed under this subdivision is the least of the amounts borrowed under IC 36-6-6-14 during the preceding three (3) calendar years. A township may elect to phase in an approved increase in its levy under this subdivision over a period not to exceed three (3) years. A particular township may appeal to increase its levy under this section not more frequently than every fourth calendar year.

(12) Permission to a city having a population of more than twenty-nine thousand (29,000) but less than thirty-one thousand (31,000) to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

SECTION 5. IC 12-7-2-44.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44.7. "Countable income", for purposes of IC 12-20, means a monetary amount either paid to an applicant or a member of an applicant's household not more
than thirty (30) days before the date of application for poor relief, township assistance, or accrued and legally available for withdrawal by an applicant or a member of an applicant's household at the time of application or not more than thirty (30) days after the date of application for poor relief, township assistance. The term includes the following:

1. Gross wages before mandatory deductions.
3. Aid to Families with Dependent Children.
4. Unemployment compensation.
5. Worker's compensation (except compensation that is restricted for the payment of medical expenses).
6. Vacation pay.
7. Sick benefits.
8. Strike benefits.
9. Private or public pensions.
10. Taxable income from self-employment.
11. Bartered goods and services provided by another individual for the payment of nonessential needs on behalf of an applicant or an applicant's household if monetary compensation or the provision of basic necessities would have been reasonably available from that individual.
12. Child support.
13. Gifts of cash, goods, or services.
14. Other sources of revenue or services that the township trustee may reasonably determine to be countable income.

SECTION 6. IC 12-7-2-153 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 153. (a) "Public welfare", for purposes of the statutes listed in subsection (b), means any form of public welfare or social security provided for in the statutes listed in subsection (b). The term does not include direct poor relief township assistance as administered by township trustees under IC 12-20.

(b) This section applies to the following statutes:
1. IC 12-13.
2. IC 12-14.
SECTION 7. IC 12-7-2-158 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 158. "Recipient" means the following:

(1) For purposes of the following statutes, a person who has received or is receiving assistance for the person or another person under any of the following statutes:
   (A) IC 12-10-6.
   (B) IC 12-13.
   (C) IC 12-14.
   (D) IC 12-15.
   (E) IC 12-17-1.
   (F) IC 12-17-2.
   (G) IC 12-17-3.
   (H) IC 12-17-9.
   (I) IC 12-17-10.
   (J) IC 12-17-11.
   (K) IC 12-19.

(2) For purposes of IC 12-20-10 and IC 12-20-11:
   (A) a single individual receiving poor relief township assistance; or
   (B) if poor relief township assistance is received by a household with at least two (2) individuals, the member of the household most suited to perform available work.

SECTION 8. IC 12-7-2-192.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 192.3. "Total number of households containing poor relief township assistance recipients", for purposes of IC 12-20-28-3, has the meaning set forth in IC 12-20-28-3(b).

SECTION 9. IC 12-7-2-200.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 200.5. "Wasted resources", for purposes of IC 12-20, means:
(1) the amount of money or resources expended by an applicant or an adult member of an applicant's household seeking poor relief township assistance during the thirty (30) days before the date of application for poor relief township assistance for items or services that are not basic necessities;
(2) income, resources, or tax supported services lost or reduced as a result of a voluntary act during the sixty (60) days before the date of application for poor relief township assistance by an adult member of an applicant's household unless the adult member can establish a good reason for the act; or
(3) lump sum amounts of money or resources from tax refunds, lawsuits, inheritances, or pension payments of at least four hundred dollars ($400) that are expended by:
   (A) an applicant seeking poor relief township assistance; or
   (B) an adult member of the applicant's household;
   during the one hundred eighty (180) days immediately preceding the date of application for poor relief township assistance for items or services that are not basic necessities if, at the time of the expenditure, there were amounts due and owing for items or services constituting basic necessities.

SECTION 10. IC 12-20-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) This section does not apply to an attorney who is admitted to practice law in Indiana.

(b) A person who receives any item of value from an applicant or a recipient in connection with assisting that applicant or recipient in obtaining poor relief township assistance commits poor relief township assistance profiteering, a Class C misdemeanor.

(c) A person who unfairly profits from the:
   (1) sale, lease, or rental of goods or shelter; or
   (2) provision of services;
   to a poor relief township assistance recipient commits poor relief township assistance fraud, a Class D felony. For purposes of this subsection, a person unfairly profits if the person receives payment from the township trustee for goods or services that the person does not provide or the person charges the township trustee more for the goods or services than the person would charge members of the public.

(d) In addition to any other penalty imposed for a conviction under subsection (c), a person who is convicted of poor relief township assistance fraud: 
assistance fraud is ineligible to participate in the poor relief township assistance program for thirty (30) years after the date of the conviction.

SECTION 11. IC 12-20-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A suit or proceeding in favor of or against a township trustee concerning poor relief township assistance shall be conducted in favor of or against the township in the township's corporate name.

SECTION 12. IC 12-20-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If a township trustee, who serves as administrator of poor relief township assistance, is removed from office, resigns, or in any other way vacates the office of township trustee, the township trustee shall immediately deliver all books, papers, and other materials concerning the office to the trustee's successor upon the successor's appointment.

(b) If a township trustee, who serves as administrator of poor relief township assistance, dies, the township trustee's executors or administrators shall, not more than forty (40) days after the trustee's death, deliver all materials belonging to the township trustee's office to the trustee's successor in office.

SECTION 13. IC 12-20-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The township trustee may pay out of poor relief township assistance money the necessary office expense and clerical or other help necessary to properly administer poor relief township assistance.

SECTION 14. IC 12-20-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The township trustee of each township, in the trustee's official capacity as chief executive officer within the township, may do the following:

(1) Employ supervisors, investigators, assistants, or other necessary employees in discharging the township trustee's duties concerning the provision of poor relief township assistance.

(2) Fix the salaries or wages to be paid to the supervisors, investigators, assistants, and other necessary employees employed by the township trustee.

SECTION 15. IC 12-20-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The township trustee shall determine the number of poor relief township assistance supervisors, investigators, assistants, or other necessary employees that
are employed by the township to administer poor relief township assistance.

(b) The pay of poor relief township assistance supervisors, investigators, assistants, and other necessary employees shall be fixed by the township trustee subject only to the total budgetary appropriation for personnel services for the administration of poor relief township assistance approved by the township board.

(c) A poor relief township assistance supervisor, investigator, assistant, or other necessary employee who uses an automobile in the performance of the employee’s work is entitled to the same mileage paid to state officers and employees.

SECTION 16. IC 12-20-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. An individual may not be employed as a poor relief township assistance investigator unless the individual:

(1) is a high school graduate or possesses an equivalent degree;
(2) is at least eighteen (18) years of age; and
(3) is a resident of the county where the township is located.

SECTION 17. IC 12-20-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The number of supervisors of poor relief township assistance investigators may not exceed one (1) supervisor for the first four (4) poor relief township assistance investigators. If there are more than four (4) poor relief township assistance investigators, the township trustee may employ one (1) additional supervisor for each twelve (12) poor relief township assistance investigators or major fraction of that number.

(b) The pay for supervisors of poor relief township assistance investigators shall be fixed in the manner provided by law for other township salaries.

SECTION 18. IC 12-20-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. An individual may not be employed as a supervisor of poor relief township assistance investigators unless the individual:

(1) has been an Indiana resident for at least one (1) year immediately preceding the individual's appointment; or
(2) has had at least one (1) years year of experience as a poor relief township assistance investigator.

SECTION 19. IC 12-20-4-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Two (2) or more townships in the same county may jointly employ an investigator to investigate poor relief township assistance applicants and recipients.

(b) Payment for investigations conducted under this section shall be made on the basis of the number of cases handled for each township in the same manner and at the same rate as otherwise provided for the payment of investigators under this chapter.

SECTION 20. IC 12-20-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A poor relief township assistance supervisor, investigator, assistant, or other necessary employee shall be paid only for the number of days the employee is actually engaged in employment during each month.

(b) A poor relief township assistance supervisor, investigator, assistant, or other necessary employee shall be paid at the rate established by the township trustee from an appropriation by the township board with no deduction for legal holidays.

(c) A poor relief township assistance supervisor, investigator, assistant, or other necessary employee shall be paid out of the same money as claims for poor relief township assistance are paid. Claims for pay are payable upon presentation of a sworn claim itemizing each day for which pay is requested. Claims are to be made and filed in the same manner as other claims for poor relief township assistance expenditures are payable, at least once each month.

(d) Each poor relief township assistance chief deputy, investigator, supervisor, assistant, or other necessary employee may be granted paid vacation leave or sick leave under IC 5-10-6-1.

(e) The township trustee of a township having a population of at least ten thousand (10,000) may appoint a chief deputy. A chief deputy may be paid from any township funds.

SECTION 21. IC 12-20-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The township trustee of each township is ex officio the administrator of poor relief township assistance within the township.

(b) The township trustee shall perform all duties with reference to the poor of the township as prescribed by law.

(c) A township trustee, in discharging the duties prescribed by this article, is designated as the administrator of poor relief township assistance.
SECTION 22. IC 12-20-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The township trustee, as administrator of poor relief township assistance, in each township is responsible for the oversight and care of all poor individuals in the township as long as the individuals remain in the trustee’s charge. The township trustee shall see that the individuals are properly taken care of in the manner required by law.

SECTION 23. IC 12-20-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The township trustee, as administrator of poor relief township assistance, shall investigate and grant temporary relief as provided in IC 12-20-17-3.

SECTION 24. IC 12-20-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The township trustee shall process all applications for poor relief township assistance according to uniform written standards and without consideration of the race, creed, nationality, or gender of the applicant or any member of the applicant’s household.

(b) The township’s standards for the issuance of poor relief township assistance and the processing of applications must be:

(1) governed by the requirements of this article;
(2) proposed by the township trustee, adopted by the township board, and filed with the board of county commissioners;
(3) reviewed and updated annually to reflect changes in the cost of basic necessities in the township and changes in the law;
(4) published in a single written document, including addenda attached to the document; and
(5) posted in a place prominently visible to the public in all offices of the township trustee where poor relief township assistance applications are taken or processed.

SECTION 25. IC 12-20-5.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Standards for the administration of poor relief township assistance must contain the following:

(1) Criteria for determining poor relief township assistance eligibility.
(2) Minimum requirements of township trustee accessibility.
(3) Other information as needed, including the following:
   (A) Township office locations, hours, and days of availability.
(B) Initial eligibility criteria.
(C) Continuing eligibility criteria.
(D) Workfare requirements.
(E) Essential and nonessential assets.
(F) Available resources.
(G) Income exemptions.
(H) Application process.
(I) Countable income.
(J) Countable assets.
(K) Wasted resources.

(b) Standards for the administration of poor relief township assistance must exclude a Holocaust victim's settlement payment received by an eligible individual from countable assets and countable income.

SECTION 26. IC 12-20-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 3. (a) The township trustee shall ensure adequate access to poor relief township assistance services, including a published telephone number in the name of the township.

(b) A poor relief township assistance office, if separate from the township trustee's residence, must be designated by a clearly visible sign that lists the:

1. township trustee's name;
2. availability of poor relief township assistance; and
3. poor relief township assistance office's telephone number.

The sign must conform to all local zoning and signage restrictions.

SECTION 27. IC 12-20-5.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 4. (a) This section does not apply to a township trustee who has assisted less than fifty-one (51) households during each of the two (2) years immediately preceding the date of the township trustee's annual report under IC 12-20-28-3.

(b) To ensure minimum accessibility, a township trustee operating a poor relief township assistance office in a township with a population of at least ten thousand (10,000) shall provide scheduled office hours for poor relief township assistance and staff each office with an individual qualified to:

1. determine eligibility; and
2. issue relief sufficient to meet the poor relief township assistance.
assistance needs of the township.
(c) To meet the requirements of subsection (b), the township trustee shall do the following:

(1) Provide poor relief township assistance office hours for at least fourteen (14) hours per week.
(2) Provide that there is not more than one (1) weekday between the days the poor relief township assistance office is open.
(3) Provide for after hours access to the poor relief township assistance office by use of an answering machine or a service:
   (A) capable of taking messages; and
   (B) programmed to provide information about poor relief township assistance office hours.
(4) Respond to a telephone inquiry for poor relief township assistance services not more than twenty-four (24) hours, excluding Saturdays, Sundays, and legal holidays, after receiving the inquiry.
(5) Post poor relief township assistance office hours and telephone numbers at the entrance to each poor relief township assistance office.

SECTION 28. IC 12-20-5.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The township's standards for the administration of poor relief township assistance must include all applicable standards governing the provision of basic necessities, including maximum amounts, special conditions, or other limitations on eligibility, if any have been established for one (1) or more basic necessities.

SECTION 29. IC 12-20-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A township trustee may not extend aid to an individual or a household unless an application and affidavit setting forth the personal condition of the individual or household has been filed with the trustee within one hundred eighty (180) days before the date aid is extended.
   (b) An individual filing an application and affidavit on behalf of a household must provide the names of all household members and any information necessary for determining the household's eligibility for poor relief township assistance. The application must be on the form prescribed by the state board of accounts.
   (c) An applicant for utility assistance under IC 12-20-16-3(a) must
comply with IC 12-20-16-3(d).

(d) The township trustee may not extend additional or continuing aid to an individual or a household unless the individual or household files an affidavit with the request for assistance affirming how, if at all, the personal condition of the individual or the household has changed from that set forth in the individual's or household's most recent application.

(e) The township trustee shall assist an applicant for poor relief township assistance in completing a poor relief township assistance application if the applicant:

(1) has a mental or physical disability, including mental retardation, cerebral palsy, blindness, or paralysis;
(2) has dyslexia; or
(3) cannot read or write the English language.

SECTION 30. IC 12-20-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Each township trustee shall obtain information about public assistance programs and services administered by the division of family and children and county offices under this article, the Social Security Administration, the federal Food Stamp program (7 U.S.C. 2011 et seq.), or by another federal or state governmental entity. If a trustee believes a poor relief township assistance applicant or a member of the applicant's household may be eligible for a public assistance program, the trustee may not extend aid to the applicant or the applicant's household unless the applicant verifies that:

(1) the applicant has filed, within the one hundred eighty (180) days preceding the application for poor relief township assistance, an application for assistance under a federal or state public assistance program administered by the division of family and children and county offices or by another federal or state governmental entity;
(2) the applicant or a member of the applicant's household is receiving assistance under a public assistance program administered by the division of family and children and county offices or another federal or state governmental entity; or
(3) the applicant or a member of the applicant's household has an emergency need that the trustee determines must be met immediately.
SECTION 31. IC 12-20-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. If the township trustee determines that an applicant or a member of the applicant's household who is granted emergency poor relief township assistance under section 3(3) of this chapter may be eligible for public assistance other than poor relief township assistance, the applicant shall, not more than fifteen (15) working days after the date that emergency poor relief township assistance was granted, file an application for public assistance and comply with all the requirements necessary for completing the application process for public assistance administered by the division of family and children and county offices or another federal or state governmental entity. An applicant or a member of the applicant's household who fails to file an application for public assistance not more than fifteen (15) working days after the date that emergency poor relief township assistance was granted may not be granted poor relief township assistance for sixty (60) days following the grant of poor relief township assistance on an emergency basis.

SECTION 32. IC 12-20-6-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) This section does not apply in an emergency.

(b) If, before granting poor relief township assistance, the township trustee determines that an applicant or a member of an applicant's household may be eligible for public assistance other than poor relief township assistance, the applicant or household member shall, when referred by the township trustee, make an application and comply with all necessary requirements for completing the application process for public assistance administered by:

(1) the division of family and children and county offices; or
(2) any other federal or state governmental entity.

(c) An applicant or a household member who fails to:

(1) file an application as specified in subsection (b); and
(2) show evidence that the application, as referred by the township trustee, was filed not more than fifteen (15) working days after the township trustee's referral;

may be denied poor relief township assistance for not more than sixty (60) days.

SECTION 33. IC 12-20-6-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) If an individual
has been convicted of an offense under IC 35-43-5-7, a township trustee may not extend aid to or for the benefit of that individual for the following periods:

(1) If the conviction is for a misdemeanor, for one (1) year after the conviction.
(2) If the conviction is for a felony, for ten (10) years after the conviction.

(b) If a township trustee finds that an individual has obtained poor relief township assistance from any township by means of conduct described in IC 35-43-5-7, the township trustee may refuse to extend aid to or for the benefit of that individual for sixty (60) days after the later of the:

(1) date of the improper conduct; or
(2) date aid was last extended to the individual based on the improper conduct.

SECTION 34. IC 12-20-6-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.6. Notwithstanding any other provision of this article:

(1) a township trustee may not extend aid to or for the benefit of an individual if that aid would pay for goods or services provided to or for the benefit of the individual; and
(2) a township is not obligated to pay the cost of basic necessities incurred on behalf of the household in which the individual resides;

during a period that the individual has previously applied for and been denied township poor relief assistance.

SECTION 35. IC 12-20-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) In a case of emergency, a trustee shall accept and promptly act upon a completed application from an individual requesting assistance. In a nonemergency request for poor relief township assistance, the trustee shall act on the completed application not later than seventy-two (72) hours after receiving the application, excluding weekends and legal holidays listed in IC 1-1-9. The trustee's office shall retain a copy of each application and affidavit whether or not relief is granted.

(b) The actions that a trustee may take on a completed application for poor relief township assistance, except in a case of emergency, are the following:
(1) Grant assistance.
(2) Deny assistance, including a partial denial of assistance requested.
(3) Leave the decision pending.

c) A decision pending determination under subsection (b)(3):
(1) may not remain pending for more than seventy-two (72) hours after the expiration of the period described in subsection (a); and
(2) must include a statement listing the specific reasons that assistance is not granted or denied within the period required under subsection (a).

SECTION 36. IC 12-20-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A township trustee shall promptly notify in writing each applicant for poor relief township assistance of action taken upon a completed application for poor relief township assistance. The trustee shall do the following:

(1) Mail notice or provide personal notice not later than seventy-two (72) hours, excluding weekends and legal holidays listed in IC 1-1-9, after the completed application is received, advising the applicant of the right to appeal an adverse decision of the trustee to the board of commissioners.

(2) Include in the notice required under subdivision (1) the following:
   (A) The type and amount of assistance granted.
   (B) The type and amount of assistance denied or partially granted.
   (C) Specific reasons for denying all or part of the assistance requested.
   (D) Information advising the applicant of the procedures for appeal to the board of commissioners.

(b) A copy of the notice described in subsection (a) shall be filed with the recipient's application and affidavit in the trustee's office.

(c) An application for poor relief township assistance is not considered complete until all adult members of the requesting household have signed:

(1) the poor relief township assistance application; and

(2) any other form, instrument, or document:
   (A) required by law; or
   (B) determined necessary for investigative purposes by the
trustee, as contained in the township's poor relief township assistance guidelines.

SECTION 37. IC 12-20-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. If an application for poor relief township assistance is made to the township trustee as administrator of poor relief, township assistance, the township trustee, as administrator of poor relief, township assistance, shall carefully investigate the circumstances of the applicant and each member of the applicant's household to ascertain the following:

1. Legal residence.
2. Names and ages.
3. Physical condition relating to sickness or health.
4. Present and previous occupation.
5. Ability and capacity to perform labor.
6. The cause of the applicant's or household member's condition if the applicant or household member is found to be in need and the cause can be ascertained.
7. Whether the applicant or a member of the applicant's household is entitled to income in the immediate future from any source, including the following:
   (A) Past or present employment.
   (B) A pending claim or cause of action that may result in a monetary award being received by any member of the applicant's household claiming to be in need.
   (C) A pending determination for assistance from any other federal or state governmental entity.
8. The family relationships of the poor relief township assistance applicant.
9. Whether the poor relief township assistance applicant or members of the applicant's household have relatives able and willing to assist the applicant or a member of the applicant's household.

SECTION 38. IC 12-20-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) As used in this section, "relative" includes only the parent, stepparent, child, stepchild, sibling, stepsibling, grandparent, stepgrandparent, grandchild, or stepgrandchild of a poor relief township assistance applicant.

(b) If an applicant who applies for township poor relief assistance...
or a member of the applicant's household has a relative living in the township who is able to assist the applicant or member of the applicant's household, the township trustee shall, as administrator of poor relief township assistance and before granting aid a second time, ask the relative to help the applicant or member of the applicant's household, either with material relief or by furnishing employment.

(c) A township trustee may not use poor relief township assistance funds to pay the cost of an applicant's shelter with a relative who is the applicant's landlord if the applicant lives in:

(1) the same household as the relative; or
(2) housing separate from the relative and either:
   (A) the housing is unencumbered by mortgage; or
   (B) the housing has not been previously rented by the relative to a different tenant at reasonable market rates for at least six months.

(d) If shelter payments are made to a relative of a poor relief township assistance applicant on behalf of the applicant or a member of the applicant's household, the trustee may file a lien against the relative's real property for the amount of poor relief township shelter assistance granted.

SECTION 39. IC 12-20-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Each applicant and each adult member of the applicant's household seeking poor relief township assistance must consent to a disclosure and release of information about the applicant and the applicant's household before poor relief township assistance may be provided by the township trustee. The consent must be made by signing a form prescribed by the state board of accounts. The form must include the following:

(1) The applicant's name, case number, and address.
(2) The types of information being solicited, including the following:
   (A) Countable income.
   (B) Countable assets.
   (C) Wasted resources.
   (D) Relatives capable of providing assistance.
   (E) Past or present employment.
   (F) Pending claims or causes of action.
   (G) A medical condition if relevant to work or workfare
requirements.

(H) Any other information required by law.

(3) The names of individuals, agencies, and township trustee offices that will receive the information.

(4) The expiration date of the permission to disclose information.

(b) Information that is declared to be confidential by state or federal statute may not be obtained under the consent form prescribed by this section.

(c) The township trustee shall keep on file and shall make available to the division of family and children and office of Medicaid policy and planning upon request a copy of the signed consent form described in subsection (a).

(d) The township trustee shall send to the county office a copy of the signed consent form described in subsection (a).

(e) The division of family and children, county offices, and the office of Medicaid policy and planning shall make available to the township trustee upon request a copy of signed consent to disclosure and release of information forms in each entity's files.

(f) If an individual who is required to sign a form under this section is unable to sign the form in the township trustee's office due to a physical or mental disability or illness, the township trustee shall make alternate arrangements to obtain the individual's signature.

SECTION 40. IC 12-20-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Upon request of the township trustee, the employer of a poor relief township assistance applicant or a member of the applicant's household shall provide the township trustee with information concerning salary or wages earned by the applicant or household member for purposes of determining the financial eligibility of the household to receive poor relief township assistance.

SECTION 41. IC 12-20-7-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. Upon request of the township trustee, a person holding assets or title to assets of a poor relief township assistance applicant or a member of the applicant's household shall provide the township trustee with information concerning the nature and value of those assets for purposes of determining the household's financial eligibility to receive poor relief township assistance.
SECTION 42. IC 12-20-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Information that is received through the use of a consent form described in section 1 of this chapter and that is not a public record open to inspection and copying under any statute may be used only in connection with the following:

(1) The administration of the township trustee's poor relief township assistance program.

(2) The administration of public assistance programs that are administered by the division of family and children and county offices.

SECTION 43. IC 12-20-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The township trustee may deny poor relief township assistance to an individual if the township trustee determines that the individual does not intend to make the township or county the individual's sole place of residence.

(b) The township trustee may consider all relevant information that supports or refutes the individual's intent to make the township or county the individual's sole place of residence, except the length of time the individual has been located in the township or county.

SECTION 44. IC 12-20-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. If the township trustee, as administrator of poor relief township assistance, is unable to ascertain and establish the place of legal residence of a poor individual within the township, the township trustee shall proceed to provide assistance to the individual in the same manner as other poor individuals are provided assistance.

SECTION 45. IC 12-20-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. If an individual is:

1. a child;
2. the parent of a child requiring the parent's care; or
3. sick, aged, injured, crippled, or physically or mentally unable to work or travel;

the township trustee, as administrator of poor relief township assistance, of the township in which the individual is found shall furnish poor relief township assistance to the individual until the individual can be returned to the place of the individual's legal residence if that place can be determined.
SECTION 46. IC 12-20-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. An individual:

(1) who:

(A) applies to the township trustee, as administrator of poor relief; township assistance, for assistance or is in need of assistance; or

(B) obtains free medical aid, hospitalization, public institutional care, or assistance in any part at public expense; and

(2) who does not have legal residence in the township;

may be returned by the township trustee, as administrator of poor relief; township assistance, to the individual's place of legal residence if that place can be determined.

SECTION 47. IC 12-20-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The record of and bill for services provided under this chapter shall be filed and paid in the manner provided for the filing and payment of other kinds of relief provided by the township trustee, as administrator of poor relief; township assistance. The township trustee, as administrator of poor relief; township assistance, shall pay bills from any available fund for providing poor relief township assistance.

SECTION 48. IC 12-20-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. If an individual or a member of an individual's household who is determined to be eligible for poor relief township assistance and entitled to temporary relief is in a township in which the individual or household member does not have legal residence, the township trustee, as administrator of poor relief; township assistance, may, if the trustee considers advisable, place the individual or household member temporarily in a county home as provided in IC 12-20-17-4.

SECTION 49. IC 12-20-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. An individual may be denied poor relief township assistance for not more than one hundred eighty (180) days whenever the individual or a member of the individual's household:

(1) has been:

(A) sent by a township where the individual does not reside to a location outside the township at the individual's request or by
court order; and
(B) transported to a location outside the township at public expense; and
(2) knowingly reapplies for assistance in the township from which the individual or member of the individual's household was sent.

SECTION 50. IC 12-20-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If a poor relief township assistance applicant is in good health or if any members of the applicant's household are in good health, the township trustee, as administrator of poor relief township assistance, shall require the individuals who are able to work to seek employment. The township trustee shall refuse to furnish any poor relief township assistance until the township trustee is satisfied that the poor relief township assistance applicant or members of the applicant's household are endeavoring to find work.

SECTION 51. IC 12-20-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. If:
(1) a poor relief township assistance applicant is in good health and able to work; and
(2) either:
   (A) the township trustee, as administrator of poor relief township assistance, offers employment to the poor relief township assistance applicant, regardless of whether the compensation for the work is in the form of money, house rent, or commodities consisting of the necessaries of life; or
   (B) employment at a reasonable compensation is offered by any other individual, governmental agency, or employer;
the township trustee, as administrator of poor relief township assistance, shall not furnish poor relief township assistance to the applicant until the poor relief township assistance applicant performs the work or shows just cause for not performing the work. However, a poor relief township assistance applicant may be given admission to the county home, where the poor relief township assistance applicant shall be compelled to work.

SECTION 52. IC 12-20-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A township trustee, as administrator of poor relief township assistance, shall make all possible efforts to secure employment for an able-bodied poor relief
township assistance applicant in the township where the applicant resides.

SECTION 53. IC 12-20-10-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. If a poor relief township assistance applicant or a member of the applicant's household claims an inability to work due to health, the township trustee may require and provide for any medical examination necessary for the township trustee to determine whether the applicant or household member is able to perform work.

SECTION 54. IC 12-20-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The township trustee may call upon residents of the township to aid in finding employment for a poor relief township assistance applicant who is able to work.

SECTION 55. IC 12-20-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The township trustee shall obligate any adult member of a recipient household to do any work needed to be done within the county or an adjoining township in any other county for any nonprofit agency or governmental unit, including the state, having jurisdiction in those townships, unless:

1. the obligated individual is not physically able to perform the proposed work;
2. the obligated individual is a minor or is at least sixty-five (65) years of age;
3. the obligated individual has full-time employment at the time the recipient receives poor relief township assistance;
4. the obligated individual is needed to care for an individual as a result of the individual's age or physical condition;
5. the township trustee determines that there is no work available for any adult member of the recipient household; or
6. the individual obligated to perform the work is, at the direction of the township trustee, attending:
   (A) courses under section 3 of this chapter; or
   (B) a job training program under IC 12-20-12-1 or another job training program approved by the township trustee.

(b) The township trustee shall determine a poor relief township assistance applicant's suitability to perform available work under this section. The township trustee may provide for medical examinations necessary to make the determination.
(c) A poor relief township assistance recipient shall perform an amount of work that equals the value of assistance received by the poor relief township assistance recipient or the recipient's household. The poor relief township assistance recipient shall receive credit for the work performed, as assigned by the township trustee, at a rate not less than the federal minimum wage.

(d) The unit of government or nonprofit agency for which work is performed under this section shall furnish the necessary tools, materials, or transportation, unless the trustee agrees in writing to furnish the necessary tools, materials, or transportation.

(e) Supervision of the work of a poor relief township assistance recipient under this section is the responsibility of the governmental unit or nonprofit agency for which the work is performed.

(f) The township trustee shall see that a poor relief township assistance recipient performing work under this section is covered by adequate liability insurance for injuries or damages suffered by or caused by the poor relief township assistance recipient.

(g) A poor relief township assistance recipient may not be assigned to work that would result in the displacement of governmental employees or in the reduction of hours worked by governmental employees.

(h) The failure of a poor relief township assistance recipient to perform work assigned by the township trustee within a reasonable period required by the township trustee is a basis for denying further assistance to the recipient or the recipient's household for not more than one hundred eighty (180) days, unless the recipient shows good cause for not performing the work.

SECTION 56. IC 12-20-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The township trustee may require the recipient to perform work for nonprofit human services agencies located within the county or an adjoining township in another county unless the recipient attends courses under section 3 of this chapter.

(b) The township trustee shall determine a poor relief township assistance applicant's suitability to perform available work under this section. The township trustee may provide for medical examinations necessary to make the determination.

(c) A poor relief township assistance recipient shall perform an
amount of work that equals the value of assistance received by the poor relief township assistance recipient or the recipient's household. The poor relief township assistance recipient shall work off the assistance at a rate not less than the federal minimum wage.

(d) The nonprofit agency for which work is performed under this section shall furnish the necessary tools, materials, or transportation, unless the trustee agrees in writing to furnish the necessary tools, materials, or transportation to and from the work site from the trustee’s office.

(e) Supervision of the work of a poor relief township assistance recipient under this section is the responsibility of the nonprofit agency for which the work is performed.

(f) The township trustee shall ensure that a poor relief township assistance recipient performing work under this section is covered by adequate liability insurance for injuries or damages suffered by or caused by the poor relief township assistance recipient.

(g) A poor relief township assistance recipient may not be assigned to work that would result in the displacement of employees of the nonprofit agency or in the reduction of hours worked by those employees.

SECTION 57. IC 12-20-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The township trustee may require a poor relief township assistance applicant or an adult member of the applicant's household to satisfy all obligations to perform work incurred in another township before additional poor relief township assistance is granted. However, in case of an emergency, the trustee may temporarily waive the work obligation incurred from another township and provide temporary assistance to an applicant or a household in order to relieve need or immediate suffering.

(b) The township trustee may request from another township trustee documentation necessary to confirm that a poor relief township assistance applicant or an adult member of the applicant's household performed or did not perform work in another township.

SECTION 58. IC 12-20-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Work performed under this chapter is considered as satisfaction of a condition for poor relief township assistance and is not considered as services performed
for remuneration or as repayment for poor relief township assistance. However, a poor relief township assistance recipient performing work under this chapter and the governmental unit or nonprofit agency for which the recipient works are covered by the medical treatment and burial expense provisions of IC 22-3-2 through IC 22-3-6 with regard to the work performed.

(b) A township trustee may not seek federal or state reimbursement, foreclose a lien, or otherwise seek repayment of assistance for which a recipient or an adult member of the recipient's household has satisfactorily completed a workfare requirement.

SECTION 59. IC 12-20-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As a condition of continuing eligibility, a township trustee may require a recipient of poor relief township assistance or any member of a recipient's household to participate in an appropriate work training program that is offered to the recipient or a member of the recipient's household within the county or an adjoining township in another county by a:

(1) federal, state, or local governmental entity; or
(2) nonprofit agency.

SECTION 60. IC 12-20-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A township trustee may, with the approval of the township board, do the following:

(1) Conduct the following for poor relief township assistance recipients in the township:
   (A) Rehabilitation programs.
   (B) Training programs.
   (C) Retraining programs.
   (D) Work programs.

(2) Employ personnel to supervise the programs.

(3) Pay the costs of the programs from poor relief township assistance money.

SECTION 61. IC 12-20-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) An expenditure of money may not be made under this chapter except after a specific appropriation made and approved in the manner provided by law.

(b) An appropriation may not be made or approved unless a sufficient amount of money to cover the proposed expenditure is included in the annual budget of the township trustee for poor relief township assistance.
township assistance purposes.

SECTION 62. IC 12-20-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If an applicant for or recipient of township poor relief assistance is not satisfied with the decision of the township trustee, as administrator of poor relief township assistance, the applicant or recipient may appeal to the board of commissioners.

SECTION 63. IC 12-20-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. An applicant for poor relief township assistance must file the applicant's appeal not more than fifteen (15) days from the date of issuance by the township trustee of adequate written notice of the denial of poor relief township assistance as provided by IC 12-20-6-8. An appeal must be made in writing or orally as required by the board of commissioners.

SECTION 64. IC 12-20-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The board of county commissioners may:

(1) conduct a hearing on the appeal; or
(2) appoint a hearing officer:
   (A) from among the board;
   (B) from among the employees of the board; or
   (C) from qualified residents of the county;
   who will conduct a hearing for the board.

(b) The board of county commissioners shall develop uniform written procedures, including provisions for:

(1) before the hearing, an opportunity for the appellant or the appellant's legal representative to review the appellant's poor relief township assistance file and any documents or evidence used by the township trustee to make the determination under appeal;
(2) the order of the proceeding and the procedure for subpoena:
   (A) of a witness; or
   (B) for production of evidence;
if reasonably requested by the appellant or the township trustee; and
(3) the issuance of a hearing decision within the period prescribed by section 6(b)(2) of this chapter.

SECTION 65. IC 12-20-15-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) In hearing an appeal, the board of commissioners and a hearing officer shall:

(1) review and consider any report or investigative documents the trustee prepared before making the appealed decision; and
(2) be governed by the township's poor relief township assistance standards for determining eligibility to the extent that the standards comply with existing law for the granting of poor relief: township assistance. If no legally sufficient standards have been established, the board of commissioners and the hearing officer shall be guided by the circumstances in each case.

(b) The board of commissioners shall remand a case to a trustee for further proceedings if:

(1) new evidence was presented by the applicant to the board of commissioners; and
(2) the board of commissioners determines that the new evidence presented would have made the individual eligible for assistance.

(c) If a case is remanded to a trustee, the trustee shall issue a new determination of eligibility not later than seventy-two (72) hours after receiving the written decision remanding the case, excluding weekends and legal holidays listed in IC 1-1-9.

SECTION 66. IC 12-20-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The appellant must be present at a hearing conducted by the board of commissioners or a hearing officer. The township trustee, as administrator of poor relief: township assistance, or the trustee's representative shall be notified in writing of the hearing date and time, but the failure of the township trustee or the trustee's representative to be present is not a cause for postponement of the hearing unless the trustee requests and is granted a continuance. A continuance requested by the township trustee does not reduce the period required for a decision under section 6(b)(2) of this chapter.

SECTION 67. IC 12-20-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The township trustee, as administrator of poor relief: township assistance, shall carry out a decision of the board to sustain, increase, grant, or otherwise modify poor relief township assistance only if the board of commissioners complies with the requirements for a written decision.
under section 6 of this chapter.

SECTION 68. IC 12-20-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The township trustee or an applicant may appeal a decision of the board of commissioners to a circuit or superior court with jurisdiction in the county.

(b) In hearing an appeal, the court shall be governed by the township's poor relief township assistance standards for determining eligibility for granting poor relief township assistance in the township. If legally sufficient standards have not been established, the court shall be guided by the circumstances of the case.

SECTION 69. IC 12-20-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A township trustee, as administrator of poor relief township assistance, may provide and shall extend poor relief township assistance only when the personal effort of the poor relief township assistance applicant fails to provide one (1) or more basic necessities.

SECTION 70. IC 12-20-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsections (b) and (c), the township trustee shall, in cases of necessity, do the following:

(1) Promptly provide medical assistance for poor individuals in the township who are not provided for in public institutions.

(2) See that medicines, medical supplies, special diets, or tests prescribed by a physician or surgeon in attendance upon poor individuals in the township are properly furnished.

(b) A township trustee may not provide to an individual medical assistance under the poor relief township assistance program if the individual could qualify for medical assistance for the same service under:

(1) IC 12-16;
(2) Medicaid;
(3) other governmental medical programs; or
(4) private health insurance that would cover the individual at the time the assistance was provided. However, if the individual's insurance does not pay for the medical assistance due to a policy deductible or other policy limitation, the township trustee shall pay for medical assistance that the trustee would provide if the
individual did not have insurance. However, a township trustee may provide interim medical services during the period that the individual has an application pending for medical assistance under Medicaid (IC 12-15) or another governmental medical program if the individual is reasonably complying with all requirements of the application process.

(c) The township trustee shall pay only for the following medical services for the poor of the township:

(1) Prescription drugs, not to exceed a thirty (30) day supply at a time, as prescribed by an attending practitioner (as defined in IC 16-42-19-5) other than a veterinarian. However, if the prescription drugs are available only in a container that contains more than a thirty (30) day supply, the township trustee may pay for the available size.

(2) Office calls to a physician licensed under IC 25-22.5 or another medical provider.

(3) Dental care needed to relieve pain or infection or to repair cavities.

(4) Repair or replacement of dentures.

(5) Emergency room treatment that is of an emergency nature.

(6) Preoperation testing prescribed by an attending physician licensed under IC 25-22.5.

(7) Over-the-counter drugs prescribed by a practitioner (as defined in IC 16-42-19-5) other than a veterinarian.

(8) X-rays and laboratory testing as prescribed by an attending physician licensed under IC 25-22.5.

(9) Visits to a medical specialist when referred by an attending physician licensed under IC 25-22.5.

(10) Physical therapy prescribed by an attending physician licensed under IC 25-22.5.

(11) Eyeglasses.

(12) Repair or replacement of a prosthesis not provided for by other tax supported state or federal programs.

(13) Insulin and items needed to administer the biological, not to exceed a thirty (30) day supply at a time, in accordance with section 14 of this chapter. However, if the biologicals are available only in a container that contains more than a thirty (30) day supply, the township trustee may pay for the available size.
(d) The township trustee may establish a list of approved medical providers to provide medical services to the poor of the township. Any medical provider who:

(1) can provide the particular medical services within the scope of the provider's license issued under IC 25; and
(2) is willing to provide the medical services for the charges established by the township trustee;

is entitled to be included on the list.

(e) Unless prohibited by federal law, a township trustee who:

(1) provides to an individual medical assistance that is eligible for payment under any medical program described in subsection (b) for which payments are administered by an agency of the state during the pendency of the individual's successful application for the program; and
(2) submits a timely and proper claim to the agency;

is eligible for reimbursement by the agency to the same extent as any medical provider.

(f) If a township trustee provides medical assistance for medical services provided to an individual who is subsequently determined to be eligible for Medicaid:

(1) the township trustee shall notify the medical provider that provided the medical services of the individual's eligibility; and
(2) not later than thirty (30) days after the medical provider receives the notice under subdivision (1), the medical provider shall file a claim for reimbursement with the office.

(g) A medical provider that is reimbursed under subsection (f) shall, not later than thirty (30) days after receiving the reimbursement, pay to the township trustee the lesser of:

(1) the amount of medical assistance received from the trustee to an individual; or
(2) the amount reimbursed by Medicaid to the medical provider.

SECTION 71. IC 12-20-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The township trustee may, in cases of necessity, authorize the payment from township poor relief assistance money for essential utility services, including the following:

(1) Water services.
(2) Gas services.
(3) Electric services.
(4) Fuel oil services for fuel oil used for heating or cooking.
(5) Coal, wood, or liquid propane used for heating or cooking.

(b) The township trustee may authorize the payment of delinquent bills for the services listed in subsection (a)(1) through (a)(5) when necessary to prevent the termination of the services or to restore terminated service if the delinquency has lasted not longer than twenty-four (24) months. The township trustee has no obligation to pay a delinquent bill for the services or materials listed in subsection (a)(1) through (a)(5) if the delinquency has lasted longer than twenty-four (24) months.

(c) The township trustee is not required to pay for any utility service:
   (1) that is not properly charged to:
       (A) an adult member of a household;
       (B) an emancipated minor who is head of the household; or
       (C) a landlord or former member of the household if the applicant proves that the applicant:
           (i) received the services as a tenant residing at the service address at the time the cost was incurred; and
           (ii) is responsible for payment of the bill;
   (2) received as a result of a fraudulent act by any adult member of a household requesting poor relief township assistance; or
   (3) that includes the use of township poor relief assistance funds for the payment of:
       (A) a security deposit; or
       (B) damages caused by a poor relief township assistance applicant to utility company property.

(d) The amount paid by the township trustee, as administrator of poor relief township assistance, and the amount charged for water services may not exceed the minimum rate charged for the service as fixed by the Indiana utility regulatory commission.

(e) This subsection applies only during the part of each year when applications for assistance are accepted by the division under IC 12-14-11. A township trustee may not provide assistance to make any part of a payment for heating fuel or electric services for more than thirty (30) days unless the individual files an application with the township trustee that includes the following:
(1) Evidence of application for assistance for heating fuel or electric services from the division under IC 12-14-11.
(2) The amount of assistance received or the reason for denial of assistance.

The township trustee shall inform an applicant for assistance for heating fuel or electric services that assistance for heating fuel and electric services may be available from the division under IC 12-14-11 and that the township trustee may not provide assistance to make any part of a payment for those services for more than thirty (30) days unless the individual files an application for assistance for heating fuel or electric services under IC 12-14-11. However, if the applicant household is eligible under criteria established by the division of disability, aging, and rehabilitative services for energy assistance under IC 12-14-11, the trustee may certify the applicant as eligible for that assistance by completing an application form prescribed by the state board of accounts and forwarding the eligibility certificate to the division of disability, aging, and rehabilitative services within the period established for the acceptance of applications. If the trustee follows this certification procedure, no other application is required for assistance under IC 12-14-11.

(f) If an individual or a member of an individual's household has received assistance under subsection (b), the individual must, before the individual or the member of the individual's household may receive further assistance under subsection (b), certify whether the individual's or household's income, resources, or household size has changed since the individual filed the most recent application for poor relief township assistance. If the individual or a member of the individual's household certifies that the income, resources, or household size has changed, the township trustee shall review the individual's or household's eligibility and may make any necessary adjustments in the level of assistance provided to the individual or to a member of the individual's household.

SECTION 72. IC 12-20-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) An applicant or a household that receives food relief in any township having a population of more than ten thousand (10,000) may request the township trustee, as administrator of poor relief township assistance, to issue a food order upon any eligible market, and the township trustee, as administrator of poor relief township assistance, shall
abide by that request.

(b) The amount of a food order for various sized households that are determined by the trustee to be eligible for poor relief township assistance shall be based upon uniform monthly amounts specified in the township's poor relief township assistance standards. However, an additional amount of food may be ordered for special health reasons as prescribed by a physician. A supplemental food order may be issued because of the loss of the recipient's food by:

(1) fire, flood, or other natural disaster;
(2) burglary or other criminal act; or
(3) the unpreventable spoilage of food.

(c) The trustee may issue a food order to an eligible applicant on either a daily, weekly, or monthly basis.

SECTION 73. IC 12-20-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as provided in subsection (b), a township trustee, as administrator of poor relief township assistance, may not purchase food out of the township poor relief township assistance fund for an applicant or a household that is eligible to participate in the federal food stamp program.

(b) A township trustee, as administrator of poor relief township assistance, may purchase food for an eligible food stamp applicant or household only under any of the following conditions:

(1) During the interim period beginning when an applicant or a household is awaiting a determination of eligibility from the food stamp office and ending not more than five (5) days after the day the applicant or household becomes eligible to participate in the federal food stamp program.

(2) Upon the verified loss of the household's food stamps or food supply by:

(A) fire or other natural disaster; or
(B) burglary or other criminal act, if the requesting applicant or household files a report with the appropriate law enforcement agency.

(3) Upon the loss of the applicant's or household's food supply through spoilage.

(4) Upon a written statement from a physician indicating that at least one (1) member of the household needs a special diet, the cost of which is greater than can be purchased with the
household's allotment of food stamps.

(5) If the township trustee, as administrator of poor relief; township assistance, determines that an applicant or a household:

(A) is in need of supplementary food assistance; and
(B) has participated in the federal food stamp program to the fullest extent allowable under federal and state law;

and supplementary food assistance is required by the circumstances of the particular case.

SECTION 74. IC 12-20-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A combined grocery (marketing fresh vegetables, fresh eggs, and dairy products) and meat market (marketing fresh meat) in a township having a population of more than ten thousand (10,000) is eligible to accept food purchase orders from the township trustee, as administrator of poor relief; township assistance, in the township in which the market is located if the owner of the market has applied to the township trustee using a form prescribed by the state board of accounts.

(b) A market described in subsection (a) remains eligible to accept township food purchase orders unless any of the following conditions exist:

(1) The owner notifies the township trustee, as administrator of poor relief; township assistance, to remove the owner's market from the eligible list.
(2) An appropriate health or other governmental agency closes the market.
(3) The township trustee, as administrator of poor relief; township assistance, removes the market from the eligible list for a period not to exceed six (6) months because the management of the market, in filling a township food or household supply order:

(A) includes in the order tobacco products, alcoholic beverages, or other nonqualifying items; or
(B) fails to routinely request identification from an individual who redeems a township purchase order.
(4) A person who owns or is employed by the market has been convicted of poor relief township assistance fraud under IC 12-20-1-4(c).

(c) A combined grocery and meat market shall, in filling a township purchase order for food and household supplies, attach to the purchase
order form either a cash register tape or a written or typed itemization of the cost of the food and household supplies purchased. Household supplies, including first aid and medical supplies, are not considered food.

(d) The cash register tape or itemization required by subsection (c) is the full and complete record of purchase for all purposes. More complete records or itemization may not be required by any individual, government official, or entity.

SECTION 75. IC 12-20-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) If an applicant or a household is considered by the township trustee, as administrator of poor relief; township assistance, to be incompetent or irresponsible to select food from a combined grocery and meat market or to make proper use of food stamps, the township trustee, as administrator of poor relief; township assistance, shall issue the food purchase order in the name of one (1) of the following:

(1) Another adult member of the household.
(2) Another relative living in another household.
(3) Any other individual considered competent by the township trustee, as administrator of poor relief; township assistance.

(b) For the purpose of selecting the combined grocery and meat market in a township having a population of more than ten thousand (10,000) from which food for the household is to be obtained, the competent individual referred to in subsection (a) shall be considered the individual responsible.

SECTION 76. IC 12-20-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The township trustee, as administrator of poor relief; township assistance, may purchase feed for a minimum amount of subsistence livestock if the cost is less than the cost of food that is otherwise necessary for the township trustee to furnish under this chapter.

SECTION 77. IC 12-20-16-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A township trustee may not furnish a nonresident of a township with transportation at the cost of the township until the township trustee, as administrator of poor relief; township assistance, determines the legal residence of the individual applying for assistance.

(b) Transportation provided to a nonresident of a township must be
in the direction of the nonresident's legal residence unless it is shown that the individual in need has a valid claim for support or a means of support in some other place to which the individual asks to be sent.

SECTION 78. IC 12-20-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) This section does not apply if the county coroner assumes jurisdiction of an unclaimed body under IC 36-2-14-16.

(b) If:

(1) an individual dies in a township without leaving:

   (A) money;
   (B) real or personal property;
   (C) other assets that may be liquidated; or
   (D) other means necessary to defray funeral expenses; and

(2) the individual is not a resident of another township in Indiana; the township trustee, as administrator of poor relief township assistance, shall provide a person to superintend and authorize either the funeral and burial or cremation of the deceased individual. If the township trustee determines that the deceased individual is a resident of another township in Indiana, the township trustee shall notify the trustee of that township, who shall then provide a person to superintend and authorize either the funeral and burial or cremation of the deceased individual.

(c) The necessary and reasonable expenses of the funeral and burial or cremation, including a burial plot, shall be paid in the same manner as other claims for poor relief township assistance. A trustee shall determine the cost for the items and services required by law for the funeral and burial of an individual, including a burial plot, and for the cremation of an individual, and include in the township's poor relief township assistance standards the maximum funeral and burial or cremation amount to be paid from poor relief township assistance funds. The trustee may deduct from the maximum amount the following:

   (1) Any monetary benefits that the deceased individual is entitled to receive from a state or federal program.
   (2) Any money that another person provides on behalf of the deceased individual.

(d) If an individual described in subsection (b) is a resident of a state institution at the time of the individual's death, the division that
has administrative control of the state institution shall reimburse the township trustee for the necessary and reasonable expenses of the funeral and burial or cremation of the deceased individual. The township trustee shall submit to the division that has administrative control of the state institution an itemized claim for reimbursement of the necessary and reasonable funeral and burial or cremation expenses incurred by the township trustee.

(e) If an individual described in subsection (b) is a resident of a special institution governed by IC 16-33 at the time of the individual's death, the state department of health shall reimburse the township trustee for the necessary and reasonable expenses of the funeral and burial or cremation of the deceased individual. The township trustee shall submit to the state department of health an itemized claim for reimbursement of the necessary and reasonable funeral and burial or cremation expenses incurred by the township trustee.

(f) A township trustee who provides funeral and burial or cremation benefits to a deceased individual is entitled to a first priority claim, to the extent of the cost of the funeral and burial or cremation benefits paid by the township trustee, against any money or other personal property held by the coroner under IC 36-2-14-11.

(g) The township trustee may not cremate a deceased individual if:

(1) the deceased individual; or

(2) a surviving family member of the deceased individual; has objected in writing to cremation.

(h) If a township trustee provides a funeral under this section, the cost of the funeral may not be more than the cost of the least expensive funeral, including any necessary merchandise and embalming, available from the funeral director under the funeral director's price list disclosed to the Federal Trade Commission.

SECTION 79. IC 12-20-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) The township trustee, as administrator of poor relief; township assistance, may process at the expense of the township materials provided by charitable or governmental agencies to provide any item of poor relief township assistance if the expense of the processing is less than the cost of the finished product.

(b) The township trustee, as administrator of poor relief; township assistance, may buy materials and supplies of any item of relief and
may process the materials for poor relief township assistance purposes.

(c) The township trustee, as administrator of poor relief township assistance, may buy garden seeds and plant and maintain gardens for poor relief township assistance purposes.

SECTION 80. IC 12-20-16-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) A township trustee may employ the services of a housing inspector to inspect all housing units, including:

(1) mobile homes;
(2) group homes;
(3) single household units;
(4) multiple household units;
(5) apartments; or
(6) any other dwelling;

inhabited by a poor relief township assistance recipient.

(b) A township trustee may contract with a local housing authority:

(1) for housing inspection services; and
(2) to train a township housing inspector.

Costs of these contractual services shall be paid from the township poor relief assistance fund.

(c) A township housing inspector shall use the following for determining a housing structure's suitability for habitation:

(1) Standards recommended by the United States Department of Housing and Urban Development as used by local housing authorities.
(2) Local building codes and municipal ordinances.

(d) Substandard housing that does not meet minimum standards of health, safety, and construction is not eligible for:

(1) the maximum level of shelter payments; or
(2) damage or security deposits paid from or encumbered by township funds.

(e) If the trustee determines that a housing unit for which payment is requested is substantially below minimum standards of health, safety, or construction, the trustee, when necessary, shall assist the applicant in obtaining appropriate alternate shelter.

(f) A township trustee is not required to spend poor relief township assistance funds for a shelter damage or security deposit for an eligible
poor relief township assistance applicant or household. However, the trustee may encumber money for a shelter damage or security deposit by making an agreement with a property owner who furnishes shelter for a poor relief township assistance recipient or household. The agreement must include the following:

1. The agreement's duration, not to exceed one hundred eighty (180) days.
2. A statement that the agreement may be renewed if both parties agree.
3. The total value of the encumbered money, not to exceed the value of one (1) month's rental payment.
4. A statement signed by both the trustee and the property owner attesting to the condition of the property at the time the agreement is made.
5. A statement that encumbered money may be used to pay the cost of:
   A. verified damages, normal wear excluded, caused by the tenant poor relief township assistance recipient during the duration of the agreement; and
   B. any unpaid rental payments for which the tenant poor relief township assistance recipient is obligated.
6. A statement that the total amount to be paid from the encumbered money may not exceed one (1) month's rental payment for the unit in question.

(g) A trustee is not required to provide shelter assistance to an otherwise eligible individual if the:
1. individual's most recent residence was provided by the individual's parent, guardian, or foster parent; and
2. individual, without just cause, leaves that residence for the shelter for which the individual seeks assistance.

SECTION 81. IC 12-20-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If a township trustee determines by investigation that a poor relief township assistance applicant or a poor relief township assistance applicant's household requires assistance, the township trustee shall, after determining that an emergency exists, furnish to the applicant or household the temporary aid necessary for the relief of immediate suffering. However, before any further final or permanent relief is given, the township trustee shall
consider whether the applicant's or household's need can be relieved by means other than an expenditure of township money.

SECTION 82. IC 12-20-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) As used in this section, "shelter" means a facility that provides temporary emergency assistance.

(b) A township trustee may establish, purchase, acquire, maintain, or operate a shelter for eligible *poor relief township assistance* households needing temporary housing assistance.

(c) A township having a population of less than eight thousand (8,000) may not expend more than ten thousand dollars ($10,000) to implement this section without the approval of the county executive.

(d) A township having a population of at least eight thousand (8,000) may not expend more than one hundred thousand dollars ($100,000) to implement this section without the approval of the county executive.

(e) In counties where the implementation of this section can be more efficiently and expeditiously handled in units larger than a single township, a township trustee may combine resources with other townships within a county to:

1. establish one (1) or more household shelter units; and
2. pay a pro rata share of all administrative and other costs incidental to the maintenance and operation of each shelter unit established in subdivision (1).

IC 36-1-7-1 through IC 36-1-7-4 apply to a township electing to combine its resources with other townships under this subsection.

(f) A township trustee is not required to provide shelter to an individual who at the time assistance is requested is:

1. under the influence of drugs or alcohol; or
2. incapable of self-care.

The township trustee may at no cost to the township refer an individual described in this subsection to an appropriate agency or facility located in the county or in an adjoining county that has a program or charter specifically addressing the problems of substance abuse, mental illness, or self-care.

(g) A township trustee may contract with a private agency offering a shelter program in order to comply with this section if the applicant or the applicant's household is not mandated by the private agency to
participate, as a condition of eligibility, in religious services.

(h) A township trustee is not obligated to:
   (1) enter into a contract with; or
   (2) pay shelter costs to;
a shelter that is supported by federal or state funds.

SECTION 83. IC 12-20-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Upon complaint that an individual within the township is:
   (1) sick;
   (2) in need;
   (3) without necessary financial resources; and
   (4) likely to suffer;

the township trustee, as administrator of poor relief township assistance, shall investigate and grant the temporary relief required.

SECTION 84. IC 12-20-17-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If an individual who is determined to be eligible for poor relief township assistance and entitled to temporary relief is in a township in which the individual does not have legal residence, the township trustee, as administrator of poor relief township assistance, may, if the trustee considers advisable, place the individual temporarily in the county home, if any, where the individual, if capable, is to be employed.

SECTION 85. IC 12-20-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A township trustee, as administrator of poor relief township assistance, may cooperate with the state and federal government in the furnishing of poor relief township assistance so that the poor relief township assistance is furnished adequately and economically.

(b) A township trustee, as administrator of poor relief township assistance, shall provide facilities for relief headquarters and storage and transportation of commodities for poor relief township assistance purposes as are demanded, but such cooperation shall be confined to that reasonably required under the purposes of this article.

SECTION 86. IC 12-20-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The township trustee, as administrator of poor relief township assistance, may participate in surplus agricultural commodities distributions provided by the United States Department of Agriculture to the state.
(b) A township trustee, as administrator of tax relief town assistance:

(1) may establish the trustee's own distribution plan; or
(2) shall participate jointly with at least one (1) other township trustee who serves as administrator of tax relief town assistance.

SECTION 87. IC 12-20-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A township trustee, as administrator of tax relief town assistance, may participate in and cooperate with the establishment and use of federal surplus commodities food, cotton, or other stamp plans created by a governmental agency of the United States in the purchase of food, clothing, or other tax relief town assistance supplies.

(b) If a township trustee's cooperation and participation in federal surplus commodities or stamp programs can be more efficiently and expeditiously handled in a larger unit than a single township, a group of township trustees, as administrators of tax relief town assistance, may do the following:

(1) Establish a single stamp issuing agency.
(2) Appoint and designate an issuing agent to issue stamps to recipients entitled to participate in the programs.
(3) Pay each township's pro rata share of all administrative and other costs incident to the maintenance and operation of the issuing office.

SECTION 88. IC 12-20-19-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. To establish a revolving fund necessary for a township trustee's participation or administration, the township trustees, as administrators of tax relief town assistance, may make claims in the same manner as other tax relief town assistance claims are paid by the township.

SECTION 89. IC 12-20-19-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The issuing officer employed by a township trustee must take an oath for the faithful performance of the duties of the issuing officer's office.

(b) The issuing officer must furnish a bond:

(1) payable to the state; and
(2) conditioned upon the faithful performance of the issuing officer's duties and accurate accounting of all money in the
(c) The bond required by subsection (b) must be in a penal sum of not less than the total amount of the revolving money coming into the issuing officer's possession from all trustees.

(d) The cost of the bond required by subsection (b) shall be paid by county warrant and charged by the county auditor pro rata against the 

poor relief township assistance accounts of the townships participating in the establishment of the revolving or other fund for the purposes set forth in this chapter.

SECTION 90. IC 12-20-19-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The trustees participating in or cooperating with programs under this chapter may issue to eligible recipients orders or stamps for food, clothing, or other items covered under the federal plan.

(b) An order issued under this section must set forth the quantities and prices of each item ordered and the total amount of the order or stamps.

(c) A recipient who receives an order or stamps under this section may present the order or stamps to the issuing officer and is entitled to have issued to the recipient food, cotton, or other vouchers for use in the purchase of 

poor relief township assistance supplies.

SECTION 91. IC 12-20-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) If a township trustee, as administrator of 

poor relief township assistance, grants 

poor relief township assistance to an indigent individual or to any other person or agency on a township 

poor relief assistance order as provided by law or obligates the township for an item properly payable from 

poor relief township assistance money, the claim against the township must be:

1. itemized and sworn to as provided by law;
2. accompanied by the original township 

poor relief assistance order, which must be itemized and signed; and
3. checked with the records of the township trustee, as administrator of 

poor relief township assistance, and audited and certified by the township trustee.

(b) The township trustee shall pay claims against the township for 

poor relief township assistance in the same manner that other claims against the township are paid. The township trustee, when authorized
to pay claims directly to vendors, shall pay a claim within forty-five (45) days. The township trustee shall pay the claim from:

(1) any balance standing to the credit of the township against which the claim is filed; or

(2) from any other available fund from which advancements can be made to the township for that purpose.

SECTION 92. IC 12-20-20-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If money is not available for the payment of *poor relief township assistance* claims under section 1 of this chapter, the township board shall appeal to borrow money under IC 12-20-24.

(b) This subsection does not apply to a county having a consolidated city. If the township board does not appeal to borrow money under IC 12-20-24 or if an appeal fails, the board of commissioners may borrow money or otherwise provide the money. If the county commissioners determine to borrow the money or otherwise provide the money, the county fiscal body shall promptly pass necessary ordinances and make the necessary appropriations to enable this to be done, after determining whether to borrow money by any of the following:

(1) A temporary loan against taxes levied and in the process of collection.

(2) The sale of county *poor relief township assistance* bonds or other county obligations.

(3) Any other lawful method of obtaining money for the payment of *poor relief township assistance* claims.

(c) This subsection applies only to a county having a consolidated city. If a township board does not appeal to borrow money under IC 12-20-24 or if an appeal fails, the board of commissioners shall borrow money or otherwise provide the money. The county fiscal body shall promptly pass necessary ordinances and make the necessary appropriations to enable this to be done, after determining whether to borrow money by any of the following methods:

(1) A temporary loan against taxes levied and in the process of collection.

(2) The sale of county *poor relief township assistance* bonds or other county obligations.

(3) Any other lawful method of obtaining money for the payment
of poor relief township assistance claims.

SECTION 93. IC 12-20-20-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The state board of accounts shall prescribe the forms for the purchase of and payment for poor relief township assistance items.

SECTION 94. IC 12-20-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Money raised by tax levies made specifically for poor relief township assistance purposes, either by a county or township, may not be considered as a part of and may not be commingled with other money of the county. Poor relief Township assistance money raised by townships may not be commingled, except for the money resulting from levies made by the townships for reimbursement of the counties for advancements from the general fund.

SECTION 95. IC 12-20-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A township trustee and township board may levy a specific tax for the purpose of providing money for the payment of poor relief township assistance expenses in the following year. The tax may be sufficient to meet the entire requirement of the township in the following year or the part that is determined to be proper.

(b) If a tax levy is established under subsection (a), all proceeds derived from the tax levy shall be distributed to the township at the same time and in the same manner as proceeds from other property tax levies are distributed to the township. The proceeds of the tax levy shall be held by the township in its township poor relief assistance account free and available for the payment of poor relief township assistance obligations of the township. The funds are continuing funds and do not revert to any other fund at the end of the year.

SECTION 96. IC 12-20-21-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If the board of commissioners determines from the levies made by the respective townships for poor relief township assistance purposes that there will be insufficient money in the township poor relief assistance fund to provide free and available money during the following year for poor relief township assistance purposes on the basis of the total costs of poor relief township assistance granted by the township trustees, as administrators of poor relief township assistance, for the previous
(1) the board of commissioners may include estimates for the advancements in the county general fund budget;
(2) the county fiscal body may appropriate for the advancement in the budget and levy as adopted by the county fiscal body; and
(3) the department shall include that amount in the final county general fund levy.

SECTION 97. IC 12-20-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A township trustee may not, acting as administrator of poor relief township assistance, disburse any money or incur any obligation in the furnishing of poor relief township assistance in excess of the amount appropriated for that purpose.

(b) Appropriations for poor relief township assistance purposes must be made in the manner provided by law for appropriations for other township purposes.

(c) When preparing the annual budget for a township, the township trustee and the township board shall set out in the budget the amount of expenditures estimated to be reasonably required for current poor relief township assistance in the following calendar year. If the amount provided for poor relief township assistance in the annual budget as finally adopted and approved is insufficient to meet the requirements for that purpose, additional appropriations may be made in the manner provided by law for the making of additional appropriations by townships for other purposes.

SECTION 98. IC 12-20-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Copies of all township budgets for current poor relief township assistance shall, as finally adopted and approved, be placed on file in the office of the county auditor. If an additional appropriation for current poor relief township assistance is made by a township:

(1) a certified copy of the action of the township board in making the additional appropriation; and
(2) a certified copy of the order of the department approving the additional appropriation;

shall be filed in the office of the county auditor.

(b) A township trustee may not pay any poor relief township assistance order or claim in excess of the amount appropriated for
current poor relief township assistance purposes, except as otherwise provided by law.

SECTION 99. IC 12-20-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The state board of accounts shall adopt uniform forms and necessary rules under this chapter to make the method of budgeting and appropriating poor relief township assistance money uniform in all townships.

SECTION 100. IC 12-20-23-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If the board of commissioners of a county finds that the amount of money required by the townships of the county for the providing of poor relief township assistance is greater than can be reasonably advanced by the county out of available money, the board of commissioners of the county may borrow on behalf of the county sufficient money for that purpose, subject to the limitations set forth in this chapter.

SECTION 101. IC 12-20-23-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A county may not borrow money to provide an advancement to a township unless the township has a township poor relief assistance ad valorem property tax rate of at least one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation.

SECTION 102. IC 12-20-23-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A loan may be made under this chapter in an amount sufficient to pay the following:

1. The indebtedness incurred by the townships in providing poor relief township assistance.
2. The amount estimated by the board of commissioners to be needed for a period not to exceed six (6) calendar months beginning with the month following the month in which the board's finding is made.

SECTION 103. IC 12-20-23-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. If the proceeds of the bonds authorized under IC 12-2-5 (before its repeal) or this chapter are not sufficient to enable the county to make the necessary advancements to the townships for poor relief township assistance during the entire period covered by the estimate, additional loans may be made for that period.

SECTION 104. IC 12-20-23-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The provisions of general statutes relating to the preparation and sale of bonds by counties apply to the preparation and sale of bonds issued under IC 12-2-5 (before its repeal) or this chapter, except as otherwise provided by this chapter.

(b) Before the sale of bonds, the county auditor shall cause notice of the sale to be published:

(1) at least one (1) time each week for two (2) weeks in at least two (2) newspapers published in the county; and
(2) one (1) time in a newspaper published in the city of Indianapolis;

at least seven (7) days before the date fixed for the sale of the bonds.

(c) If the order of the board of commissioners provides for a bid rate on the bonds, the notice of sale must state the following:

(1) The bid rate.
(2) That the highest bidder for the bonds will be the person that offers the lowest net interest cost to the county, to be determined by computing the total interest on all of the bonds to maturity and deducting from the amount the premium bid if any.

(d) The county auditor shall sell the bonds to the highest bidder. If a satisfactory bid is not received for all of the bonds at the time fixed in the notice of sale, the county auditor may continue the sale from day to day and sell the bonds in parcels, until otherwise directed by an order of the board of commissioners.

(e) If the successful bidder for all or any part of the bonds is the holder of approved poor relief township assistance claims as provided by law against any of the townships of the county, the bidder may apply those claims on the purchase price of the bonds awarded to the bidder. The county treasurer shall receive the claims at face value in lieu of cash, and the county auditor shall charge that amount against the proper township as an advancement to the township from the county.

SECTION 105. IC 12-20-23-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The county auditor shall be authorized to pay out of the bond proceeds, upon approval of the board of commissioners and without further appropriation, the following:

(1) The cost of publishing the notice of determination, bond sale notice, and the printing of the bonds.
(2) The expense for legal services incurred in the sale of the bonds.

(b) The proceeds of the bonds remaining after the payment of the costs of the issuance of the bonds shall be held in a special fund. The fund may only be used for the purpose of making advances to the townships of the county for poor relief township assistance purposes.

SECTION 106. IC 12-20-23-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A county auditor or other county official may not do any of the following:

(1) Commingle or transfer poor relief township assistance money raised by tax levy from the credit of one (1) township or account to another township or account.

(2) Transfer money raised by a poor relief township assistance bond issue to the credit of a township for which the bonds were not issued.

(3) Transfer poor relief township assistance money to the credit of any other fund or account.

SECTION 107. IC 12-20-23-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. Because the necessity of providing a clear and economical method for the borrowing of money to finance poor relief township assistance costs is of paramount importance to the public welfare, this chapter may not be construed as being repealed by implication, notwithstanding any conflicting provisions of any statute of the 1935 session of the general assembly. This chapter prevails over every statute of the 1935 session of the general assembly, unless this chapter is expressly repealed by a subsequent statute.

SECTION 108. IC 12-20-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In addition to the other methods of poor relief township assistance financing provided by this article, if a township trustee for a township determines that a particular township's poor relief township assistance account will be exhausted before the end of a fiscal year, the township trustee shall notify the township board of that determination.

(b) After receiving notice under subsection (a) that a township's poor relief township assistance account will be exhausted before the end of a fiscal year, the township board shall appeal for the right to borrow money on a short term basis to fund poor relief township assistant.
assistance services in the township. In the appeal the township board must do the following:

   (1) Show that the amount of money contained in the township poor relief assistance account will not be sufficient to fund services required to be provided within the township by this article.
   (2) Show the amount of money that the board estimates will be needed to fund the deficit.
   (3) Indicate a period, not to exceed five (5) years, during which the township would repay the loan.

SECTION 109. IC 12-20-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If the board of commissioners determines to make a loan under section 2 of this chapter, the money shall be transferred from a county fund designated by the commissioners to the township’s poor relief township assistance account.

   (b) If the board of commissioners determines not to make the loan, the commissioners shall submit the request to the county auditor. The county auditor shall call for a special meeting of the county council. At the meeting, the county council shall determine whether or not to allow the township board to borrow money.

SECTION 110. IC 12-20-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If the county council determines under section 3 of this chapter to allow the loan to be made, the county auditor shall borrow the money from a financial institution on behalf of the township board.

   (b) If the county council determines that the township board should not be allowed to borrow money under this chapter, the county council shall inform the township board of the council’s decision.

   (c) If the county council determines that a township board should not be allowed to borrow money under this chapter, the township board may appeal to the department for the right to borrow money to pay for the township’s poor relief township assistance obligations.

SECTION 111. IC 12-20-24-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) If upon appeal under section 4 of this chapter the department determines that a township board should be allowed to borrow money under this chapter, the department shall order the township trustee to borrow the money
from a financial institution on behalf of the township board and to
deposit the money borrowed in the township's poor relief township assistance account.

(b) If upon appeal under section 4 of this chapter the department
determines that the township board should not be allowed to borrow
money, the board may not do so for that year.

SECTION 112. IC 12-20-24-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A board of
commissioners, a county council, or the department may not do any of
the following:

(1) Approve a request to borrow money made under IC 12-2-4.5
(before its repeal) or this chapter unless the body determines that
the township's poor relief township assistance account will be
exhausted before the account can fund all township obligations
incurred under this article.

(2) Recommend or approve a loan that will exceed the estimated
amount of the deficit.

SECTION 113. IC 12-20-25-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
chapter, "control board" refers to the township poor relief assistance
control board.

SECTION 114. IC 12-20-25-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. As used in this
chapter, "distressed township" means:

(1) a township that:

(A) has a valid poor relief township assistance claim that the
county auditor cannot pay within thirty (30) days after the
claim is approved for payment under IC 12-2-1-31 (before its
repeal) or IC 12-20-20;

(B) has poor relief township assistance expenditures during
a year that exceed the year's poor relief township assistance
revenues, excluding any advances from the state and revenues
from short term loans from the county or a financial institution
or advances from the county from the proceeds of bonds, made
or issued under:

(i) this article; or

(ii) IC 12-2-1, IC 12-2-4.5, or IC 12-2-5 (before the repeal
of those statutes);
(C) has imposed and dedicated to poor relief township assistance at least ninety percent (90%) of the maximum permissible ad valorem property tax levy permitted for all of the township's money under IC 6-1.1-18.5; and
(D) has outstanding indebtedness that exceeds one and eight-tenths percent (1.8%) of the township's adjusted value of taxable property in the district as determined under IC 36-1-15; or
(2) a township that:
   (A) has been a controlled township during any part of the preceding five (5) years;
   (B) has a valid poor relief township assistance claim that the county auditor cannot pay within thirty (30) days after the claim is approved for payment under IC 12-2-1-31 (before its repeal) or IC 12-20-20; and
   (C) uses advances from the county from proceeds of bonds issued under IC 12-2-1 (before its repeal) or this article.

SECTION 115. IC 12-20-25-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "indebtedness" includes unpaid poor relief township assistance claims, outstanding bonds, and advancements from the county to the township for any purpose, if the advancement is not repayable in the year the advancement is made.

SECTION 116. IC 12-20-25-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Upon receipt of a certification under section 7 of this chapter, the governor shall appoint a four (4) member management committee to assume the township trustee's duties as administrator of poor relief township assistance. The committee must consist of one (1) representative from each of the following:
   (1) The budget agency. This member serves as chairperson.
   (2) The state board of accounts.
   (3) The department.
   (4) The division of family and children.

SECTION 117. IC 12-20-25-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The management committee shall administer the township trustee's office until the committee has completed a financial and management evaluation of the
trustee's office and reported the committee's findings to the township poor relief control board under section 32 of this chapter.

SECTION 118. IC 12-20-25-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. At the time the governor appoints the members of the management committee, the governor shall also appoint a township poor relief control board for the distressed township under section 29 of this chapter.

SECTION 119. IC 12-20-25-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) When the management committee is appointed, the distressed township is a controlled township until the requirements of section 41 of this chapter are met.

(b) During the period that the management committee is in control of the township trustee's office, the payment of poor relief township assistance claims and the operating costs of the management committee that:

(1) are incurred during the period the management committee is in control of the township trustee's office; and

(2) exceed the revenue derived from the distressed township's poor relief township assistance property tax levy;

shall be made from support to the county from the distressed township supplemental poor relief township assistance fund established under section 51 of this chapter.

SECTION 120. IC 12-20-25-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. A township trustee has no authority concerning poor relief township assistance in a controlled township. However, after the management committee has completed the evaluation of the trustee's office and reported the committee's findings to the township poor relief control board as required by section 32 of this chapter, the township trustee shall resume the trustee's duties concerning poor relief, township assistance, subject to the supervision and control of the control board.

SECTION 121. IC 12-20-25-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The management committee appointed under section 8 of this chapter shall do the following:

(1) Conduct or have conducted a financial and compliance audit of the internal operations of the trustee's office.
(2) Conduct or have conducted, to the extent practicable, a financial and compliance audit of each poor relief township assistance recipient who received assistance from the township trustee over the five (5) years immediately preceding the assumption of control of the trustee's office.

(3) Conduct or have conducted an economy and efficiency audit of the internal operations of the trustee's office, which must determine the following:
   (A) If the trustee's office is managing and utilizing the resources of the office, including personnel, property, and office space, economically and efficiently.
   (B) If there are any inefficiencies or uneconomical practices and if so the causes.
   (C) If the trustee's office has complied with statutes and rules concerning matters of economy and efficiency.

(4) Establish standards for the following:
   (A) Eligibility for poor relief township assistance.
   (B) Payments for poor relief township assistance claims.
   (C) Contracts and payments on contracts for poor relief township assistance goods or services.
   (D) Leases or rental agreements and payments on leases or rental agreements for facilities that relate to the provision of poor relief township assistance.
   (E) Capital expenditures relating to poor relief township assistance.

(5) Implement a mandatory employment or workfare program under IC 12-20-10 or IC 12-20-11 or require that a poor relief township assistance recipient participate in a training program under IC 12-20-12.

(b) Notwithstanding IC 36-9, the management committee is not required to solicit bids before entering into a contract to have an audit conducted under this section.

(c) If the poor relief control board has adopted rules concerning the standards listed in subsection (a)(4), the management committee's rules must be consistent with the poor relief control board's rules.

SECTION 122. IC 12-20-25-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The management committee may do the following:
(1) Employ, promote, and remove employees of the trustee's office who perform poor relief township assistance duties as needed and, with the approval of the governor, fix their compensation.

(2) Retain certified public accountants and other necessary professionals from whom the committee may obtain audits, reports, and other assistance necessary to perform the committee's duties.

(b) The management committee may only dismiss a township employee for just cause or with the approval of the township trustee. Just cause includes removal for personnel reductions made in accordance with IC 12-20-4.

SECTION 123. IC 12-20-25-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The management committee and the poor relief control board shall adopt rules as required by sections 15 and 30 of this chapter. The management committee and the poor relief control board may each adopt rules to administer the poor relief township assistance program in a controlled township. IC 4-22-2 does not apply to the rules. Rules adopted under this section must be:

(1) written;
(2) signed by the governor; and
(3) published in the Indiana Register not more than sixty (60) days after the rules are signed by the governor.

(b) Notwithstanding any other provision of this article, an individual may not receive poor relief township assistance from a controlled township until the applicant for assistance qualifies under eligibility standards established under rules adopted under subsection (a).

SECTION 124. IC 12-20-25-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) Notwithstanding any other provision of this article, an unemployed individual may not receive poor relief township assistance in a controlled township until the individual has registered for work at an office of the department of workforce development and has provided proof that the individual is registered. This subsection does not apply to an individual who:

(1) is not physically able to perform work;
(2) is less than eighteen (18) years of age or at least sixty-five (65) years of age; or
(3) is needed to care for another individual because of the other individual's age or physical condition.

(b) An unemployed individual who has registered under subsection (a) may not receive poor relief township assistance in a controlled township on a continuing basis unless the individual reports to the employment office and provides proof that the individual has reported with the frequency and in the manner prescribed by either the management committee or the poor relief control board.

(c) Subject to subsection (a), if the management committee or the poor relief control board finds that an individual has failed to:

(1) apply for available, suitable work when directed by the commissioner of workforce development, the commissioner's deputy, or an authorized representative of the state;
(2) accept, at any time after the individual is notified of a separation, suitable work when found for and offered to the individual by the commissioner of workforce development, the commissioner's deputy, or an authorized representative of the state; or
(3) return to the individual's customary self-employment when directed by the commissioner of workforce development or the commissioner's deputy;

the individual may not receive poor relief township assistance for six (6) months after the date of the management committee's or poor relief control board's finding.

SECTION 125. IC 12-20-25-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) The management committee shall assign a case number to each applicant who is qualified under section 18 of this chapter for poor relief township assistance from the township.

(b) To the extent allowed by law, an individual's case number must be the individual's Social Security number.

SECTION 126. IC 12-20-25-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. Notwithstanding IC 12-20-20, a claim may not be approved if the poor relief township assistance is provided during the period that the township is a controlled township and:

(1) the poor relief township assistance claim is not presented for payment not more than sixty (60) days after the date the poor
relief township assistance was provided;
(2) the poor relief township assistance recipient cannot be identified;
(3) the poor relief township assistance provided cannot be substantiated in detail; or
(4) the date the poor relief township assistance was provided cannot be established.

SECTION 127. IC 12-20-25-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Sections 22 through 28 of this chapter create an exclusive administrative remedy for the payment of unpaid claims of creditors for the following goods and services that were provided under the authority of IC 12-2-1 (before its repeal) or this article before the township became a controlled township:

(1) Food, including prepared food and special dietary food.
(2) Clothing.
(3) Shelter.
(4) Water, gas, and electric services for lighting, heating, and cooking.
(5) Household supplies, including first aid and medical supplies for injury and illness.
(6) Medical and surgical attendance.
(7) Nursing care prescribed by a physician.
(8) School lunches.
(9) Transportation to allow a poor relief township assistance recipient to seek or accept employment.
(10) Feed for livestock.
(11) Funeral and cemetery expenses.
(12) Any other goods or services provided under this article.

(b) A creditor that has a claim described in subsection (a) against the township trustee must file a statement of claims with the management committee not more than ninety (90) days after notice is given under section 24 or 25 of this chapter.

(c) The statement of claims must itemize each claim the creditor has against the township. The state board of accounts shall prescribe the form of the statement of claims. The state board of accounts shall establish standards for the submission of supporting documentation for claims.
SECTION 128. IC 12-20-25-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) Except as provided in section 52(3) of this chapter, if the management committee finds a claim to be valid and reasonable in whole or in part, the amount of the claim found to be valid and reasonable shall be paid from the distressed township's poor relief township assistance account as provided in section 40 of this chapter. If the management committee finds that a claim is invalid in whole or in part, the amount of the claim found to be invalid is void. The management committee shall mail a notice of the committee's determination to the creditor not more than ten (10) days after the determination is made. The notice must include a statement of the reasons for the determination.

(b) If the management committee finds that a claim is not reasonable, the management committee shall mail a notice of the finding to the creditor and shall attempt to negotiate a reasonable settlement with the creditor for the amount of the claim. If the management committee attempts to negotiate with the creditor and determines that it is not possible to reach a reasonable settlement of the claim not more than sixty (60) days after the notice was mailed, the management committee shall determine the amount of the claim that is reasonable. The management committee shall mail a notice of the committee's determination to the creditor not more than ten (10) days after the determination is made. The notice must include a statement of the reasons for the determination.

SECTION 129. IC 12-20-25-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) A determination of the management committee concerning the validity and reasonableness of a claim is a final administrative determination. (b) A creditor aggrieved by a final determination of the management committee may appeal the determination by filing a petition with the circuit or superior court of the county in which the creditor resides or in the county in which the distressed township is located. The petition must be filed not more than thirty (30) days following the date of the management committee's determination. The court shall try the cause de novo. Except as provided in section 52(3) of this chapter, a final court judgment that orders a payment to be made to a creditor under this subsection may be collected upon and paid from the distressed township's poor relief township assistance account as provided in
section 40 of this chapter. An action brought under this section is
 governed by IC 34-13-5, except that a change of venue is governed by

(c) A claim under this article that is pending in court at the time the
township becomes a distressed township is stayed and the claimant
must file the claim with the management committee as provided in this
chapter. A claimant who has a final court judgment on a claim under
this article before the township becomes a distressed township may
proceed to collect on that judgment as provided by law.

(d) An action under this section is subject to the defense that the
claim may violate Article 13, Section 1 of the Constitution of the State
of Indiana.

SECTION 130. IC 12-20-25-29 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) A township poor
relief assistance control board is established for each distressed
township. The governor shall appoint the following members to the
control board:

1. The budget director or the director's designee, who shall serve
   as the chairman of the board.
2. One (1) representative of the state board of accounts.
3. One (1) representative of the department.
4. One (1) representative of the division of family and children.
5. One (1) elected public official of the county.
6. One (1) township trustee.
7. One (1) individual who:
   (A) resides in the county or is employed in the county by an
       employer paying taxes in the county; and
   (B) is or agrees to become familiar with poor relief: township
       assistance.
8. The township trustee of the distressed township, who shall
   serve as a nonvoting ex officio member of the control board.

(b) The members of the control board serve at the pleasure of the
governor.

(c) Each member of the board who is not a state employee or an
elected official is entitled to the minimum salary per diem provided by
IC 4-10-11-2.1(b). Such a member is also entitled to reimbursement for
traveling expenses and other expenses actually incurred in connection
with the member's duties, as provided in the state travel policies and
procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 131. IC 12-20-25-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) The control board shall supervise the township trustee in the administration of poor relief township assistance. The control board may appoint one (1) of the board's members to monitor the trustee's compliance with this chapter and to report discrepancies to the control board. The control board may require the board's approval of an expenditure of more than five hundred dollars ($500).

(b) Notwithstanding IC 36-6-6-11, the control board shall review and may reduce or increase the township's budget and proposed tax levy to be advertised by the county auditor. If the control board finds that there will be insufficient revenues available under this chapter for the township to pay valid poor relief township assistance claims, the control board may consent to proposed borrowing for poor relief township assistance under IC 12-20-23 or IC 12-20-24.

(c) The control board may approve the number, pay, and duties of employees who are employed for the distribution and administration of the distressed township's poor relief township assistance program.

(d) The control board may require the township trustee to submit reports on the amounts of poor relief township assistance by categories, including the types of goods or services furnished and the vendors who supplied the goods or services.

(e) The control board:

1. shall operate the employment program implemented by the management committee under section 15(a)(5) of this chapter; and

2. may require that a poor relief township assistance recipient participate in a training program under IC 12-20-12-1.

(f) The control board shall establish income eligibility standards for poor relief township assistance, subject to the requirements of section 18 of this chapter.

SECTION 132. IC 12-20-25-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) The control board may adopt rules concerning the distribution of poor relief township assistance designed to reduce the cost and improve the delivery of poor relief township assistance. IC 4-22-2 does not apply
to the rules. The rules may include provisions governing the following:

1. The minimum quality of goods and services required to be provided by \textit{poor relief township assistance} vendors.
2. The rate of reimbursement to be provided to vendors of goods and services under the \textit{poor relief township assistance} program.
3. The types of assistance that are to be provided to \textit{poor relief township assistance} recipients.
4. Competitive bidding requirements for purchases of goods and services for \textit{poor relief township assistance} recipients, other than food, other perishable products, and goods or services needed on an emergency basis.
5. The time within which providers of \textit{poor relief township assistance} are to present claims for payment, which may not exceed sixty (60) days from the date the \textit{poor relief township assistance} was provided.
6. The purchase of goods and services to meet the emergency needs of \textit{poor relief township assistance} applicants without competitive bids.

(b) If rules described in subsection (a)(4) are adopted, the rules must require that:

1. purchases may be made only after bids have been solicited; and
2. the contract for furnishing goods or services must be awarded to the lowest and best responsible and responsive bidder or to more than one (1) bidder if the selection of more than one (1) bidder is appropriate to provide the necessary goods or services.

(c) If practicable and prudent, \textit{poor relief township assistance} purchases should be made from local vendors.

SECTION 133. IC 12-20-25-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) As soon as the management committee has completed the financial, compliance, economy, and efficiency audits required by section 15 of this chapter, the management committee shall make a report to the control board. The report must include the following:

1. The findings of the financial, compliance, economy, and efficiency audits.
2. An itemization of each creditor's claims against the distressed township that were found to be valid and reasonable.
(3) An itemization of each claim that was found to be invalid.
(4) An itemization of each claim that was found to be unreasonable and on which no settlement was negotiated.
(5) A proposed operating budget for the township trustee's office.
(6) An estimate of future operating and debt service costs for poor relief township assistance.
(7) The amount of outstanding poor relief township assistance bonds issued and loans incurred by the county and advancements made by the county.
(8) The maximum permissible poor relief township assistance levy of the township under IC 6-1.1-18.5.

(b) The county fiscal body may recommend a financial plan to the management committee that ensures that future revenue increases, if necessary, come from sources other than ad valorem property taxes imposed on property within the distressed township and will accomplish the purposes set forth in section 33(a)(2) of this chapter. The financial plan may include any of the options set forth in section 34 of this chapter. The management committee shall include any submitted plan in the committee's report to the control board.

SECTION 134. IC 12-20-25-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) Upon receipt of the report required in section 32 of this chapter, the control board shall adopt the following:

(1) An operating budget for the trustee's office.
(2) A financial plan that will ensure that future revenue will do the following:

(A) Cover operating expenses and pay poor relief township assistance claims that are incurred during the time that the township is a controlled township not more than thirty (30) days after the claims are presented for payment.
(B) Satisfy the outstanding valid and reasonable claims of creditors that are approved under section 27 or 28 of this chapter within three (3) years.
(C) Retire outstanding bonded indebtedness, the proceeds of which were advanced to the distressed township, and repay outstanding loans or advances made for poor relief township assistance in the distressed township within three (3) years.

(b) If the county fiscal body submits a financial plan under section
32(b) of this chapter, the control board shall adopt the fiscal body's plan if the control board finds that the plan will accomplish the purposes set forth in subsection (a)(2).

SECTION 135. IC 12-20-25-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. The financial plan adopted under section 33 of this chapter may include the following:

(1) The adoption in the current year of:
   (A) the county adjusted gross income tax at a rate allowed by IC 6-3.5-1.1; or
   (B) the county option income tax at a rate not to exceed one percent (1%);
   to be distributed as provided in this chapter. The adoption of either county income tax under this chapter is in addition to the county adjusted gross income tax or the county option income tax that may already be in effect in the county.

(2) The payment of poor relief township assistance with county money.

(3) The elimination or reduction of poor relief township assistance services not required under this article.

SECTION 136. IC 12-20-25-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. (a) Notwithstanding IC 6-1.1-17, if the county fiscal body:
   (1) adopts an ordinance under section 35(b)(2) of this chapter; or
   (2) fails to adopt an ordinance under section 35(b) of this chapter;
   the department shall reduce the county's general fund budget and increase the distressed township's poor relief township assistance account budget in an amount sufficient to satisfy the requirements of section 33(a)(2) of this chapter. The department shall notify the county auditor and county treasurer of the county general fund reduction and the county treasurer shall transfer from the county general fund to the distressed township's poor relief township assistance account the amount specified by the department.

(b) Notwithstanding IC 6-1.1-18.5, if a county is required to transfer money to a distressed township's poor relief township assistance account under subsection (a), the county may not appeal for an excessive levy under IC 6-1.1-18.5 to replace money that is transferred from the county general fund.

SECTION 137. IC 12-20-25-38 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38. (a) If the county fiscal body adopts an ordinance adopting the control board's financial plan as provided in section 35 of this chapter and the plan includes a proposal to adopt the county adjusted gross income tax or the county option income tax, the control board may request an advance of state general fund money in the year the county fiscal body adopts the plan and in any subsequent year in anticipation of the county adjusted gross income tax or the county option income tax revenue. However, the state, acting through the state board of finance, may not advance an amount that is greater than the amount of county adjusted gross income tax or county option income tax revenue expected to be collected within the year in which the advancement is made. The department of state revenue shall estimate and certify to the state board of finance the amount of county adjusted gross income tax or county option income tax revenue expected to be collected.

(b) If the county fiscal body adopts an ordinance adopting the control board's financial plan as provided in section 35 of this chapter and the plan includes a proposal to adopt the county adjusted gross income tax or the county option income tax, a state advance from the state general fund must be repaid before any money is distributed to the county. The treasurer of state shall withhold sufficient money from the county's county adjusted gross income tax or county option income tax account to repay the state the amount of state advances provided to the county from the state general fund. The treasurer of state shall disburse any balance in the county's account to the county to be used as provided in section 40 of this chapter.

(c) This section does not impose liability on the state for the township poor relief assistance debts of the county.

SECTION 138. IC 12-20-25-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. The county treasurer shall deposit the disbursements from the treasurer of state in a county fund to be known as the county income tax poor relief township assistance control fund. Notwithstanding IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-1.1-18.5, the county treasurer shall disburse the money in the fund in the following priority:

(1) To ensure the payment within thirty (30) days of all valid poor relief township assistance claims in the distressed township that are not covered by subdivision (3).
(2) At the end of each calendar year, to redeem any outstanding bonds issued or repay loans incurred by the county for poor relief or township assistance purposes under IC 12-2-4.5 (before its repeal), IC 12-2-5 (before its repeal), IC 12-20-23, or IC 12-20-24 to the extent the proceeds of the bonds or loans were advanced to the distressed township.

(3) To pay claims approved under section 27 or 28 of this chapter (or IC 12-2-14-22 or IC 12-2-14-23 before their repeal).

(4) As provided in IC 6-3.5-6 if the county option income tax is imposed under this chapter. If the county adjusted gross income tax is imposed under this chapter, to provide property tax replacement credits for each civil taxing unit and school corporation in the county as provided in IC 6-3.5-1.1. No part of the county adjusted gross income tax revenue is considered a certified share of a governmental unit as provided in IC 6-3.5-1.1-15. In addition, the county adjusted gross income tax revenue (except for the county adjusted gross income tax revenues that are to be treated as property tax replacements under this subdivision) is in addition to and not a part of the revenue of the township for purposes of determining the township's maximum permissible property tax levy under IC 6-1.1-18.5.

SECTION 139. IC 12-20-25-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 41. (a) As used in subsection (c), "advance" refers to money provided to a distressed township from the state general fund under section 38 of this chapter.

(b) As used in subsection (c), "support" refers to money provided from the distressed township supplemental poor relief township assistance fund established by section 51 of this chapter to pay poor relief township assistance claims and the operating costs of the management committee during the period the management committee is in control of the township trustee's office.

(c) The controlled status of a township under this chapter terminates at the end of a year if at that time the county, with respect to each controlled township:

(1) has repaid:

(A) all state advances provided to the county under this chapter; and

(B) state support provided to the county under this chapter if
the department has reduced the county's general fund budget under section 36 of this chapter;

(2) has paid all valid **poor relief township assistance** claims in the distressed township, including the claims approved under section 27 or 28 of this chapter;

(3) will have sufficient money to pay, not more than thirty (30) days after a claim is submitted for payment, all valid **poor relief township assistance** claims in the distressed township that are expected to be submitted in the following year as determined by the control board, excluding any advances from the state, revenues from short term loans from the county or a financial institution under IC 12-2-4.5 (before its repeal) or IC 12-20-24, and proceeds from bonds issued under IC 12-2-1 (before its repeal), IC 12-2-5 (before its repeal), or this article; and

(4) has no bonds outstanding that were issued to pay for **poor relief township assistance** in the distressed township.

(d) Notwithstanding IC 6-3.5-1.1 and IC 6-3.5-6, if the control board finds that:

(1) the requirements of subsection (c)(1), (c)(2), and (c)(4) are satisfied; and

(2) the requirements of subsection (c)(3) cannot be satisfied because the township's maximum permissible ad valorem property tax levy provides insufficient revenue to ensure the payment of all valid **poor relief township assistance** claims in the distressed township that will be incurred during the year following the termination of the controlled status of the township;

the county fiscal body may dedicate to the provision of **poor relief township assistance**, from the county adjusted gross income tax or the county option income tax imposed as a result of adopting a financial plan under section 35 of this chapter, an amount necessary to satisfy the requirements of subsection (c)(3).

(e) If the control board finds that the income tax dedicated under subsection (d) will satisfy the requirements of subsection (c)(3), the controlled status of the township under this chapter terminates at the end of the year in which the control board makes the board's finding.

SECTION 140. IC 12-20-25-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 42. (a) This section applies to a township that was certified a distressed township before

(b) The controlled status of the distressed township is terminated on July 1, 1989, if the department finds that the following conditions exist:

(1) All valid poor relief township assistance claims in the distressed township, including the claims approved under IC 12-2-14-22 (before its repeal), IC 12-2-14-23 (before its repeal), or section 27 or 28 of this chapter, have been paid, except for the following:

(A) Claims under litigation before the date of the board's finding.

(B) Obligations owed to other political subdivisions.

(2) The township has no bonds outstanding that were issued to pay for poor relief township assistance in the distressed township.

(c) Notwithstanding section 4(2) of this chapter, if a township that has had the township's distressed status terminated under subsection (b) uses advances from the county from proceeds of bonds issued under IC 12-2-1 (before its repeal) or this article to pay poor relief township assistance claims more than one (1) time in the five (5) years following the termination of the township's distressed status, the township must have the township's civil and poor relief township assistance budgets reviewed and approved by the county fiscal body in each year that a tax is levied against the property in the township to repay the advances. The decision of the county fiscal body may be appealed to the department.

(d) Notwithstanding IC 12-2-5-6 (before its repeal), IC 12-2-5-8 (before its repeal), IC 12-20-23-15, and IC 12-20-23-19, the aggregate principal amount of any outstanding debt that is incurred to pay poor relief township assistance claims during the five (5) years following the termination of the township's distressed status under subsection (b) and that is in excess of one-tenth percent (0.1%) of the adjusted valued of taxable property in the township as determined under IC 36-1-15 is the direct general obligation of the county.

SECTION 141. IC 12-20-25-43 IS AMENDED TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 43. Notwithstanding IC 6-3.5-1.1 and IC 6-3.5-6, if:

(1) there has been a controlled township in a county;

(2) the township that has been controlled has levied the township's
(3) the maximum permissible ad valorem property tax levy is insufficient to ensure the payment within thirty (30) days of all valid poor relief township assistance claims in the township; and

(4) the county adjusted gross income tax or county option income tax is in effect in the county as a result of adopting a financial plan under this chapter;

the county fiscal body shall dedicate from the county adjusted gross income tax or county option income tax imposed under this chapter an amount of revenue determined by the department to be necessary to ensure the payment within thirty (30) days of all poor relief township assistance claims in the township that has been controlled. The county fiscal body shall distribute any income tax revenues dedicated under this section before the fiscal body makes any other distributions in accordance with this chapter. Notwithstanding section 45 of this chapter, the county fiscal body may not reduce the county option income tax rate below the rate necessary to satisfy the requirements of this section.

SECTION 142. IC 12-20-25-44 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44. (a) This section applies after the termination of the controlled status of all townships located in a county as provided in section 41 of this chapter.

(b) If the county adjusted gross income tax or county option income tax is imposed under this chapter, the tax shall be distributed as provided in section 46 of this chapter. If the county fiscal body has not dedicated county adjusted gross income tax or county option income tax revenue for poor relief township assistance under section 41 of this chapter, the county fiscal body may rescind the tax as provided in IC 6-3.5-1.1 or IC 6-3.5-6, whichever applies. If the county fiscal body has dedicated county adjusted gross income tax or county option income tax revenue for poor relief township assistance under section 41 of this chapter, the county fiscal body may rescind the tax but not until after the end of the year following the termination of the controlled status of the township.

(c) If:

(1) the county adjusted gross income tax (IC 6-3.5-1.1) or the county option income tax (IC 6-3.5-6) was in effect before the
county adjusted gross income tax or the county option income tax is imposed under this chapter; and

(2) the county fiscal body did not dedicate county adjusted gross income tax or county option income tax revenue for poor relief township assistance under section 41 of this chapter;

the county adjusted gross income tax or county option income tax imposed under this chapter terminates as of the date the controlled status of all townships located in the county terminates.

SECTION 143. IC 12-20-25-49 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 49. Each distressed township shall take all action necessary to levy the maximum permissible ad valorem property tax levy for poor relief township assistance permitted under IC 6-1.1-18.5. If a distressed township fails to take this action, the department shall adjust, in the board's certificate of levies of governmental entities in the county, the township's proposed levy so that the levy is the maximum permissible ad valorem property tax levy.

SECTION 144. IC 12-20-25-51 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 51. The distressed township supplemental poor relief township assistance fund is established. The fund shall be administered by the treasurer of state. The fund shall be used to provide state support to distressed townships.

SECTION 145. IC 12-20-25-52 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 52. State support provided from the distressed township supplemental poor relief township assistance fund:

(1) is supplemental to other financing for poor relief township assistance;

(2) may be used to satisfy poor relief township assistance claims incurred during the period the management committee is in control of the township trustee's office; and

(3) subject to the approval of the control board, may be used to pay claims approved under IC 12-2-14-22 (before its repeal), IC 12-2-14-23 (before its repeal), or section 27 or 28 of this chapter.

SECTION 146. IC 12-20-25-53 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 53. The distressed township supplemental poor relief township assistance fund consists
of appropriations made to the fund by the general assembly. Interest earned on the money in the fund remains in the fund. The balance remaining in the fund at the end of a state fiscal year remains in the fund and does not revert to the state general fund.

SECTION 147. IC 12-20-25-54 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 54. If a financial or compliance audit required under section 15 of this chapter discloses negligence or unlawful conduct in the approval of or receipt of poor relief township assistance, the management committee shall file a copy of the audit with the prosecuting attorney and with the attorney general. If the attorney general finds that criminal or civil charges should be filed and the prosecuting attorney fails to file the charges, the attorney general shall file the charges.

SECTION 148. IC 12-20-26-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. In a county in which a tax has been levied and raised for the payment of notes and interest on the notes issued by the board of commissioners for the purpose of paying poor relief township assistance claims against a township, the county auditor shall transfer the balance of money that remains after paying all notes and interest to the county general fund to the credit of the township poor assistance fund of the township in which the money was raised.

SECTION 149. IC 12-20-27-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Subject to IC 12-20-11-5(b), a township trustee who, as administrator of poor relief township assistance, furnishes poor relief township assistance, may file a claim against the estate of a poor relief township assistance recipient who:

(1) dies, leaving an estate; and

(2) is not survived by a:

(A) spouse;

(B) disabled adult dependent; or

(C) dependent child less than eighteen (18) years of age;

for the value of poor relief township assistance given the recipient before the recipient's death.

(b) For purposes of this section, the estate of a poor relief township assistance recipient includes any money or other personal property in the possession of a coroner under IC 36-2-14-11.
SECTION 150. IC 12-20-27-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) As used in this section, "interim period" means the period:

(1) beginning when a township trustee obtains from a poor relief township assistance applicant or member of the applicant's household an agreement or authorization described in subsection (b); and

(2) ending when the poor relief township assistance applicant or member of the applicant's household receives the judgment, compensation, or monetary benefit or leaves the household.

(b) Subject to IC 12-20-11-5(b), if a township trustee, as administrator of poor relief township assistance, anticipates that a poor relief township assistance applicant or a member of the applicant's household is likely to receive a judgment, compensation, or a monetary benefit from a third party, the township trustee may require the applicant or the affected member of the applicant's household to:

(1) enter into a subrogation agreement; or

(2) sign a Social Security Administration's reimbursement authorization;

for the repayment of any poor relief township assistance benefits provided by the township during the interim period. A subrogation agreement authorized under subdivision (1) may only require repayment of interim benefits provided to the applicant or to the applicant's dependents who were members of the household to which poor relief township assistance benefits were paid.

SECTION 151. IC 12-20-27-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A claim filed against the estate of a poor relief township assistance recipient under IC 12-2-14 (before its repeal) or this chapter shall be filed and allowed as a general claim.

SECTION 152. IC 12-20-28-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The definitions in this section apply to a report that is required to be filed under this section.

(b) As used in this section, "total number of households containing poor relief township assistance recipients" means the sum to be determined by counting the total number of individuals who file an application for which relief is granted. A household may be counted
only once during a calendar year regardless of the number of times assistance is provided if the same individual makes the application for assistance.

(c) As used in this section, "total number of recipients" means the number of individuals who are members of a household that receives assistance on at least one (1) occasion during the calendar year. An individual may be counted only one (1) time during a calendar year regardless of the:

(1) number of times assistance is provided; or
(2) number of households in which the individual resides during a particular year.

(d) As used in this section, "total number of requests for assistance" means the number of times an individual or a household separately requests any type of township assistance.

(e) The township trustee shall file an annual statistical report on township housing, medical care, utility, and food assistance with the state board of accounts. The township trustee shall provide a copy of the annual statistical report to the county auditor. The county auditor shall keep the copy of the report in the county auditor's office. Except as provided in subsection (i), the report must be made on a form provided by the state board of accounts. The report must contain the following information:

(1) The total number of requests for assistance.
(2) The total number of poor relief township assistance recipients and total number of households containing poor relief township assistance recipients.
(3) The total value of benefits provided poor relief township assistance recipients.
(4) The total number of poor relief township assistance recipients and households receiving utility assistance.
(5) The total value of benefits provided for the payment of utilities.
(6) The total number of poor relief township assistance recipients and households receiving housing assistance.
(7) The total value of benefits provided for housing assistance.
(8) The total number of poor relief township assistance recipients and households receiving food assistance.
(9) The total value of food assistance provided.
(10) The total number of *poor relief township assistance* recipients and households provided health care.
(11) The total value of health care provided.
(12) The total number of burials and cremations.
(13) The total value of burials and cremations.
(14) The total number of nights of emergency shelter provided to the homeless.
(15) The total number of referrals of *poor relief township assistance* applicants to other programs.
(16) The total number of training programs or job placements found for *poor relief township assistance* recipients with the assistance of the township trustee.
(17) The number of hours spent by *poor relief township assistance* recipients at workfare.
(18) The total amount of reimbursement for assistance received from:
   (A) recipients;
   (B) members of recipients' households; or
   (C) recipients' estates;
under IC 12-20-6-10, IC 12-20-27-1, or IC 12-20-27-1.5.
(19) The total amount of reimbursement for assistance received from medical programs under IC 12-20-16-2(e).

If the total number or value of any item required to be reported under this subsection is zero (0), the township trustee shall include the notation "0" in the report where the total number or value is required to be reported.

(f) The state board of accounts shall forward a copy of each annual report forwarded to the board under subsection (e) to the department and the division of family and children.

(g) The division of family and children shall include in the division's periodic reports made to the United States Department of Health and Human Services concerning the Aid to Families with Dependent Children (AFDC) and Supplemental Security Income (SSI) programs information forwarded to the division under subsection (f) concerning the total number of *poor relief township assistance* recipients and the total dollar amount of benefits provided.

(h) The department may not approve the budget of a township trustee who fails to file an annual report under subsection (e) in the
preceding calendar year. Before July 1 of each year, the department shall file a report in an electronic format under IC 5-14-6 with the legislative council that compiles and summarizes the information sent to the state board of accounts by township trustees under subsection (e).

(i) This section does not prevent the electronic transfer of data required to be reported under IC 12-2-1-40 (before its repeal) or this section if the following conditions are met:

(1) The method of reporting is acceptable to both the township trustee reporting the information and the governmental entity to which the information is reported.

(2) A written copy of information reported by electronic transfer is on file with the township trustee reporting information by electronic means.

(j) The information required to be reported by the township trustee under this section shall be maintained by the township trustee in accordance with IC 5-15-6.

SECTION 153. IC 12-20-28-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The definitions in this section apply to a report that is required to be filed under this section.

(b) As used in this section, "total number of households containing poor relief township assistance recipients" means the sum to be determined by counting the total number of individuals who file an application for which relief is granted. A household may be counted only once during a calendar year regardless of the number of times assistance is provided if the same individual makes the application for assistance.

(c) As used in this section, "total number of recipients" means the number of individuals who are members of a household that receives assistance on at least one (1) occasion during the calendar year. An individual may be counted only once (1) time during a calendar year regardless of the:

(1) number of times assistance is provided; or

(2) number of households in which the individual resides during a particular year.

(d) As used in this section, "total number of requests for assistance" means the number of times an individual or a household separately
requests any type of township assistance.

(e) The township trustee shall file an annual statistical report on township housing, medical care, utility, and food assistance with the state board of accounts. The township trustee shall provide a copy of the annual statistical report to the county auditor. The county auditor shall keep the copy of the report in the county auditor's office. Except as provided in subsection (i), the report must be made on a form provided by the state board of accounts. The report must contain the following information:

(1) The total number of requests for assistance.
(2) The total number of poor relief township assistance recipients and total number of households containing poor relief township assistance recipients.
(3) The total value of benefits provided poor relief township assistance recipients.
(4) The total number of poor relief township assistance recipients and households receiving utility assistance.
(5) The total value of benefits provided for the payment of utilities.
(6) The total number of poor relief township assistance recipients and households receiving housing assistance.
(7) The total value of benefits provided for housing assistance.
(8) The total number of poor relief township assistance recipients and households receiving food assistance.
(9) The total value of food assistance provided.
(10) The total number of poor relief township assistance recipients and households provided health care.
(11) The total value of health care provided.
(12) The total number of burials and cremations.
(13) The total value of burials and cremations.
(14) The total number of nights of emergency shelter provided to the homeless.
(15) The total number of referrals of poor relief township assistance applicants to other programs.
(16) The total number of training programs or job placements found for poor relief township assistance recipients with the assistance of the township trustee.
(17) The number of hours spent by poor relief township
assistance recipients at workfare.
(18) The total amount of reimbursement for assistance received from:
   (A) recipients;
   (B) members of recipients' households; or
   (C) recipients' estates;
   under IC 12-20-6-10, IC 12-20-27-1, or IC 12-20-27-1.5.
(19) The total amount of reimbursement for assistance received from medical programs under IC 12-20-16-2(e).
If the total number or value of any item required to be reported under this subsection is zero (0), the township trustee shall include the notation "0" in the report where the total number or value is required to be reported.
   (f) The state board of accounts shall forward a copy of each annual report forwarded to the board under subsection (e) to the department and the division of family and children.
   (g) The division of family and children shall include in the division's periodic reports made to the United States Department of Health and Human Services concerning the Aid to Families with Dependent Children (AFDC) and Supplemental Security Income (SSI) programs information forwarded to the division under subsection (f) concerning the total number of poor relief township assistance recipients and the total dollar amount of benefits provided.
   (h) The department may not approve the budget of a township trustee who fails to file an annual report under subsection (e) in the preceding calendar year. Before July 1 of each year, the department shall file a report in an electronic format under IC 5-14-6 with the legislative council that compiles and summarizes the information sent to the state board of accounts by township trustees under subsection (e).
   (i) This section does not prevent the electronic transfer of data required to be reported under IC 12-2-1-40 (before its repeal) or this section if the following conditions are met:
       (1) The method of reporting is acceptable to both the township trustee reporting the information and the governmental entity to which the information is reported.
       (2) A written copy of information reported by electronic transfer is on file with the township trustee reporting information by
electronic means.

(j) The information required to be reported by the township trustee under this section shall be maintained by the township trustee in accordance with IC 5-15-6.

SECTION 154. IC 12-30-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A board of commissioners that has established a county home under this chapter:

(1) shall order that all indigent individuals who have become permanent charges on the county be removed to the county home; and

(2) may take the measures for the employment and support of the indigent as the board of commissioners considers advisable.

(b) After a county home is established and an order is issued under subsection (a), the township trustees as administrators of poor relief township assistance shall, as indigent individuals become permanent charges to their respective townships, have those individuals removed to the county home.

SECTION 155. IC 12-30-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The superintendent of the county home shall manage the county home and its farm to the best interests of the county.

(b) The superintendent shall maintain order and discipline and shall assign a reasonable amount of labor to every resident who is able to perform labor. A resident may not be excused from labor except by the superintendent or by the county physician for cause. The excuse of a resident by the physician shall be for a definite time, except in the case of:

(1) residents at least seventy (70) years of age; or

(2) residents suffering from a physical or mental disability that makes the residents unfit for labor;

to whom a permanent excuse may be given by the physician.

(c) A resident who refuses to perform the task assigned by the superintendent may be dismissed from the county home by the superintendent and can only be readmitted within six (6) weeks after dismissal:

(1) with the consent of the superintendent; or

(2) upon an order that is issued by the township trustee as the administrator of poor relief township assistance and endorsed by
the chairman of the board of commissioners.

SECTION 156. IC 12-30-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Every county that maintains, in addition to any other charitable institution permitted by law, a county home that provides for the care of indigent individuals as provided by law:

(1) shall receive and support in the county home indigent individuals who:
   (A) are lawfully settled in the county; and
   (B) placed in the county home by the township trustee as the administrator of poor relief, township assistance, with the consent of the board of commissioners of the county; or
(2) may contract with other counties or with other charitable institutions located in Indiana for the relief and support of indigent individuals maintained as a public charge of the county, and may levy taxes for that purpose.

SECTION 157. IC 12-30-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The township trustee as the administrator of poor relief township assistance shall periodically provide for the admission to the county home of indigent individuals who have become permanent charges on the township.

(b) Whenever an individual who is determined to be eligible for poor relief township assistance and is entitled to temporary relief is in a township in which the individual does not have legal settlement, the township trustee as the administrator of poor relief township assistance may place the individual temporarily in the county home.

SECTION 158. IC 12-30-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The township trustee as the administrator of poor relief township assistance shall, when seeking the admission of an individual as a resident of a county home, first investigate the individual and make a report to the board of commissioners of the county. The report must contain the following:

(1) The name of the individual.
(2) The birth place and date of birth of the individual.
(3) The length of time that the individual has been legally settled in the township.
(4) A statement of the health of the individual, which must be certified to by a competent physician.
(5) A statement of the income, property, or property rights of the individual.

(6) A list of the individual's relatives who, in the opinion of the township trustee as the administrator of poor relief, township assistance, are capable of making contributions for the support of the individual.

SECTION 159. IC 12-30-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 4. (a) The board of commissioners of the county shall, upon receipt of a recommendation by the township trustee as the administrator of poor relief, township assistance, immediately consider the recommendation and make further investigation that the board of commissioners considers best. The board of commissioners of the county shall admit the individual on the terms, conditions, and contract that the board of commissioners considers just and fair by requiring the individual sought to be admitted, or other persons or agencies, to pay the money, within the rate lawfully established under section 8 of this chapter, at the times that the board of commissioners considers proper.

(b) The board of commissioners may delegate the investigation to the superintendent of the county home or to other agencies or persons that the board of commissioners considers best. However, the board of commissioners retains the right of determination, subject only to the right of appeal.

SECTION 160. IC 12-30-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 5. If a board of commissioners finds that the individual sought to be admitted into the county home or other charitable institution should not, for any cause, be admitted, the individual denied admission, or the township trustee as the administrator of poor relief, township assistance, may appeal from the decision of the board of commissioners of the county to the circuit court of the county by filing a transcript of the record before the board of commissioners with the clerk of the circuit court of the county, who shall immediately notify the circuit court. The court shall, as soon as possible, proceed to hear and determine the matter. The court may order the board of commissioners to accept the individual in the county home or other charitable institution on the terms and conditions, within the lawfully established rate as provided in section 8 of this chapter, as the court orders.
SECTION 161. IC 12-30-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. In case of an emergency and pending the decision by the board of commissioners or the circuit court, an individual sought to be admitted shall be admitted temporarily. If the final determination is made that the individual should not be admitted, the trustee of the township of the individual's legal settlement, as the administrator of poor relief township assistance, shall immediately remove the individual from the county home or other charitable institution.

SECTION 162. IC 12-30-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The:

(1) county council shall appropriate; and

(2) the board of commissioners in each county shall advance; to the township trustees as the administrators of poor relief township assistance the money necessary for the relief and burial of the indigent in each township, which shall be accounted for and repaid to the county treasurer as provided in section 11 of this chapter.

SECTION 163. IC 12-30-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Each township trustee as the administrator of poor relief township assistance shall pay to the county the amount fixed for each individual admitted into the county home or other charitable institution from the township, except those otherwise able to pay the cost of their care from their own resources or from other assistance awards. Except as provided in subsection (b), the amount that may be charged to the township may not exceed one hundred dollars ($100) per month per individual.

(b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). The amount charged the township per individual may not exceed forty-eight dollars ($48) per month or twelve dollars ($12) per week.

(c) Each township shall levy a tax sufficient to meet those expenses.

(d) Payment and settlement shall be made in July and December of each year for the preceding year.

SECTION 164. IC 12-30-7-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) Whenever a patient has been admitted to a health center from the county in which the health center is situated, the administrator shall cause an inquiry to
be made as to the financial circumstances of the patient and of any relatives of the patient who may be legally liable for the patient's support. If the administrator finds that the patient or the patient's relatives are able to pay for the patient's care and treatment, in whole or in part, an order shall be made directing the patient or the relative to pay a specified amount per month to the health center for the support of the patient.

(b) The health center may collect the amount from the estate of the patient or from relatives legally liable for the patient's support. If the administrator finds that the patient or the patient's relatives are not able to pay, the administrator may seek reimbursement from the county office, Medicare, Medicaid, private insurance companies, the township trustee as the administrator of poor relief, township assistance, or the county general fund, depending on the eligibility of the patient for assistance from the county office or program.

SECTION 165. IC 16-24-1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) Whenever a patient is admitted to the hospital from the county in which the hospital is located, the superintendent shall inquire:

(1) as to the patient's circumstances; and

(2) of the relatives of the patient legally liable for the patient's support.

(b) If the patient or the patient's relatives are able to pay for the patient's care and treatment in whole or in part, the patient or the patient's relatives shall be directed to pay the treasurer of the hospital for the patient's support in proportion to the patient's or relatives' financial ability, but not to exceed the actual per capita cost of maintenance.

(c) The superintendent has the same authority to collect the sum from the estate of the patient or the patient's relatives legally liable for the patient's support as is possessed by the township trustee as administrator of poor relief township assistance in similar circumstances. If the superintendent finds that the patient or the patient's relatives are not able to pay either in whole or in part the patient becomes a charge upon the county.

SECTION 166. IC 16-24-1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) Whenever a superintendent receives an application for the admission of a patient
with tuberculosis from the county executive of any other county, the 
superintendent shall notify the person to appear at the hospital if there 
is:

(1) a vacancy; and
(2) no pending application from a resident of the county in which 
the hospital is located.

(b) If the superintendent is satisfied that the patient has tuberculosis, 
the superintendent shall admit the patient to the hospital. The patient 
is a charge against the county executive of the county sending the 
patient, at a rate to be fixed by the board of managers. The rate may not 
exceed the per capita cost of maintenance, including a reasonable 
allowance for interest on the costs of the hospital. The bill shall, when 
verified, be audited and paid by the auditor of that county.

(c) The county executive shall investigate the circumstances of the 
patient and of the patient's relatives legally liable for the patient's 
support, and has the same authority as the township trustee as 
administrator of poor relief township assistance to collect the cost of 
the patient's maintenance according to the patient's relatives' financial 
ability.

SECTION 167. IC 16-24-2-10 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. Whenever a patient 
is admitted to the hospital from the county in which the hospital is 
situated, the superintendent shall inquire into the circumstances of the 
patient and of the relatives of the patient legally liable for the patient's 
support. If the superintendent finds that the patient or the patient's 
relatives are able to pay for care and treatment, in whole or in part, the 
superintendent shall direct the patient or the patient's relatives to pay 
to the treasurer of the hospital a specified amount each week, in 
proportion to the patient's or the patient's relatives' financial ability. The 
hospital has the same authority to collect from the estate of the patient, 
or the patient's relatives legally liable for the patient's support, as the 
township trustee as administrator of poor relief township assistance in 
similar cases. If the patient or the patient's relatives are not able to pay, 
either in whole or in part, the care and treatment become a charge upon 
the county.

SECTION 168. IC 16-24-2-13 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Whenever the 
superintendent receives an application for the admission of a patient
from another county, the superintendent shall notify the person to appear at the hospital if the following conditions are met:

(1) It appears that the person has tuberculosis, or a similar disease.

(2) There is a vacancy in the hospital.

(3) There is no pending application from a patient residing in the county in which the hospital is located.

(b) If, upon personal examination of the patient by the medical staff of the hospital, the superintendent determines that the patient has tuberculosis, the superintendent shall admit the patient to the hospital. The patient is a charge against the executive of the county sending the patient, at a rate to be fixed by the board of managers but not to exceed the per capita cost of maintenance, including a reasonable allowance for interest on the cost of the hospital. The bill shall, when verified, be paid by the auditor of the county. The county executive of the contracting county shall investigate the circumstances of the patient and of the patient's relatives legally liable for the patient's support. The county executive has the same authority as a township trustee as administrator of poor relief township assistance in similar cases to collect, according to the patient's or the patient's relatives' financial ability, the cost of the maintenance.

SECTION 169. IC 16-41-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided in subsection (b), all costs that are incurred in furnishing biologicals under this chapter, IC 12-20-16-2(c)(13), or IC 12-20-16-14 shall be paid by:

(1) the appropriate county, city, or town against which the application form is issued from general funds; and

(2) the appropriate township against which the application form is issued from funds in the township poor relief assistance fund; not otherwise appropriated without appropriations.

(b) A township is not responsible for paying for biologicals as provided in subsection (a)(2) if the township trustee has evidence that the individual has the financial ability to pay for the biologicals.

(c) After being presented with a legal claim for insulin being furnished to the same individual a second time, a township trustee may require the individual to complete and file a standard application for poor relief township assistance in order to investigate the financial
condition of the individual claiming to be indigent. The trustee shall immediately notify the individual's physician that:

(1) the financial ability of the individual claiming to be indigent is in question; and

(2) a standard application for poor relief township assistance must be filed with the township.

The township shall continue to furnish insulin under this section until the township trustee completes an investigation and makes a determination as to the individual's financial ability to pay for insulin.

(d) For purposes of this section, the township shall consider an adult individual needing insulin as an individual and not as a member of a household requesting poor relief township assistance.

SECTION 170. IC 35-43-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The definitions set forth in this section apply throughout this chapter.

(b) "Claim statement" means an insurance policy, a document, or a statement made in support of or in opposition to a claim for payment or other benefit under an insurance policy, or other evidence of expense, injury, or loss. The term includes statements made orally, in writing, or as a computer generated document, including the following:

(1) An account.
(2) A bill for services.
(3) A bill of lading.
(4) A claim.
(5) A diagnosis.
(6) An estimate of property damages.
(7) A hospital record.
(8) An invoice.
(9) A notice.
(10) A proof of loss.
(11) A receipt for payment.
(12) A physician's records.
(13) A prescription.
(14) A statement.
(15) A test result.
(16) X-rays.

(c) "Coin machine" means a coin box, vending machine, or other mechanical or electronic device or receptacle designed:
(1) to receive a coin, bill, or token made for that purpose; and
(2) in return for the insertion or deposit of a coin, bill, or token automatically:
   (A) to offer, provide, or assist in providing; or
   (B) to permit the acquisition of;
   some property.
(d) "Credit card" means an instrument or device (whether known as
   a credit card or charge plate, or by any other name) issued by an issuer
   for use by or on behalf of the credit card holder in obtaining property.
   (e) "Credit card holder" means the person to whom or for whose
   benefit the credit card is issued by an issuer.
   (f) "Customer" means a person who receives or has contracted for
   a utility service.
   (g) "Entrusted" means held in a fiduciary capacity or placed in
   charge of a person engaged in the business of transporting, storing,
   lending on, or otherwise holding property of others.
   (h) "Identifying information" means information that identifies an
   individual, including an individual's:
   (1) name, address, date of birth, place of employment, employer
       identification number, mother's maiden name, Social Security
       number, or any identification number issued by a governmental
       entity;
   (2) unique biometric data, including the individual's fingerprint,
       voice print, or retina or iris image;
   (3) unique electronic identification number, address, or routing
       code;
   (4) telecommunication identifying information; or
   (5) telecommunication access device, including a card, a plate, a
       code, a telephone number, an account number, a personal
       identification number, an electronic serial number, a mobile
       identification number, or another telecommunications service or
       device or means of account access that may be used to:
           (A) obtain money, goods, services, or any other thing of value;
           or
           (B) initiate a transfer of funds.
   (i) "Insurance policy" includes the following:
   (1) An insurance policy.
   (2) A contract with a health maintenance organization (as defined
in IC 27-13-1-19).
(3) A written agreement entered into under IC 27-1-25.

(j) "Insurer" has the meaning set forth in IC 27-1-2-3(x).

(k) "Manufacturer" means a person who manufactures a recording. The term does not include a person who manufactures a medium upon which sounds or visual images can be recorded or stored.

(l) "Make" means to draw, prepare, complete, counterfeit, copy or otherwise reproduce, or alter any written instrument in whole or in part.

(m) "Metering device" means a mechanism or system used by a utility to measure or record the quantity of services received by a customer.

(n) "Public relief or assistance" means any payment made, service rendered, hospitalization provided, or other benefit extended to a person by a governmental entity from public funds and includes poor relief, township assistance, food stamps, direct relief, unemployment compensation, and any other form of support or aid.

(o) "Recording" means a tangible medium upon which sounds or visual images are recorded or stored. The term includes the following:

1. An original:
   (A) phonograph record;
   (B) compact disc;
   (C) wire;
   (D) tape;
   (E) audio cassette;
   (F) video cassette; or
   (G) film.
2. Any other medium on which sounds or visual images are or can be recorded or otherwise stored.
3. A copy or reproduction of an item in subdivision (1) or (2) that duplicates an original recording in whole or in part.

(p) "Slug" means an article or object that is capable of being deposited in a coin machine as an improper substitute for a genuine coin, bill, or token.

(q) "Utility" means a person who owns or operates, for public use, any plant, equipment, property, franchise, or license for the production, storage, transmission, sale, or delivery of electricity, water, steam, telecommunications, information, or gas.

(r) "Written instrument" means a paper, a document, or other
instrument containing written matter and includes money, coins, tokens, stamps, seals, credit cards, badges, trademarks, medals, retail sales receipts, labels or markings (including a universal product code (UPC) or another product identification code), or other objects or symbols of value, right, privilege, or identification.

SECTION 171. IC 36-1-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to all funds raised by a general or special tax levy on all the taxable property of a political subdivision.

(b) Whenever the purposes of a tax levy have been fulfilled and an unused and unencumbered balance remains in the fund, the fiscal body of the political subdivision shall order the balance of that fund to be transferred as follows, unless a statute provides that it be transferred otherwise:

(1) Funds of a county, to the general fund or rainy day fund of the county, as provided in section 5.1 of this chapter.
(2) Funds of a municipality, to the general fund or rainy day fund of the municipality, as provided in section 5.1 of this chapter.
(3) Funds of a township for redemption of poor relief township assistance obligations, to the poor relief township assistance fund of the township or rainy day fund of the township, as provided in section 5.1 of this chapter.
(4) Funds of any other political subdivision, to the general fund or rainy day fund of the political subdivision, as provided in section 5.1 of this chapter. However, if the political subdivision is dissolved or does not have a general fund or rainy day fund, then to the general fund of each of the units located in the political subdivision in the same proportion that the assessed valuation of the unit bears to the total assessed valuation of the political subdivision.

(c) Whenever an unused and unencumbered balance remains in the civil township fund of a township and a current tax levy for the fund is not needed, the township fiscal body may order any part of the balance of that fund transferred to the debt service fund of the school corporation located in or partly in the township; but if more than one school corporation is located in or partly in the township, then any sum transferred shall be transferred to the debt service fund of each of those school corporations in the same proportion that the part of the
assessed valuation of the school corporation in the township bears to the total assessed valuation of the township.

(d) Transfers to a political subdivision's rainy day fund must be made after the last day of the political subdivision's fiscal year and before March 1 of the subsequent calendar year.

SECTION 172. IC 36-2-9-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section does not apply to funds received from the state or the federal government for poor relief, township assistance, unemployment relief, or old age pensions or other funds that are available under the federal Social Security Act or a federal statute providing for civil and public works projects.

(b) Except for monies that by statute are due and payable from a county treasury to the state or to a township or municipality of the county, money may be paid from a county treasury only upon a warrant drawn by the auditor.

(c) A warrant may be drawn on a county treasury only if the county fiscal body has made an appropriation for the money for the calendar year in which the warrant is drawn and that appropriation has not been exhausted.

(d) Notwithstanding subsection (c), appropriations by a county fiscal body are not necessary to authorize the drawing of a warrant on and payment from a county treasury for:

(1) money that belongs to the state and is required by statute to be paid into the state treasury;
(2) money that belongs to a school fund, whether principal or interest;
(3) money that belongs to a township or municipality of the county and is required by statute to be paid to the township or municipality;
(4) money that:
   (A) is due a person;
   (B) has been paid into the county treasury under an assessment on persons or property of the county in territory less than that of the whole county; and
   (C) has been paid for construction, maintenance, or purchase of a public improvement;
(5) money that is due a person and has been paid into the county
treasury to redeem property from a tax sale or other forced sale;
(6) money that is due a person and has been paid to the county
under law as a tender or payment to the person;
(7) taxes erroneously paid;
(8) money paid to a cemetery board under IC 23-14-65-22;
(9) money distributed under IC 23-14-70-3; or
(10) payments under a statute that expressly provides for
payments from the county treasury without appropriations by the
county fiscal body.
(e) An auditor who knowingly violates this section commits a Class
A misdemeanor.
SECTION 173. IC 36-6-4-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The executive shall
do the following:
(1) Keep a written record of official proceedings.
(2) Manage all township property interests.
(3) Keep township records open for public inspection.
(4) Attend all meetings of the township legislative body.
(5) Receive and pay out township funds.
(6) Examine and settle all accounts and demands chargeable
against the township.
(7) Administer poor relief township assistance under IC 12-20
and IC 12-30-4.
(8) Perform the duties of fence viewer under IC 32-26.
(9) Act as township assessor when required by IC 36-6-5.
(10) Provide and maintain cemeteries under IC 23-14.
(11) Provide fire protection under IC 36-8.
(13) Provide and maintain township parks and community centers
under IC 36-10.
(14) Destroy detrimental plants, noxious weeds, and rank
vegetation under IC 15-3-4.
(15) Provide insulin to the poor under IC 12-20-16.
(16) Perform other duties prescribed by statute.
SECTION 174. IC 36-6-4-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) At the township
legislative body's annual meeting under IC 36-6-6-11, the executive
shall:
(1) present an itemized written statement of the estimated expenditures for which appropriations are requested, specifying:
   (A) the number of teachers employed;
   (B) the salary of each teacher employed;
   (C) the property of the township (and supplies on hand);
   (D) the estimated value of the property of the township (and supplies on hand);
   (E) the supplies necessary for each school; and
   (F) the need for poor relief township assistance in the township; and

(2) submit to questions from the legislative body or taxpayers concerning expenditures of the township.

(b) The written statement required under subsection (a)(1) must comply with forms prescribed by the state board of accounts and show the amount of each item to be charged against township funds.

SECTION 175. IC 36-10-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies to all townships having a population of at least eight thousand five hundred (8,500) that contain a town.

(b) The township executive may do the following in relation to township parks:
   (1) Purchase, acquire by eminent domain, accept by grant, devise, bequest, or other conveyance, or otherwise acquire land within the township for park purposes.
   (2) Make necessary improvements on the land.
   (3) Maintain and operate the land.
   (4) Dispose of all or part of the land that is unnecessary for the park or park purposes.

(c) If the executive decides to acquire land for park purposes under this section, the following procedures apply:
   (1) A resolution to that effect shall be adopted by the legislative body and shall be entered upon the minutes of the legislative body. The resolution must be signed by the members of the legislative body and by the executive.
   (2) Upon a petition signed in ink by at least one hundred (100) resident taxpayers and freeholders of the township, the executive shall, after the adoption of the resolution, fix a day not less than fifteen (15) nor more than twenty (20) days after adoption during
which time remonstrances may be filed with the executive against the resolution.

(3) The executive shall give notice by publication of the resolution and of the time limits for filing remonstrances in accordance with IC 5-3-1.

(4) Remonstrances must be signed in ink and shall be filed not later than the day fixed for the expiration of the time for filing remonstrances in the notices.

(5) If the number of signers of remonstrances exceeds the number of signers who have signed the original petition, determined by the same qualifications, the executive may give notice, in accordance with IC 5-3-1, of a date by which time a supplementary petition containing the names of qualified signers in addition to the names signed to the first petition may be filed asking for acquisition.

(6) A supplemental petition must be signed in ink by signers having the same qualifications as required for the original petition.

(7) If, after the expiration of the period for filing a supplemental petition, it is determined that the number of qualified signers to the original petition and the supplemental petition exceeds the number of signers to the remonstrance, the executive may proceed with the acquisition of land and the improvement and operation of it.

(8) If the number signing the remonstrance is greater than the number signing the original and supplemental petition, then the township may not proceed with the improvement.

However, the remonstrance does not prevent the acquisition of land or inhibit the power of the executive to acquire parkland unless at least twenty percent (20%) of the resident freeholders who are also legal voters, execute the remonstrance. Only the executive and the legislative body may determine the sufficiency of a petition or remonstrance and the qualifications of a signer. These matters are subject to review only for fraud.

(d) The executive may acquire any property, land, privilege, immunities, or other species of interest reasonably necessary for the park or for the purpose of improving, maintaining, or operating it. The executive may sue in the name of the township for the condemnation
of any property, land, privilege, immunities, or other species of interest in accordance with statutes available to municipal corporations for condemnation.

(e) To provide money for any of the purposes of this section, the legislative body may authorize the executive to issue the bonds of the township. However, the total bonds issued and outstanding at any time for such purposes may not exceed ninety thousand dollars ($90,000). The bonds may bear interest at any rate, may be made payable semiannually, shall be sold for at least their par value, and run for a period of not less than ten (10) nor more than twenty (20) years. Parts of the total issue may be sold from time to time as the executive determines. After the authorization of the bonds, the executive shall, in accordance with IC 5-3-1, publish notice of that part of the bonds that will be sold at that time. The notice must state the amount of bonds offered, the denomination, the period to run, the rate of interest, and the date, place, and hour of sale. No part of the bonds may be sold except after notice.

(f) The legislative body shall levy annually a sufficient tax to pay at least the principal and interest of bonds that will mature in the following year, and the executive shall apply the tax to the payment of bonds and interest. The tax levy is in addition to other tax levies. The tax shall be levied and collected on all property within the boundaries of the township, including municipalities. The cost of the care, upkeep, repair, maintenance, and improvement of the park shall be paid out of the general fund of the township, and the legislative body shall increase the levy of the fund each year by an amount sufficient to provide the money to maintain the park.

(g) The executive shall direct the expenditure of the money raised by the bond issue to save money that otherwise would be expended for poor relief. The executive may offer persons who are able-bodied and capable of work the opportunity to work upon the park improvement. If a person refuses without good excuse, the executive shall consider the refusal prima facie evidence that the person is not entitled to poor relief.

SECTION 176. [EFFECTIVE JULY 1, 2005] (a) After June 30, 2005, a reference to "poor relief" in a statute, a rule, an interim guideline, a contract, an application for benefits, an eligibility standard, a tax levy, a fund, a bond issue or another form of
indebtedness, or any other legal document or order shall be treated as a reference to "township assistance".

(b) The renaming of "poor relief" as "township assistance" in this act does not affect:

(1) any rights or liabilities accrued;
(2) any penalties incurred;
(3) any violations committed;
(4) any proceedings begun;
(5) any contract;
(6) any application for or standard of benefits;
(7) any tax levy;
(8) any fund;
(9) any bond issue or other form of indebtedness; or
(10) any legal document or order.

SECTION 177. [EFFECTIVE JULY 1, 2005] (a) The township assistance control board renamed by this act is a continuation of the township poor relief control board.

(b) The rules adopted by the township poor relief control board shall be treated, after June 30, 2005, as rules of the township assistance control board.

(c) On July 1, 2005, all powers, duties, assets, and liabilities of the township poor relief control board are transferred to the township assistance control board.

(d) After June 30, 2005, a reference to the township poor relief control board shall be treated as a reference to the township assistance control board.

(e) A member of the township poor relief control board appointed under IC 12-20-25-29 (before its amendment by this act) shall continue to serve as a member of the township assistance control board established by IC 12-20-25-29, as amended by this act, until the end of the term for which the member was appointed.

SECTION 178. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding the amendment of IC 12-20-25-40 by this act, funds that are in the county income tax poor relief control fund on June 30, 2005, are transferred to the county income tax township assistance control fund established by IC 12-20-25-40, as amended by this act.

(b) Notwithstanding the amendment of IC 12-20-25-51 by this act, funds that are in the distressed township supplemental poor relief fund on June 30, 2005, are transferred to the distressed
township supplemental township assistance fund established by IC 12-20-25-51, as amended by this act.

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

SECTION 1. IC 5-30 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 30. DESIGN-BUILD PUBLIC WORKS PROJECTS

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Construction services" means services provided under a design-build contract that are not design services.

Sec. 3. "Design-build contract" means a contract between a public agency and a design-builder to furnish:

   (1) architectural, engineering, and related design services as required for a public project; and
   (2) labor, materials, and other construction services for the same public project.

Sec. 4. "Design-builder" means a person that furnishes the necessary design and construction services under a design-build contract, whether by itself or through contractual arrangements.

Sec. 5. "Design criteria developer" means a person registered under IC 25-4 as an architect or IC 25-31 as a professional engineer who is responsible for preparing the design criteria package for the public agency for a design-build project.

Sec. 6. "Design criteria package" means a set of documents that provides sufficient information to permit an offeror to prepare a
proposal in response to a public agency's request for proposals.

Sec. 7. "Design services" means services that are:
(1) within the scope of practice specified by IC 25-4 for architecture or IC 25-31 for professional engineering; or
(2) performed by a registered architect or professional engineer in connection with the architect's or engineer's professional employment or practice.

Sec. 8. "Offeror" means a person who submits a proposal in response to a request for proposals.

Sec. 9. "Person" means an individual, a firm, a partnership, a limited liability company, a joint venture, an association, a corporation, or another legal entity.

Sec. 10. "Proposal" means an offer by a potential design-builder to enter into a design-build contract for a public project in response to a request for proposals.

Sec. 11. (a) "Public agency" means:
(1) a state agency (as defined in IC 4-13-1-1);
(2) a state educational institution (as defined in IC 20-12-0.5-1);
(3) a unit (as defined in IC 36-1-2-23); or
(4) a body corporate and politic created by state statute.
(b) The term does not include the Indiana department of transportation.

Sec. 12. (a) "Public project" means the process of designing, constructing, reconstructing, altering, or renovating a public building, an airport facility, or another structure or improvement that is paid for out of:
(1) a public fund; or
(2) a special assessment.
(b) The term includes either of the following:
(1) A process described in subsection (a) relating to a building or structure leased by a public agency under a lease containing an option to purchase.
(2) A public improvement to real property owned by a public agency.
(c) The term does not include the process of designing, constructing, altering, or repairing a public highway (as defined in IC 9-25-2-4).

Sec. 13. "Team" means a single entity that is responsible for a
public project using the design-build contracting method. The entity may include:

(1) the design-builder; and
(2) a person who:
   (A) subcontracts with the design-builder;
   (B) is a partner of the design-builder;
   (C) enters into a joint venture with the design-builder; and
   (D) performs work under a design-build contract.

Chapter 2. General Provisions
Sec. 1. A design-build contract awarded as provided in this chapter is valid and enforceable.

Sec. 2. Before entering into a design-build contract under this article for a public project, the governing body of a public agency must adopt a resolution authorizing the use of the design-build contracting method for the public project. The resolution must identify the members of the technical review committee appointed under IC 5-30-4. The governing body must adopt the resolution at a public meeting for which public notice has been provided.

Chapter 3. Design-Builder Qualifications
Sec. 1. At the time design services or construction services are to be provided under a design-build contract, a design-builder must:

(1) be;
(2) employ persons who are; or
(3) have as a member of the team a person who is;
licensed, registered, certified, or otherwise qualified to provide the design services and construction services required to complete the public project and do business in Indiana.

Sec. 2. A design-builder may contract with the public agency to provide design services and construction services that the design-builder is not itself licensed, registered, or qualified to perform if the design-builder provides the services through subcontracts with persons who are licensed, registered, or qualified in accordance with this article.

Sec. 3. This article does not limit or eliminate the responsibility or liability imposed by Indiana law on a person providing design services to the public agency or other third parties.

Chapter 4. Technical Review Committee
Sec. 1. (a) Before entering into a design-build contract, a public
agency must appoint a technical review committee of at least three (3) individuals.

(b) The members of the technical review committee must include the following:
   (1) A representative of the public agency.
   (2) At least two (2) of the following, but not more than one (1) under each clause:
       (A) An architect registered under IC 25-4.
       (B) A professional engineer registered under IC 25-31.
       (C) A qualified contractor under IC 4-13.6.
   (c) A member of the technical review committee who is an architect or a professional engineer may be:
      (1) an employee of the public agency; or
      (2) an outside consultant retained by the public agency for the specific purpose of evaluating proposals submitted under this article.
   (d) The design criteria developer may serve as:
      (1) a full member; or
      (2) a nonvoting adviser;

Sec. 2. (a) A member of the technical review committee may not:
   (1) submit a proposal for; or
   (2) furnish design services or construction services under; the design-build contract.
   (b) The design-builder may not delegate or subcontract professional services or construction services under the design-build contract to a member of the technical review committee.
   (c) Each member of the technical review committee must certify for each request for proposals that there is not a conflict of interest between the member and the design-builder responding to the request for proposals. If a conflict of interest exists, the member must be replaced before the review of any proposal.

Sec. 3. (a) The technical review committee shall do the following:
   (1) Qualify potential design-builders as provided in IC 5-30-5.
   (2) Rate and score qualitative proposals as provided in IC 5-30-6 and IC 5-30-7.
   (b) The technical review committee may interview persons
submitting proposals and conduct other business necessary to fulfill the purposes of this article.

Sec. 4. Except for interviews of persons submitting proposals, meetings of the technical review committee shall be open to the public and subject to IC 5-14-1.5.

Chapter 5. Request for Qualifications

Sec. 1. When design-build contracting has been authorized under IC 5-30-2-2, a public agency shall publish a notice of a request for qualifications under IC 5-3-1. The notice must allow at least thirty (30) days for potential design-builders to respond to the request for qualifications.

Sec. 2. A notice provided under section 1 of this chapter must provide the following information:
(1) An overview of the project and selection process including the following:
   (A) A description of the project, including the:
      (i) size and function of the facility that is the subject of the project;
      (ii) approximate budget; and
      (iii) anticipated schedule.
   (B) A description of the selection process, including:
      (i) the process for communications between the public agency and potential design-builders;
      (ii) the schedule for the selection process;
      (iii) the technical review committee procedure; and
      (iv) a description of submission requirements.
(2) The general qualifications for prospective offerors, including:
   (A) appropriate experience with similar projects;
   (B) team experience with design-build;
   (C) organizational resources and depth;
   (D) licensing requirements;
   (E) financial strength and bonding capacity;
   (F) an offeror's history of contracting with or hiring minority business enterprises and women's business enterprises;
   (G) litigation and disputes history; and
   (H) experience in dealing with bonding authorities.
(3) The project specification qualifications for prospective
offerors, including:
(A) team experience with the facility or building type that is the subject of the project;
(B) team performance record, including quality, schedule, and cost of each project;
(C) proposed team composition, including the team’s past experience in working together;
(D) current capacity to manage the project;
(E) proposed key project personnel; and
(F) client references.

(4) A description of the qualifications statement evaluation process, which must include:
(A) an established rating system that complies with sections 4 and 5 of this chapter; and
(B) a briefing session or a formal question and answer process conducted with a potential offeror before submission of a proposal in response to a request for proposals.

Sec. 3. (a) A potential design-builder responding to the request for qualifications under section 2 of this chapter must submit a verified statement of qualifications setting forth the qualifications of the potential design-builder and team members, if applicable, and provide the other information required by the request for qualifications.

(b) The verified statement of qualifications required under this section must include the following:
(1) A listing of all prime contractors and architectural and engineering firms that participate financially as part of the team.
(2) A statement that:
(A) the design-builder or the team members have completed or demonstrated the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity; and
(B) proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project.
(3) A statement that the design-builder or team members have the licenses, registrations, and credentials required to design
and construct the project, including information on the revocation or suspension of a license, credential, or registration.

(4) A statement that the design-builder has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

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

(6) A statement that the design-builder or the employees of the team performing construction services, including the employees of all subcontractors, have completed or are enrolled in an apprenticeship program certified by the United States Department of Labor Bureau of Apprenticeship and Training.

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

(8) Information concerning the debarment, disqualification, or removal of the design-builder or a team member from a federal, state, or local government public works project.

(9) Information concerning the bankruptcy or receivership of the design-builder or a team member.

Sec. 4. The technical review committee shall rate the potential design-builders responding to the request for qualifications based on the rating system described under section 2(4) of this chapter. The rating system shall include consideration of any of the following:

(1) The design-builder's experience.

(2) The design-builder's financial and bonding capacity.

(3) The design-builder's managerial resources and management plan.
(4) The design-builder's safety record.
(5) The design-builder's past performance and capacity to perform.
(6) The design-builder's ability to complete the work in a timely and satisfactory manner.
(7) Other selection criteria set forth or verified in the request for qualifications.

Sec. 5. The technical review committee may not consider cost related or price related evaluation factors when rating the potential design-builders.

Sec. 6. (a) The technical review committee shall select at least three (3) potential design-builders considered to be the most highly qualified to perform the required services based on the rankings of the potential design-builders. The technical review committee shall report the selection of qualified design-builders to the public agency.

(b) Notwithstanding subsection (a), if only two (2) potential design-builders respond to the request for qualifications, the technical review committee may report the two (2) potential design-builders to the public agency if the technical review committee finds that both potential design-builders are qualified to perform the required services.

(c) If:
   (1) only one (1) potential design-builder responds to the request for qualifications; or
   (2) only one (1) of the potential design-builders responding to the request for qualifications is qualified to perform the required services;
the public agency may not use the design-build contracting method authorized under this chapter, unless the governing body of the public agency adopts a resolution expressly authorizing the public agency to send the one (1) potential designer-builder referred to in subdivision (1) or (2) a request for proposal under IC 5-30-6. The governing body must adopt the resolution at a public meeting for which public notice has been provided.

Chapter 6. Request for Proposals

Sec. 1. The public agency shall issue a request for proposals to the potential design-builders selected under IC 5-30-5-6. Each request for proposals must contain a design criteria package.
Sec. 2. (a) The design criteria developer shall prepare the design criteria package.
(b) The design criteria developer may not submit a proposal or furnish design or construction services under the contract.
(c) The design-builder may not delegate or subcontract design services or construction services under the design-build contract to the design criteria developer.

Sec. 3. (a) The public agency shall determine the scope and level of detail required for the design criteria package.
(b) The design criteria package must specify the design criteria necessary to describe the public project, which may include, as appropriate, the following:
   (1) A legal description and survey of the site.
   (2) Interior space requirements.
   (3) Special material requirements.
   (4) Material quality standards.
   (5) Preliminary design criteria for the project.
   (6) Special equipment requirements.
   (7) Cost or budget estimates.
   (8) Quality assurance and quality control requirements.
   (9) Site development requirements.
   (10) Compliance with applicable codes and ordinances.
   (11) Permits and connections to utilities.
   (12) Requirements for storm water and roads.
   (13) Parking requirements.
   (14) Soil borings and geotechnical information or performance specifications.
   (15) Life cycle costing and energy consumption requirements.
   (16) Performance specifications, including warranties.
   (17) Project schedule.
   (18) Any other applicable requirements.

Sec. 4. In addition to the design criteria package, a request for proposals must include the following:
   (1) Instructions.
   (2) Proposal forms and schedules.
   (3) General and special conditions.
   (4) The basis for evaluation of proposals, including a description of the selection criteria with the weight assigned to each criteria.
(5) A determination of the common construction wage made under IC 5-16-7.

(6) Any other instructions, documents, or information relevant to the public project that the public agency considers relevant.

Sec. 5. The request for proposals must include the requirement that a proposal be submitted in the following two (2) packages:

1. A qualitative proposal.
2. A price proposal.

Sec. 6. The public agency may provide a stipend to a non-successful bidder to encourage competition under this article.

Chapter 7. Selection and Award
Sec. 1. A proposal submitted in response to a request for proposals described in IC 5-30-6 must satisfy the following:

1. The qualitative proposal and the price proposal must be submitted simultaneously in separately sealed and identified packages. The price proposal must remain sealed until opened in public under section 5 of this chapter.
2. A proposal must identify each person with whom the offeror proposes to enter into subcontracts for primary design services and primary construction services, including any subcontractors, under the design-build contract. The public agency may determine requirements under this section.
3. The price proposal must:
   (A) contain one (1) lump sum cost of all design, construction engineering, inspection, and construction costs of the proposed project; or
   (B) establish a maximum cost of the design-build contract that will not be exceeded if the proposal is accepted without change.
4. The qualitative proposal must include all documents, information, and data requested in the request for proposals.

Sec. 2. (a) The public agency shall submit the qualitative proposals to the technical review committee.
(b) The public agency may require clarifications from an offeror to ensure conformance of proposals with the design criteria and administrative requirements.
(c) The technical review committee may not consider a proposal until the design criteria developer provides its professional opinion.
that the proposal conforms with the design criteria.

Sec. 3. (a) The technical review committee shall review the qualitative proposals and establish a score for each qualitative proposal based on the factors, weighting, and process identified in the request for proposals.

(b) The technical review committee shall give a written composite score for each qualitative proposal.

Sec. 4. The public agency shall notify all offerors of the date, time, and location of the public opening of the sealed price proposals at least seven (7) days before the opening date.

Sec. 5. The public agency shall publicly open the sealed price proposals and divide each offeror's price by the written composite score that the technical review committee has given to each qualitative proposal to obtain an adjusted price.

Sec. 6. The public agency shall accept the proposal that provides the public agency with the lowest adjusted price providing the best value to the taxpayer. The public agency is not required to accept the lowest price proposal.

Sec. 7. The public agency may reject any and all proposals, except for the purpose of evading the provisions and policies of this article. A public agency must make a rejection of proposals under this section in a written document that states the reasons for rejecting proposals.

Sec. 8. (a) The public agency may negotiate any contract term with the offeror selected under section 6 of this chapter, except for those terms identified in the request for proposals as nonnegotiable.

(b) If the public agency is unable to negotiate a contract with its first selection, the public agency may:

   (1) terminate negotiations with that offeror; and
   (2) negotiate with the next lowest adjusted price offeror.

A public agency shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.

Sec. 9. (a) Unless and until a proposal is accepted, the drawings, specifications, and other information in the proposal are the property of the offeror.

(b) After a proposal is accepted, ownership of the drawings, specifications, and information in the drawings and specifications
shall be determined under Indiana law and the terms of the design-build contract.


Sec. 1. A design-build contract may be conditional upon subsequent refinements in scope and price and may permit the public agency to make changes in the scope of the project without invalidating the design-build contract.

Sec. 2. (a) A person identified under IC 5-30-7-1(2) as a person with whom the design-builder proposes to enter into subcontracts for primary design services and primary construction services under the design-build contract may not be replaced without the approval of the public agency and a written determination by the public agency that a legitimate reason exists for the replacement.

(b) If a design-builder violates subsection (a), the public agency may cancel the award of or may terminate a design-build contract.

Sec. 3. After award under this article, the maximum cost established in the successful proposal may be adjusted by negotiated agreement between the public agency and the design-builder to reflect modifications in the proposed design-build project.

Sec. 4. (a) The public agency shall require the design-builder to furnish performance and payment bonds for the project.

(b) A performance or payment bond is not required for, and does not provide coverage for, the part of a design-build contract that includes design services only.

(c) Subsection (b) does not impair the ability of the public agency to seek recovery under the contract from the design-builder for errors, omissions, or defects in the design services.

Sec. 5. A public agency may not, with respect to a public project covered by this article, require an offeror to:

(1) make application to;
(2) furnish financial data to; or
(3) obtain any of the surety bonds, or surety bond components of wrap-up insurance, that are specified in connection with a design-build contract or specified by any law from; any particular insurance or surety company, agent, or broker.

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

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

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

AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

SECTION 1. IC 14-22-38-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person who:

1) unlawfully takes or possesses a deer or wild turkey;

2) takes or possesses a deer or wild turkey by illegal methods or with illegal devices; or

3) except as provided in subsections (c) and (d), sells, offers to sell, purchases, or offers to purchase a deer or wild turkey or a part of a deer or wild turkey;

shall reimburse the state five hundred dollars ($500) for the first violation and one thousand dollars ($1,000) for each subsequent violation.

(b) The money shall be deposited in the conservation officers fish and wildlife fund. This penalty is in addition to any other penalty under the law.

(c) Notwithstanding section 6 of this chapter, if a properly tagged deer is brought to a meat processing facility and the owner
of the deer:
   (1) fails to pick up the processed deer within a reasonable time; or
   (2) notifies the meat processing facility that the owner does not want the processed deer;
the deer meat may be given away by the meat processing facility to another person. The meat processing facility may charge the person receiving the deer meat a reasonable and customary processing fee.
   (d) Notwithstanding section 6 of this chapter, deer meat and products from farm raised deer that meet the requirements under IC 15-2.1 may be sold to the public.

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-8.1-7-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) This section does not apply to medication possessed by a student for self-administration under IC 20-8.1-5.1-7.5.
   (b) Except as provided in subsection (d), a school corporation may not send home with a student medication that is possessed by a school for administration during school hours or at school functions.
   (c) Medication that is possessed by a school for administration during school hours or at school functions for a student in grades kindergarten through grade 8 may be released only to:
      (1) the student's parent; or
      (2) an individual who is:
         (A) at least eighteen (18) years of age; and
         (B) designated in writing by the student's parent to receive the medication.
(c) A school corporation may send home medication that is possessed by a school for administration during school hours or at school functions with a student in grades 9 through 12 if the student's parent provides written permission for the student to receive the medication.

SECTION 2. IC 20-10-1-4-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The chief administrative officer of each:

(1) public school (including a charter school as defined in IC 20-5.5-1-4); and

(2) nonpublic school;

shall ensure that information concerning meningococcal disease and its vaccines is provided to students and parents or guardians of students at the beginning of each school year.

(b) The information provided under subsection (a) must include information concerning the:

(1) causes;

(2) symptoms; and

(3) spread;

of meningococcal disease and the places where parents and guardians of students may obtain additional information and vaccinations for their children.

(c) The chief administrative officers and the department shall, in consultation with the state department of health or any other appropriate entity, develop materials to be made available to schools to assist schools in providing the information described in this section.

(d) The department shall enforce this section.

SECTION 3. IC 20-30-5-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The chief administrative officer of each:

(1) public school (including a charter school as defined in IC 20-24-1-4); and

(2) nonpublic school;

shall ensure that information concerning meningococcal disease and its vaccines is provided to students and parents or guardians of students at the beginning of each school year.
(b) The information provided under subsection (a) must include information concerning the:
   (1) causes;
   (2) symptoms; and
   (3) spread;
of meningococcal disease and the places where parents and guardians of students may obtain additional information and vaccinations for their children.

(c) The chief administrative officers and the department shall, in consultation with the state department of health or any other appropriate entity, develop materials to be made available to schools to assist schools in providing the information described in this section.

(d) The department shall enforce this section.

SECTION 4. IC 20-34-3-18, AS ADDED BY HEA 1288-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) This section does not apply to medication possessed by a student for self-administration under IC 20-33-8-13.

(b) Except as provided in subsection (d), a school corporation may not send home with a student medication that is possessed by a school for administration during school hours or at school functions:

(c) Medication that is possessed by a school for administration during school hours or at school functions for a student in kindergarten through grade 8 may be released only to:
   (1) the student's parent; or
   (2) an individual who is:
         (A) at least eighteen (18) years of age; and
         (B) designated in writing by the student's parent to receive the medication.

(d) A school corporation may send home medication that is possessed by a school for administration during school hours or at school functions with a student in grades 9 through 12 if the student's parent provides written permission for the student to receive the medication.
AN ACT to amend the Indiana Code concerning commercial law.

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

SECTION 1. IC 26-2-8-116 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 116. (a) As used in this section, "authorization" means a consent, an approval, or an authorization between an individual and a person.

(b) As used in this section, "electronic identification" means the electronic identification system for form, location, and endorsement that is specified in subsection (d).

(c) Electronic signature authentication and identification may be used for an individual who participates in agreements, authorizations, contracts, records, or transactions that involve individually identifiable health information, including medical records and record keeping, transfer of medical records, medical billing, health care proxies, health care directives, consent to medical treatment, medical research, and organ and tissue donation or procurement.

(d) The electronic authentication and identification under subsection (c) may be accomplished by an interactive system of security procedures that include any of the following:

(1) A tamper proof electric appliance that receives input of unique identification numbers, unique biometric identifiers, or location devices.

(2) A computerized authentication process for biometric identifiers that is linked to the appropriate identification numbers upon receipt of the identifiers.

(3) Transmission of verification of the identifiers to a securely maintained electronic repository.

No provision in this section may be construed to supersede or preempt applicable federal and state law, including the Indiana
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 4-6-2-1.5, AS AMENDED BY HEA 1288-2005, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 1.5. (a) Whenever any state governmental official or employee, whether elected or appointed, is made a party to a suit, and the attorney general determines that said suit has arisen out of an act which such official or employee in good faith believed to be within the scope of his the official's or employee's duties as prescribed by statute or duly adopted regulation, the attorney general shall defend such person throughout such action.

(b) Whenever a teacher (as defined in IC 20-18-2-22) is made a party to a civil suit, and the attorney general determines that the suit has arisen out of an act that the teacher in good faith believed was within the scope of the teacher's duties in enforcing discipline policies developed under IC 20-33-8-12, the attorney general shall defend the teacher throughout the action.

(c) Whenever a school corporation (as defined in IC 20-26-2-4) is made a party to a civil suit and the attorney general determines that the suit has arisen out of an act authorized under IC 20-30-5-0.5 or IC 20-30-5-4.5, the attorney general shall defend the school corporation throughout the action.

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

(e) Nothing in this chapter shall be construed to deprive any
such person of the person's right to select counsel of the person's own choice at the person's own expense.

SECTION 2. IC 20-10.1-4-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.5. (a) The United States flag shall be displayed in each classroom of every school in a school corporation.

(b) The governing body of each school corporation shall provide a daily opportunity for students of the school corporation to voluntarily recite the Pledge of Allegiance in each classroom or on school grounds. A student is exempt from participation in the Pledge of Allegiance and may not be required to participate in the Pledge of Allegiance if:

(1) the student chooses to not participate; or
(2) the student's parent chooses to have the student not participate.

SECTION 3. IC 20-10.1-4-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) In order that:

(1) the right of each student to the free exercise of religion is guaranteed within the schools; and
(2) the freedom of each student is subject to the least possible coercion from the state either to engage in or to refrain from religious observation on school grounds;

the governing body of each school corporation shall establish the daily observance of a moment of silence in each classroom or on school grounds.

(b) During the moment of silence required by subsection (a), the teacher responsible for a classroom shall ensure that all students remain seated or standing and silent and make no distracting display so that each student may, in the exercise of the student's individual choice, meditate, pray, or engage in any other silent activity that does not interfere with, distract, or impede another student in the exercise of the student's individual choice.

SECTION 4. IC 20-10.1-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Voluntary Religious Observance - Authorized. A voluntary religious observance is permitted in each school corporation if the school corporation follows
sections 9 and 10 and 11 of this chapter and any additional procedures which it adopts to assure that the observance is voluntary.

SECTION 5. IC 20-30-5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.5. (a) The United States flag shall be displayed in each classroom of every school in a school corporation.

(b) The governing body of each school corporation shall provide a daily opportunity for students of the school corporation to voluntarily recite the Pledge of Allegiance in each classroom or on school grounds. A student is exempt from participation in the Pledge of Allegiance and may not be required to participate in the Pledge of Allegiance if:

1. the student chooses to not participate; or
2. the student's parent chooses to have the student not participate.

SECTION 6. IC 20-30-5-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) In order that:

1. the right of each student to the free exercise of religion is guaranteed within the schools; and
2. the freedom of each student is subject to the least possible coercion from the state either to engage in or to refrain from religious observation on school grounds;

the governing body of each school corporation shall establish the daily observance of a moment of silence in each classroom or on school grounds.

(b) During the moment of silence required by subsection (a), the teacher responsible for a classroom shall ensure that all students remain seated or standing and silent and make no distracting display so that each student may, in the exercise of the student's individual choice, meditate, pray, or engage in any other silent activity that does not interfere with, distract, or impede another student in the exercise of the student's individual choice.

SECTION 7. IC 20-30-6-10, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. A school corporation may permit a voluntary religious observance if the school corporation follows sections 11 through 12 of this chapter and any additional procedures that the
school corporation adopts to ensure that the observance is voluntary.

SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-10.1-7-11; IC 20-30-6-13.

P.L.79-2005
[S.373. Approved April 25, 2005.]

AN ACT to amend the Indiana Code concerning civil procedure.

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

SECTION 1. IC 32-30-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this section, "designer" means a person who:

1. designs, plans, supervises, or observes the construction of an improvement to real property; or
2. constructs an improvement to real property.

(b) As used in this section, "possessor" means a person having ownership, possession, or control of real property at the time an alleged deficiency in an improvement to the real property causes injury or wrongful death.

(c) As used in this section, "deficiency" does not mean a failure by a possessor to use reasonable care to maintain an improvement to real property following a substantial completion of an improvement.

(d) An action to recover damages, whether based upon contract, tort, nuisance, or another legal remedy, for:

1. a deficiency or an alleged deficiency in the design, planning, supervision, construction, or observation of construction of an improvement to real property;
2. an injury to real or personal property arising out of a deficiency; or
3. an injury or wrongful death of a person arising out of a deficiency;
may not be brought against any person who designs, plans, supervises,
or observes the construction of or constructs an improvement to the real property a designer or possessor unless the action is commenced within the earlier of ten (10) years after the date of substantial completion of the improvement or twelve (12) years after the completion and submission of plans and specifications to the owner if the action is for a deficiency in the design of the improvement.

SECTION 2. IC 32-30-1-7 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 32-30-1-5, as amended by this act, applies only to a cause of action accruing after June 30, 2005.

AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

SECTION 1. IC 14-37-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A permit, a bond, or an alternative security for a permit issued for
(1) a well for oil and gas purposes or
(2) geophysical surveying;
in force after June 30, 1988, is governed by this article.

SECTION 2. IC 14-37-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A person may not
(1) drill, deepen, operate, or convert a well for oil and gas purposes or
(2) conduct a geophysical survey;
without a permit issued by the department.

SECTION 3. IC 14-37-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. A permit for a well for oil and gas purposes, other than a permit for a Class II well, or
geophysical survey; continues until:
   (1) the well is plugged and abandoned;
   (2) the well is converted to another type of well for oil and gas
purposes; or
   (3) the permit is revoked.

SECTION 4. IC 14-37-4-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A permit for a
well for oil and gas purposes expires one (1) year from the date of
issuance unless the drilling of the well has commenced.

   (b) A permit for geophysical surveying expires one (1) year from the
date of issuance.

SECTION 5. IC 14-37-7-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The commission
may require a person drilling or modifying a well for oil and gas
purposes to furnish the following:
   (1) A copy of the driller's log and completion report of the well.
   (2) A copy of any geophysical or instrumental log.
   (3) Drill cuttings or cores.
   (4) Other information required by rule.

   (b) The commission may require a person conducting a geophysical
survey to furnish the following:
   (1) A detailed description of the surveying technique used.
   (2) A map identifying the exact location of all surveying
operations.
   (3) Other information required by rule.

SECTION 6. IC 14-37-7-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as
provided in subsection (b), if a well for oil and gas purposes is
proposed to be drilled:
   (1) on land underlaid by an inactive underground mine; or
   (2) on land within the permit boundaries of an active underground
mine permitted under IC 14-34;

an owner or operator shall, if the well is to be completed as a producing
well and regardless of whether the well is drilled through a pillar,
run an intermediate string of casing from the surface to a point at least
fifty (50) feet below the base of the commercially minable coal
resource or the mine floor.

   (b) Upon written application to the director by a person that
proposes to drill a well described in subsection (a), the director may grant a variance from the requirements of subsection (a) if:

(1) with respect to a proposed well on land described in subsection (a)(1), written consent to the variance is given by:
   (A) the permittee under IC 14-34; or
   (B) the person that has the right to develop the coal resource; or

(2) with respect to a proposed well on land described in subsection (a)(2), written consent to the variance is given by the coal mine operator under IC 14-34.

(c) If a variance is granted under subsection (b), the well must be completed:
   (1) in the manner required under section 4 or 5 of this chapter; and
   (2) in a manner that prevents the following:
      (A) Waste.
      (B) Fresh water pollution.
      (C) Blowouts.
      (D) Cavings.
      (E) Seepages.
      (F) Fires.
      (G) Unreasonably detrimental effects upon fish, wildlife, and botanical resources.

SECTION 7. IC 35-47.5-4-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) This section does not apply to:
   (1) a person who is regulated under IC 14-34; or
   (2) near surface or subsurface use of regulated explosives associated with oil and natural gas:
      (A) exploration;
      (B) development;
      (C) production; or
      (D) abandonment activities or procedures.

(b) The commission shall adopt rules under IC 4-22-2 to:
   (1) govern the use of a regulated explosive; and
   (2) establish requirements for the issuance of a license for the use of a regulated explosive.

(c) The commission shall include the following requirements in the rules adopted under subsection (b):
(1) Relicensure every three (3) years after the initial issuance of a license.
(2) Continuing education as a condition of relicensure.
(3) An application for licensure or relicensure must be submitted to the office on forms approved by the commission.
(4) A fee for licensure and relicensure.
(5) Reciprocal recognition of a license for the use of a regulated explosive issued by another state if the licensure requirements of the other state are substantially similar to the licensure requirements established by the commission.
(d) A person may not use a regulated explosive unless the person has a license issued under this section for the use of a regulated explosive.
(e) The office shall carry out the licensing and relicensing program under the rules adopted by the commission.
(f) As used in this section, "regulated explosive" does not include either of the following:

(1) Consumer fireworks (as defined in 27 CFR 55.11); 27 CFR 555.11).
(2) Commercially manufactured black powder in quantities not to exceed fifty (50) pounds, if the black powder is intended to be used solely for sporting, recreational, or cultural purposes in antique firearms or antique devices.

SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 14-8-2-114; IC 14-37-3-14; IC 14-37-6-6; IC 14-37-8-17.

SECTION 9. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning elections.

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

SECTION 1. IC 3-7-13-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. (a) Except as otherwise provided in this article, if a circuit court clerk or board of county voter registration office receives a properly completed registration application in the office of the clerk or board during a time other than the registration period described in section 10 of this chapter, the clerk or board county voter registration office shall process the application on the first day that the registration period resumes. Enter the data from the application into the computerized list and designate the application as pending in the same manner as other applications received while the registration period was open are designated as pending under IC 3-7-33-5. However, the county voter registration office shall ensure that:

1. the notice required under IC 3-7-33-5 is not mailed to the applicant before the first day that the registration period reopens; and

2. the registration information provided by the applicant does not appear on any certified list of voters or certificate of error issued under this article.

(b) If an individual does not have a driver's license issued under IC 9-24-11, the individual must provide the last four (4) digits of the individual's Social Security number when the individual registers to vote, as provided under 42 U.S.C. 15483.

(c) This subsection applies after December 31, 2005. As required under 42 U.S.C. 15483, if an individual does not have a Social Security number, the election division shall assign the individual a number to be associated with the individual's registration in the computerized list maintained under IC 3-7-26.3. If the individual has an identification card number issued under IC 9-24-16, the election division shall assign
that number as the voter's number under this subsection. If the individual does not have an identification card number issued under IC 9-24-16, the election division shall assign a unique identifying number to the voter's registration record in the computerized list, as provided under 42 U.S.C. 15483.

(d) The number provided by the individual under subsection (a) or (b), or the number assigned to the individual under subsection (c), is the individual's voter identification number.

(e) A voter's voter identification number may not be changed unless:
   (1) the voter made an error when providing the number when registering to vote;
   (2) the election division or a county voter registration office made an error when entering the number into the computerized list under IC 3-7-26.3;
   (3) the voter obtains or provides a driver's license number under IC 9-24-11 or a Social Security number after the voter was assigned a number under subsection (c); or
   (4) the voter ceases to have a driver's license number under IC 9-24-11 after the voter provided that number under subsection (a).

(f) If a voter transfers the voter's registration and the voter's voter identification number is not included in the voter's registration records, the voter registration officer of the county in which the voter's registration is to be transferred shall require the voter to provide the number required by subsection (a) or (b) before the voter's registration is transferred. If after December 31, 2005, the voter does not have either of the numbers described in subsection (a) or (b), a voter identification number shall be assigned to the voter under subsection (c).

SECTION 2. IC 3-7-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As provided in 42 U.S.C. 1973gg-5(a)(4)(A)(i) and 42 U.S.C. 1973gg-5(a)(6)(A), an agency designated under IC 3-7-19 (board of registration offices), IC 3-7-20 (city clerk, city clerk-treasurer, or town clerk-treasurer), IC 3-7-20.5 (unemployment compensation offices), and IC 3-7-21 (additional designated voter registration offices) shall distribute a voter registration form prescribed under this chapter to each person applying for assistance from the agency whenever the applicant:
(1) applies for service or assistance;
(2) applies for recertification or renewal of services or assistance; or
(3) submits a change of address form relating to the service or assistance;

unless the applicant declines in writing to register to vote.

SECTION 3. IC 3-7-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter prescribes procedures for voter registration by mail as provided in 42 U.S.C. 1973gg-4 and after December 31, 2003, 42 U.S.C. 15483.

SECTION 4. IC 3-7-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As provided in 42 U.S.C. 1973gg-4(a)(1) and after December 31, 2003, 42 U.S.C. 15483, a county voter registration office shall accept and use the mail voter registration form prescribed by the federal Election Assistance Commission under 42 U.S.C. 1973gg-7(a)(2).

SECTION 5. IC 3-7-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As provided in 42 U.S.C. 1973gg-4(a)(2) and after December 31, 2003, 42 U.S.C. 15483, a county voter registration office shall accept and use a mail voter registration form prescribed by the commission that complies with 42 U.S.C. 1973gg-7(b)(2), 42 U.S.C. 15483, after December 31, 2003, and this article.

SECTION 6. IC 3-7-22-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A mail registration form prescribed under section 3 of this chapter may only require information necessary to enable the county voter registration office to do the following:

(1) Assess the eligibility of the applicant, including after December 31, 2003, the eligibility of the applicant under 42 U.S.C. 15483.

(2) Administer the voter registration and election process.

(b) The information required under subsection (a) may include the following:

(1) The signature of the applicant.

(2) Data relating to previous registration by the applicant.

(c) The form may not include any requirement for notarization or other formal authentication.
SECTION 7. IC 3-7-22-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A mail registration form prescribed under section 3 of this chapter must meet the following requirements:

1. The form must include a statement that does the following:
   - Sets forth each eligibility requirement for registration (including citizenship).
   - Contains an attestation that the applicant meets each of the eligibility requirements.
   - Requires the signature of the applicant, under penalty of perjury.

2. The form must include, in print that is identical to the print used in the attestation part of the application, information setting forth the penalties provided by law for submission of a false voter registration application.

3. After December 31, 2003, the question "Are you a citizen of the United States of America?" and boxes for the applicant to check to indicate whether the applicant is or is not a citizen of the United States.

4. After December 31, 2003, the question "Will you be 18 years of age on or before election day?" and boxes for the applicant to check to indicate whether or not the applicant will be eighteen (18) years of age on or before election day.

5. After December 31, 2003, a statement informing the individual that if the form is submitted by mail and the individual is registering for the first time, the appropriate information required under 42 U.S.C. 15483 must be submitted with the mail-in registration form in order to avoid the additional identification requirements upon voting for the first time.

SECTION 8. IC 3-7-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) As provided in 42 U.S.C. 1973gg-4(b), the NVRA official shall make registration by mail forms available for distribution, with particular emphasis on organized voter registration programs.

(b) This subsection does not apply to a request made by the state chairman of a political party whose nominee received at least two percent (2%) of the total vote cast for secretary of state at the most recent election for secretary of state: The co-directors shall require a
person who requests more than ten thousand (10,000) registration forms to submit a voter registration program plan to The NVRA official to document the person's need for the desired number of forms: complies with subsection (a) by ensuring that a downloadable version of the current registration by mail form is published on the election division web site.

SECTION 9. IC 3-7-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. Each school corporation with a public secondary school is a distribution site for registration by mail forms.

SECTION 10. IC 3-7-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. Each office of a city clerk, city clerk-treasurer, or town clerk-treasurer

(1) designated under IC 3-7-20; or

(2) that does not otherwise provide voter registration services under IC 3-7-20;

is a distribution site for registration by mail forms.

SECTION 11. IC 3-7-26.3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) As required under 42 U.S.C. 15483, the computerized list must:

(1) be defined, maintained, and administered at the state level;

(2) contain the name and registration information of every voter in Indiana; and

(3) assign a unique identifier to each voter in Indiana.

(b) To ensure the proper maintenance and administration of the list under subsection (a)(1), the secretary of state and the election division are the owners of all property comprising the computerized list. Except as expressly provided by statute, the computerized list and each of its components must be used exclusively for voter registration and election administration and for no other purpose.

SECTION 12. IC 3-7-26.3-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. The computerized list must permit a circuit court clerk to transmit reports or statements to the election division under IC 3-6-5, this article, IC 3-8-3, or IC 3-12-5.

SECTION 13. IC 3-7-26.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
Chapter 26.4. Statewide Voter Registration Information

Sec. 1. This chapter applies:
(1) to the computerized list established under IC 3-7-26.3; and
(2) after December 31, 2005.

Sec. 2. The election division may not provide any part of the compilation of the voter registration information contained in the computerized list except:
(1) as provided in IC 3-7-26.3 or this chapter;
(2) to perform voter list maintenance duties required by 42 U.S.C. 15483; or
(3) to redact voter registration information declared confidential under a court order or IC 5-26.5-2.

Sec. 3. The election division shall provide information from the computerized list to an individual to permit the individual to confirm the voter registration status of the individual and the location of the polling place for the individual’s precinct.

Sec. 4. The election division may provide parts and reports from the voter registration information from the computerized list for the purposes specified under IC 3-7-26.3-29. However, the parts and reports provided under this section may not include information described under section 8 of this chapter.

Sec. 5. The election division may provide parts and reports from the computerized list concerning information other than lists of registered voters.

Sec. 6. Upon request, and not later than five (5) days after the request is filed with the election division, the election division shall provide a complete compilation of the voter registration information contained in the computerized list, including any format information or other information necessary to decode the data, to any of the following entities:
(1) The state committee of a major political party.
(2) The state organization of a bona fide political party that is not a major political party if the party has at least two (2) candidates on the ballot in the next election.
(3) The committee of an independent candidate for federal or state office if the candidate is on the ballot in the next general election.
(4) A member of the media for publication in a news
broadcast or newspaper.

(5) The chief justice of the supreme court, for purposes of state administration of a jury management system.

(6) Each of the following:
   
   (A) The speaker of the house of representatives.
   
   (B) The minority leader of the house of representatives.
   
   (C) The president pro tempore of the senate.
   
   (D) The minority leader of the senate.

Sec. 7. The election division shall promptly notify a person described in section 6 of this chapter when the compilation requested by the person is available.

Sec. 8. (a) This section applies to a person other than a registered voter requesting information about the registered voter.

   (b) After a person files a request with the election division for voter registration information compiled under this chapter, the election division shall provide a compilation of the information from the computerized list to the person, redacting the information described in subsection (c).

   (c) The election division shall not provide information under this section concerning any of the following information concerning a voter:

   (1) Date of birth.

   (2) Gender.

   (3) Telephone number or electronic mail address.

   (4) Voting history.

   (5) A voter identification number or another unique field established to identify a voter.

   (6) The date of registration of the voter.

Sec. 9. A person who files a request for a compilation of the information contained in the computerized list with the election division under this chapter must execute an agreement with the election division on a form prescribed under IC 3-5-4-8.

Sec. 10. The form described by section 9 of this chapter must state that the person receiving a compilation of information under this chapter may not:

   (1) use the compilation to solicit for the sale of merchandise, goods, services, or subscriptions; or

   (2) sell, loan, give away, or otherwise deliver the information obtained by the request to any other person (as defined in
IC 5-14-3-2); for a purpose other than political activities or political fundraising activities.

Sec. 11. The publication of information obtained under this chapter in a news broadcast or newspaper is not prohibited by this chapter.

Sec. 12. (a) This section does not apply to the chief justice of the supreme court or to a person described by section 8 of this chapter.

(b) Notwithstanding IC 5-14-3-8, the election division shall charge each person described by section 6 of this chapter a fee of five thousand dollars ($5,000) to receive a complete compilation of the voter registration information contained in the computerized list.

Sec. 13. (a) This section applies to the following:

(1) A registered voter requesting information about the registered voter.

(2) The chief justice of the supreme court who receives a complete compilation of voter registration information for the purpose described in section 6 of this chapter.

(b) The election division may not charge a fee to a person who receives a compilation under this section.

SECTION 14. IC 3-7-29-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Not later than ten (10) days before the election at which the registration record is to be used, the county voter registration office shall prepare certified copies of the list of registered voters for each precinct in the county.

(b) The lists must contain the following information concerning each registered voter:

(1) The full name of the voter.

(2) The address of the voter.

(3) The assigned county identification number.

(4) Whether the voter is required to provide additional identification before voting either in person or by absentee ballot.

(c) The names shall be arranged in the same order as they are in the registration record of the precinct.

SECTION 15. IC 3-7-31-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A form used
to apply for registration at a license branch must comply with 42 U.S.C. 1973gg-3(c)(2) and 42 U.S.C. 1973gg-3(d).

(b) A form used to apply for registration at:
   (1) a public assistance agency designated under IC 3-7-15;
   (2) an agency serving persons with disabilities designated under IC 3-7-16;
   (3) an additional office designated under IC 3-7-18 or IC 3-7-19; or
   (4) an office of the department of employment and training services designated under IC 3-7-20.5;


SECTION 16. IC 3-7-32-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Each voter shall execute an original registration form. A voter is not required to execute a duplicate affidavit if the voter is registering by mail, in a license branch, or in a voter registration agency designated under this article.

   (b) An applicant’s original registration form may not be signed by a person acting for the applicant under IC 30-5-5-14.

SECTION 17. IC 3-7-33-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to the processing of registration forms by a circuit court clerk or board of county voter registration office.

SECTION 18. IC 3-7-33-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) When the county voter registration office receives an application for a new registration or an application with information that revises or adds information to the applicant's current voter registration record, the county voter registration office shall determine if the applicant appears to be eligible to register to vote based on the information in the application.

   (b) As required under 42 U.S.C. 1973gg-6(a)(2), the county voter registration office shall send a notice to each person from whom the county voter registration office receives a voter registration application. The county voter registration office shall send a notice to the applicant at the mailing address provided in the application.

   (c) The notice required by subsection (b) must set forth the following:
(1) A statement that the application has been received.
(2) The disposition of the application by the county voter registration office.
(3) If the county voter registration office determines that the applicant appears to be eligible, the notice must state the following:
   (A) The applicant is registered to vote under the residence address when the applicant receives the notice. An applicant is presumed to have received the notice unless the notice is returned by the United States Postal Service due to an unknown or insufficient address and received by the county voter registration office not later than seven (7) days after the notice is mailed to the applicant.
   (B) The name of the precinct in which the voter is registered.
   (C) The address of the polling place for the precinct in which the voter is registered.
   (D) The voter's voter identification number.
(4) In accordance with 42 U.S.C. 1973ff-1(d), if the county voter registration office has denied the application, the notice must include the reasons for the denial.
(d) The notice required by subsection (b) may include a voter registration card.
(e) If the notice is returned by the United States Postal Service due to an unknown or insufficient address, the county voter registration office shall determine that the applicant is ineligible and deny the application.
(f) During the seven (7) days following the mailing of the notice to the voter under this section, the county voter registration office shall indicate in the computerized list maintained under IC 3-7-26.3 that the application is pending. If the notice is not returned by the United States Postal Service and received by the county voter registration office at the expiration of the seven (7) day period under subsection (c), the county voter registration office shall indicate in the computerized list that the applicant is a registered voter.
(g) This subsection applies if the notice is mailed by the county voter registration office after the certified list is prepared under IC 3-7-29. If the seven (7) day period under subsection (c) expires
before election day, and the applicant would otherwise have been included on the certified list, the county voter registration office shall prepare a certificate of error under IC 3-7-48 to note the addition of the voter to the certified list. If the seven (7) day period has not expired before election day, the county voter registration office shall notify the county election board. The county election board shall certify to the inspector of the precinct where the applicant resides that the applicant’s voter registration application is pending, and that the voter, subject to fulfilling the requirements of IC 3-11.7, is entitled to cast a provisional ballot.

SECTION 19. IC 3-7-34-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies when a county voter registration office receives a registration form that is not properly completed under:

(1) IC 3-7 or after December 31, 2003, 42 U.S.C. 15483; or
(2) is filed in an incorrect county.

SECTION 20. IC 3-7-34-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.7. As used in this chapter, "registration form" includes an application for registration or a request to transfer the voter's registration to another address.

SECTION 21. IC 3-7-34-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section applies when a county voter registration office receives a registration form that is not fully and properly completed so that the clerk or board county voter registration office can determine if the applicant is eligible to register under this article or after December 31, 2003, fails to answer either of the questions set forth in IC 3-7-22-5(3) or IC 3-7-22-5(4).

(b) As required by 42 U.S.C. 15483, the county voter registration office shall promptly make:

(1) one (1) effort to contact the voter by mail if possible; and
(2) one (1) effort to contact the voter by telephone if a telephone number is listed.

SECTION 22. IC 3-7-34-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) This subsection applies after December 31, 2003, to a registration application form that is incomplete as a result of the failure of the
applicant to answer either of the questions set forth in IC 3-7-22-5(3) or IC 3-7-22-5(4). If the county voter registration office obtains a written statement from the applicant:

(1) answering either or both of the questions that were not answered on the original application form; and

(2) not later than the twenty-ninth day before the date of the next general election following the date the application form was filed; the county voter registration office shall process the form under this article.

(b) This subsection applies to a registration application that is incomplete for a reason other than the failure of the applicant to answer either of the questions set forth in IC 3-7-22-5(3) or IC 3-7-22-5(4). If the county voter registration office obtains information under section 2(b)(1) of this chapter that permits the county voter registration office to complete the registration form, the county voter registration office shall process the form under this article. If the county voter registration office obtains information under section 2(b)(2) of this chapter from the voter that permits the county voter registration office to complete the registration form, the county voter registration office shall document the information and process the form under this article.

SECTION 23. IC 3-7-34-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Not later than the date the county is required to prepare a certified list of voters under IC 3-7-29-1, the circuit court clerk or board of county voter registration office shall certify to the county election board a list of the registration forms that remain incomplete after the effort made under section 2 of this chapter and that do not permit the clerk or board county voter registration office to determine if the applicant is eligible to register under this article. Upon certification, the clerk or board county voter registration office shall reject the applications.

SECTION 24. IC 3-7-34-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. If the circuit court clerk or board of county voter registration office obtains the information under section 5 of this chapter required to complete the form, the clerk or board county voter registration office shall process the form under this article. If the clerk or board county voter registration office cannot obtain the information under section 5 of
this chapter and the form is otherwise complete, the clerk or board of county voter registration office shall process the form under this chapter.

SECTION 25. IC 3-7-34-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) The circuit court clerk or board of county voter registration office shall certify to the county election board NVRA official on an expedited basis a list of the registration forms that have been processed under section 6 of this chapter but do not contain information required to be supplied by the bureau of motor vehicles commission or a voter registration agency.

(b) The county election board NVRA official shall notify the commission or agency by United States first class mail that the commission or agency is required to supply the omitted information not later than thirty (30) days after the date of the letter. On an expedited basis to the county voter registration office following receipt of notice from the NVRA official.

SECTION 26. IC 3-7-34-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. (a) This section applies when a circuit court clerk or board of county voter registration office receives a registration form for a voter whose address is:

1. located in Indiana; and
2. not located in the county where the county voter registration office of the clerk or board is located.

(b) The clerk or board of county voter registration office shall promptly deliver or mail the registration form described in subsection (a) on an expedited basis to the clerk or board of the county voter registration office of the county in which the voter resides. To comply with this subsection, the county voter registration office may forward an optically scanned image of the voter registration form to the county voter registration office of the county in which the voter resides and subsequently forward the original copy of the form to the county voter registration office.

(c) The clerk or board of county voter registration office of the county in which the voter resides shall process the registration form and register the voter under this article if the registration:

1. was received by the original county voter registration office or accepted by the bureau of motor vehicles or a voter registration agency during the registration period specified
under IC 3-7-13-10; or
  (2) is a registration by mail form received in compliance with
  IC 3-7-33-4.

SECTION 27. IC 3-7-34-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. Whenever the
election division receives a registration form or authorization to cancel
a registration for a resident of a county in Indiana, the election division
shall promptly forward the form or cancellation on an expedited basis
to the circuit court clerk or board of county voter registration of the
county office. To comply with this section, the election division may
forward an optically scanned image of the cancellation to the county voter registration office and subsequently forward the
original copy of the cancellation to the county voter registration
office.

SECTION 28. IC 3-7-34-13 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. If
a circuit court clerk or board of registration receives a registration form from the
clerk or board of another county under this chapter not later than the
date that the certified list of voters is prepared for inspectors, the voter
shall be added to the voter registration record of the precinct and the
certified list of voters: (a) If the a registration form complies with
section 9(c) of this chapter and is received after the certified list has
been prepared under IC 3-7-29, the clerk or board county voter
registration office shall:
  (1) process the form on the first day that the registration period
      resumes, in accordance with IC 3-7-33-5; and
  (2) if the registration application is approved, issue a
certificate of error under IC 3-7-48.
(b) If a registration form does not comply with section 9(c) of
this chapter, the county voter registration office shall process the
form in accordance with IC 3-7-13-12.

SECTION 29. IC 3-7-48-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A certificate of error issued under section 1 of this chapter:
  (1) may be issued at any time after the production of the
certified list under IC 3-7-29;
  (2) shall be executed in duplicate by the circuit court clerk, or
    in a county with a board of registration, by both members of
the board; and
(3) shall be numbered serially in the method prescribed for entry in the computerized list maintained under IC 3-7-26.3.

SECTION 30. IC 3-8-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Each circuit court clerk shall, not later than noon Monday after the day the primary election is held, send to the election division by certified mail or hand delivery one (1) complete copy of all returns for presidential candidates. The clerk shall state the number of votes received by each candidate in each congressional district within the county.

(b) The statement described in subsection (a) may be sent by using the computerized list established under IC 3-7-26.3. A statement sent under this subsection complies with any requirement for the statement to be certified or sealed.

SECTION 31. IC 3-14-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) This section does not apply to a violation of NVRA or IC 3-7. (after December 31, 1994).

(b) The commission and each county election board shall report a violation of this title as a felony or misdemeanor to the appropriate prosecuting attorney and the alleged violator.

(c) The commission and boards may have the report transmitted and presented to the grand jury of the county in which the violation was committed at its first session after making the report and at subsequent sessions that may be required. The commission and boards shall furnish the grand jury any evidence at their command necessary in the investigation and prosecution of the violation.

SECTION 32. IC 12-7-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Except as otherwise provided in this title, a reference in this title to a federal statute or regulation relating to the federal National Voter Registration Act of 1993 (42 U.S.C. 1973gg) is a reference to the statute or regulation as in effect January 1, 2000.

SECTION 33. IC 16-18-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Except as otherwise provided in this title, a reference in this title to a federal statute or regulation relating to the federal National Voter Registration Act of 1993 (42 U.S.C. 1973gg) is a reference to the statute or
regulation as in effect January 1, 2000.

SECTION 34. IC 16-37-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The local health officer shall, from the stillbirth and death certificates, make a permanent record of the:

1. name;
2. sex;
3. age;
4. place of death;
5. residence; and
6. for a death certificate only:
   A. residence addresses of the deceased during the two (2) years before the death; and
   B. Social Security number of the deceased.

(b) The records shall be open to public inspection. But Except as provided in this subsection, the Social Security number is confidential and may not be disclosed to the public. After December 31, 2005, the Social Security number shall be disclosed to the secretary of state and election division for voter list maintenance purposes under IC 3-7-26.3 and IC 3-7-45.

(c) The local health officer shall, not later than January 31, April 30, July 31, and October 31 of each year, furnish to the county auditor the records of all deaths within the officer's jurisdiction that occurred during the previous three (3) months.

(d) The local health officer may make records of other data in connection with deaths for statistical purposes or for the purpose of planning health programs. Records under this subsection are not public records.

SECTION 35. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 3-7-20; IC 12-14-1.5-1.5; IC 12-14-25-1.5; IC 12-15-1.5-1.5; IC 16-35-1.6-1.5.

SECTION 36. An emergency is declared for this act.
ACTS 2005

Laws enacted by the

114th GENERAL ASSEMBLY

at the

FIRST REGULAR SESSION
(2005)

VOLUME III
(P.L.82-2005 through P.L.183-2005)

By the authority of
INDIANA LEGISLATIVE COUNCIL
(IC 2-6-1.5)

Office of Code Revision
Legislative Services Agency
AN ACT to amend the Indiana Code concerning property.

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

SECTION 1. IC 14-8-2-289 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 289. "Unit of local government", (1) for purposes of IC 14-12-1 has the meaning set forth in IC 14-12-1-3; and (2) for purposes of IC 14-22-10, means a: (A) (1) county; (B) (2) city; (C) (3) town; or (D) (4) township; located in Indiana.

SECTION 2. IC 32-30-6-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. As used in this chapter, "forestry operation" includes facilities, activities, and equipment used to plant, raise, manage, harvest, and remove trees on private land. The term includes site preparation, fertilization, pest control, and wildlife management.

SECTION 3. IC 32-30-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "locality" means the following: (1) For purposes of section 9 of this chapter, means the specific area of land upon which an: (A) agricultural operation; or (B) industrial operation; is conducted. and (2) For purposes of section 10 of this chapter, means the following:
(A) The specific area of land upon which a public use airport operation is conducted.

(B) The airport imaginary surfaces as described in IC 8-21-10-8.

(3) For purposes of section 11 of this chapter, the specific area of land upon which a forestry operation is conducted.

SECTION 4. IC 32-30-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) An action to abate or enjoin a nuisance may be brought by any person whose:

1) property is injuriously affected; or

2) personal enjoyment is lessened;

by the nuisance.

(b) A civil action to abate or enjoin a nuisance may also be brought by:

1) an attorney representing the county in which a nuisance exists; or

2) the attorney of any city or town in which a nuisance exists.

(c) A county, city, or town that brings a successful action under this section (or IC 34-1-52-2 or IC 34-19-1-2 before their repeal) to abate or enjoin a nuisance caused by the unlawful dumping of solid waste is entitled to recover reasonable attorney's fees incurred in bringing the action.

(d) A forestry operation that successfully defends an action under this section is entitled to reasonable costs and attorney's fees incurred in defending the action.

SECTION 5. IC 32-30-6-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) This section does not apply if a nuisance results from the negligent operation of a forestry operation.

(b) For purposes of subsection (d), a forestry operation is considered to be in continuous operation if the locality supports an actual or a developing timber crop.

(c) A forestry operation that:

1) existed before a change in the land use or occupancy of land within one (1) mile of the boundaries of the locality; and

2) would not have been a nuisance before the change in land use or occupancy;

is not a private or public nuisance.
(d) A forestry operation that conforms to generally accepted forestry management practices and that has been in continuous operation is not a private or public nuisance as a result of any of the following:

(1) A change in the ownership or size of the forestry operation.
(2) Enrollment in a government forestry conservation program.
(3) Use of new forestry technology.
(4) A visual change due to removal of timber or vegetation.
(5) Normal noise from forestry equipment.
(6) Removal of timber or vegetation from a forest adjoining the locality.
(7) The proper application of pesticides and fertilizers.

SECTION 6. IC 36-7-2-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) An ordinance adopted after March 31, 2005, by a unit of local government that:

(1) makes a forestry operation (as defined in IC 32-30-6-1.5) a nuisance; or
(2) provides for an abatement of a forestry operation as a:
   (A) nuisance;
   (B) trespass; or
   (C) zoning violation;

under this chapter is void.

(b) If the owner of a property owned the property before the enactment of an ordinance that restricts forestry operations but that is not invalidated by subsection (a), the property is exempt from the ordinance if the forestry operations (as defined by IC 32-30-6-1.5) on the property:

(1) comply with generally accepted best management practices;
(2) comply with the practices established in the Indiana Logging and Forestry Best Management Practices BMP Field Guide, as published in September 1999, by the division of forestry of the department of natural resources; and
(3) have been in continuous operation on the property.

SECTION 7. IC 36-7-4-201 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 201. (a) For purposes
of IC 36-1-3-6, a unit wanting to exercise planning and zoning powers in Indiana must do so in the manner provided by this chapter.

(b) The purpose of this chapter is to encourage units to improve the health, safety, convenience, and welfare of their citizens and to plan for the future development of their communities to the end:

(1) that highway systems be carefully planned;
(2) that new communities grow only with adequate public way, utility, health, educational, and recreational facilities;
(3) that the needs of agriculture, forestry, industry, and business be recognized in future growth;
(4) that residential areas provide healthful surroundings for family life; and
(5) that the growth of the community is commensurate with and promotive of the efficient and economical use of public funds.

(c) Furthermore, municipalities and counties may cooperatively establish single and unified planning and zoning entities to carry out the purpose of this chapter on a countywide basis.

(d) METRO. Expanding urbanization in each county having a consolidated city has created problems that have made the unification of planning and zoning functions a necessity to insure the health, safety, morals, economic development, and general welfare of the county. To accomplish this unification, a single planning and zoning authority is established for the county.

SECTION 8. IC 14-12-1-3 IS REPEALED [EFFECTIVE JULY 1, 2005].
Chapter 2.3. Lieutenant Governor as Secretary of Agriculture and Rural Development

Sec. 1. The lieutenant governor serves as secretary of agriculture and rural development by virtue of office.

Sec. 2. The secretary is responsible for implementation of the following:

(1) IC 4-4-9.7.
(2) IC 15-9.

SECTION 2. IC 4-4-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

"Director" means the lieutenant governor, who is also the director of the department of commerce.

"Qualified entity" means a city or town with a population of less than ten thousand (10,000) persons, a corporation established under IC 23-7-1.1 (before its repeal on August 1, 1991) or IC 23-17 for the purpose of distributing water for domestic and industrial use, a regional water, sewage, or solid waste district, or a conservancy district that includes in its purpose the distribution of domestic water or the collection and treatment of waste.

"Rural development program" means any program designed to aid the growth of rural areas in Indiana and includes:

(1) the construction of airports, airport facilities, and tourist attractions;
(2) the construction, extension or completion of sewerlines, waterlines, streets, and sidewalks;
(3) the leasing or purchase of property, both real and personal; and
(4) the preparation of surveys, plans, and specifications for the construction of publicly owned and operated facilities, utilities, and services.

SECTION 3. IC 4-4-9.3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The rural development administration fund is established for the purpose of enhancing and developing rural communities. The fund shall be administered by the Indiana office of rural development council affairs established by IC 4-4-9.7-4.
(b) The expenses of administering the fund shall be paid from the money in the fund.

(c) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund under IC 5-10.3-5. The treasurer of state may contract with investment management professionals, investment advisers, and legal counsel to assist in the management of the fund and may pay the state expenses incurred under those contracts.

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

SECTION 4. IC 4-4-9.3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The rural development administration advisory board is established to make recommendations concerning the expenditure of money from the fund.

(b) The advisory board shall meet at least four (4) times per year and shall also meet at the call of the executive director of the rural development council.

(c) The advisory board consists of the following members:

1. The executive director of the Indiana rural development council, who serves as an ex officio member and as the chairperson of the advisory board.
2. Two (2) members of the senate, who may not be members of the same political party, and who are appointed by the president pro tempore of the senate.
3. Two (2) members of the house of representatives, who may not be members of the same political party, and who are appointed by the speaker of the house of representatives.
4. A representative of the commissioner The secretary of agriculture to be appointed by the governor. and rural development or the secretary’s designee.
5. A representative of the department of commerce, to be appointed by the governor.
6. A representative of the department of workforce development, to be appointed by the governor.
7. Two (2) persons with knowledge and experience in state and regional economic needs, to be appointed by the governor.
8. A representative of a local rural economic development organization, to be appointed by the governor.
(9) A representative of a small town or rural community, to be appointed by the governor.
(10) A representative of the rural development council, to be appointed by the governor.
(11) A representative of rural education, to be appointed by the governor.
(12) A representative of the league of regional conservation and development districts, to be appointed by the governor.
(13) A person currently enrolled in rural secondary education, to be appointed by the governor.

d) The members of the advisory board listed in subsection (c)(1) through (c)(3) are nonvoting members.

e) The term of office of a legislative member of the advisory board is four (4) years. However, a legislative member of the advisory board ceases to be a member if the member:
   (1) is no longer a member of the chamber from which the member was appointed; or
   (2) is removed from the advisory board by the appointing authority who appointed the legislator.

f) The term of office of a voting member of the advisory board is four (4) years. However, these members serve at the pleasure of the governor and may be removed for any reason.

(g) If a vacancy exists on the advisory board, the appointing authority who appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy for the balance of the unexpired term.

(h) Six (6) voting members of the advisory board constitute a quorum for the transaction of business at a meeting of the advisory board. The affirmative vote of at least six (6) voting members is necessary for the advisory board to take action.

SECTION 5. IC 4-4-9.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 9.7. Office of Rural Affairs

Sec. 1. As used in this chapter, "director" refers to the director of the office of rural affairs appointed under section 5 of this chapter.

Sec. 2. As used in this chapter, "office" refers to the office of
rural affairs established by section 4 of this chapter.

Sec. 3. As used in this chapter, "secretary" refers to the lieutenant governor as secretary of agriculture and rural development, as provided in IC 4-4-2.3.

Sec. 4. The office of rural affairs is established.

Sec. 5. (a) The secretary shall appoint an individual to be the director of the office.

(b) The director:
   (1) serves at the secretary's pleasure;
   (2) is entitled to receive compensation in an amount set by the secretary subject to the approval of the budget agency under IC 4-12-1-13; and
   (3) is responsible to the secretary.

(c) The director is the chief executive and administrative officer of the office.

(d) The director may appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13.

(e) The director may delegate the director's authority to the appropriate office staff.

Sec. 6. The office shall do the following:

(1) Administer the rural development fund under IC 4-4-9.
(2) Administer the rural development administration fund under IC 4-4-9.3.
(3) Provide administrative and staff support for the Indiana rural development council under IC 4-4-9.5.
(4) Administer the Indiana main street program under IC 4-4-16.
(5) Administer the community development block grant program.
(6) Administer the duties of the high speed communications director.

SECTION 6. IC 4-4-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The Indiana main street program is established to:

(1) encourage the economic development, redevelopment, and improvement of downtown areas in Indiana cities and towns in all geographic regions of the state;
(2) sponsor demonstration efforts in Indiana cities and towns in
(3) provide technical assistance and sponsor seminars and other educational programs on downtown area revitalization, development, and redevelopment.

(b) The program shall be administered by the department of commerce: office of rural affairs.

SECTION 7. IC 4-4-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The Indiana main street council is established. The council consists of:

1. the lieutenant governor or a person designated by the lieutenant governor, who shall serve as chairman; and
2. at least seven (7) but not more than ten (10) persons appointed by the lieutenant governor, who represent organizations concerned with the purposes of the program established by this chapter and who represent all geographic regions of the state.

(b) Members appointed to the council by the lieutenant governor shall serve for a term of three (3) years, beginning on July 1 after their appointment. However, a member appointed to fill a vacancy on the council shall serve for the remainder of the unexpired term.

(c) The council shall:

1. develop and direct policy;
2. coordinate administrative techniques; and
3. provide assistance;

to carry out the purposes of the Indiana main street program.

(d) Each member of the council who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Each member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

SECTION 8. IC 4-4-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. To carry out the purposes described in section 1 of this chapter, the department office of commerce: rural affairs, acting for and on behalf of the Indiana main street council and the Indiana main street program, may:
(1) execute contractual agreements;
(2) receive money from any source;
(3) expend money for an activity appropriate to the purposes of this chapter; and
(4) execute agreements and cooperate with:
    (A) any other state or federal department or agency;
    (B) Indiana political subdivisions; or
    (C) any private person or corporation.

SECTION 9. IC 5-28-6-2, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The corporation shall develop and promote programs designed to make the best use of Indiana resources to ensure a balanced economy and continuing economic growth for Indiana, and, for those purposes, may do the following:

(1) Cooperate with federal, state, and local governments and agencies in the coordination of programs to make the best use of Indiana resources.

(2) Receive and expend funds, grants, gifts, and contributions of money, property, labor, interest accrued from loans made by the corporation, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government. The corporation:
    (A) may accept federal grants for providing planning assistance, making grants, or providing other services or functions necessary to political subdivisions, planning commissions, or other public or private organizations;
    (B) shall administer these grants in accordance with the terms of the grants; and
    (C) may contract with political subdivisions, planning commissions, or other public or private organizations to carry out the purposes for which the grants were made.

(3) Direct that assistance, information, and advice regarding the duties and functions of the corporation be given to the corporation by an officer, agent, or employee of the executive branch of the state. The head of any other state department or agency may assign one (1) or more of the department's or agency's employees to the corporation on a temporary basis or may direct a division or an agency under the department's or agency's supervision and
control to make a special study or survey requested by the corporation.

(b) The corporation shall perform the following duties:

1. Develop and implement industrial development programs to encourage expansion of existing industrial, commercial, and business facilities in Indiana and to encourage new industrial, commercial, and business locations in Indiana.

2. Assist businesses and industries in acquiring, improving, and developing overseas markets and encourage international plant locations in Indiana. The corporation, with the approval of the governor, may establish foreign offices to assist in this function.

3. Promote the growth of minority business enterprises by doing the following:
   - Mobilizing and coordinating the activities, resources, and efforts of governmental and private agencies, businesses, trade associations, institutions, and individuals.
   - Assisting minority businesses in obtaining governmental or commercial financing for expansion or establishment of new businesses or individual development projects.
   - Aiding minority businesses in procuring contracts from governmental or private sources, or both.
   - Providing technical, managerial, and counseling assistance to minority business enterprises.

4. Assist the office of the lieutenant governor in:
   - Community economic development planning;
   - Implementation of programs designed to further community economic development; and
   - The development and promotion of Indiana's tourist resources.

5. Assist the commissioner secretary of agriculture and rural development in promoting and marketing of Indiana's agricultural products and provide assistance to the commissioner of agriculture.

6. With the approval of the governor, implement federal programs delegated to the state to carry out the purposes of this article.

7. Promote the growth of small businesses by doing the following:
(A) Assisting small businesses in obtaining and preparing the permits required to conduct business in Indiana.
(B) Serving as a liaison between small businesses and state agencies.
(C) Providing information concerning business assistance programs available through government agencies and private sources.

(8) Assist the Indiana commission for agriculture and rural development in performing its functions under IC 4-4-22.

(9) (8) Establish a public information page on its current Internet site on the world wide web. The page must provide the following:
   (A) By program, cumulative information on the total amount of incentives awarded, the total number of companies that received the incentives and were assisted in a year, and the names and addresses of those companies.
   (B) A mechanism on the page whereby the public may request further information online about specific programs or incentives awarded.
   (C) A mechanism for the public to receive an electronic response.

(c) The corporation may do the following:
   (1) Disseminate information concerning the industrial, commercial, governmental, educational, cultural, recreational, agricultural, and other advantages of Indiana.
   (2) Plan, direct, and conduct research activities.
   (3) Assist in community economic development planning and the implementation of programs designed to further community economic development.

SECTION 10. IC 15-7-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "assistant commissioner" refers to the assistant commissioner director of the department of agriculture appointed under IC 4-4-22-20: IC 15-9-3-1.

SECTION 11. IC 15-9 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 9. DEPARTMENT OF AGRICULTURE
Chapter 1. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Department" refers to the department of agriculture established by IC 15-9-2-1.

Sec. 3. "Director" refers to the director of the department of agriculture appointed under IC 15-9-3-1.

Sec. 4. "Division" refers to the division of soil conservation established by IC 15-9-4-1.

Sec. 5. "Secretary" refers to the lieutenant governor as secretary of agriculture and rural development as provided in IC 4-4-2.3.

Chapter 2. Establishment of the Department

Sec. 1. The department of agriculture is established.

Sec. 2. The director is the chief executive and administrative officer of the department.

Sec. 3. The department shall do the following:

1. Provide administrative and staff support for the following:
   A. The center for value added research.
   B. The state fair board for purposes of administering the commissioner of agriculture's duties under IC 15-1.5-4.
   C. The Indiana corn marketing council for purposes of administering the duties of the commissioner of agriculture under IC 15-4-10.
   D. The Indiana organic peer review panel.
   E. The Indiana dairy industry development board for purposes of administering the duties of the commissioner of agriculture under IC 15-6-4.
   F. The Indiana land resources council.
   G. The Indiana grain buyers and warehouse licensing agency.
   H. The Indiana grain indemnity corporation.
   I. The division of soil conservation established by IC 15-9-4-1.

2. Administer the election of state fair board members.

3. Administer state programs and laws promoting agricultural trade.

4. Administer state livestock or agriculture marketing grant programs.

5. Administer economic development efforts for agriculture.
Chapter 3. The Director
Sec. 1. The governor shall appoint an individual to be the
director of the department.

Sec. 2. The director:
(1) serves at the governor's pleasure;
(2) is entitled to receive compensation in an amount set by the
governor; and
(3) is responsible to the secretary.

Sec. 3. The director may appoint employees in the manner
provided by IC 4-15-2 and fix their compensation, subject to the
approval of the budget agency under IC 4-12-1-13.

Sec. 4. The director may delegate the director's authority to the
appropriate department staff.

Sec. 5. The director shall establish a board to advise the
department in the implementation of the department's duties.

Chapter 4. The Division of Soil Conservation
Sec. 1. The division of soil conservation is established in the
department.

Sec. 2. The director is the administrative head of the division.

Sec. 3. (a) The division shall do the following:
(1) Provide administrative and staff support for the soil
conservation board.
(2) Administer all programs relating to land and soil
conservation in Indiana.
(3) Manage Indiana's watersheds.
(4) Administer the clean water Indiana program.
(5) Perform other functions assigned by the secretary or the
director.

(b) The duties of the division do not include administering the
Lake Michigan Coastal program. The Lake Michigan Coastal
program shall administer the state's compliance with and provide
assistance under the federal Coastal Zone Management Act (16

(c) The duties of the division do not include those listed in
IC 14-32-7-12(b)(7).

SECTION 12. IC 4-4-22 IS REPEALED [EFFECTIVE UPON
PASSAGE].

SECTION 13. [EFFECTIVE UPON PASSAGE] (a) As used in this
SECTION, "rural development agency” refers to any part of the
department of commerce that administers a rural development statute.

(b) As used in this SECTION, "rural development statute" refers to any of the following:
   (1) IC 4-4-9.
   (2) IC 4-4-9.3.
   (3) IC 4-4-9.5.

(c) As used in this SECTION, "office" refers to the office of rural affairs established by IC 4-4-9.7-4, as added by this act.

(d) As used in this SECTION, "secretary" refers to the secretary of agriculture and rural development designated by IC 4-4-2.3-1, as added by this act.

(e) After June 30, 2005, the following apply:
   (1) The powers and duties of a rural development agency are transferred to the office.
   (2) A reference to a rural development agency in a statute, a rule, or another document is considered a reference to the office.
   (3) All the property of a rural development agency is transferred to the office.
   (4) An appropriation to a rural development agency in effect after June 30, 2005, is transferred to the office.
   (5) A fund established by a rural development statute:
      (A) is transferred to the office; and
      (B) shall be administered by the office.
   (6) Positions of a rural development agency are transferred to the office.
   (7) This subdivision applies to an individual employed by a rural development agency on June 30, 2005:
      (A) The individual is entitled to become an employee of the office on July 1, 2005.
      (B) The individual is entitled to have the individual's service as an employee of the rural development agency before July 1, 2005, included for the purpose of computing all applicable employment rights and benefits with the office.
      (C) If the employee was covered on June 30, 2005, by a labor agreement to which the state is a party, the office shall continue to be subject to the terms and conditions of
the agreement as provided in the labor agreement.

(8) All leases and obligations entered into by a rural development agency before July 1, 2005, that are legal and valid on July 1, 2005, are obligations of the office beginning July 1, 2005.

(f) This SECTION expires July 1, 2006.

SECTION 14. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "agriculture agency" refers to any of the following:

(1) All functions of the department of commerce relating to programs relating to the economic development of agriculture.

(2) Any part of the department of commerce that administers an agricultural statute.

(3) The center for value added research established under IC 4-4-3.4.

(4) The Indiana commission for agriculture and rural development established by IC 4-4-22-6, before its repeal by this act.

(5) The state fair board established by IC 15-1.5-4-1.

(6) The Indiana corn marketing council established by IC 15-4-10-12.

(7) The Indiana organic peer review panel established by IC 15-4-12-9.

(8) The Indiana dairy industry development board established by IC 15-6-4-9.

(9) The Indiana land resources council established by IC 15-7-9-4.

(10) The Indiana grain buyers and warehouse licensing agency established by IC 26-3-7-1.

(11) The Indiana grain indemnity corporation established by IC 26-4-3-1.

(b) As used in this SECTION, "agricultural statute" refers to any of the following:

(1) IC 4-4-3.4.

(2) IC 15, except the following:

(A) Any statute administered by the state fair commission. For purposes of this clause, IC 15-1.5-4 and IC 15-1.5-5 are not considered to be administered by the state fair commission.
(B) IC 15-2.1.
(C) Any statute administered by the Indiana state board of animal health or the state veterinarian.
(D) Any statute administered by the state chemist appointed under IC 15-3-3-2.
(E) IC 15-6-1.
(F) Any statute administered by the dean of agriculture at Purdue University.
(3) IC 26-3-7.
(4) IC 26-4.

(c) As used in this SECTION, "commission" refers to the Indiana commission for agriculture and rural development established by IC 4-4-22-6, before its repeal by this act.

(d) As used in this SECTION, "department" refers to the department of agriculture established by IC 15-9-2-1, as added by this act.

(e) As used in this SECTION, "director" refers to the director of the department of agriculture appointed under IC 15-9-3-1, as added by this act.

(f) After June 30, 2005, the following apply:
(1) The powers and duties of the assistant commissioner are transferred to the director.
(2) A reference to the assistant commissioner in a statute, a rule, or another document shall be treated as a reference to the director.
(3) The powers and duties of each agriculture or rural development agency are transferred to the department.
(4) A reference to an agriculture agency in a statute, a rule, or another document shall be treated as a reference to the department.
(5) All the property of each agriculture agency is transferred to the department.
(6) An appropriation to an agriculture agency in effect after June 30, 2005, is transferred to the department.
(7) A fund established by an agriculture statute:
   (A) is transferred to the department; and
   (B) shall be administered by the department.
(8) Positions of each agriculture agency are transferred to the department.
(9) This subdivision applies to an individual employed by an agriculture agency on June 30, 2005:

(A) The individual is entitled to become an employee of the department on July 1, 2005.
(B) The individual is entitled to have the individual's service as an employee of the agriculture agency before July 1, 2005, included for the purpose of computing all applicable employment rights and benefits with the department.
(C) If the employee was covered on June 30, 2005, by a labor agreement to which the state is a party, the department shall continue to be subject to the terms and conditions of the agreement as provided in the labor agreement.

(10) All leases and obligations entered into by an agriculture agency before July 1, 2005, that are legal and valid on July 1, 2005, are obligations of the department beginning July 1, 2005.

(g) This SECTION expires July 1, 2006.

SECTION 15. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "department" refers to the department of agriculture established by IC 15-9-2-1, as added by this act.

(b) As used in this SECTION, "director" refers to the director of the department appointed under IC 15-9-3-1, as added by this act.

(c) As used in this SECTION, "division" refers to the division of soil conservation established by IC 15-9-4-1, as added by this act.

(d) As used in this SECTION, "land and water conservation agency" refers to any of the following:

(1) The soil and water conservation functions of the department of natural resources.
(2) The soil conservation board.
(3) All functions of the department of natural resources or the department of environmental management relating to the clean water Indiana program.

(e) As used in this SECTION, "land and water conservation statute" refers to IC 14-32 or IC 6-6-11.

(f) After June 30, 2005, the following apply:

(1) The powers and duties of a land and water conservation
agency are transferred to the division.

(2) A reference to a land and water conservation agency in a statute, rule, or other document is considered a reference to the division.

(3) All the property of a land and water conservation agency is transferred to the division.

(4) An appropriation to a land and water conservation agency in effect after June 30, 2005, is transferred to the division.

(5) A fund established by a land and water conservation statute:
   (A) is transferred to the division; and
   (B) shall be administered by the division.

(6) Positions of a land and water conservation agency are transferred to the division.

(7) This subdivision applies to an individual employed by a land and water conservation agency on June 30, 2005:
   (A) The individual is entitled to become an employee of the division on July 1, 2005.
   (B) The individual is entitled to have the individual's service as an employee of the land and water conservation agency before July 1, 2005, included for the purpose of computing all applicable employment rights and benefits with the division.
   (C) If the employee was covered on June 30, 2005, by a labor agreement to which the state is a party, the division shall continue to be subject to the terms and conditions of the agreement as provided in the labor agreement.

(8) All leases and obligations entered into by a land and water conservation agency before July 1, 2005, that are legal and valid on July 1, 2005, are obligations of the division beginning July 1, 2005.

(g) This SECTION expires July 1, 2006.

SECTION 16. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the department of agriculture established by IC 15-9-2-1, as added by this act.

(b) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by the establishment of the department by this act.
(c) This SECTION expires July 1, 2006.
SECTION 17. An emergency is declared for this act.

P.L.84-2005
[H.1052. Approved April 25, 2005.]

AN ACT to amend the Indiana Code concerning gaming.

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

SECTION 1. IC 4-30-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The budget agency shall may contract with a certified public accountant for an annual financial audit of the commission. The certified public accountant may not have a significant financial interest, as determined by the commission, in a vendor or retailer with whom the commission is under contract. The certified public accountant shall present an audit report not later than seven (7) months after the end of each fiscal year and shall make recommendations to enhance the earning capability of the lottery and to improve the efficiency of commission operations. The certified public accountant shall perform a study and evaluation of internal accounting controls and shall express an opinion on the controls that were in effect during the audit period. The commission shall pay the cost of the annual financial audit.

SECTION 2. IC 4-30-19-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The state board of accounts may at any time shall conduct an annual audit of any phase of the operations of the lottery and shall receive a copy of the yearly any independent financial audit and any security report prepared under this article. The commission shall pay the full costs of the audit required under this section.

SECTION 3. IC 4-30-19-4.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.2. (a) In addition to the annual audit report required under section 1 of this chapter, before the fifteenth day of each month the commission shall submit π revenue
and expenditure report to the budget agency and each legislative member of the budget committee. The report must include the following:

(1) The total actual revenues received by the commission during the previous month.
(2) An itemized list of expenditures by the commission during the preceding month.
(3) The amount of surplus revenue the commission estimates the commission will transfer from the commission's administrative trust fund for the next transfer and when the next transfer is expected to occur.

(b) At the time requested by the budget committee, the commission shall submit a detailed budget to the budget agency and each legislative member of the budget committee on forms prescribed by the budget agency as requested from time to time.

P.L.85-2005
[S.198. Approved April 26, 2005.]

AN ACT to amend the Indiana Code concerning property.

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

SECTION 1. IC 32-34-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) For purposes of this section, an indication of interest in the property by the owner:

(1) does not include a communication with an owner by an agent of the holder who has not identified in writing the property to the owner; and

(2) includes the following:

(A) With respect to an account or underlying shares of stock or other interest in a business association or financial organization:

(i) the cashing of a dividend check or other instrument of payment received; or

(ii) evidence that the distribution has been received if the
distribution was made by electronic or similar means.
(B) A deposit to or withdrawal from a bank account.
(C) The payment of a premium with respect to a property interest in an insurance policy.
(D) The mailing of any correspondence in writing from a financial institution to the owner, including:
   (i) a statement;
   (ii) a report of interest paid or credited; or
   (iii) any other written advice;
relating to a demand, savings, or matured time deposit account, including a deposit account that is automatically renewable, or any other account or other property the owner has with the financial institution if the correspondence is not returned to the financial institution for nondelivery.
(E) Any activity by the owner that concerns:
   (i) another demand, savings, or matured time deposit account or other account that the owner has with a financial institution, including any activity by the owner that results in an increase or decrease in the amount of any other account; or
   (ii) any other relationship with the financial institution, including the payment of any amounts due on a loan;
if the mailing address for the owner contained in the financial institution's books and records is the same for both an inactive account and for a related account.

(b) The application of an automatic premium loan provision or other nonforfeiture provision contained in an insurance policy does not prevent the policy from maturing or terminating if the insured has died or the insured or the beneficiary of the policy otherwise has become entitled to the proceeds before the depletion of the cash surrender value of the policy by the application of those provisions.

(c) Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times:
   (1) For traveler's checks, fifteen (15) years after issuance.
   (2) For money orders, seven (7) years after issuance.
(3) For consumer credits, three (3) years after the credit becomes payable.

(4) For amounts owed by an insurer on a life or an endowment insurance policy or an annuity contract:
   (A) if the policy or contract has matured or terminated, three (3) years after the obligation to pay arose; or
   (B) if the policy or contract is payable upon proof of death, three (3) years after the insured has attained, or would have attained if living, the limiting age under the mortality table on which the reserve is based.

(5) For property distributable by a business association in a course of dissolution, one (1) year after the property becomes distributable.

(6) For property or proceeds held by a court or a court clerk, five (5) years after the property or proceeds become distributable. The property or proceeds must be treated as unclaimed property under IC 32-34-3.

(7) For property held by a state or other government, governmental subdivision or agency, or public corporation or other public authority, one (1) year after the property becomes distributable.

(8) For compensation for personal services, one (1) year after the compensation becomes payable.

(9) For deposits and refunds held for subscribers by utilities, one (1) year after the deposits or refunds became payable.

(10) For stock, dividends, profits, distributions, interest, redemption, payments on principal, or any other sum held or owed by a business association for or to a shareholder, certificate holder, member, bondholder, or other security holders of the business association, or other interest in a business association, five (5) three (3) years after the earlier of:
   (A) the date of the last dividend, stock split, or other distribution unclaimed by the apparent owner; or
   (B) the date of the second mailing of a statement of account or other notification or communication that was:
      (i) returned as undeliverable; or
      (ii) made after the holder discontinued mailings to the apparent owner.
(11) For property in an individual retirement account or another account or plan that is qualified for tax deferral under the Internal Revenue Code, three (3) years after the earliest of:
   (A) the actual date of the distribution or attempted distribution;
   (B) the distribution date as stated in the plan or trust agreement governing the plan; or
   (C) the date specified in the Internal Revenue Code by which distribution must begin in order to avoid a tax penalty.

(12) For a demand, savings, or matured time deposit, including a deposit that is automatically renewable, five (5) years after maturity or five (5) years after the date of the last indication by the owner of interest in the property, whichever is earlier. Property that is automatically renewable is considered matured for purposes of this section upon the expiration of its initial period, unless the owner has consented to a renewal at or about the time of the renewal and the consent is in writing or is evidenced by a memorandum or other record on file with the holder.

(13) For property payable or distributable in the course of a demutualization, rehabilitation, or related reorganization of a mutual insurance company, five (5) years after the earlier of:
   (A) the date of last contact with the policyholder; or
   (B) the date the property became payable or distributable.

(14) For all other property, the earlier of five (5) years after:
   (A) the owner's right to demand the property; or
   (B) the obligation to pay or distribute the property; arose.

(d) Property is payable or distributed for purposes of this chapter notwithstanding the owner's failure to make demand or present an instrument or a document otherwise required to receive payment.

SECTION 2. IC 32-34-1-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 45. (a) Except as provided in subsection (b), a holder that fails to pay or deliver the property within the time required by this chapter shall pay to the attorney general interest for the time the holder is delinquent. Interest shall accrue under this subsection at the following rates:

   (1) The annual interest rate for a period of one (1) year or less after the time required by this chapter for payment or delivery of
the property is:
    (A) the one (1) year Treasury Bill rate published in the Wall Street Journal or its successor on the third Tuesday of the month in which the remittance was due; plus
    (B) one (1) percentage point.

(2) The interest rate for each year after the initial year to which subdivision (1) applies is:
    (A) the one (1) year Treasury Bill rate published in the Wall Street Journal or its successor on the third Tuesday of the month immediately preceding the anniversary; plus
    (B) one (1) percentage point.

As used in this subdivision, "anniversary" means the anniversary of the date on which the property was originally due to be paid or delivered under this chapter.

(b) The attorney general may waive the payment of interest described in subsection (a), in whole or part.

(b) (c) A holder who fails to render any report or perform other duties required under this chapter shall pay a civil penalty of one hundred dollars ($100) for each day for the first fifteen (15) days that the report is withheld or the duty not performed. After the first fifteen (15) days, the holder shall pay a civil penalty of the greater of:
    (1) one hundred dollars ($100) a day for each additional day, not to exceed five thousand dollars ($5,000); or
    (2) ten percent (10%) of the value of the property at issue, not to exceed five thousand dollars ($5,000).

Upon a showing by the holder of good cause sufficient in the discretion of the attorney general to excuse the failure, the attorney general may waive the penalty in whole or in part.

(b) (d) A holder who knowingly or intentionally fails to pay or deliver property to the attorney general as required under this chapter shall pay an additional civil penalty equal to ten percent (10%) of the value of the property that must be paid or delivered under this chapter. If the attorney general believes it is in the best interest for the administration of this chapter, the attorney general may waive the penalty in whole or in part.

(b) (e) A holder who willfully refuses, after written demand by the attorney general, to pay or deliver property to the attorney general as required under this chapter commits a Class B misdemeanor.
AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 9-24-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A permit or license issued under this chapter must bear the distinguishing number assigned to the permittee or licensee, and must contain:

(1) the name of the permittee or licensee;
(2) the date of birth of the permittee or licensee;
(3) the mailing address or residence address of the permittee or licensee;
(4) a brief description of the permittee or licensee;
(5) if the permittee or licensee is less than eighteen (18) years of age at the time of issuance, the dates on which the permittee or licensee will become:
   (A) eighteen (18) years of age; and
   (B) twenty-one (21) years of age;
(6) if the permittee or licensee is at least eighteen (18) years of age but less than twenty-one (21) years of age at the time of issuance, the date on which the permittee or licensee will become twenty-one (21) years of age; and
(7) except as provided in subsection (c), for the purpose of identification, a:
   (A) photograph; or
   (B) computerized image;
and additional information that the bureau considers necessary, including a space for reproduction of the signature of the permittee or licensee.

(b) In carrying out this section, the bureau shall obtain the equipment necessary to provide the photographs and computerized images for permits and licenses as provided in subsection (a).
(c) The following permits or licenses do not require a photograph or computerized image:

1. Temporary motorcycle learner's permit issued under IC 9-24-8.
3. Operator's license reissued under IC 9-24-12-6.

(d) The bureau may provide for the omission of a photograph or computerized image from any other license or permit if there is good cause for the omission.

(e) The information contained on the permit or license as required by subsection (a)(5) or (a)(6) for a permittee or licensee who is less than twenty-one (21) years of age at the time of issuance shall be printed perpendicular to the bottom edge of the permit or license.

(f) This subsection applies to a permit or license issued after June 30, 2006, and before July 1, 2011. At the request of the permittee or licensee and if the permittee or licensee provides documentation from a medical laboratory or a blood center (as defined in IC 16-41-12-3), the bureau shall include the permittee's or licensee's blood type, including the rhesus (Rh) factor with the information required by subsection (a) on the permit or license. The permittee or licensee is responsible for the accuracy of the blood type information submitted under this subsection.

SECTION 2. IC 9-24-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) An identification card must have the same dimensions and shape as a driver's license, but the card must have markings sufficient to distinguish the card from a driver's license.

(b) The front side of an identification card must contain the following information about the individual to whom the card is being issued:

1. Full legal name.
2. Mailing address and, if different from the mailing address, the residence address.
3. Date of birth.
4. Date of issue and date of expiration.
5. Distinctive identification number or Social Security account number, whichever is requested by the individual.
(7) Weight.
(8) Height.
(9) Color of eyes and hair.
(10) Reproduction of the signature of the individual identified.
(11) Whether the individual is blind (as defined in IC 12-7-2-21(1)).
(12) If the individual is less than eighteen (18) years of age at the time of issuance, the dates on which the individual will become:
   (A) eighteen (18) years of age; and
   (B) twenty-one (21) years of age.
(13) If the individual is at least eighteen (18) years of age but less than twenty-one (21) years of age at the time of issuance, the date on which the individual will become twenty-one (21) years of age.
(14) Photograph or computerized image.

(c) The information contained on the identification card as required by subsection (b)(12) or (b)(13) for an individual who is less than twenty-one (21) years of age at the time of issuance shall be printed perpendicular to the bottom edge of the permit or license.

(d) This subsection applies to an identification card issued after June 30, 2006, and before July 1, 2011. At the request of an applicant for an identification card, and if the applicant for the identification card provides documentation from a medical laboratory or a blood center (as defined in IC 16-41-12-3), the bureau shall include the applicant's blood type, including the rhesus (Rh) factor with the information required by subsection (b) on the identification card. The applicant is responsible for the accuracy of the blood type information submitted under this subsection.
AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 13-18-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If the commissioner finds it is in the interest of the health, safety, convenience, and welfare of the residents of an area, a person may be ordered to connect to or receive and treat sewage from any other person or from an industry, a shopping center, a mobile home park, community, or a housing development when the service and use will not:

   (1) result in irreparable injury to the receiving equipment; or
   (2) make impossible the provision of the service previously provided to the users of the equipment.

SECTION 2. IC 16-18-2-215.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 215.5. "Manufactured home", for purposes of IC 16-41-27, has the meaning set forth in IC 22-12-1-16.

SECTION 3. IC 16-18-2-238.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 238.5. "Mobile home community", for purposes of IC 16-41-27, has the meaning set forth in IC 16-41-27-5.

SECTION 4. IC 16-41-27-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter recognizes the mobile home homes and manufactured homes as a suitable and necessary dwelling unit in Indiana. The state department may do the following:

   (1) Require reasonable standards of health, sanitation, and safety in using the dwelling units.
   (2) Require:

   (A) persons dwelling in mobile homes and manufactured
homes; and

(B) mobile home park community operators;

to comply with the standards.

(3) Authorize local boards to enforce the standards adopted.

SECTION 5. IC 16-41-27-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this
chapter, "local board" means a local agency of government authorized
to enforce the standards of health and sanitation prescribed for:

(1) mobile homes and manufactured homes; and

(2) mobile home parks communities by the state department.

SECTION 6. IC 16-41-27-3.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 3.5. As used in this chapter,
"manufactured home" has the meaning set forth in IC 22-12-1-16.

SECTION 7. IC 16-41-27-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. As used in this
chapter, "mobile home" means a vehicle; dwelling, including the
equipment sold as a part of a vehicle; the dwelling, that: meets the
following conditions:

(1) is constructed for use as a conveyance upon public streets or
highways by either self-propelled or not self-propelled means:
factory assembled;

(2) is designed; constructed; or reconstructed; or added to by
means of an enclosed addition or room; to permit the occupancy
as a dwelling for at least one (+) person: transportable;

(3) is used and occupied as a dwelling; intended for year-round
occupancy;

(4) Does not have a foundation other than wheels; jacks; skirting;
or other temporary supports;

(4) is designed for transportation on its own chassis; and

(5) was manufactured before the effective date of the federal
Manufactured Housing Construction and Safety Standards
Law of 1974 (42 U.S.C. 5401 et seq.).

SECTION 8. IC 16-41-27-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this
chapter, "mobile home park community" means an area of land on
which at least five (5) mobile homes other than mobile homes on
permanent foundations; are harbored on temporary supports located for
the purpose of being occupied as principal residences. The term includes the following:

(1) All real and personal property used in the operation of the mobile home park.

(2) An area of land that is subdivided and contains individual lots that are leased or otherwise contracted if at least five (5) mobile homes or manufactured homes (other than mobile homes on permanent foundations) are harbored on temporary supports there for the purpose of being occupied as principal residences.

This subsection expires December 31, 2005.

(b) As used in this chapter, "mobile home community", after December 31, 2005, means one (1) or more parcels of land:

(1) that are subdivided and contain individual lots that are leased or otherwise contracted;

(2) that are owned, operated, or under the control of one (1) or more persons; and

(3) on which a total of at least five (5) mobile homes or manufactured homes are located for the purpose of being occupied as principal residences.

(c) The term, after December 31, 2005, includes the following:

(1) All real and personal property used in the operation of the mobile home community.

(2) A single parcel of land.

(3) Contiguous but separately owned parcels of land that are jointly operated.

(4) Parcels of land:

(A) that are separated by other parcels of land; and

(B) that are:

(i) jointly operated; and

(ii) connected by a private road.

(5) One (1) or more parcels of land, if at least two (2) of the mobile homes or manufactured homes located on the land are:

(A) accessible from a private road or interconnected private roads;

(B) served by a common water distribution system; or

(C) served by a common sewer or septic system.

SECTION 9. IC 16-41-27-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in subsection (b), the state department may adopt rules under IC 4-22-2 to carry out this chapter, including rules for the following:

1. Health, sanitation, and safety.
2. Sewage collection.
3. Sewage disposal through septic tank absorption fields.

(b) The water board shall adopt rules under IC 4-22-2 concerning the following:

1. Public water supplies required for mobile home communities.
2. Sewage disposal systems other than septic tank absorption fields.

SECTION 10. IC 16-41-27-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A mobile home community must be in the personal charge of an adult attendant or caretaker designated by the owner or operator of the mobile home community at the times when mobile homes and manufactured homes in the mobile home community are occupied by tenants. The caretaker present at the time of a violation of this chapter is equally responsible with the owner or operator of the mobile home community for a violation of this chapter.

SECTION 11. IC 16-41-27-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. A mobile home community shall provide a water supply through the use of a public water system if the water supply is reasonably available within a reasonable distance from the mobile home community. A mobile home community is not required to use a public water system if the water system is more than two thousand (2,000) feet from the mobile home community. If a public water system is not available, water shall be provided by a system approved by the environmental commissioner under rules adopted by the water pollution control board.

SECTION 12. IC 16-41-27-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A mobile home community shall dispose of sewage through the use of a public sewerage system if the sewerage system is available within a reasonable distance from the mobile home community. If a public sewerage system is not available, sewage may be disposed of in
accordance with rules adopted under section 8 of this chapter. A water carriage system of collecting sewage shall be used. The park mobile home community operator shall require the owner of a mobile home to provide a watertight and odor-tight connection of a type acceptable to the state department under rules adopted by the state department.

(b) All occupied mobile homes and manufactured homes shall be connected to the sewerage system of the park mobile home community at all times. All sewer connections not in use must be closed in a manner that does not:

1. emit odor; or
2. cause a breeding place for flies.

(c) Sewerage systems other than water carriage systems may not be approved for a mobile home park, except nonwater carriage systems may be provided for emergency use only during a temporary failure of a water or an electric system.

SECTION 13. IC 16-41-27-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. Suitable garbage containers or a garbage disposal system and trash containers shall be made available in a sanitary manner to each occupied mobile home and manufactured home. The garbage and trash of the park mobile home community must be disposed of in a manner approved by the state department.

SECTION 14. IC 16-41-27-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. Streets must be at least ten (10) feet wide and sufficiently wide to prevent vehicular and pedestrian traffic problems. Adequate area must be provided for the parking of vehicles. All roads in a mobile home park shall be maintained to be dust proof. Each mobile home and manufactured home in a mobile home park shall have ready and free access to the road in a park community.

SECTION 15. IC 16-41-27-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. Domestic animals and house pets may not be permitted to run at large or commit a nuisance within the limits of a mobile home park community.

SECTION 16. IC 16-41-27-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. Every part of a mobile home park community must be lighted at night.

SECTION 17. IC 16-41-27-18 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A mobile home park community may not be operated without obtaining a license from the state department.

SECTION 18. IC 16-41-27-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. A license to operate a mobile home park community shall be issued for four (4) years and expires at midnight on December 31.

SECTION 19. IC 16-41-27-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) An application for a license to operate a mobile home park community must be made to the state department on a form prescribed and furnished by the state department, only after plans for the park mobile home community have been approved.

(b) If an operator does not apply for the renewal of a license before the date the license expires:

(1) the license expires on that date; and

(2) the operator must pay the penalty fee set forth in section 24(b) of this chapter to obtain a new license.

SECTION 20. IC 16-41-27-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. The state department may license a temporary mobile home park community for a period of six (6) months and waive the requirements of this chapter if:

(1) the failure to comply with this chapter is:

(A) for a temporary period of time; and

(B) required by public convenience; and

(2) the operation of the park mobile home community will not jeopardize the health and welfare of the occupants of the park and the mobile home community or the public.

SECTION 21. IC 16-41-27-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) The construction of a new mobile home park community or alteration of an existing mobile home park community shall be made only after plans for the proposed construction or alteration have been forwarded to and approved by the state department.

(b) A public water system may not be constructed or altered in a new or existing mobile home park community until plans for the construction or alteration have been forwarded to and approved by the
environmental commissioner under rules adopted by the water board. (c) A sewage collection and disposal system may not be constructed or altered in a new or existing mobile home **park community** until:

1. plans for construction or alteration of the sewage collection system and any septic tank absorption field have been forwarded to and approved by the state department under rules adopted by the state department; and

2. plans for construction or alteration of any sewage disposal system other than a septic tank absorption field have been forwarded to and approved by the environmental commissioner under rules adopted by the water board.

SECTION 22. IC 16-41-27-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) An inspection fee must be submitted to the state department with each license application. The fee is two hundred dollars ($200) for a total of not more than fifty (50) mobile home and manufactured home sites and one hundred fifty dollars ($150) for each increment of not more than fifty (50) additional sites. Units of state and local government are exempt from the fee.

(b) This subsection does not apply to an application made after an enforcement action. A penalty fee of two hundred dollars ($200) for a total of not more than fifty (50) mobile home and manufactured home sites and one hundred fifty dollars ($150) for each increment of not more than fifty (50) additional sites may be imposed by the state department for an application for license renewal filed after the license has expired.

SECTION 23. IC 16-41-27-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) The state department shall provide a written notice to a mobile home **park community** operator of the following:

1. The revocation of the operator's license.

2. The denial of the operator's application for a license.

3. The denial of the approval of the construction or alteration of a mobile home **park community**.

(b) The notice under subsection (a) must contain the following:

1. A statement of the manner in which the operator has failed to comply with the law or rules of the state department.

2. The length of time available to correct the violation.
(c) The state department may order an operator to comply with this chapter or rules adopted under this chapter. If an operator fails to comply within the time specified by the order, the state department may initiate proceedings to force compliance in the circuit court in the county of the operator's residence or in the county where the mobile home park community is located. The court may grant appropriate relief to ensure compliance with this chapter and rules adopted under this chapter.

SECTION 24. IC 16-41-27-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. The state department or a person designated by the state department may at any reasonable time inspect the premises and take necessary and reasonable steps in a mobile home park community to determine whether or not a mobile home park community is in compliance with this chapter and rules adopted under section 8 of this chapter.

SECTION 25. IC 16-41-27-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) Subject to subsection (b), the owner, operator, or caretaker of a mobile home park community has a lien upon the property of a guest in the same manner, for the same purposes, and subject to the same restrictions as an innkeeper's lien or a hotel keeper's lien.

(b) With regard to a lienholder:
   (1) if the property has a properly perfected secured interest under IC 9-17-6-7; and
   (2) the lienholder has notified the owner, operator, or caretaker of the mobile home park community of the lienholder's lien by certified mail;

the maximum amount of the innkeeper's lien may not exceed the actual late rent owed for not more than a maximum of sixty (60) days immediately preceding notification by certified mail to the lienholder that the owner of the property has vacated the property or is delinquent in the owner's rent.

(c) If the notification to the lienholder under subsection (b) informs the lienholder that the lienholder will be responsible to the owner, operator, or caretaker of the mobile home park community for payment of rent from the time the notice is received until the mobile home or manufactured home is removed from the park; mobile home community, the lienholder is liable for the payment of rent that accrues
after the notification.

SECTION 26. IC 16-41-27-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. The owner, operator, or caretaker of a mobile home park community may eject a person from the premises for any of the following reasons:

1. Nonpayment of charges or fees for accommodations.
2. Violation of law or disorderly conduct.
3. Violation of a rule of the state department relating to mobile home communities.
4. Violation of a rule of the park mobile home community that is publicly posted within the park mobile home community.

SECTION 27. IC 16-41-27-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. Each mobile home park community operator shall maintain a register open for the inspection of the state department or the state department's representatives containing the following information for each mobile home and manufactured home in a park mobile home community:

1. The names and ages of all occupants.
2. The name of the owner of the mobile home or manufactured home.

SECTION 28. IC 16-41-27-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) A governmental body other than the state department of health may not license or regulate mobile home parks communities, except for the following:

1. Local boards may enforce the standards of health and sanitation prescribed for mobile homes, manufactured homes, and mobile home parks communities by the state department.
2. County and municipal authorities within their respective jurisdictions have jurisdiction regarding zoning and building codes and ordinances pertaining to mobile home parks communities.
3. Local boards may regulate the construction and operation of groups of a combined total of not more than four (4) mobile homes and manufactured homes, in accordance with standards that are compatible with standards set by the state department for mobile home parks communities.

(b) A governmental body other than the state department of health may not regulate mobile homes or manufactured homes
regarding habitability or minimum housing conditions unless the regulation is applicable in the same manner to other forms of residential housing in the jurisdiction.

(c) A governmental body may not regulate or restrict the use, occupancy, movement, or relocation of a mobile home or manufactured home based upon the age of the mobile home or manufactured home.

SECTION 29. IC 16-41-27-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. A license to engage in the operation of a mobile home park is transferable only with the consent of the state department. The state department may, upon application, cancel a license issued for the operation of a mobile home park and issue a new license to the transferee for the balance of the license period.

SECTION 30. IC 16-41-27-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. A person who maintains or operates a mobile home park:

(1) without a license; or
(2) after the revocation of a license;

commits a Class B misdemeanor.

SECTION 31. IC 25-1-2-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. Rather than being issued annually, the following permits, licenses, certificates of registration, or evidences of authority granted by a state agency must be issued for a period of two (2) years or for the period specified in the article under which the permit, license, certificate of registration, or evidence of authority is issued if the period specified in the article is longer than two (2) years:

(1) Certified public accountants, public accountants, and accounting practitioners.
(2) Architects and landscape architects.
(3) Dry cleaners.
(4) Professional engineers.
(5) Land surveyors.
(6) Real estate brokers.
(7) Real estate agents.
(8) Security dealers’ licenses issued by the securities commissioner.
(9) Dental hygienists.
(10) Dentists.
(11) Veterinarians.
(12) Physicians.
(13) Chiropractors.
(14) Physical therapists.
(15) Optometrists.
(16) Pharmacists and assistants, drugstores or pharmacies.
(17) Motels and mobile home park community licenses.
(18) Nurses.
(19) Podiatrists.
(20) Occupational therapists and occupational therapy assistants.
(21) Respiratory care practitioners.
(22) Social workers, marriage and family therapists, and mental health counselors.
(23) Real estate appraiser licenses and certificates issued by the real estate appraiser licensure and certification board.
(25) Physician assistants.
(26) Dietitians.
(27) Hypnotists.
(28) Athlete agents.
(29) Manufactured home installers.
(30) Home inspectors.

SECTION 32. IC 25-23.7-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This article applies to a person who after June 30, 2003, installs manufactured homes for occupancy as single family dwellings.

SECTION 33. IC 25-23.7-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "Manufactured home" has the meaning set forth in IC 16-41-27-4.

(1) dwelling meeting the definition set forth in IC 22-12-1-16; or

(2) mobile home being installed in a mobile home community.

SECTION 34. IC 25-23.7-2-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. "Mobile home" has the meaning set forth in IC 16-41-27-4.
SECTION 35. IC 25-23.7-2-7.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.6. "Mobile home community" has the meaning set forth in IC 16-41-27-5.

SECTION 36. IC 25-23.7-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The board consists of nine (9) members appointed by the governor as follows:

1) Four (4) members who are installers, each of whom:
   (A) is licensed in Indiana as an installer; and
   (B) has been actively engaged in the installation of manufactured homes for at least five (5) years immediately before the member's appointment to the board.
2) One (1) member who represents manufactured home manufacturers with production facilities in Indiana.
3) One (1) member who represents manufactured home dealers.
4) One (1) member who is an operator or who is employed by an operator of a mobile home park community licensed under IC 16-41-27.
5) One (1) member who is an owner of or who is employed by a primary inspection agency, a designation issued under 24 CFR 3282 by the United States Department of Housing and Urban Development.
6) One (1) member who represents the general public and who is not associated with the manufactured home industry other than as a consumer.

(b) The members of the board must be residents of Indiana.

SECTION 37. IC 25-23.7-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 8. Installation in a Mobile Home Community
Sec. 1. This chapter applies to the installation of a manufactured home in a mobile home community.
Sec. 2. An installation described in section 1 of this chapter must be performed:

1) by a person licensed under this article; and
2) in accordance with the manufacturer's installation instructions.

Sec. 3. Utilities and other facilities that served a mobile home or
manufactured home formerly installed in a mobile home community may be modified and used for an installation.

Sec. 4. Supports that served a mobile home or manufactured home formerly installed in a mobile home community may be modified or expanded to use for an installation. However, upon completion of the installation, the supports must be adequate to serve the mobile home or manufactured home that is installed.

Sec. 5. (a) An existing location within a mobile home community that is:
   (1) valid and conforming; or
   (2) valid and nonconforming;
under a local ordinance may be modified to provide adequate support and utilities for an installation described in section 1 of this chapter.
   (b) A location modified under subsection (a) retains the status that the location possessed under the local ordinance before the modification.
   (c) If an installation on a location described in subsection (a) is installed in accordance with rules adopted under IC 16-41-27, the location is not considered new work or new construction.

SECTION 38. IC 32-30-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) As used in this chapter, "property" means a house, a building, a mobile home, or an apartment that is leased for residential or commercial purposes.
   (b) The term includes:
      (1) an entire building or complex of buildings; or
      (2) a mobile home park community;
and all real property of any nature appurtenant to and used in connection with the house, building, mobile home, or apartment, including all individual rental units and common areas.
   (c) The term does not include a hotel, motel, or other guest house, part of which is rented to a transient guest.

SECTION 39. IC 32-30-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this chapter, "tenant" means a person who leases or resides in a property.
   (b) The term does not include a person who:
      (1) owns a mobile home;
      (2) leases or rents a site in a mobile home park community for
residential use; and
(3) resides in a mobile home park community.


SECTION 41. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 16-41-27, as amended by this act, and IC 25-23.7-8, as added by this act, the state department of health shall carry out the duties imposed upon it under IC 16-41-27, as amended by this act, under written interim guidelines approved by the commissioner of the state department of health.

(b) This SECTION expires on the earlier of the following:
   (1) The date on which the state department of health adopts rules under IC 4-22-2 and IC 16-41-27-8 to carry out IC 16-41-27, as amended by this act.
   (2) June 30, 2005.

SECTION 42. An emergency is declared for this act.

P.L.88-2005
[S.308. Approved April 26, 2005.]

AN ACT to amend the Indiana Code concerning local government.

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

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

(b) In the case of a person who is an elected county official whose governing body has provided for the county official's participation in the public employees' retirement fund under IC 5-10.3-7-2(1), "vested status" means the status of having:
   (1) at least eight (8) years of creditable service as an elected county official in an office described in IC 5-10.2-4-1.7; or
been elected at least two (2) times if the person would have had at least eight (8) years of creditable service as an elected county official in an office described in IC 5-10.2-4-1.7 had the person's term of office not been shortened under a statute enacted under Article 6, Section 2(b) of the Constitution of the State of Indiana; or

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

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

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

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

(1) has:

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

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

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

(c) A member who:

(1) has served as an elected county official; and
(2) does not meet the requirements of subsection (b); is eligible for normal retirement if the member has attained vested status (as defined in IC 5-10.2-1-8(b)(2)) and meets the requirements of section 1 of this chapter.

SECTION 3. IC 6-1.1-1-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) "Assessing official" means:

(1) a township assessor; including a trustee assessor; or
(2) a member of a county property tax assessment board of appeals.

(b) The term "assessing official" does not grant a member of the county property tax assessment board of appeals primary assessing functions except as may be granted to the member by law.

SECTION 4. IC 6-1.1-1-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. "Elected township assessor" means a township assessor elected under IC 36-6-5-1.

SECTION 5. IC 6-1.1-1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. "Township assessor" includes:

(1) an elected township assessor; and
(2) a township trustee who is required by law to act as the assessor for the township he serves: assessor.

SECTION 6. IC 6-1.1-1-22.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22.7. "Trustee assessor" means a township executive who performs the duties of assessor under IC 36-6-5-2.

SECTION 7. IC 6-1.1-4-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.5. (a) Money assigned to a property reassessment fund under section 27.5 of this chapter may be used only to pay the costs of:

(1) the general reassessment of real property, including the computerization of assessment records;
(2) payments to county assessors, members of property tax assessment boards of appeals, or assessing officials under IC 6-1.1-35.2;
(3) the development or updating of detailed soil survey data by
the United States Department of Agriculture or its successor agency;
(4) the updating of plat books; and
(5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist county assessors, members of a county property tax assessment board of appeals, and assessing officials.

(b) All counties shall use modern, detailed soil maps in the general reassessment of agricultural land.

(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund until the money is needed to pay general reassessment expenses. Any interest received from investment of the money shall be paid into the property reassessment fund.

(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the county assessor. However, in a county with an elected township assessor under IC 36-6-5-1 in every township, the county assessor does not review an appropriation under this section, and only the fiscal body must approve an appropriation under this section.

SECTION 8. IC 6-1.1-4-35, AS ADDED BY P.L.1-2004, SECTION 4, AND AS ADDED BY P.L.23-2004, SECTION 5, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) This section applies to a county other than a county subject to section 32 of this chapter.

(b) This section applies to a general reassessment of real property conducted under section 4(a) of this chapter that is scheduled to become effective for property taxes first due and payable in 2003.

(c) As used in this section, "department" refers to the department of local government finance.

(d) As used in this section, "reassessment official" means: any of the following:

   (1) a county assessor; or
   (2) a township assessor.
   (3) A township trustee-assessor.

(e) If:

   (1) the department determines that a county's reassessment officials are unable to complete the reassessment in a timely
(f) If the department orders a state conducted reassessment in a county, the department shall assume the duties of the county's reassessment officials. Notwithstanding sections 15 and 17 of this chapter, a reassessment official in a county subject to an order issued under this section may not assess property or have property assessed for the general reassessment. Until the state conducted reassessment is completed under this section, the reassessment duties of a reassessment official in the county are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(g) Before assuming the duties of a county's reassessment officials, the department shall transmit a copy of the department's order requiring a state conducted reassessment to the county's reassessment officials, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation published in the county. If no newspaper is published in the county, the notice shall be published in a newspaper:

(1) of general circulation in the county; and
(2) that is published in an adjacent county.

The department is not required to conduct a public hearing before taking action under this section.

(h) Township and county officials in a county subject to an order
issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

1. data;
2. records;
3. maps;
4. parcel record cards;
5. forms;
6. computer software systems;
7. computer hardware systems; and
8. other information;
related to the reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to a general reassessment and is subject to IC 6-1.1-37-2.

(i) The department may enter into a contract with a professional appraising firm to conduct a reassessment under this section. If a county or a township located in the county entered into a contract with a professional appraising firm to conduct the county's reassessment before the department orders a state conducted reassessment in the county under this section, the contract:

1. is as valid as if it had been entered into by the department; and
2. shall be treated as the contract of the department.

(j) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (i), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment:

1. is subject to appeal by the taxpayer under section 37 of this chapter; and
2. must include a statement of the taxpayer's rights under section 37 of this chapter.

(k) The department shall forward a bill for services provided under a contract described in subsection (i) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (l).

(l) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (i), without appropriation,
from the county's property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;
(2) obtains from the department:
   (A) approval of the form and amount of the bill; and
   (B) a certification that the billed goods and services have been received and comply with the contract; and
(3) files with the county auditor:
   (A) a duplicate copy of the bill submitted to the department;
   (B) proof of the department's approval of the form and amount of the bill; and
   (C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department.

Compliance with this subsection constitutes compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.
(m) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

1. The commissioner of the Indiana department of administration.
2. The director of the budget agency.
3. The attorney general.

(n) If the money in a county's property reassessment fund is insufficient to pay for a reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the reassessment.

(o) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's reassessment officials of the land values determined under this subsection.

(p) A contractor of the department may notify the department if:

1. A county auditor fails to:
   A. certify the contractor's bill;
   B. publish the contractor's claim;
   C. submit the contractor's claim to the county executive; or
   D. issue a warrant or check for payment of the contractor's bill;

   as required by subsection (l) at the county auditor's first legal opportunity to do so;

2. A county executive fails to allow the contractor's claim as legally required by subsection (l) at the county executive's first
legal opportunity to do so; or
(3) a person or an entity authorized to act on behalf of the county
takes or fails to take an action, including failure to request an
appropriation, and that action or failure to act delays or halts
progress under this section for payment of the contractor's bill.
(q) The department, upon receiving notice under subsection (p)
from a contractor of the department, shall:
(1) verify the accuracy of the contractor's assertion in the notice
that:
(A) a failure occurred as described in subsection (p)(1) or
(p)(2); or
(B) a person or an entity acted or failed to act as described in
subsection (p)(3); and
(2) provide to the treasurer of state the department's approval
under subsection (l)(2)(A) of the contractor's bill with respect to
which the contractor gave notice under subsection (p).
(r) Upon receipt of the department's approval of a contractor's bill
under subsection (q), the treasurer of state shall pay the contractor the
amount of the bill approved by the department from money in the
possession of the state that would otherwise be available for
distribution to the county, including distributions from the property tax
replacement fund or distribution of admissions taxes or wagering taxes.
(s) The treasurer of state shall withhold from the money that would
be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b) or
any other law to a county described in a notice provided under
subsection (p) the amount of a payment made by the treasurer of state
to the contractor of the department under subsection (r). Money shall
be withheld first from the money payable to the county under
IC 6-1.1-21-4(b) and then from all other sources payable to the county.
(t) Compliance with subsections (p) through (s) constitutes
compliance with IC 5-11-10.
(u) IC 5-11-10-1.6(d) applies to the treasurer of state with respect
to the payment made in compliance with subsections (p) through (s).
This subsection and subsections (p) through (s) must be interpreted
liberally so that the state shall, to the extent legally valid, ensure that
the contractual obligations of a county subject to this section are paid.
Nothing in this section shall be construed to create a debt of the state.
(v) The provisions of this section are severable as provided in
IC 1-1-1-8(b).

(w) This section expires January 1, 2007.

SECTION 9. IC 6-1.1-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. Not later than May 15, each assessing official shall prepare and deliver to the county assessor a detailed list of the real property listed for taxation in the township. On or before July 1 of each year, each county assessor shall, under oath, prepare and deliver to the county auditor a detailed list of the real property listed for taxation in the county. In a county with an elected township assessor under IC 36-6-5-1 in every township the township assessor shall prepare the real property list. The assessing officials and the county assessor shall prepare the list in the form prescribed by the department of local government finance. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

SECTION 10. IC 6-1.1-8-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) Each year a township assessor shall assess the fixed property which as of the assessment date of that year is:

1) owned or used by a public utility company; and
2) located in the township the township assessor serves.

(b) The township assessor shall determine the assessed value of fixed property. The township assessor shall certify the assessed values to the county assessor on or before April 1 of the year of assessment. However, in a county with an elected township assessor under IC 36-6-5-1 in every township the township assessor shall certify the list to the department of local government finance. The county assessor shall review the assessed values and shall certify the assessed values to the department of local government finance on or before April 10 of the year of assessment.

SECTION 11. IC 6-1.1-31.5-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) After December 31, 1998; Each county shall maintain a state certified computer system that has the capacity to:

1) process and maintain assessment records;
2) process and maintain standardized property tax forms;
3) process and maintain standardized property assessment notices;
(4) maintain complete and accurate assessment records for the county; and
(5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county except in a county with a township assessor elected under IC 36.6-5-1 in every township. In a county with an elected township assessor under IC 36.6-5-1 in every township, the elected township assessors shall select a computer system based on a majority vote of the township assessors in the county.

(b) All information on the computer system shall be readily accessible to:

(1) township assessors;
(2) the county assessor;
(3) the department of local government finance; and
(4) members of the county property tax assessment board of appeals.

(c) The certified system used by the counties must be compatible with the data export and transmission requirements in a standard format prescribed by the department of local government finance. The certified system must be maintained in a manner that ensures prompt and accurate transfer of data to the department.

(d) All standardized property forms and notices on the certified computer system shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

SECTION 12. IC 6-1.1-35-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) Each county assessor and each elected township assessor who has not attained the certification of a "level two" assessor-appraiser under IC 6-1.1-35.5 must employ at least one (1) certified "level two" assessor-appraiser.

(b) Each elected county assessor and each township assessor or elected trustee-assessor must:

(1) attain the certification of a "level one" assessor-appraiser within not later than one (1) year after taking office; and
(2) attain the certification of a "level two" assessor-appraiser
within not later than two (2) years after taking office.

(c) An A county assessor or trustee-assessor elected township assessor who does not comply with this subsection forfeits the assessor's or trustee-assessor's office.

(c) A county assessor, township assessor, or trustee-assessor appointed to fill a vacancy resulting from a forfeiture of office under subsection (b) is subject to the requirements of subsection (b) is subject to forfeiture of the part of the assessor's annual compensation that relates to real property assessment duties. The county fiscal body may reduce the appropriations for the annual compensation of a township assessor or county assessor under this subsection in an amount that bears the same proportion to the assessor's annual compensation that the time during the year required for the performance of the assessor's real property assessment duties bears to the time during the year required for the performance of the assessor's overall duties. The assessor's annual compensation is reduced by the amount of the appropriation reduction.

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

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

SECTION 13. IC 6-1.1-35.2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The department of local government finance shall provide training to the members of the county property tax assessment boards of appeals, and the county and township and trustee assessors (referred to in this chapter as assessing officials) as provided in this chapter.

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

(b) This section applies to an individual:

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

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

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

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

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

SECTION 15. IC 36-2-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A county assessor shall be elected under IC 3-10-2-13 by the voters of the county.

(b) To be eligible to serve as an assessor, a person must meet the qualifications prescribed by IC 3-8-1-23. and IC 6-1.1-35-1.1.

(c) A county assessor must reside within the county as provided in Article 6, Section 6 of the Constitution of the State of Indiana. The assessor forfeits office if the assessor ceases to be a resident of the county, or fails to comply with IC 6-1.1-35-1.1.

(d) The term of office of a county assessor is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified.

SECTION 16. IC 36-6-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A township trustee shall be elected under IC 3-10-2-13 by the voters of each township. The trustee is the township executive.

(b) The township trustee must reside within the township as provided in Article 6, Section 6 of the Constitution of the State of Indiana. The trustee forfeits office if the trustee
(1) ceases to be a resident of the township. or
(2) serves as township assessor under IC 36-6-5-2 and fails to comply with IC 6-1.1-35-1.1.

(c) The term of office of a township trustee is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified.

SECTION 17. IC 36-6-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A township assessor shall be elected under IC 3-10-2-13 by the voters of each township having:
   (1) a population of more than eight thousand (8,000); or
   (2) an elected township assessor or the authority to elect a township assessor before January 1, 1979.

(b) A township assessor shall be elected under IC 3-10-2-14 in each township having a population of more than five thousand (5,000) but not more than eight thousand (8,000), if the legislative body of the township:
   (1) by resolution, declares that the office of township assessor is necessary; and
   (2) the resolution is filed with the county election board not later than the first date that a declaration of candidacy may be filed under IC 3-8-2.

(c) The township assessor must reside within the township as provided in Article 6, Section 6 of the Constitution of the State of Indiana. The assessor forfeits office if the assessor ceases to be a resident of the township. or fails to comply with the requirements of IC 6-1.1-35-1.1.

(d) The term of office of a township assessor is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified. However, the term of office of a township assessor elected at a general election in which no other township officer is elected ends on December 31 after the next election in which any other township officer is elected.

SECTION 18. [EFFECTIVE JULY 1, 2005] IC 6-1.1-35-1.1, as amended by this act, applies only to a:
   (1) county assessor;
   (2) township assessor elected under IC 36-6-5-1; or
   (3) township executive who performs the duties of assessor
under IC 36-6-5-2;
elected to a new term of office that begins after June 30, 2005.

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

(b) The general assembly finds the following:

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

   (A) Howard v. State, 10 Ind. 74 (Ind. 1857).
   (B) Greible v. State, 12 N.E. 700 (Ind. 1887).
   (C) State v. Menaugh, 51 N.E. 117 (Ind. 1898).
   (D) Scott v. State, 52 N.E. 163 (Ind. 1898).

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

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

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

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

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

(1) provide a rule applicable to each county office whose term of office deviates from a uniform date as of June 30, 2005; and
(2) implement Article 6, Section 2(b) of the Constitution of the State of Indiana to provide for a uniform date for beginning the terms of county offices described in Article 6, Section 2(a) of the Constitution of the State of Indiana.
(d) This SECTION expires January 1, 2018.

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

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

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

2. The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office on January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

3. The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office on January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

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

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

2. The individual elected to the office of treasurer at the November 2008 general election is entitled to:
   (A) take office on January 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.

3. The individual elected to the office of treasurer at the November 2012 general election is entitled to:
   (A) take office on January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

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

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

1. The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
2. The individual elected to the office of clerk at the November 2006 general election is entitled to:
   A. take office on January 1, 2008, if the individual qualifies; and
   B. serve in the office until January 1, 2011.
3. The individual elected to the office of clerk at the November 2010 general election is entitled to:
   A. take office on January 1, 2011, if the individual qualifies; and
   B. serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

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

1. The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until January 1, 2010.
2. The individual elected to the office of clerk at the November 2008 general election is entitled to:
   A. take office January 1, 2010, if the individual qualifies; and
   B. serve in the office until January 1, 2013.
3. The individual elected to the office of clerk at the November 2012 general election is entitled to:
   A. take office January 1, 2013, if the individual qualifies; and
   B. serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 24. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Blackford County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

1. The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.
2. The individual elected to the office of recorder at the November 2008 general election is entitled to:
   (A) take office January 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.
3. The individual elected to the office of recorder at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

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

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

1. The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
2. The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
3. The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

(b) Notwithstanding any other law concerning terms of office, the following apply:
(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

c) This SECTION expires January 1, 2016.

SECTION 27. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Clark County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.
      (2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
         (A) take office January 1, 2008, if the individual qualifies; and
         (B) serve in the office until January 1, 2011.
      (3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
         (A) take office January 1, 2011, if the individual qualifies; and
         (B) serve in the office until January 1, 2015.

c) This SECTION expires January 1, 2016.

SECTION 28. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Clark County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the
office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

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

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

(2) The individual elected to the office of treasurer at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of treasurer at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

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

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

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies;
   and
   (B) serve in the office until January 1, 2011.
(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies;
   and
   (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 31. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Clinton County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.
      (2) The individual elected to the office of recorder at the November 2008 general election is entitled to:
         (A) take office January 1, 2010, if the individual qualifies;
         and
         (B) serve in the office until January 1, 2013.
      (3) The individual elected to the office of recorder at the November 2012 general election is entitled to:
         (A) take office January 1, 2013, if the individual qualifies;
         and
         (B) serve in the office until January 1, 2017.
   (c) This SECTION expires January 1, 2018.
SECTION 32. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Daviess County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until March 13, 2008.
      (2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
         (A) take office March 13, 2008, if the individual qualifies;
and
(B) serve in the office until January 1, 2011.
(3) The individual elected to the office of clerk at the
November 2010 general election is entitled to:
(A) take office January 1, 2011, if the individual qualifies;
and
(B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 33. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "coroner" refers to the coroner of Daviess County.
(b) Notwithstanding any other law concerning terms of office,
the following apply:
(1) The individual elected to the office of coroner at the
November 2004 general election is entitled to serve in the
office until January 1, 2010.
(2) The individual elected to the office of coroner at the
November 2008 general election is entitled to:
(A) take office January 1, 2010, if the individual qualifies;
and
(B) serve in the office until January 1, 2013.
(3) The individual elected to the office of coroner at the
November 2012 general election is entitled to:
(A) take office January 1, 2013, if the individual qualifies;
and
(B) serve in the office until January 1, 2017.
(c) This SECTION expires January 1, 2018.
SECTION 34. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "recorder" refers to the recorder of Dearborn County.
(b) Notwithstanding any other law concerning terms of office,
the following apply:
(1) The individual elected to the office of recorder at the
November 2002 general election is entitled to serve in the
office until January 1, 2008.
(2) The individual elected to the office of recorder at the
November 2006 general election is entitled to:
(A) take office January 1, 2008, if the individual qualifies;
and
(B) serve in the office until January 1, 2011.
(3) The individual elected to the office of recorder at the
November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies;
   and
   (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.

SECTION 35. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "clerk" refers to the clerk of the circuit court of
Decatur County.
   (b) Notwithstanding any other law concerning terms of office,
the following apply:
      (1) The individual elected to the office of clerk at the
November 2002 general election is entitled to serve in the
office until January 1, 2008.
      (2) The individual elected to the office of clerk at the
November 2006 general election is entitled to:
         (A) take office January 1, 2008, if the individual qualifies;
         and
         (B) serve in the office until January 1, 2011.
      (3) The individual elected to the office of clerk at the
November 2010 general election is entitled to:
         (A) take office January 1, 2011, if the individual qualifies;
         and
         (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.

SECTION 36. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "recorder" refers to the recorder of Decatur County.
   (b) Notwithstanding any other law concerning terms of office,
the following apply:
      (1) The individual elected to the office of recorder at the
November 2002 general election is entitled to serve in the
office until January 1, 2008.
      (2) The individual elected to the office of recorder at the
November 2006 general election is entitled to:
         (A) take office January 1, 2008, if the individual qualifies;
         and
         (B) serve in the office until January 1, 2011.
      (3) The individual elected to the office of recorder at the
November 2010 general election is entitled to:
         (A) take office January 1, 2011, if the individual qualifies;
and
(B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.

SECTION 37. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "clerk" refers to the clerk of the circuit court of
Delaware County.
(b) Notwithstanding any other law concerning terms of office,
the following apply:
   (1) The individual elected to the office of clerk at the
November 2002 general election is entitled to serve in the
office until January 1, 2008.
   (2) The individual elected to the office of clerk at the
November 2006 general election is entitled to:
      (A) take office January 1, 2008, if the individual qualifies;
      and
      (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of clerk at the
November 2010 general election is entitled to:
      (A) take office January 1, 2011, if the individual qualifies;
      and
      (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.

SECTION 38. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "auditor" refers to the auditor of Dubois County.
(b) Notwithstanding any other law concerning terms of office,
the following apply:
   (1) The individual elected to the office of auditor at the
November 2002 general election is entitled to serve in the
office until January 1, 2008.
   (2) The individual elected to the office of auditor at the
November 2006 general election is entitled to:
      (A) take office January 1, 2008, if the individual qualifies;
      and
      (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of auditor at the
November 2010 general election is entitled to:
      (A) take office January 1, 2011, if the individual qualifies;
      and
      (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 39. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Elkhart County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

1. The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.
2. The individual elected to the office of auditor at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
3. The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 40. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Elkhart County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

1. The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
2. The individual elected to the office of recorder at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
3. The individual elected to the office of recorder at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 41. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Fayette County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

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

2. The individual elected to the office of auditor at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

3. The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 42. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Franklin County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

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

2. The individual elected to the office of auditor at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

3. The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 43. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Franklin County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until February 14, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office February 14, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 44. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Grant County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.
      (2) The individual elected to the office of recorder at the November 2008 general election is entitled to:
          (A) take office January 1, 2010, if the individual qualifies; and
          (B) serve in the office until January 1, 2013.
      (3) The individual elected to the office of recorder at the November 2012 general election is entitled to:
          (A) take office January 1, 2013, if the individual qualifies; and
          (B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 45. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Hamilton County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the
office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 46. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Hancock County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
       (1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.
       (2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
           (A) take office January 1, 2008, if the individual qualifies; and
           (B) serve in the office until January 1, 2011.
       (3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
           (A) take office January 1, 2011, if the individual qualifies; and
           (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 47. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Howard County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
       (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
       (2) The individual elected to the office of clerk at the
November 2006 general election is entitled to:

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

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

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

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

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

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

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

(A) take office January 1, 2008, if the individual qualifies;
(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until February 25, 2008.
   (2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
      (A) take office February 25, 2008, if the individual qualifies; and
      (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
      (A) take office January 1, 2011, if the individual qualifies; and
      (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

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

(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.
   (2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:
      (A) take office January 1, 2010, if the individual qualifies; and
      (B) serve in the office until January 1, 2013.
(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.
(c) This SECTION expires January 1, 2018.
SECTION 52. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Jay County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.
   (2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
      (A) take office January 1, 2008, if the individual qualifies; and
      (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
      (A) take office January 1, 2011, if the individual qualifies; and
      (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 53. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Jay County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
   (2) The individual elected to the office of recorder at the November 2006 general election is entitled to:
      (A) take office January 1, 2008, if the individual qualifies; and
      (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of recorder at the November 2010 general election is entitled to:
      (A) take office January 1, 2011, if the individual qualifies;
and

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

(c) This SECTION expires January 1, 2016.

SECTION 54. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Johnson County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

SECTION 55. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Johnson County.

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

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

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

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

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

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

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

(B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.

SECTION 56. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Knox County.

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

1. The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until March 1, 2008.
2. The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office March 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
3. The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 57. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Knox County.

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

1. The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
2. The individual elected to the office of recorder at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
3. The individual elected to the office of recorder at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 58. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "auditor" refers to the auditor of Kosciusko County.

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

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

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 59. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Lake County.

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

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

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 60. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of LaPorte County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

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

2) The individual elected to the office of clerk at the November 2008 general election is entitled to:
   (A) take office January 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.

3) The individual elected to the office of clerk at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 61. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Marshall County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

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

2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 62. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Marshall County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

c) This SECTION expires January 1, 2016.

SECTION 63. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Martin County.

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

   (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
   (2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
       (A) take office January 1, 2008, if the individual qualifies; and
       (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
       (A) take office January 1, 2011, if the individual qualifies; and
       (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 64. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Miami County.

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

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

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies;
   and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies;
   and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 66. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Porter County.

(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
   (2) The individual elected to the office of auditor at the November 2002 general election is entitled to:
       (A) take office January 1, 2008, if the individual qualifies;
       and
       (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of auditor at the November 2006 general election is entitled to:
       (A) take office January 1, 2011, if the individual qualifies;
       and
       (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 67. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Porter County.

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

1. The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.
(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 67. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Porter County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
      (2) The individual elected to the office of recorder at the November 2006 general election is entitled to:
          (A) take office January 1, 2008, if the individual qualifies; and
          (B) serve in the office until January 1, 2011.
      (3) The individual elected to the office of recorder at the November 2010 general election is entitled to:
          (A) take office January 1, 2011, if the individual qualifies; and
          (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 68. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "treasurer" refers to the treasurer of Porter County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.
      (2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:
          (A) take office January 1, 2010, if the individual qualifies;
(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 69. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Posey County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.
      (2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
          (A) take office January 1, 2008, if the individual qualifies; and
          (B) serve in the office until January 1, 2011.
      (3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
          (A) take office January 1, 2011, if the individual qualifies; and
          (B) serve in the office until January 1, 2015.
   (c) This SECTION expires January 1, 2016.

SECTION 70. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Posey County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
      (1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
      (2) The individual elected to the office of recorder at the November 2006 general election is entitled to:
          (A) take office January 1, 2008, if the individual qualifies; and
          (B) serve in the office until January 1, 2011.
      (3) The individual elected to the office of recorder at the
November 2010 general election is entitled to:

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

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

(c) This SECTION expires January 1, 2016.

SECTION 71. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Pulaski County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2018.

SECTION 72. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "treasurer" refers to the treasurer of Putnam County.

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

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

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

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

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

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

(A) take office January 1, 2013, if the individual qualifies; and
(B) serve in the office until January 1, 2017.

c) This SECTION expires January 1, 2018.

SECTION 73. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Randolph County.

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

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

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:
   (A) take office January 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.

c) This SECTION expires January 1, 2018.

SECTION 74. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Ripley County.

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

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

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:
   (A) take office January 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.
(c) This SECTION expires January 1, 2018.

SECTION 75. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Ripley County.

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

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

(2) The individual elected to the office of recorder at the November 2008 general election is entitled to:
   (A) take office January 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.

(3) The individual elected to the office of recorder at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 76. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of St. Joseph County.

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

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

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 77. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Shelby County.
(b) Notwithstanding any other law concerning terms of office, the following apply:

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

SECTION 78. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Spencer County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

SECTION 79. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Spencer County.

(b) Notwithstanding any other law concerning terms of office, the following apply:
(1) The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until March 1, 2010.
(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:
   (A) take office March 1, 2010, if the individual qualifies; and
   (B) serve in the office until January 1, 2013.
(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:
   (A) take office January 1, 2013, if the individual qualifies; and
   (B) serve in the office until January 1, 2017.
(c) This SECTION expires January 1, 2018.

SECTION 80. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Starke County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
   (2) The individual elected to the office of recorder at the November 2006 general election is entitled to:
       (A) take office January 1, 2008, if the individual qualifies; and
       (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of recorder at the November 2010 general election is entitled to:
       (A) take office January 1, 2011, if the individual qualifies; and
       (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.

SECTION 81. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Steuben County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the
office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
   (A) take office January 1, 2008, if the individual qualifies; and
   (B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 82. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Sullivan County.

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

   (1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until March 15, 2008.

   (2) The individual elected to the office of auditor at the November 2006 general election is entitled to:
       (A) take office March 15, 2008, if the individual qualifies; and
       (B) serve in the office until January 1, 2011.

   (3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
       (A) take office January 1, 2011, if the individual qualifies; and
       (B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 83. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Sullivan County.

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

   (1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until March 15, 2008.

   (2) The individual elected to the office of clerk at the
November 2006 general election is entitled to:
(A) take office March 15, 2008, if the individual qualifies;
and
(B) serve in the office until January 1, 2011.
(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:
(A) take office January 1, 2011, if the individual qualifies;
and
(B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 84. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "treasurer" refers to the treasurer of Sullivan County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.
(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:
(A) take office January 1, 2010, if the individual qualifies;
and
(B) serve in the office until January 1, 2013.
(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:
(A) take office January 1, 2013, if the individual qualifies;
and
(B) serve in the office until January 1, 2017.
(c) This SECTION expires January 1, 2018.
SECTION 85. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Switzerland County.
(b) Notwithstanding any other law concerning terms of office, the following apply:
(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.
(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:
(A) take office January 1, 2008, if the individual qualifies;
and

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

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

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

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

(c) This SECTION expires January 1, 2016.

SECTION 86. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "treasurer" refers to the treasurer of Switzerland County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2018.

SECTION 87. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "auditor" refers to the auditor of Union County.

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

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

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

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

(B) serve in the office until January 1, 2011.
(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:
   (A) take office January 1, 2011, if the individual qualifies; and
   (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 88. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Union County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.
   (2) The individual elected to the office of recorder at the November 2006 general election is entitled to:
       (A) take office January 1, 2008, if the individual qualifies; and
       (B) serve in the office until January 1, 2011.
   (3) The individual elected to the office of recorder at the November 2010 general election is entitled to:
       (A) take office January 1, 2011, if the individual qualifies; and
       (B) serve in the office until January 1, 2015.
(c) This SECTION expires January 1, 2016.
SECTION 89. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "treasurer" refers to the treasurer of Vigo County.
   (b) Notwithstanding any other law concerning terms of office, the following apply:
   (1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.
   (2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:
       (A) take office January 1, 2010, if the individual qualifies; and
       (B) serve in the office until January 1, 2013.
   (3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:
       (A) take office January 1, 2013, if the individual qualifies;
and

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

(c) This SECTION expires January 1, 2018.

SECTION 90. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Wabash County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

SECTION 91. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Warren County.

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

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

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

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

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

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

(A) take office January 1, 2011, if the individual qualifies; and
(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 92. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Whitley County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.

SECTION 93. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Whitley County.

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

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

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

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

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

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

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

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

(c) This SECTION expires January 1, 2016.
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-8.1-6.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The parents of any student, regardless of the student's age, or the student after the student has reached eighteen (18) years of age, may request a transfer from a school corporation in which the student has a legal settlement to a transferee school corporation in Indiana or another state if the student may be better accommodated in the public schools of the transferee corporation. Whether the student can be better accommodated depends on such matters as:

(1) crowded conditions of the transferee or transferor corporation; and
(2) curriculum offerings at the high school level that are important to the vocational or academic aspirations of the student.

(b) This request for transfer must be made in writing to the transferor corporation, which shall immediately mail a copy to the transferee corporation. This request must be made at the times provided by rule of the state board of education. The transfer is effected if both the transferee and the transferor corporations approve the transfer within thirty (30) days after that mailing. If the transferor school corporation fails to act on the transfer request within thirty (30) days after the request is received, the transfer is considered approved. The transfer shall be denied when either school corporation either:

(1) mails a written denial by certified mail to the requesting parents or student at their last known address; or
(2) fails to act on the request within that period;

(c) in that event, If a transfer is denied under subsection (b), an appeal may be taken to the state board of education by the requesting parents, or student, if perfected within ten (10) days after the denial.
This appeal shall be perfected by mailing a notice of appeal by certified mail to the superintendent of each school corporation and the state board of education. The superintendent of public instruction shall develop forms for this purpose, and the transferor corporation shall assist the parents or student in the mechanics of perfecting the appeal. Appeals shall be heard in accord with section 10 of this chapter.

SECTION 2. IC 20-8.1-6.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A student who is placed in a state licensed private or public health care facility, child care facility, or foster family home:

(1) by or with the consent of the division of family and children;
(2) by a court order; or
(3) by a child-placing agency licensed by the division of family and children;

may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public health care or child care facility by a parent or guardian may attend school in the school corporation in which the facility is located if:

(1) the placement is necessary for the student's physical or emotional health and well-being and, if the placement is in a health care facility, is recommended by a physician; and
(2) the placement is projected to be for no less than fourteen (14) consecutive calendar days or an aggregate of twenty (20) calendar days.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent or guardian of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. No later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department of education. The acceptance or notice of appeal by the school corporation shall be given by certified mail to the parent or guardian of the student and any affected school corporation.
In the case of a student who is not identified as disabled under IC 20-1-6, the Indiana state board of education shall make a determination on transfer tuition in accordance with the procedures set out in section 10 of this chapter. In the case of a student who has been identified as disabled under IC 20-1-6, the determination on transfer tuition shall be made in accordance with this subsection and the procedures adopted by the Indiana state board of education under IC 20-1-6-2.1(a)(5).

(c) A student who is placed in:
   (1) an institution operated by the division of disability, aging, and rehabilitative services or the division of mental health and addiction; or
   (2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of mental health and addiction;
may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

(d) A student:
   (1) who is placed in a facility, a home, or an institution described in subsection (a), (b), or (c); and
   (2) for whom there is no other entity or person required to pay transfer tuition;
may attend school in the school corporation in which the facility, home, or institution is located. The department shall conduct an investigation and determine whether any other entity or person is required to pay transfer tuition. If the department determines that no other entity or person is required to pay transfer tuition, the state shall pay the transfer tuition for the student out of the funds appropriated for tuition support.

SECTION 3. IC 20-26-11-5, AS ADDED BY HEA 1288-2005, SECTION 10, IS AMENDED TO READ AS FollowS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The parents of any student, regardless of the student's age, or the student after the student has become eighteen (18) years of age may request a transfer from a school corporation in which
the student has a legal settlement to a transferee school corporation in Indiana or another state if the student may be better accommodated in the public schools of the transferee corporation. Whether the student can be better accommodated depends on such matters as:

(1) crowded conditions of the transferee or transferor corporation; and
(2) curriculum offerings at the high school level that are important to the vocational or academic aspirations of the student.

(b) The request for transfer must be made in writing to the transferor corporation, which shall immediately mail a copy to the transferee corporation. The request for transfer must be made at the times provided under rules adopted by the state board. The transfer is effected if both the transferee and the transferor corporations approve the transfer not more than thirty (30) days after that mailing. If the transferor school corporation fails to act on the transfer request within thirty (30) days after the request is received, the transfer is considered approved. The transfer is denied when either school corporation:

(1) mails a written denial by certified mail to the requesting parents or student at their last known address. or
(2) fails to act on the request not more than thirty (30) days after the mailing.

(c) If a request for transfer is denied under subsection (b), an appeal may be taken to the state board by the requesting parents or student, if commenced not more than ten (10) days after the denial. An appeal is commenced by mailing a notice of appeal by certified mail to the superintendent of each school corporation and the state board. The state superintendent shall develop forms for this purpose, and the transferor corporation shall assist the parents or student in the mechanics of commencing the appeal. An appeal hearing must comply with section 15 of this chapter.

SECTION 4. IC 20-26-11-8, AS ADDED BY HEA 1288-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A student who is placed in a state licensed private or public health care facility, child care facility, or foster family home:

(1) by or with the consent of the division of family and children; and
(2) by a court order; or
(3) by a child placing agency licensed by the division of family and children; may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public health care or child care facility by a parent may attend school in the school corporation in which the facility is located if:

(1) the placement is necessary for the student's physical or emotional health and well-being and, if the placement is in a health care facility, is recommended by a physician; and

(2) the placement is projected to be for not less than fourteen (14) consecutive calendar days or a total of twenty (20) calendar days. The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. Not later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department. The acceptance or notice of appeal by the school corporation must be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-35, the state board shall make a determination on transfer tuition according to the procedures in section 15 of this chapter. In the case of a student who has been identified as disabled under IC 20-35, the determination on transfer tuition shall be made under this subsection and the procedures adopted by the state board under IC 20-35-2-1(c)(5).

(c) A student who is placed in:

(1) an institution operated by the division of disability, aging, and rehabilitative services or the division of mental health and addiction; or

(2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of mental health
and addiction; may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

(d) A student:

(1) who is placed in a facility, home, or institution described in subsection (a), (b), or (c); and

(2) for whom there is no other entity or person required to pay transfer tuition;

may attend school in the school corporation in which the facility, home, or institution is located. The department shall conduct an investigation and determine whether any other entity or person is required to pay transfer tuition. If the department determines that no other entity or person is required to pay transfer tuition, the state shall pay the transfer tuition for the student out of the funds appropriated for tuition support.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-18-2-97 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 97. "Division" means the following:

(1) For purposes of IC 16-21-8, the meaning set forth in IC 16-21-8-0.5.

(2) For purposes of IC 16-22-8, the meaning set forth in IC 16-22-8-3.

(2) For purposes of IC 16-27, a group of individuals under the supervision of the director within the state department assigned
the responsibility of implementing IC 16-27.

(4) For purposes of IC 16-28, a group of individuals under the supervision of the director within the state department assigned the responsibility of implementing IC 16-28.

(5) For purposes of IC 16-41-40, the meaning set forth in IC 16-41-40-1.

SECTION 2. IC 16-18-2-295 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 295. (a) "Provider", for purposes of IC 16-21-8, has the meaning set forth in IC 16-21-8-0.6.

(b) "Provider", for purposes of IC 16-38-5, IC 16-39 (except for IC 16-39-7) and IC 16-41-1 through IC 16-41-9 and IC 16-41-37, means any of the following:

1. An individual (other than an individual who is an employee or a contractor of a hospital, a facility, or an agency described in subdivision (2) or (3)) who is licensed, registered, or certified as a health care professional, including the following:
   (A) A physician.
   (B) A psychotherapist.
   (C) A dentist.
   (D) A registered nurse.
   (E) A licensed practical nurse.
   (F) An optometrist.
   (G) A podiatrist.
   (H) A chiropractor.
   (I) A physical therapist.
   (J) A psychologist.
   (K) An audiologist.
   (L) A speech-language pathologist.
   (M) A dietitian.
   (N) An occupational therapist.
   (O) A respiratory therapist.
   (P) A pharmacist.
2. A hospital or facility licensed under IC 16-21-2 or IC 12-25 or described in IC 12-24-1 or IC 12-29.
4. A home health agency licensed under IC 16-27-1.
5. An employer of a certified emergency medical technician, a
certified emergency medical technician-basic advanced, a
certified emergency medical technician-intermediate, or a
certified paramedic.

(6) The state department or a local health department or an
employee, agent, designee, or contractor of the state department
or local health department.

(b) (c) "Provider", for purposes of IC 16-39-7-1, has the meaning set
forth in IC 16-39-7-1(a).

SECTION 3. IC 16-18-2-365.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 365.5. "Victim", for purposes
of IC 16-21-8, has the meaning set forth in IC 16-21-8-0.7.

SECTION 4. IC 16-21-8-0.5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 0.5. As used in this chapter, "division"
refers to the victim services division of the Indiana criminal justice
institute established by IC 5-2-6-8(a).

SECTION 5. IC 16-21-8-0.6 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 0.6. As used in this chapter, "provider"
means a hospital or licensed medical services provider that
provides emergency services to a victim.

SECTION 6. IC 16-21-8-0.7 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 0.7. As used in this chapter, "victim"
means an alleged sex crime victim.

SECTION 7. IC 16-21-8-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The victim
services division of the Indiana criminal justice institute
may not award compensation or reimbursement under this chapter unless the following
conditions are met:

(1) If the victim is at least eighteen (18) years of age:

(1) (A) the sex crime was must be reported to a law
enforcement officer within forty-eight (48) ninety-six (96)
hours after the crime's occurrence; and

(2) (B) the victim or claimant has cooperated fully must
cooperrate to the fullest extent possible with law enforcement
personnel to solve the crime.
(2) If the victim is less than eighteen (18) years of age, a report of the sex crime must be made to child protective services or a law enforcement officer. The division may not deny an application for reimbursement under this subdivision based on the victim reporting the sex crime more than ninety-six (96) hours after the crime's occurrence.

(b) If the victim services division of the Indiana criminal justice institute finds a compelling reason for failure to report to or cooperate with law enforcement officials and justice requires, the victim services division of the Indiana criminal justice institute may suspend the requirements of this section.

(c) A claim filed for services provided at a time before the provision of the emergency services for which an application for reimbursement is filed is not covered under this chapter.

SECTION 8. IC 16-21-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) When a hospital or licensed medical service provider provides emergency services to an alleged sex crime a victim, the hospital or medical service provider shall furnish the services without charge.

(b) The victim services division of the Indiana criminal justice institute shall reimburse a hospital or licensed medical service provider for the hospital's or medical service provider's costs in providing the services cost for providing services and shall adopt rules and procedures to provide for reimbursement.

(c) The application for reimbursement must be filed not more than one hundred eighty (180) days after the date the service was provided.

(d) The division shall approve an application for reimbursement filed under subsection (b) not more than one hundred twenty (120) days after receipt of the application for reimbursement.

(e) A hospital provider may not charge the victim for services required under this chapter despite delays in reimbursement from the victim services division of the Indiana criminal justice institute.

SECTION 9. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration and local government.

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

SECTION 1. IC 4-1-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 10. Release of Social Security Number
Sec. 1. This chapter applies after June 30, 2006.
Sec. 2. As used in this chapter, "state agency" means an authority, a board, a branch, a commission, a committee, a department, a division, or another instrumentality of the executive, including the administrative, department of state government. Except as provided in subdivision (4), the term does not include the judicial or legislative department of state government. The term includes the following:

(1) A state elected official's office.
(2) A state educational institution (as defined in IC 20-12-0.5-1).
(3) A body corporate and politic of the state created by state statute.
(4) The Indiana lobby registration commission established by IC 2-7-1.6-1.

Sec. 3. (a) For purposes of this section, disclosure of the last four (4) digits of an individual's Social Security number is not a disclosure of the individual's Social Security number.
(b) Except as provided in section 4 or 5 of this chapter, a state agency may not disclose an individual's Social Security number.

Sec. 4. Unless prohibited by state law, federal law, or court order, the following apply:

(1) A state agency may disclose the Social Security number of an individual to a state, local, or federal agency.
(2) A state law enforcement agency may, for purposes of furthering an investigation, disclose the Social Security number of an individual to any individual, state, local, or federal agency, or other legal entity.

Sec. 5. A state agency may disclose the Social Security number of an individual if any of the following apply:

(1) The disclosure of the Social Security number is expressly required by state law, federal law, or a court order.
(2) The individual expressly consents in writing to the disclosure of the individual's Social Security number.
(3) The disclosure of the Social Security number is:
   (A) made to comply with:
      (i) the USA Patriot Act of 2001 (P.L. 107-56); or
      (ii) Presidential Executive Order 13224; or
   (B) to a commercial entity for the permissible uses set forth in the:
      (i) Drivers Privacy Protection Act (18 U.S.C. 2721 et seq.);
      (ii) Fair Credit Reporting Act (15 U.S.C. 1681 et seq.); or
(4) The disclosure of the Social Security number is for the purpose of administration of a state agency employee's or the state agency employee's dependent's health benefits.

Sec. 6. A state agency complies with section 3 of this chapter if the agency:

(1) removes; or
(2) completely and permanently obscures;

a Social Security number on a public record before disclosing the public record.

Sec. 7. If a state agency releases a Social Security number in violation of this chapter, the agency shall provide notice to the person whose Social Security number was disclosed in the manner set forth in IC 4-1-11.

Sec. 8. An employee of a state agency who knowingly, intentionally, or recklessly discloses a Social Security number in violation of this chapter commits a Class D felony.

Sec. 9. A person who knowingly, intentionally, or recklessly makes a false representation to a state agency to obtain a Social
Sec. 10. An employee of a state agency who negligently discloses a Social Security number in violation of this chapter commits a Class A infraction.

Sec. 11. (a) The attorney general may investigate any allegation that a Social Security number was disclosed in violation of this chapter.

(b) If the attorney general determines that there is evidence that a state employee committed a criminal act under section 8 or 9 of this chapter, the attorney general shall report the attorney general's findings to:

(1) the prosecuting attorney in the county where the criminal act occurred; and
(2) the state police department.

Sec. 12. If the attorney general determines that there is evidence that a state employee committed an infraction under section 10 of this chapter, the attorney general:

(1) shall report the attorney general's findings to the appointing authority (as defined in IC 4-2-6-1) of the agency that employs the employee; and
(2) may report the attorney general's findings to the local prosecuting attorney in the county where the infraction occurred.

Sec. 13. The attorney general may adopt rules under IC 4-22-2 that the attorney general considers necessary to carry out this chapter.

SECTION 2. IC 4-1-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 11. Notice of Security Breach

Sec. 1. This chapter applies after June 30, 2006.

Sec. 2. (a) As used in this chapter, "breach of the security of the system" means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by a state or local agency.

(b) The term does not include the following:

(1) Good faith acquisition of personal information by an agency or employee of the agency for purposes of the agency, if the personal information is not used or subject to further
unauthorized disclosure.

(2) Unauthorized acquisition of a portable electronic device on which personal information is stored if access to the device is protected by a password that has not been disclosed.

Sec. 3. (a) As used in this chapter, "personal information" means:

(1) an individual's:
   (A) first name and last name; or
   (B) first initial and last name; and
(2) at least one (1) of the following data elements:
   (A) Social Security number.
   (B) Driver's license number or identification card number.
   (C) Account number, credit card number, debit card number, security code, access code, or password of an individual's financial account.

(b) The term does not include the following:

(1) The last four (4) digits of an individual's Social Security number.

(2) Publicly available information that is lawfully made available to the public from records of a federal agency or local agency.

Sec. 4. As used in this section "state agency" has the meaning set forth in IC 4-1-10-2.

Sec. 5. (a) Any state agency that owns or licenses computerized data that includes personal information shall disclose a breach of the security of the system following discovery or notification of the breach to any state resident whose unencrypted personal information was or is reasonably believed to have been acquired by an unauthorized person.

(b) The disclosure of a breach of the security of the system shall be made:

(1) without unreasonable delay; and
(2) consistent with:
   (A) the legitimate needs of law enforcement, as described in section 7 of this chapter; and
   (B) any measures necessary to:
      (i) determine the scope of the breach; and
      (ii) restore the reasonable integrity of the data system.

Sec. 6. (a) This section applies to a state agency that maintains
computerized data that includes personal information that the state agency does not own.

(b) If personal information was or is reasonably believed to have been acquired by an unauthorized person, the state agency shall notify the owner or licensee of the information of a breach of the security of the system immediately following discovery. The agency shall provide the notice to state residents as required under section 5 of this chapter.

Sec. 7. The notification required by this chapter:
(1) may be delayed if a law enforcement agency determines that the notification will impede a criminal investigation; and
(2) shall be made after the law enforcement agency determines that it will not compromise the investigation.

Sec. 8. Except as provided in section 9 of this chapter, a state agency may provide the notice required under this chapter:
(1) in writing; or
(2) by electronic mail, if the individual has provided the state agency with the individual's electronic mail address.

Sec. 9. (a) This section applies if a state agency demonstrates that:
(1) the cost of providing the notice required under this chapter is at least two hundred fifty thousand dollars ($250,000);
(2) the number of persons to be notified is at least five hundred thousand (500,000); or
(3) the agency does not have sufficient contact information; the state agency may use an alternate form of notice set forth in subsection (b).

(b) A state agency may provide the following alternate forms of notice if authorized by subsection (a):
(1) Conspicuous posting of the notice on the state agency's web site if the state agency maintains a web site.
(2) Notification to major statewide media.

Sec. 10. If a state agency is required to provide notice under this section to more than one thousand (1,000) individuals, the state agency shall notify without unreasonable delay all consumer reporting agencies (as defined in 15 U.S.C. 1681a) of the distribution and content of the notice.

SECTION 3. IC 36-2-7.5 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 7.5. Recording Documents Containing Social Security Numbers

Sec. 1. This chapter applies after December 31, 2005.

Sec. 2. As used in this chapter, "redacting technology" refers to technology that has the ability to:

(1) search recorded documents; and

(2) redact Social Security numbers from recorded documents.

Sec. 3. For purposes of this chapter, disclosure of the last four (4) digits of an individual's Social Security number is not a disclosure of the individual's Social Security number.

Sec. 4. A document may not be submitted to the county recorder for recording if the document contains the Social Security number of an individual, unless required by law.

Sec. 5. (a) An individual preparing a document for recording shall affirm, under the penalties for perjury, that the individual has:

(1) reviewed the entire document before submitting the document for recording for the purpose of identifying and, to the extent permitted by law, redacting all Social Security numbers; and

(2) taken reasonable care to redact each Social Security number in the document.

(b) An individual shall make the affirmation required under subsection (a) on a form prescribed by the state board of accounts.

Sec. 6. (a) A county recorder may not accept a document for recording without the completed and executed form described in section 5 of this chapter attached to the document. A form attached to a document under this subsection is considered part of the document for purposes of the fee charged under subsection (b) in accordance with IC 36-2-7-10.

(b) The county recorder shall charge a fee for recording a document under this chapter in accordance with IC 36-2-7-10.

(c) The county recorder shall deposit two dollars ($2) of the fee charged under subsection (b) in the county identification security protection fund established by section 11 of this chapter. This subsection expires July 1, 2011.

Sec. 7. The state board of accounts shall establish reasonable
procedures for a county recorder to follow:
   (1) when receiving and reviewing a document submitted for recording; and
   (2) in order to comply with this chapter.
Sec. 8. (a) This section applies after December 31, 2007.
   (b) To the extent possible, a county recorder may not disclose a recorded document for public inspection under IC 5-14-3 until the county recorder has:
      (1) searched the document for a Social Security number; and
      (2) to the extent possible, redacted any Social Security numbers contained in the document;
using redacting technology.
Sec. 9. A county recorder shall post a notice in the county recorder's office that states the:
   (1) duties of:
      (A) an individual preparing a document for recording; and
      (B) the county recorder;
under this chapter; and
   (2) penalties under section 12 of this chapter.
Sec. 10. A county recorder shall conduct training sessions at least two (2) times each year for the county recorder’s employees on the:
   (1) requirements of this chapter; and
   (2) procedures to follow in order to comply with this chapter.
Sec. 11. (a) As used in this section, "fund" refers to a county identification security protection fund established under subsection (b).
   (b) Each county legislative body shall establish an identification security protection fund to be administered by the county recorder. The county fiscal body shall appropriate money from the fund.
   (c) A fund consists of money deposited in the fund under section 6(c) of this chapter. Money in a fund does not revert to the county general fund.
   (d) A county recorder may use money in the fund only to purchase, upgrade, implement, or maintain redacting technology used in the office of the county recorder.
Sec. 12. (a) This section applies after June 30, 2008.
   (b) A county recorder or an employee of a county recorder who discloses a recorded document that contains a Social Security
number without having the document searched, to the extent technologically possible, using redacting technology commits a Class A infraction.

SECTION 4. [EFFECTIVE UPON PASSAGE] (a) The governor may select at least three (3) and not more than six (6) counties for a pilot project beginning July 1, 2005. The governor shall appoint the county recorder to represent each pilot county selected.

(b) The county recorders appointed to the pilot project shall develop procedures and test technology and equipment to fulfill the purposes of IC 36-2-7.5, as added by this act. The state board of accounts shall work with the county recorders appointed under this SECTION in the development of the procedures and testing of technology.

(c) County recorders shall seek federal grants, private funds, and other possible sources of money to implement the redacting technology required by IC 36-2-7.5, as added by this act.

(d) This SECTION expires July 1, 2008.

SECTION 5. An emergency is declared for this act.
under 42 U.S.C. 601 et seq.

SECTION 3. IC 12-14-29 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 29. Assistance for Reentry Court Program Participants
Sec. 1. "Reentry court program", for purposes of this chapter, refers to a program that meets the following requirements:
   (1) A circuit or superior court has established and administers the program.
   (2) The program is designed to supervise and provide services to an individual who was previously incarcerated by the department of correction in an adult correctional facility.
   (3) The goal of the program is to increase the likelihood that the individual will:
      (A) become self-sufficient; and
      (B) not commit additional crimes.
   (4) The program provides intensive supervision, which may include twenty-four (24) hour electronic monitoring supervision of the individual.
   (5) The program provides regular and direct judicial intervention that is supported and advised by a transition team that consists of at least the following:
      (A) A professional from a community corrections program.
      (B) A professional from a victim assistance program.
      (C) A professional from the treatment community.
      (D) An employment trainer.
      (E) A community volunteer.

Sec. 2. Under this chapter, an individual is eligible for food stamps if the individual meets all the following requirements:
   (1) The individual is a resident of a county having a reentry court program.
   (2) The individual was convicted of an offense under IC 35-48 (controlled substances) for conduct occurring after August 22, 1996.
   (3) Except for 21 U.S.C. 862a(a), the individual meets the federal and Indiana food stamp program requirements.
   (4) The individual is successfully participating in a reentry court program.
Sec. 3. Under this chapter, an individual is eligible for the TANF program if the individual meets all the following requirements:

1. The individual is a resident of a county having a reentry court program.
2. The individual was convicted of an offense under IC 35-48 (controlled substances) for conduct occurring after August 22, 1996.
3. Except for 21 U.S.C. 862a(a), the individual meets the federal and Indiana TANF program requirements.
4. The individual is successfully participating in a reentry court program.

Sec. 4. In accordance with 21 U.S.C. 862a(d)(1), the state elects to opt out of the application of 21 U.S.C. 862a(a) for individuals participating in a reentry court program.

Sec. 5. (a) If referred by a court, an individual who meets the requirements of section 2 of this chapter may receive food stamps for not more than twelve (12) months.

(b) If referred by a court, an individual who meets the requirements of section 3 of this chapter may receive TANF benefits for not more than twelve (12) months.

Sec. 6. A court may modify or revoke an order issued under this chapter concerning a food stamp eligible individual or a TANF eligible individual at any time.

Sec. 7. A court shall immediately notify the county office of family and children:

1. upon the court's finding of probable cause that an individual has committed a felony offense during the period in which the individual is eligible for TANF or food stamps; or
2. when an individual has been terminated from a reentry court program during the period in which the individual is eligible for TANF or food stamps.
AN ACT to amend the Indiana Code concerning animals.

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

SECTION 1. IC 14-8-2-37.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37.6. "Cervidae", for purposes of IC 14-22-20.5, has the meaning set forth in IC 14-22-20.5-1.

SECTION 2. IC 14-8-2-37.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37.7. "Cervidae livestock operation", for purposes of IC 14-22-20.5, has the meaning set forth in IC 14-22-20.5-2.

SECTION 3. IC 14-8-2-37.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37.8. "Cervidae products", for purposes of IC 14-22-20.5, has the meaning set forth in IC 14-22-20.5-3.

SECTION 4. IC 14-22-20.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Chapter 20.5. Cervidae and Cervidae Products Sec. 1. As used in this chapter, "cervidae" means privately owned members of the cervidae family, including deer, elk, moose, reindeer, and caribou.

Sec. 2. As used in this chapter, "cervidae livestock operation" means an operation that:

(1) has a game breeders license issued by the department of natural resources under IC 14-22-20;

(2) contains privately owned cervidae; and

(3) involves the breeding, propagating, purchasing, selling, and marketing of cervidae or cervidae products;

but does not involve the hunting of privately owned cervidae.

Sec. 3. As used in this chapter, "cervidae products" means products, coproducts, or byproducts of cervidae.
Sec. 4. Cervidae and cervidae products legally produced, purchased, possessed, or acquired within Indiana or imported into Indiana are the exclusive property of the owner.

Sec. 5. Meat and products derived from privately owned cervidae that are from a cervidae livestock operation may be sold to the general public, subject to IC 15-2.1-24.

SECTION 5. IC 15-2.1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. It is the purpose of this article to promote, and encourage, and advance the prevention, suppression, detection, control, and eradication of infectious, contagious and communicable diseases and pests affecting:

(1) the health of animals within Indiana; and
(2) trade in animals and animal products in and from Indiana.

SECTION 6. IC 15-2.1-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. It is the purpose of this article to control and regulate the sanitary and health conditions under which animals are brought upon, consigned to, sold, bartered, or exchanged through, or removed from, the premises of auction sale barns or community sales, to the end that the spread of animal diseases and pests of animals in this state shall be controlled and also that the public health and welfare of the citizens of this state shall be conserved and protected.

SECTION 7. IC 15-2.1-2-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. "Animal" for purposes of IC 15-2.1-16, means domestic or wild animals, including livestock and poultry: a member of the animal kingdom, except humans.

SECTION 8. IC 15-2.1-2-3.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.4. "Approved certificate of veterinary inspection" means an official health certificate or certificate of veterinary inspection that bears the approval of the chief livestock sanitary official of the state of origin.

SECTION 9. IC 15-2.1-2-12.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.7. "Dairy farm" means a place:

(1) where at least one (1) lactating cow, sheep, or goat, water buffalo, or other hoofed mammal is kept; and
(2) from which a part or all of the milk or milk products that are
produced are provided, sold, or offered for sale to a milk plant, transfer station, or receiving station.

SECTION 10. IC 15-2.1-2-28.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.7. (a) "Milk plant" means a place, a premises, or an establishment where milk or milk products are collected, handled, processed, stored, ultra pasteurized, bottled, aseptically processed, condensed, dried, packaged, or prepared for distribution.

(b) The term does not include soft ice cream dispensers in restaurants as defined by the board.

SECTION 11. IC 15-2.1-2-29.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29.9. "Move" means the following:

1) To carry, enter, import, mail, ship, or transport.
2) To aid, abet, cause, or induce carrying, entering, importing, mailing, shipping, or transporting.
3) To offer to carry, enter, import, mail, ship, or transport.
4) To receive in order to carry, enter, import, mail, ship, or transport.
5) To release into the environment.
6) To allow any of the activities described in this section.

SECTION 12. IC 15-2.1-2-31.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31.1. "Object", for purposes of IC 15-2.1-1 through IC 15-2.1-18, means a pest or disease or a material or tangible thing that could harbor a pest or disease.

SECTION 13. IC 15-2.1-2-31.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31.3. "Official health certificate" or "official certificate of veterinary inspection" means an official document issued by a state or federal representative or an accredited veterinarian that records a veterinary inspection of the animal, statements about the health of the animal, tests conducted on the animal, vaccinations given the animal, and other information about the animal and its movement that is required by a state or by the United States to be recorded.

SECTION 14. IC 15-2.1-2-39.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
Sec. 39.1. "Pest" means any of the following that can directly or indirectly injure, cause damage to, or cause disease in animals:

1. A protozoan.
2. A plant.
3. A bacteria.
4. A fungus.
5. A virus or viroid.
6. An infectious agent or other pathogen.
7. An arthropod.
8. A parasite.
10. A vector.
11. An organism similar to or allied with any of the organisms described in this section.

SECTION 15. IC 15-2.1-2-54 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 54. "Veterinarian" means a person authorized by law to practice veterinary medicine in this state.

SECTION 16. IC 15-2.1-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The board shall have general supervision of the prevention, suppression, detection, control, and eradication of infectious, contagious and communicable diseases and pests affecting the health of animals within and in transit through the state and the production, manufacture, and processing and distribution of products derived from animals to control health hazards that may threaten the public health and welfare of the citizens of Indiana.

SECTION 17. IC 15-2.1-3-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. In addition to the powers and duties given the board elsewhere in this article and otherwise by law, the board shall have the powers and duties as are reasonable and necessary to do the following:

1. Provide for the quarantine of animals affected with or that have been exposed to an infectious, contagious, or communicable disease and objects to prevent, control, and eradicate diseases and pests of animals.
2. Provide for and control the establishment, development, sale, and distribution of products and materials for the prevention, control, and eradication of infectious, contagious, and communicable diseases and pests of animals.
maintenance of implement programs and procedures for establishing and maintaining accredited, certified, validated, or otherwise designated disease or pest free or disease or pest monitored animals, herds, flocks, or areas, including but not limited to the following:

(A) The control establishment and accreditation maintenance of herds that are free of monitored for disease or pest syndromes.

(B) The establishment and maintenance of certified or validated brucellosis free herds, animals, and areas.

(C) The establishment and maintenance of accredited tuberculosis free herds, animals, and areas.

(D) The establishment and maintenance of validated; monitored; certified; or other disease statuses for herds and areas.

(3) Provide Develop, adopt, and implement programs and plans for the prevention, detection, control, and eradication of infectious, contagious, or communicable diseases in and pests of animals.

(4) Control or prohibit, by permit or other means, the movement and transportation into, out of, or within the state, of animals and the products of animals that objects in order to prevent, detect, control, or eradicate diseases and pests of animals. When implementing controls or prohibitions the board may consider whether animals or objects are diseased, suspected to be diseased, or under quarantine, or that originated whether they originated from a country, a state, or other an area, or a premises that is known or suspected to harbor animals or objects infected with or exposed to a disease or pest of animals.

(5) Control or prohibit the public and private sale of animals and objects in order to prevent the spread of disease and pests of animals.

(6) Control the use, sanitation, and disinfection of public stockyards and the use, sanitation, and disinfection of vehicles used as public carriers means of conveyances for the transportation of animals and objects into and within the state Indiana to accomplish the objectives of this article.

(7) Control the use, sanitation, and disinfection of the premises,
buildings, sheds, lots, and other places or enclosures where diseased animals have been confined; facilities, and equipment to accomplish the objectives of this article.

(8) Control the movement of animals and objects to, and from, and within premises where infectious, contagious, or communicable diseases or pests of animals may exist, or of material that may carry or spread disease.

(9) Control the movement and disposal of carcasses of animals and objects.

(10) Control the manufacture, sale, storage, distribution, handling, and use of serums, vaccines, and other biologics and veterinary drugs, except those drugs for human consumption regulated under IC 16-42-19, to be used for the prevention, detection, control, and eradication of disease in and pests of animals.

(11) Prescribe the means, methods, and procedures for and otherwise control the vaccination or other treatment of animals and objects and the conduct of tests for disease, diseases and pests of animals.

(12) Provide, Develop, adopt, and implement plans and programs for the identification of animals, objects, premises, and means of conveyances. Plans and programs may include identification of animals or objects that have been condemned for slaughter under provisions of this article and for the identification of animals that have and have not satisfactorily passed tests established for detecting the presence of an infectious, contagious, or communicable disease: related to classification as to disease, testing, vaccination, or treatment status.

(13) Establish the terms and method of appraisal or other determination of value of animals and objects condemned for slaughter under provisions of this article, the payment of any indemnities that may be provided for such animals and objects, and the regulation of the sale or other disposition of such animals or objects.

(14) Control the sale of baby chicks.

(15) Cooperate and enter into agreements with the appropriate departments and agencies of this state, of any other state, or of the federal government for the purpose of preventing, detecting,
controlling, and eradicating infectious, contagious, and communicable diseases and pests of animals.

(16) Control or prohibit the movement and transportation into, out of, or within the state, of wild animals, or including birds, that might carry or disseminate diseases to or pests of animals or birds in Indiana.

(17) Provide for condemning or abating conditions causative of disease in that cause, aggravate, spread, or harbor diseases or pests of animals.

(18) Establish and designate, in addition to the disease testing service laboratory at Purdue University, other laboratories as may be necessary to make tests of any nature for disease; diseases and pests of animals.

(19) Cause investigations to be made as to investigate, develop, and implement the best methods for the prevention, detection, control, suppression, or eradication of contagious, infectious, or communicable diseases affecting and pests of animals.

(20) Investigate, gather, and compile information concerning the organization, business conduct, practices, and management of any registrant, licensee, permittee, applicant for a license, or applicant for a permit.

(21) Investigate allegations of unregistered, unlicensed, and unpermitted activities.

(22) Institute legal action in the name of the state of Indiana as is necessary to enforce its orders and regulations and the provisions of this article.

(23) Control the collection, transportation, and cooking of garbage to be fed to swine or other animals and all matters of sanitation relating thereto affecting the health of swine or other animals and affecting public health and comfort.

(24) Adopt an appropriate seal.

(25) Issue orders as an aid to enforcement of the powers granted it by this article and IC 15-5-14.

(26) Control disposal plants and byproducts collection services and all matters connected thereto.

(27) Abate biological or chemical substances that:

(A) remain in or on any animal before or at the time of slaughter as a result of treatment or exposure; and
(B) are found by the board to be or have the potential of being injurious to the health of animals or humans.

(27) (28) Regulate the production, manufacture, processing, and distribution of products derived from animals to control health hazards that may threaten animal health, the public health and welfare of the citizens of Indiana, and the trade in animals and animal products in and from Indiana.

(28) (29) Cooperate and coordinate with local, state, and federal emergency management agencies to plan and implement disaster emergency plans and programs as they relate to animals in Indiana.

(29) (30) Assist law enforcement agencies investigating allegations of cruelty and neglect of animals.

(30) (31) Assist organizations that represent livestock producers with issues and programs related to the care of livestock.

SECTION 18. IC 15-2.1-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The board or its agent may make sanitary inspections and surveys in all parts of this state, and shall have the right to enter upon any public or private property where any animals or objects are at the time quartered, or including wherever the carcass of any animal may be, for the purpose of inspecting such property, examining such animals or objects, conducting tests in regard to the presence of an infectious, contagious, or communicable disease diseases or pests of animals and the possible cause and sources of such disease or pest, and for performing any other function authorized by this article.

(b) The board or the board's agent may hold, seize, quarantine, treat, destroy, dispose of, or take other remedial action with respect to any animal or progeny of any animal, object, or means of conveyance that the board or the board's agent:

(1) has reason to believe:

(A) may carry, may have carried, or may have been affected by or exposed to any disease or pest of animals; or

(B) violates this article or a rule adopted under this article;

(2) finds is not being maintained or has not been maintained in accordance with a quarantine or condition imposed under this article, a rule adopted under this article, or an order issued under this article; or
(3) determines must be acted upon to prevent the dissemination of a disease or pest of animals.

SECTION 19. IC 15-2.1-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. Owners of cattle, goats, and cervids that are destroyed because they have shown a positive reaction to a tuberculin test, or because they have been exposed by reason of association with tubercular animals, shall be indemnified for such animals in accordance with rules of the board and the United States Department of Agriculture. Payment by the state may not exceed the per animal limit set in the rules of the board. Payment for cattle may not be more than three hundred and fifty dollars ($350) per animal. Joint federal-state indemnity, plus salvage, may not exceed the appraised value of each animal. State indemnity may not exceed federal indemnity on each animal. No indemnity may be paid for cattle reacting to a tuberculin test which has been applied by any veterinarian other than the state veterinarian, his the state veterinarian's agent, or an agent of the United States Department of Agriculture.

SECTION 20. IC 15-2.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. Inspection of Suspected Dangerous or Diseased Animals. The state veterinarian or his the state veterinarian's agent shall make an examination of animals and objects suspected to be dangerous or diseased and shall enforce the laws, regulations rules, and orders relating thereto.

SECTION 21. IC 15-2.1-18-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. Authority Given USDA. The agents of the United States department of agriculture shall have the right of inspection, testing, quarantine, and condemnation of animals and objects within this state affected with any contagious or infectious disease or pest of animals, suspected to be so affected, or that may have been exposed to any such disease or pest of animals. For such purposes, they may enter upon any ground or premises and may call upon the sheriffs, constables, and other peace officers to assist them in the discharge of their duties. Such sheriffs, constables, or peace officers shall assist such inspectors when so requested, and such inspectors shall have the same power and protection as peace officers, when engaged in the discharge of their duties. However, this state shall not be liable for any damages or expenses caused or made by such inspectors.
SECTION 22. IC 15-2.1-18-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. Whenever the governor has good reason to believe that any disease or pest of animals has become epidemic in another state been discovered and that the importation of animals or products derived from animals objects from that another state, or the movement of animals or objects within Indiana, would be injurious to the health of the citizens or the animals of this state, the governor may, on the recommendation of the board, designate such locality by proclamation and prohibit the entry into or other movement within Indiana of animals and objects, or stipulate the conditions under which animals and products derived from animals of the type diseased or animals exposed to the disease objects may enter the state or move within Indiana.

SECTION 23. IC 15-2.1-18-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) Except as provided in subsection (b), the owner of any animal feed, or other material object condemned by the board shall be indemnified in accordance with this article and regulations governing the payment of indemnity by the state or by the state in cooperation with the federal government. The length of time in which any of the condemned animals have been in the state which are condemned under this article shall in no way be controlling with respect to the payment of indemnity. The board or the board’s agent shall determine indemnity amounts based on appraisals or other determinations of value made in accordance with:

1. rules and policies adopted by the board; or
2. laws and policies of the federal government; that govern indemnity payments.

(b) The board is not required to indemnify objects that are adulterated, misbranded, or condemned under IC 15-2.1-23, IC 15-2.1-24, or IC 16-42.

(c) The board may pay the cost of transporting, testing, treating, euthanizing, destroying, and disposing of infected, exposed, or suspect animals and objects.

(d) The board may pay the cost of cleaning and disinfecting for purposes allowed under this article.

SECTION 24. IC 15-2.1-18-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. No (a) Except as
provided in subsection (b), an indemnity payment shall not be made for the following:

(1) Animals or objects belonging to the United States.
(2) Animals or objects belonging to this state.
(3) Animals or objects brought into the state contrary to or moved in violation of this article, the rules of the board, or an agreement for the control of diseases or pests.
(4) Animals which were previously affected by any other disease or pest, which, from its nature and development, was incurable and necessarily fatal.
(5) Animals or objects affected with disease which or pest of animals that the owner purchased, knowing that the animals or objects were infected with or exposed to a disease or pest of animals, including animals or objects purchased from a place where a contagious disease or pest of animals was known to exist.
(6) Any cattle which may react animal or object that the owner or the owner’s agent intentionally infects with or exposes to any test for brucellosis made under the provisions of this article: a disease or pest of animals.
(7) Any animal or object for which the owner received indemnity or reimbursement from any other source.

(b) The board may pay indemnity for animals or objects described in subsection (a)(3) through (a)(5) if the board finds that payment of indemnity is necessary to accomplish the purposes of this article.

SECTION 25. IC 15-2.1-18-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. The board or its agent may condemn and control the disposition thereof, after satisfactory appraisal has been made in accordance with the regulations of the board or the United States department of agriculture, any animal affected or object infected with or exposed to, or suspected to be infected with or exposed to, foot and mouth disease, glanders, or such other diseases which present unforeseeable aspects; insofar as control and eradication or pests of such diseases is concerned and which: animals that, in the opinion of the board, present are a definite health hazard to the livestock industry, or other animals, or the citizens of the state. Feed or other material Objects infected with, exposed to, or
suspected to be infected with or exposed to such diseases or pests of animals may likewise be condemned after appraisal and shall be destroyed or disposed of in such a manner as the board may direct.

SECTION 26. IC 15-2.1-18-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16.5. The board may purchase an animal or object for the purpose of diagnosing, evaluating, preventing, detecting, controlling, and eradicating diseases that present a definite health hazard to the livestock industry or other and pests of animals in Indiana.

SECTION 27. IC 15-2.1-18-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. If the board determines that a disease or pest of animals presents a definite health hazard to the citizens or animals of the state, the following action may be taken:

(1) The board may adopt emergency rules under IC 4-22-2-37.1 that provide for any of facilitate the prevention, detection, control, and eradication of the disease or pest of animals, including the following:

(A) Prohibit or impose conditions on importing animals and products derived from animals objects into the state.
(B) Require testing of animals and products derived from animals objects.
(C) Require vaccination or other treatment of animals and objects.
(D) Restrict Prohibit or impose conditions on moving animals and products derived from animals objects within the state.
(E) Govern the disposition of animals and objects.
(F) Impose other measures governing animals and products derived from animals objects to protect the citizens and animals of the state from disease, diseases and pests of animals.

(2) The state veterinarian may issue emergency orders under IC 4-21.5-4 governing animals and products derived from animals objects in order to protect the citizens and animals of the state from disease, diseases and pests of animals.

SECTION 28. IC 15-2.1-18-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. If the board
determines that a disease epidemic or pest of animals has or is imminently likely to result in a large number of dead animals, the board may facilitate the prompt disposal of the dead animals by adopting an emergency rule under IC 4-22-2-37.1 that amends or suspends:

(1) IC 15-2.1-16; and
(2) any rule adopted by the board that governs the disposal of dead animals.

SECTION 29. IC 15-2.1-18-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. If the board determines that an animal a disease or pest of animals presents a definite hazard to the citizens or animals of the state, the board may: declare an animal health emergency. If an animal health emergency is declared, the board may:

(1) use funds appropriated to the board by the general assembly for indemnity or any other purpose; and
(2) submit to the budget agency a request for additional funds under IC 4-12-1-15 or any other prescribed procedure and use any funds received;

for the purpose of addressing the animal health emergency hazard.

SECTION 30. IC 15-2.1-23-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person who operates a milk plant, operates a receiving station or transfer station, acts as a milk distributor, acts as a bulk milk hauler/sampler, operates a milk tank truck, operates a dairy farm, operates a milk tank truck cleaning facility, operates a business that manufactures containers for milk or milk products, or any other person who does not possess a permit from the board may not:

(1) bring, send, or receive into Indiana for sale;
(2) sell or offer for sale in Indiana; or
(3) store in Indiana;

any milk or milk products. Grocery stores, restaurants, soda fountains, and similar establishments where milk or milk products are served or sold at retail, but not processed, are exempt from the requirements of this section. The board may recognize a permit issued by another state for a truck used to transport milk instead of issuing an Indiana permit for the same truck.

(b) A person desiring a permit required by this chapter must make written application, in the form prescribed by the board, to the board
for such a permit.

(c) Only a person who complies with this chapter is entitled to receive and retain a permit. Permits are not transferable with respect to persons or locations.

(d) The board **shall** **may** suspend a permit whenever:

1. there is reason to believe that a public health hazard exists;
2. the permit holder has violated any of the requirements of this chapter; or
3. the permit holder has interfered with the board in the performance of the board's duties.

(e) The board shall:

1. in all cases except where the milk or milk product involved creates or appears to create an imminent hazard to the public health; or
2. in any case of a willful refusal to permit authorized inspection; serve upon the holder a written notice of intent to suspend the permit under IC 4-21.5. A suspension of a permit is effective immediately and remains in effect until the violation has been corrected to the satisfaction of the board.

(f) When a permit suspension has been due to a violation of any of the bacterial, coliform, somatic cell, or cooling temperature standards, the board shall, not later than one (1) week after the receipt of a written application for reinstatement of a permit, issue a temporary permit after determining by an inspection of the facilities and operating methods that the conditions responsible for the violation have been corrected. Samples must then be taken at the rate of not more than two (2) per week on separate days within a three (3) week period, and the board shall reinstate the permit upon compliance with the appropriate standard, as determined in accordance with section 5 of this chapter.

(g) If a permit suspension was due to a violation of a drug residue test requirement or a requirement other than the bacteriological, coliform, somatic cell, or cooling temperature standards, the application for reinstatement must contain a written statement to the effect that the violation has been corrected. Not later than one (1) week after the receipt of an application, the board shall make an inspection of the applicant's establishment and as many subsequent additional inspections as are considered necessary to determine that the applicant's establishment is complying with the requirements. When
the findings justify, the permit must be reinstated. If a permit suspension is due to drug residues, the permit shall be reinstated in accordance with section 6.5 of this chapter.

(h) The board may refuse to issue or reissue, may suspend for a definite time, or may revoke permits issued under this chapter for repeated violations of this chapter or a rule adopted by the board. The issuance or revocation of a permit under this section must be conducted in accordance with IC 4-21.5.

(i) A permit issued under this chapter expires as follows:

1. A bulk milk hauler/sampler permit expires on December 31 of the third year after the year in which the permit was issued.
2. A dairy farm permit expires upon an action listed in subdivisions (4) through (6).
3. A permit, other than a bulk milk hauler/sampler permit and a dairy farm permit, expires on December 31 of the year in which the permit was issued. Permits issued within the last three (3) months of a year may be issued to expire on December 31 of the following year.
4. Upon discontinuance of operation for a period of ninety (90) days.
5. Upon the expiration of the permit or the revocation of the permit by the board.
6. Upon the sale or other transfer of an operation to a different owner or operator.
7. For a milk distributor, milk plant, receiving station, transfer station, or milk tank truck cleaning facility, a transfer of the place of business from one (1) building or room to another.

(j) The board may adopt rules under IC 4-22-2 to implement this section.

SECTION 31. IC 15-2.1-24-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) A person subject to this chapter that has not been approved for inspection may not offer for sale meat or poultry, a meat food product, or a poultry product in commerce in Indiana.

(b) The board may take the following actions for a violation of this section:

1. Issue an order of compliance under IC 4-21.5-3-6,
IC 4-21.5-3-8, or IC 4-21.5-4.
(2) Levy a civil penalty under IC 4-21.5-3-8; or IC 4-21.5-3-6.
(3) Of both of the actions listed in subdivisions (1) and (2).

for a violation of this section:
(c) The board may, by rules adopted under IC 4-22-2, adopt a schedule of civil penalties that may be levied for violations of this section. A penalty included in the schedule of civil penalties may not exceed one thousand dollars ($1,000) per violation for each day of the violation.


P.L.94-2005
[S.557. Approved April 26, 2005.]

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:
"Adult employee" means an employee who is eighteen (18) years old or older.
"Agent" means an operator, a manager, an adult employee, or a security agent employed by a store.
"Motion picture exhibition facility" has the meaning set forth in IC 35-46-8-3.
"Security agent" means a person who has been employed by a store to prevent the loss of property due to theft.
"Store" means a place of business where property or service with respect to property is displayed, rented, sold, or offered for sale.

SECTION 2. IC 35-33-6-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
Sec. 2.5. (a) An owner or agent of a motion picture exhibition facility who has probable cause to believe that an unlawful recording under IC 35-46-8 has occurred or is occurring in the motion picture exhibition facility and who has probable cause to believe that a specific person has committed or is committing the unlawful recording may:

1. detain the person and request the person to provide identification;
2. verify the identification;
3. determine whether the person possesses at the time of detention an audiovisual recording device (as defined in IC 35-46-8-2);
4. confiscate any unauthorized copies of a motion picture or another audiovisual work; and
5. inform the appropriate law enforcement officer or agency that the person is being detained.

(b) Detention under subsection (a):

1. must:
   A. be reasonable; and
   B. last only for a reasonable time; and
2. may not extend beyond the arrival of a law enforcement officer or two (2) hours, whichever occurs first.

SECTION 3. IC 35-33-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. An owner or agent of a store or motion picture exhibition facility who informs a law enforcement officer of the circumstantial basis for detention and any additional relevant facts shall be presumed to be placing information before the law enforcement officer. The placing of this information does not constitute a charge of crime.

SECTION 4. IC 35-33-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A civil or criminal action against:

1. an owner or agent of a store or motion picture exhibition facility; or
2. a law enforcement officer;
may not be based on a detention which was lawful under section 2 or 2.5 of this chapter. However, the defendant has the burden of proof that the defendant acted with probable cause under section
2 or 2.5 of this chapter.

SECTION 5. IC 35-33-6-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. An owner or agent of a motion picture exhibition facility may act in the manner allowed by section 2.5 of this chapter on information received from an employee of the motion picture exhibition facility if the employee has probable cause to believe that:

(1) an unlawful recording under IC 35-46-8 has occurred or is occurring in the motion picture exhibition facility; and
(2) a specific person has committed or is committing the unlawful recording.

SECTION 6. IC 35-46-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 8. Unlawful Recording
Sec. 1. This chapter does not apply to a law enforcement officer acting within the scope of the officer’s employment.

Sec. 2. As used in this chapter, "audiovisual recording device" means:

(1) a digital or an analog photographic or video camera; or
(2) any other technology capable of enabling the recording or transmission of a motion picture or other audiovisual work; regardless of whether audiovisual recording is the sole or primary purpose of the device.

Sec. 3. (a) As used in this chapter, "motion picture exhibition facility" means:

(1) an indoor or outdoor screening venue; or
(2) any other premises;

where motion pictures or other audiovisual works are shown to the public for a charge, regardless of whether an admission fee is charged.

(b) The term does not include a dwelling.

Sec. 4. (a) A person who knowingly or intentionally uses an audiovisual recording device in a motion picture exhibition facility with the intent to transmit or record a motion picture commits unlawful recording, a Class B misdemeanor.

(b) It is a defense to a prosecution under this section that the
Sec. 5. In addition to a criminal penalty imposed for an offense under this chapter, a court may order the forfeiture, destruction, or other disposition of:

(1) all unauthorized copies of motion pictures or other audiovisual works; and

(2) any audiovisual recording devices or other equipment used in connection with the offense.

SECTION 7. [EFFECTIVE JULY 1, 2005] IC 35-46-8, as added by this act, applies only to crimes committed after June 30, 2005.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-18-2-163 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 163. (a) "Health care provider", for purposes of IC 16-21 and IC 16-41, means any of the following:

(1) An individual, a partnership, a corporation, a professional corporation, a facility, or an institution licensed or legally authorized by this state to provide health care or professional services as a licensed physician, a psychiatric hospital, a hospital, a health facility, an emergency ambulance service (IC 16-31-3), a dentist, a registered or licensed practical nurse, a midwife, an optometrist, a pharmacist, a podiatrist, a chiropractor, a physical therapist, a respiratory care practitioner, an occupational therapist, a psychologist, a paramedic, an emergency medical technician, an emergency medical technician-basic advanced, an emergency medical technician-intermediate, or a person who is an officer, employee, or agent of the individual, partnership, corporation, professional corporation, facility, or institution acting in the
course and scope of the person's employment.

(2) A college, university, or junior college that provides health care to a student, a faculty member, or an employee, and the governing board or a person who is an officer, employee, or agent of the college, university, or junior college acting in the course and scope of the person's employment.

(3) A blood bank, community mental health center, community mental retardation center, community health center, or migrant health center.

(4) A home health agency (as defined in IC 16-27-1-2).

(5) A health maintenance organization (as defined in IC 27-13-1-19).

(6) A health care organization whose members, shareholders, or partners are health care providers under subdivision (1).

(7) A corporation, partnership, or professional corporation not otherwise qualified under this subsection that:
   (A) provides health care as one (1) of the corporation's, partnership's, or professional corporation's functions;
   (B) is organized or registered under state law; and
   (C) is determined to be eligible for coverage as a health care provider under IC 34-18 for the corporation's, partnership's, or professional corporation's health care function.

Coverage for a health care provider qualified under this subdivision is limited to the health care provider's health care functions and does not extend to other causes of action.

(b) "Health care provider", for purposes of IC 16-35, has the meaning set forth in subsection (a). However, for purposes of IC 16-35, the term also includes a health facility (as defined in section 167 of this chapter).

(c) "Health care provider", for purposes of IC 16-36-5, means an individual licensed or authorized by this state to provide health care or professional services as:
   (1) a licensed physician;
   (2) a registered nurse;
   (3) a licensed practical nurse;
   (4) an advanced practice nurse;
   (5) a licensed nurse midwife;
   (6) a paramedic;
(7) an emergency medical technician;
(8) an emergency medical technician-basic advanced;
(9) an emergency medical technician-intermediate; or
(10) a first responder, as defined under IC 16-18-2-131.

The term includes an individual who is an employee or agent of a health care provider acting in the course and scope of the individual's employment.

(d) "Health care provider", for purposes of IC 16-40-4, means any of the following:

(1) An individual, a partnership, a corporation, a professional corporation, a facility, or an institution licensed or authorized by the state to provide health care or professional services as a licensed physician, a psychiatric hospital, a hospital, a health facility, an emergency ambulance service (IC 16-31-3), an ambulatory outpatient surgical center, a dentist, an optometrist, a pharmacist, a podiatrist, a chiropractor, a psychologist, or a person who is an officer, employee, or agent of the individual, partnership, corporation, professional corporation, facility, or institution acting in the course and scope of the person's employment.

(2) A blood bank, laboratory, community mental health center, community mental retardation center, community health center, or migrant health center.

(3) A home health agency (as defined in IC 16-27-1-2).

(4) A health maintenance organization (as defined in IC 27-13-1-19).

(5) A health care organization whose members, shareholders, or partners are health care providers under subdivision (1).

(6) A corporation, partnership, or professional corporation not otherwise specified in this subsection that:

(A) provides health care as one (1) of the corporation's, partnership's, or professional corporation's functions;

(B) is organized or registered under state law; and

(C) is determined to be eligible for coverage as a health care provider under IC 34-18 for the corporation's, partnership's, or professional corporation's health care function.

(7) A person that is designated to maintain the records of a person described in subdivisions (1) through (6).
SECTION 2. IC 16-18-2-163.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 163.3. "Health care quality indicator data", for purposes of IC 16-40-4, has the meaning set forth in IC 16-40-4-1.

SECTION 3. IC 16-18-2-164.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 164.6. "Health coverage provider", for purposes of IC 16-40-4, has the meaning set forth in IC 16-40-4-2.

SECTION 4. IC 16-18-2-294.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 294.5. (a) "Program", for purposes of IC 16-40-4, has the meaning set forth in IC 16-40-4-3.

(b) "Program", for purposes of IC 16-47-1, has the meaning set forth in IC 16-47-1-3.

SECTION 5. IC 16-40-4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 4. Health Care Quality Indicator Data Program

Sec. 1. As used in this chapter, "health care quality indicator data" means information concerning the provision of health care services that may be collected and used to measure and compare quality of health care services.

Sec. 2. As used in this chapter, "health coverage provider" means any of the following:

1) An insurer (as defined in IC 27-1-2-3) that issues or delivers a policy of accident and sickness insurance (as defined in IC 27-8-5-1).

2) A health maintenance organization (as defined in IC 27-13-1-19).

3) The administrator of a program of self-insurance established, implemented, or maintained to provide coverage for health care services to the extent allowed by the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

4) The state Medicaid program (IC 12-15).

5) The children’s health insurance program (IC 12-17.6).
(6) The Indiana comprehensive health insurance association (IC 27-8-10).

(7) A person that is designated to maintain the records of a person described in subdivisions (1) through (6).

Sec. 3. As used in this chapter, "program" refers to the health care quality indicator data program developed and implemented under sections 4 and 5 of this chapter.

Sec. 4. The state department shall, in compliance with state and federal law, develop a plan for a health care quality indicator data program. The plan shall be completed by December 31, 2006, and include the following:

(1) A list of health care quality indicators for which data will be collected concerning health care services provided to individuals who reside or receive health care services in Indiana. The state department shall seek the assistance of health coverage providers and health care providers in developing the list under this subdivision.

(2) A methodology for health care quality indicator data collection, analysis, distribution, and use.

(3) The inclusion of data concerning ethnicity and minority status, as allowed by the individuals about whom health care quality indicator data is collected.

(4) A methodology to provide for a case mix system or other scientific criteria to develop and adjust health quality indicators, including infection rates, that may be affected by risks and variables.

Sec. 5. The state department of health is authorized to develop and implement a health care quality indicator program as provided for in this chapter and to include the following:

(1) Criteria listed under section 4 of this chapter.

(2) Health care quality indicator data collected from a health coverage provider or health care provider under this chapter must be obtainable from electronic records developed and maintained in the health coverage provider's or health care provider's ordinary course of business.

(3) Health coverage providers and health care providers are not required to establish or amend medical record systems or other systems to conform to the program.

Sec. 6. The following shall comply with the data collection
requirements of the program:

(1) A health coverage provider.

(2) A health care provider.

(3) An out-of-state health coverage provider that:
   (A) provides health coverage;
   (B) administers health coverage provided; or
   (C) maintains records concerning health coverage provided;

to an individual who resides or receives health care services in Indiana.

(4) An out-of-state health care provider that:
   (A) provides health care services; or
   (B) maintains records concerning health care services provided;

to an individual who resides or receives health care services in Indiana.

Sec. 7. (a) Health care quality indicator data and other information collected under this chapter, or resulting from the program, from which the identity of a person, including:

(1) an individual;

(2) a health coverage provider; or

(3) a health care provider;

may be ascertained is confidential and, unless otherwise specified under state or federal law, may not be released to any person without the written consent of the identified person.

(b) Communications, including printed documents, by:

(1) an employee;

(2) an officer;

(3) a governing board member; or

(4) an agent;

of a hospital (licensed under IC 16-21) for the purpose of collecting, identifying, reviewing, or producing data for a health care quality indicator data program under this chapter are confidential.

Sec. 8. Financial information that:

(1) is collected under this chapter; or

(2) results from the program;

is confidential.

Sec. 9. The state department shall adopt rules under IC 4-22-2 to implement this chapter.
SECTION 6. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "commission" means the medical informatics commission established by subsection (c).

(b) As used in this SECTION, "health care provider" means a licensed physician or an agent of a physician.

(c) The medical informatics commission is established.

(d) The commission consists of fifteen (15) members as follows:

1. The secretary of family and social services, or the secretary’s designee, who serves as chairperson of the commission.
2. The commissioner of the state department of health or the commissioner's designee.
3. The commissioner of insurance or the commissioner's designee.
4. Two (2) licensed physicians who are actively engaged in the practice of medicine.
5. Two (2) individuals who are engaged in the administration of a hospital licensed under IC 16-21.
6. One (1) individual who represents an insurer (as defined in IC 27-1-2-3) that issues or delivers a policy of accident and sickness insurance (as defined in IC 27-8-5-1).
7. One (1) individual who represents a health maintenance organization (as defined in IC 27-13-1-19).
8. One (1) individual who has legal expertise in matters concerning the privacy and security of health care information.
9. The state's chief information officer.
10. One (1) individual who is engaged in the business of computer information technology.
11. One (1) individual engaged in the business of health care information technology.
12. One (1) individual from the business community.
13. One (1) individual recommended by the Indiana Minority Health Coalition.

The governor shall appoint the members of the commission designated by subdivisions (4) through (12).

(e) If a vacancy occurs on the commission, the governor shall appoint a new member to serve for the remainder of the unexpired term. A vacancy shall be filled from the same group that was
represented by the outgoing member.

(f) The commission shall elect from the commission members a vice chairperson and a secretary.

(g) The office of family and social services shall:
   (1) provide administrative support for the commission; and
   (2) if the budget agency determines there is money available, pay the expenses of the commission.

(h) Eight (8) members of the commission constitute a quorum for the transaction of all business of the commission. The affirmative votes of a majority of the voting members appointed to the commission are required for the commission to take action on any measure.

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

(j) If the budget agency determines money is available, the commission and the office of family and social services shall:
   (1) conduct a study; or
   (2) contract for a study to be conducted;
   on health care information and communication technology in Indiana.

(k) The office of family and social services may contract for advisory services under IC 5-22 to assist the commission in conducting the study under this SECTION. The request for proposals must include:
   (1) an organizational structure for the study; and
   (2) the feasibility of obtaining a governmental or private grant to assist in funding the study.

(l) The commission shall:
   (1) identify and seek assistance from the major participants in health care delivery and reimbursement systems who would be affected by an interoperable statewide health care information and communication technology system; and
   (2) establish a plan for the creation of an interoperable statewide health care information and communication technology system.

(m) The plan under subsection (l)(2) must include:
(1) a determination of:
   (A) the feasibility of; and
   (B) a plan for;
   developing and implementing a health care information infrastructure system to be used by health care providers and other potential users;
(2) the identification of an organizational structure for:
   (A) the development of an open, flexible, and interoperable technology infrastructure; and
   (B) the continued operation and maintenance of the health care information and communication technology system recommended under this SECTION;
(3) an analysis of:
   (A) an existing information technology system of a health care provider, a government agency, or a third party payor; and
   (B) the feasibility of incorporating an existing system into the health care information and communication technology system recommended under this SECTION;
(4) the identification of an available governmental or private grant for the implementation of a health care information and communication technology system;
(5) a business plan for financing the development and maintenance of the technology infrastructure, including an available governmental or private grant;
(6) the identification of potential problems and recommended solutions regarding matters involving privacy, security, federal mandates or preemption, and antitrust laws;
(7) an analysis of the current capabilities of the public and private telecommunications systems in Indiana to support the type and volume of data transmission required by the health care information and communication technology system recommended under this SECTION; and
(8) a recommendation that considers the following features:
   (A) A provision to guarantee security and privacy for all health care providers, patients, and potential users of the system.
   (B) A provision for an interoperable personal health record, including patient identification.
(C) The demonstrable and measurable ability to:
   (i) improve the quality of health care;
   (ii) improve patient safety;
   (iii) reduce medical errors; and
   (iv) reduce duplication of health care services.

(D) The ability to gather, store, and recall data efficiently and cost effectively.

(E) The ability for health care providers and other potential users to quickly access reliable, evidence based, and current treatment guidelines, standards, and protocols.

(F) The ability to provide rapid point of care access to medical information.

(G) A provision to enhance public health through:
   (i) population based epidemiological studies;
   (ii) automatic notification of reportable diseases; and
   (iii) maintenance of statutorily mandated and voluntarily reported statistical databases and registries.

(H) A method for financing initial and continuing system related costs of health care providers, including user fees.

(I) Existing regulatory and administrative barriers to the implementation of the health care information and communication technology system recommended under this SECTION.

(J) The requirements for the National Health Information Network.

(K) Other appropriate features.

(n) The office of family and social services shall:
   (1) if a contract is awarded under this SECTION, oversee and coordinate contractor performance; and
   (2) provide to the general assembly:
      (A) a biannual progress report before January 1, 2006, and July 1, 2006; and
      (B) a final report not later than November 1, 2006.

(o) The commission’s final report must:
   (1) review the:
      (A) study conducted by a recognized expert in health care information and communication technology, if applicable; or
(B) commission’s study; and
(2) make recommendations regarding creating and implementing a plan for an interoperable health care information and communication technology system as required under this SECTION.
(p) The commission shall, before providing the final report under this SECTION:
(1) issue drafts of the recommended final plan for public review; and
(2) hold at least one (1) public meeting in a central location in Indiana to receive public comments on the plan.
(q) The commission shall provide each report under this SECTION in an electronic format under IC 5-14-6 to the general assembly through the legislative council.
(r) This SECTION expires December 31, 2006.
conditions:
(A) Is qualified by education and training to perform the surgical procedure.
(B) Is legally authorized to perform the procedure.
(C) Is privileged to perform surgical procedures in at least one (1) hospital within the county or an Indiana county adjacent to the county in which the ambulatory outpatient surgical center is located.
(D) Is admitted to the open staff of the ambulatory outpatient surgical center.
(4) Requires that a licensed physician with specialized training or experience in the administration of an anesthetic supervise the administration of the anesthetic to a patient and remain present in the facility during the surgical procedure, except when only a local infiltration anesthetic is administered.
(5) Provides at least one (1) operating room and, if anesthetics other than local infiltration anesthetics are administered, at least one (1) postanesthesia recovery room.
(6) Is equipped to perform diagnostic x-ray and laboratory examinations required in connection with any surgery performed.
(7) Does not provide accommodations for patient stays of longer than twenty-four (24) hours.
(8) Provides full-time services of registered and licensed nurses for the professional care of the patients in the postanesthesia recovery room.
(9) Has available the necessary equipment and trained personnel to handle foreseeable emergencies such as a defibrillator for cardiac arrest, a tracheotomy set for airway obstructions, and a blood bank or other blood supply.
(10) Maintains a written agreement with at least one (1) hospital for immediate acceptance of patients who develop complications or require postoperative confinement.
(11) Provides for the periodic review of the center and the center's operations by a committee of at least three (3) licensed physicians having no financial connections with the center.
(12) Maintains adequate medical records for each patient.
(13) Meets all additional minimum requirements as established by the state department for building and equipment requirements.
(14) Meets the rules and other requirements established by the state department for the health, safety, and welfare of the patients.

(b) The term does not include a birthing center.

SECTION 2. IC 16-18-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) "Abortion clinic", for purposes of IC 16-21-2, means a freestanding entity that performs surgical abortion procedures.

(b) The term does not include the following:

(1) A hospital that is licensed as a hospital under IC 16-21-2.
(2) An ambulatory outpatient surgical center that is licensed as an ambulatory outpatient surgical center under IC 16-21-2.
(3) A physician's office as long as the surgical procedures performed at the physician's office are not primarily surgical abortion procedures.

SECTION 3. IC 16-18-2-36.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36.5. (a) "Birthing center", for purposes of IC 16-21-2, means a freestanding entity that has the sole purpose of delivering a normal or uncomplicated pregnancy.

(b) The term does not include a hospital that is licensed as a hospital under IC 16-21-2.

SECTION 4. IC 16-21-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided in subsection (b), the council shall propose and the executive board may adopt rules under IC 4-22-2 necessary to protect the health, safety, rights, and welfare of patients, including the following:

(1) Rules pertaining to the operation and management of hospitals, and ambulatory outpatient surgical centers, abortion clinics, and birthing centers.
(2) Rules establishing standards for equipment, facilities, and staffing required for efficient and quality care of patients.

(b) The state department may request the council to propose a new rule or an amendment to an existing rule necessary to protect the health, safety, rights, and welfare of patients. If the council does not propose a rule within ninety (90) days of the department's request, the department may propose its own rule.

(c) The state department shall consider the rules proposed by the
council and may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.

SECTION 5. IC 16-21-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to all hospitals, and ambulatory outpatient surgical centers, abortion clinics, and birthing centers.

(b) This chapter does not apply to a hospital operated by the federal government.

(c) This chapter does not affect a statute pertaining to the placement and adoption of children.

SECTION 6. IC 16-21-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The state department shall license and regulate:

1. hospitals; and
2. ambulatory outpatient surgical centers;
3. birthing centers; and
4. abortion clinics.

SECTION 7. IC 16-21-2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) The state department shall adopt rules under IC 4-22-2 to do the following concerning birthing centers and abortion clinics:

1. Establish minimum license qualifications.
2. Establish the following requirements:
   A. Sanitation standards.
   B. Staff qualifications.
   C. Necessary emergency equipment.
   D. Procedures to provide emergency care.
   E. Quality assurance standards.
   F. Infection control.
3. Prescribe the operating policies, supervision, and maintenance of medical records.
4. Establish procedures for the issuance, renewal, denial, and revocation of licenses under this chapter. The rules adopted under this subsection must address the following:
   A. The form and content of the license.
   B. The collection of an annual license fee.
(5) Prescribe the procedures and standards for inspections.

(b) A person who knowingly or intentionally:
   (1) operates a birthing center or an abortion clinic that is not licensed under this chapter; or
   (2) advertises the operation of a birthing center or an abortion clinic that is not licensed under this chapter;

commits a Class A misdemeanor.

SECTION 8. IC 16-21-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. A:

   (1) person;
   (2) state, county, or local governmental unit; or
   (3) division, a department, a board, or an agency of a state, county, or local governmental unit;

must obtain a license from the state health commissioner under IC 4-21.5-3-5 before establishing, conducting, operating, or maintaining a hospital, or an ambulatory outpatient surgical center, an abortion clinic, or a birthing center.

SECTION 9. IC 16-21-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) An applicant must submit an application for a license on a form prepared by the state department showing that:

   (1) the applicant is of reputable and responsible character;
   (2) the applicant is able to comply with the minimum standards for a hospital, or an ambulatory outpatient surgical center, an abortion clinic, or a birthing center, and with rules adopted under this chapter; and
   (3) the applicant has complied with section 15.4 of this chapter.

(b) The application must contain the following additional information:

   (1) The name of the applicant.
   (2) The type of institution to be operated.
   (3) The location of the institution.
   (4) The name of the person to be in charge of the institution.
   (5) If the applicant is a hospital, the range and types of services to be provided under the general hospital license, including any service that would otherwise require licensure by the state department under the authority of IC 16-19.
   (6) Other information the state department requires.
SECTION 10. IC 16-21-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. A license to operate a hospital, or an ambulatory outpatient surgical center, an abortion clinic, or a birthing center:

1. expires one (1) year after the date of issuance;
2. is not assignable or transferable;
3. is issued only for the premises named in the application;
4. must be posted in a conspicuous place in the facility; and
5. may be renewed each year upon the payment of a renewal fee at the rate adopted by the council under IC 4-22-2.

SECTION 11. IC 16-21-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. A hospital, or an ambulatory outpatient surgical center, an abortion clinic, or a birthing center that provides to a patient notice concerning a third party billing for a service provided to the patient shall ensure that the notice:

1. conspicuously states that the notice is not a bill;
2. does not include a tear-off portion; and
3. is not accompanied by a return mailing envelope.

SECTION 12. IC 16-31-6.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. This chapter does not apply to the following:

1. A licensed physician.
2. A hospital, or an ambulatory outpatient surgical center, an abortion clinic, or a birthing center.
3. A person providing health care in a hospital, or an ambulatory outpatient surgical center, an abortion clinic, or a birthing center licensed under IC 16-21.
4. A person or entity certified under IC 16-31-3.

SECTION 13. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "state department" refers to the state department of health.

(b) The state department shall, not later than June 30, 2005, establish licensing procedures and requirements for the licensure of birthing centers as required under IC 16-21-2-2.5, as added by this act.

(c) If a birthing center is in existence on June 30, 2005, IC 16-21-2, as amended by this act, applies after November 30,
(d) If a birthing center does not exist on June 30, 2005, IC 16-21-2, as amended by this act, applies beginning July 1, 2005.

(c) This SECTION expires December 31, 2006.

SECTION 14. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "state department" refers to the state department of health.

(b) The state department shall, not later than December 31, 2005, establish licensing procedures and requirements for the licensure of abortion clinics as required under IC 16-21-2-2.5, as added by this act.

(c) An abortion clinic shall, not later than July 1, 2006:
   (1) obtain the license required; and
   (2) meet the requirements established;
by the state department under IC 16-21-2-2.5, as added by this act.

(d) This SECTION expires December 31, 2006.

SECTION 15. An emergency is declared for this act.

P.L.97-2005
[S.611. Approved April 26, 2005.]

AN ACT to amend the Indiana Code concerning pensions.

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

SECTION 1. IC 36-8-10-12.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.2. (a) This section applies to a county that adopts a deferred retirement option plan as part of its retirement plan under this chapter.

(b) As used in this section, "DROP" refers to a deferred retirement option plan established under this section.

(c) As used in this section, "DROP frozen benefit" refers to a monthly pension benefit calculated under the provisions of a retirement plan established under this chapter based on the
employee beneficiary's:

(1) salary; and

(2) years of service;

on the date the employee beneficiary enters the DROP.

(d) As used in this section, "maximum years of service" refers to the maximum number of years of service included in the monthly pension benefit calculation under a department's retirement plan.

(e) An employee beneficiary who:

(1) is not yet credited with the maximum number of years of service; and

(2) is eligible to receive an unreduced benefit immediately upon termination of employment;

may elect to enter a DROP. The employee beneficiary's election is irrevocable.

(f) The employee beneficiary exits a DROP on the earliest of the following:

(1) The date that the employee beneficiary is credited with the maximum years of service under the retirement plan.

(2) The employee beneficiary's retirement date.

(3) The date any required benefit begins.

(g) The retirement benefit paid to the employee beneficiary who participated in a DROP consists of:

(1) the DROP frozen benefit; plus

(2) an additional amount, paid as the employee beneficiary elects under subsection (h), determined in STEP THREE of the following formula:

STEP ONE: Multiply:

(A) the DROP frozen benefit; by

(B) the number of months the employee beneficiary participated in the DROP.

STEP TWO: Multiply the product determined in STEP ONE by an interest rate that does not exceed three percent (3%) annually.

STEP THREE: Add the product determined under STEP ONE and the product determined under STEP TWO.

(h) The employee beneficiary shall elect, at the employee beneficiary's retirement, to receive the additional amount calculated under subsection (g)(2) in one (1) of the following ways:
(1) A lump sum.
(2) An actuarially equivalent increase in the monthly pension benefit payable to the employee beneficiary.
(3) A combination of (1) and (2).

(i) The cost of living payment determined under section 23 of this chapter does not apply to the additional amount calculated under subsection (g)(2). No cost of living payment is applied to a DROP frozen benefit while the employee beneficiary is participating in a DROP.

(j) If an employee beneficiary becomes disabled:
   (1) in the line of duty; or
   (2) other than in the line of duty;
   benefits for the employee beneficiary are calculated as if the employee beneficiary had never entered the DROP.

(k) If, before the employee beneficiary's monthly pension benefit begins, an employee beneficiary dies, in the line of duty or other than in the line of duty, death benefits are payable as follows:
   (1) The benefit under subsection (g)(2) is paid in a lump sum to the employee beneficiary's surviving spouse. If there is no surviving spouse, the lump sum must be divided equally among the employee beneficiary's surviving children. If there are no surviving children, the lump sum is paid to the employee beneficiary's parents. If there are no surviving parents, the lump sum is paid to the employee beneficiary's estate.
   (2) A benefit is paid on the DROP frozen benefit under the terms of the county's retirement plan.

(l) A DROP under this section must be designed to be actuarially cost neutral to the county's retirement plan.

SECTION 2. IC 36-8-10-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The department may establish and operate a dependent's pension benefit for the payment of pensions to dependent parents, surviving spouses, and dependent children under eighteen (18) years of age of former employee beneficiaries. The department may provide these benefits by the creation of a reserve account, by obtaining appropriate insurance coverage, or both. However, the department may not establish or modify a dependent's pension benefit after June 30, 1989, without the approval of the county fiscal body which shall not reduce or diminish
any dependent's pension benefits that were in effect on January 1, 1989.

(b) This subsection applies to survivors of employee beneficiaries who:

(1) died before January 1, 1990; and

(2) were covered by a benefit plan established under this section.

The maximum monthly pension payable to dependent parents or surviving spouses may not exceed two hundred dollars ($200) per month during the parent's or the spouse's lifetime if the spouse did not remarry before September 1, 1984. If the surviving spouse remarried before September 1, 1984, benefits ceased on the date of remarriage. The maximum monthly pension payable to dependent children is thirty dollars ($30) per child and ceases with the last payment before attaining eighteen (18) years of age.

(c) This subsection applies to survivors of employee beneficiaries who:

(1) died after December 31, 1989; and

(2) were covered by a benefit plan established under this section.

The monthly pension payable to dependent parents or surviving spouses must be not less than two hundred dollars ($200) for each month during the parent's or the spouse's lifetime. or until the spouse remarries. The monthly pension payable to each dependent child must be not less than thirty dollars ($30) for each child and ceases with the last payment before attaining eighteen (18) years of age.

(d) The county fiscal body may by ordinance provide an increase in the monthly pension of survivors of employee beneficiaries who die before January 1, 1990. However, the monthly pension that is provided under this subsection may not exceed the monthly pension that is provided to survivors whose monthly pensions are determined under subsection (c).

(e) In order to be eligible for a benefit under this section, the surviving spouse of an employee beneficiary who dies after August 31, 1984, must have been married to the employee beneficiary at the time of the employee's retirement or death in service.
AN ACT to amend the Indiana Code concerning labor and safety.

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

SECTION 1. IC 22-4-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) Except as otherwise provided in this section, "wages" means all remuneration as defined in section 1 of this chapter paid to an individual by an employer, remuneration received as tips or gratuities in accordance with Sections 3301 and 3102 et seq. of the Internal Revenue Code, and includes all remuneration considered as wages under Sections 3301 and 3102 et seq. of the Internal Revenue Code. However, the term shall not include any amounts paid as compensation for services specifically excluded by IC 22-4-8-3 or IC 22-4-8-3.5 from the definition of employment as defined in IC 22-4-8-1 and IC 22-4-8-2. The term shall include, but not be limited to, any payments made by an employer to an employee or former employee, under order of the National Labor Relations Board, or a successor thereto, or agency named to perform the duties thereof, as additional pay, back pay, or for loss of employment, or any such payments made in accordance with an agreement made and entered into by an employer, a union, and the National Labor Relations Board.

(b) The term "wages" shall not include the following:

(1) That part of remuneration which, after remuneration equal to seven thousand dollars ($7,000), has been paid in a calendar year to an individual by an employer or his predecessor with respect to employment during any calendar year subsequent to December 31, 1982, unless that part of the remuneration is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund. For the purposes of this subdivision, the term "employment" shall include service constituting employment under any employment security law of any state or of the federal government. However, nothing in this subdivision shall be taken
as an approval or disapproval of any related federal legislation.

(2) The amount of any payment (including any amount paid by an employer for insurance or annuities or into a fund to provide for any such payment) made to, or on behalf of, an individual or any of his the individual’s dependents under a plan or system established by an employer which makes provision generally for individuals performing service for it (or for such individuals generally and their dependents) or for a class or classes of such individuals (or for a class or classes of such individuals and their dependents) on account of:

(A) retirement;
(B) sickness or accident disability;
(C) medical or hospitalization expenses in connection with sickness or accident disability; or
(D) death.

(3) The amount of any payment made by an employer to an individual performing service for it (including any amount paid by an employer for insurance or annuities or into a fund to provide for any such payment) on account of retirement.

(4) The amount of any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability made by an employer to, or on behalf of, an individual performing services for it and after the expiration of six (6) calendar months following the last calendar month in which the individual performed services for such employer.

(5) The amount of any payment made by an employer to, or on behalf of, an individual performing services for it or to his the individual’s beneficiary:

(A) from or to a trust exempt from tax under Section 401(a) of the Internal Revenue Code at the time of such payment unless such payment is made to an individual performing services for the trust as remuneration for such services and not as a beneficiary of the trust; or
(B) under or to an annuity plan which, at the time of such payments, meets the requirements of Section 401(a)(3), 401(a)(4), 401(a)(5), and 401(a)(6) of the Internal Revenue Code.
(6) Remuneration paid in any medium other than cash to an individual for service not in the course of the employer's trade or business.

(7) The amount of any payment (other than vacation or sick pay) made to an individual after the month in which the individual attains the age of sixty-five (65) if the individual did not perform services for the employer in the period for which such payment is made.

(8) The payment by an employer (without deduction from the remuneration of the employee) of the tax imposed upon an employee under Sections 3101 et seq. of the Internal Revenue Code (Federal Insurance Contributions Act).

SECTION 2. IC 22-4-8-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. As used in this article, "employment" does not include an owner-operator that provides a motor vehicle and the services of a driver to a motor carrier under a written contract that is subject to IC 8-2.1-24-22, 45 IAC 16-1-13, or 49 CFR 376.

SECTION 3. IC 22-4-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Except as otherwise provided in sections 4 and 5 of this chapter, IC 22-4-7-2(f), IC 22-4-9-4, and IC 22-4-11.5, an employing unit shall cease to be an employer subject to this article only as of January 1 of any calendar year, if it files with the commissioner, prior to January 31 of such year, a written application for termination of coverage, and the commissioner finds that the employment experience of the employer within the preceding calendar year was not sufficient to qualify an employing unit as an employer under IC 22-4-7-1 and IC 22-4-7-2.

SECTION 4. IC 22-4-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section is subject to the provisions of IC 22-4-11.5.

(b) Any employer subject to this article as successor to an employer pursuant to the provisions of Subsections (a) or (b) of IC 1971, 22-4-7-2 IC 22-4-7-2(a) or IC 22-4-7-2(b) hereof shall cease to be an employer at the end of the year in which the acquisition occurs only if the board finds that within such calendar year the employment experience of the predecessor prior to the date of disposition combined with the employment experience of the successor subsequent to the
date of acquisition would not be sufficient to qualify the successor employer as an employer under the provisions of IC 1971, 22-4-7-1. Provided, that IC 22-4-7-1. No such successor employer may ceased cease to be an employer subject to this article at the end of the first year of the current period of coverage of the predecessor employer. If all of the resources and liabilities of the experience account of an employer are assumed by another in accordance with the provisions of IC 1971, 22-4-10-6 IC 22-4-10-6 or IC 22-4-10-7, hereof such employer's status as employer and under this article is hereby terminated unless and until such employer subsequently qualifies under the provisions of IC 1971, 22-4-7-1 or 22-4-9-5, sections 4 or 5 of this chapter.

(e) If no application for termination, as herein provided, is filed by an employer and/or if four (4) full calendar years have elapsed since any contributions have become payable from such employer, then and in such cases the board may terminate such employer's experience account.

SECTION 5. IC 22-4-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. An employing unit for which services, as specifically excluded by IC 22-4-8-3 or IC 22-4-8-3.5, are performed, may file with the commissioner its written election to consider all such services for such employing unit in one (1) or more distinct establishments, as employment for all purposes of this article for not less than two (2) calendar years. Upon written approval of such election by the commissioner, such services shall be deemed to constitute employment subject to this article as of the date stated in such approval and shall cease to be deemed employment subject hereto as of January 1 of any calendar year subsequent to such two (2) calendar years only if prior to January 31 it has filed with the commissioner a written notice to that effect.

SECTION 6. IC 22-4-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) When:

(1) an employing unit (whether or not an employing unit at the time of the acquisition) becomes an employer under IC 22-4-7-2(a); or when

(2) an employer acquires the organization, trade, or business, or substantially all the assets of another employer; or
(3) an employer transfers all or a portion of the employer's trade or business (including the employer's workforce) to another employer as described in IC 22-4-11.5-7; the successor employer shall, in accordance with the rules prescribed by the board, assume the position of the predecessor with respect to all the resources and liabilities of the predecessor's experience account.

(b) Effective July 1, 1975; Except as provided by IC 22-4-11.5, when:

(1) an employing unit (whether or not an employing unit at the time of the acquisition) becomes an employer under IC 22-4-7-2(b); or when

(2) an employer acquires a distinct and segregable portion of the organization, trade, or business within this state of another employer; the successor employer shall upon application and agreement by and between the disposing and acquiring employers, assume the position of the predecessor employer with respect to the portion of the resources and liabilities of the predecessor's experience account as pertains to the distinct and segregable portion of the predecessor's organization, trade, or business acquired by the successor. However, the application and agreement for the acquiring employer to assume this portion of the resources and liabilities of the disposing employer's experience account must be filed with the commissioner on prescribed forms not later than one hundred fifty (150) days immediately following the disposition date or not later than ten (10) days after the disposing and acquiring employers are mailed or otherwise delivered final notice that the acquiring employer is a successor employer, whichever is the earlier date. This portion of the resources and liabilities of the disposing employer's experience account if transferred, shall be transferred in accordance with rules prescribed by the board. IC 22-4-11.5.

(c) Except as provided by IC 22-4-11.5, the successor employer, if an employer prior to the acquisition, shall pay at the rate of contribution originally assigned to it for the calendar year in which the acquisition occurs, until the end of that year. If not an employer prior to the acquisition, the successor employer shall pay the rate of two and seven-tenths percent (2.7%) unless the successor employer assumes all or part of the resources and liabilities of the predecessor employer's experience account, in which event the successor employer shall pay
at the rate of contribution assigned to the predecessor employer for the period starting with the first day of the calendar quarter in which the acquisition occurs, until the end of that year. However, if a successor employer, not an employer prior to the acquisition, simultaneously acquires all or part of the experience balance of two (2) or more employers, the successor employer shall pay at the highest rate applicable to the experience accounts totally or partially acquired for the period starting with the first day of the calendar quarter in which the acquisition occurs, until the end of the year. If the successor employer had any employment prior to the date of acquisition upon which contributions were owed under IC 22-4-9-1, his rate of contribution from the first of the year to the first day of the calendar quarter in which the acquisition occurred would be two and seven-tenths percent (2.7%).

SECTION 7. IC 22-4-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided by IC 22-4-11.5, when an employing unit (whether or not an employing unit prior thereto) assumes all of the resources and liabilities of the experience account of a predecessor employer, as provided in IC 1971, 22-4-10-6 hereof section 6 of this chapter, amounts paid by such predecessor employer shall be deemed to have been so paid by such successor employer. The experience of such predecessor with respect to unemployment risk, including but not limited to past payrolls and contributions, shall be credited to the account of such successor.

(b) The payments of benefits to an individual shall not in any case be denied or withheld because the experience account of an employer does not reflect a balance and total of contributions paid to be in excess of benefits charged to such experience account.

SECTION 8. IC 22-4-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in IC 22-4-11.5, the commissioner shall for each year determine the contribution rate applicable to each employer.

(b) The balance shall include contributions with respect to the period ending on the computation date and actually paid on or before July 31 immediately following the computation date and benefits actually paid on or before the computation date and shall also include any voluntary payments made in accordance with IC 22-4-10-5:

(1) for each calendar year, an employer's rate shall be determined
in accordance with the rate schedules in section 3 or 3.3 of this chapter; and
(2) for each calendar year, an employer's rate shall be two and seven-tenths percent (2.7%), except as otherwise provided in IC 22-4-37-3, unless and until:
   (A) the employer has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date; and
   (B) there has been some annual payroll in each of the three (3) twelve (12) month periods immediately preceding the computation date.
(c) In addition to the conditions and requirements set forth and provided in subsection (b)(2)(A) and (b)(2)(B), an employer's rate shall not be less than five and four-tenths percent (5.4%) unless all required contribution and wage reports have been filed within thirty-one (31) days following the computation date and all contributions, penalties, and interest due and owing by the employer or his the employer's predecessors for periods prior to and including the computation date have been paid:
   (1) within thirty-one (31) days following the computation date; or
   (2) within ten (10) days after the commissioner has given the employer a written notice by registered mail to the employer's last known address of:
     (A) the delinquency; or
     (B) failure to file the reports;
     whichever is the later date.
The board or the board's designee may waive the imposition of rates under this subsection if the board finds the employer's failure to meet the deadlines was for excusable cause. The commissioner shall give written notice to the employer before this additional condition or requirement shall apply.
(d) However, if the employer is the state or a political subdivision of the state or any instrumentality of a state or a political subdivision, or any instrumentality which is wholly owned by the state and one (1) or more other states or political subdivisions, the employer may contribute at a rate of one percent (1%) until it has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date.
(c) On the computation date every employer who had taxable wages in the previous calendar year shall have the employer's experience account charged with the amount determined under the following formula:

STEP ONE: Divide:
(A) the employer's taxable wages for the preceding calendar year; by
(B) the total taxable wages for the preceding calendar year.

STEP TWO: Multiply the quotient determined under STEP ONE by the total amount of benefits charged to the fund under section 1 of this chapter.

(f) One (1) percentage point of the rate imposed under subsection (c) or the amount of the employer's payment that is attributable to the increase in the contribution rate, whichever is less, shall be imposed as a penalty that is due and shall be deposited upon collection into the special employment and training services fund established under IC 22-4-25-1. The remainder of the contributions paid by an employer pursuant to the maximum rate shall be:

(1) considered a contribution for the purposes of this article; and
(2) deposited in the unemployment insurance benefit fund established under IC 22-4-26.

SECTION 9. IC 22-4-11.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 11.5. Assignment of Employer Contribution Rates and Transfers of Employer Experience Accounts

Sec. 1. Notwithstanding any other provision of this article, this chapter applies to the assignment of contribution rates and transfers of employer experience accounts after December 31, 2005.

Sec. 2. As used in this chapter, "administrative law judge" means a person appointed by the commissioner under IC 22-4-17-4.

Sec. 3. As used in this chapter, "person" has the meaning set forth in section 7701(a)(1) of the Internal Revenue Code.

Sec. 4. As used in this chapter, "trade or business" includes an employer's workforce.

Sec. 5. As used in this chapter, "violates or attempts to violate"
includes:
   (1) the intent to evade;
   (2) misrepresentation; or
   (3) willful nondisclosure.

Sec. 6. As used in this chapter:
   (1) "knowingly" has the meaning set forth in IC 35-41-2-2(b); and
   (2) "recklessly" has the meaning set forth in IC 35-41-2-2(c).

Sec. 7. (a) If:
   (1) an employer transfers all or a portion of the employer's trade or business to another employer; and
   (2) at the time of the transfer, the two (2) employers have substantially common ownership, management, or control;
the successor employer shall assume the experience rating of the predecessor employer for the resources and liabilities of the predecessor employer's experience account that are attributable to the transfer.

(b) The contribution rates of both employers shall be recalculated and made effective on the date that the transfer described in subsection (a) is effective.

(c) The experience account balance and the payroll of the predecessor employer on the date of the transfer, and the benefits chargeable to the predecessor employer's original experience account after the date of the transfer, must be divided between the predecessor employer and the successor employer in accordance with rules adopted by the department under IC 4-22-2.

(d) Any written determination made by the department is conclusive and binding on both the predecessor employer and the successor employer unless one (1) or both employers file with the department a written protest setting forth the grounds and reasons for the protest. A protest under this section must be filed not later than ten (10) days after the date the department mails the initial determination to the employing units. The protest shall be heard and determined under this section and IC 22-4-32-1 through IC 22-4-32-15. Both the predecessor employer and successor employer shall be parties to the hearing before the administrative law judge and are entitled to receive copies of all pleadings and the decision.

Sec. 8. (a) If the department determines that an employing unit
or other person that is not an employer under IC 22-4-7 at the time of the acquisition has acquired an employer's trade or business solely for the purpose of obtaining a lower employer contribution rate, the employing unit or other person:

(1) may not assume the experience rating of the predecessor employer for the resources and liabilities of the predecessor employer's experience account that are attributable to the acquisition; and

(2) shall pay the applicable contribution rate as determined under this chapter.

(b) In determining whether an employing unit or other person acquired a trade or business solely for the purpose of obtaining a lower employer contribution rate under subsection (a), the commissioner shall consider the following:

(1) The cost of acquiring the trade or business.

(2) Whether the employing unit or other person continued the business enterprise of the acquired trade or business.

(3) The length of time the employing unit or other person continued the business enterprise of the acquired trade or business.

(4) Whether a substantial number of new employees were hired to perform duties unrelated to the business enterprise that the trade or business conducted before the trade or business was acquired.

(c) If the commissioner makes an initial determination that a violation of this chapter has occurred, the commissioner shall promptly refer the matter to an administrative law judge for a hearing and decision under this article.

Sec. 9. A person who knowingly or recklessly:

(1) violates or attempts to violate:

(A) section 7 or 8 of this chapter; or

(B) any other provision of this article related to determining the assumption or assignment of an employer's contribution rate; or

(2) advises another person in a way that results in a violation of:

(A) section 7 or 8 of this chapter; or

(B) any other provision of this article related to determining the assumption or assignment of an
employer's contribution rate; commits a Class C misdemeanor.

Sec. 10. (a) In addition to any other penalty imposed, a person is subject to a civil penalty under this chapter.

(b) This subsection applies to a person who is an employer (as defined in IC 22-4-7). If an administrative law judge determines that a person is subject to a civil penalty under subsection (a), the administrative law judge shall assign an employer contribution rate equal to one (1) of the following as a civil penalty:

(1) The highest employer contribution rate assignable under this article for:
   (A) the year in which the violation occurred; and
   (B) the following three (3) years.

(2) An employer contribution rate of two percent (2%) of the employer's taxable wages (as defined in IC 22-4-4-2) for the year in which the violation occurred and the following three (3) years, if:
   (A) an employer is already paying the highest employer contribution rate at the time of the violation; or
   (B) the increase in the contribution rate described in subdivision (1) is less than two percent (2%).

(c) This subsection applies to a person who is not an employer (as defined in IC 22-4-7-1 or IC 22-4-7-2). If an administrative law judge determines that a person is subject to a civil penalty under subsection (a), the administrative law judge shall assess a civil penalty of not more than five thousand dollars ($5,000).

(d) All civil penalties collected under this section shall be deposited in the unemployment insurance benefit fund established by IC 22-4-26-1.

Sec. 11. (a) The commissioner shall establish procedures to identify the transfer or acquisition of a business for purposes of this chapter.

(b) The interpretation and application of this chapter must meet the minimum requirements contained in any guidance or regulations issued by the United States Department of Labor.

SECTION 10. [EFFECTIVE JULY 1, 2005] (a) 646 IAC 3-4-10 is void after December 31, 2005. The publisher of the Indiana Administrative Code and Indiana Register shall remove this section from the Indiana Administrative Code after that date.
(b) Before January 1, 2006, the department of workforce development shall adopt rules concerning transfers of a portion of a trade or business under IC 22-4-11.5-7, as added by this act, including the division between the predecessor employer and the successor employer of:

(1) the experience account balance of the predecessor employer;
(2) the payroll of the predecessor employer; and
(3) the benefits chargeable to the predecessor employer's original experience account after the date of the transfer.

(c) This SECTION expires January 1, 2006.

P.L.99-2005
[S.619. Approved April 26, 2005.]

AN ACT to amend the Indiana Code concerning state offices and administration.

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

SECTION 1. IC 4-21.5-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The office of environmental adjudication is established to review, under this article, decisions agency actions of the commissioner of the department of environmental management, actions of a board described in IC 13-14-9-1, and challenges to rulemaking actions by a board described in IC 13-14-9-1 made pursuant to IC 4-22-2-44 or IC 4-22-2-45.

(b) The office of environmental adjudication shall:

(1) conduct adjudicatory hearings required to implement:
   (A) air pollution control laws (as defined in IC 13-11-2-6),
   water pollution control laws (as defined in IC 13-11-2-261),
   environmental management laws (as defined in IC 13-11-2-71), and IC 13-19; and
   (B) rules of:
(i) the air pollution control board;
(ii) the water pollution control board;
(iii) the solid waste management board; and
(iv) the financial assurance board; and

(C) agency action of the department of environmental management; and

(2) notify a board referred to in subdivision (1)(B) of a final order of the office of environmental adjudication that interprets:

(A) a rule of the board; or

(B) a statute under which a rule of the board is authorized.

SECTION 2. IC 4-21.5-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. An environmental law judge is the ultimate authority under this article for reviews of decisions agency actions of the commissioner department of environmental management, actions of a board described in IC 13-14-9-1, and challenges to rulemaking actions by a board described in IC 13-14-9-1 made pursuant to IC 4-22-2-44 or IC 4-22-2-45.

SECTION 3. IC 4-21.5-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) An environmental law judge hired after July 1, 1995, and the director must:

(1) be attorneys admitted to the bar of Indiana;
(2) have at least five (5) years of experience practicing administrative or environmental law in Indiana;
(3) be independent of the department of environmental management; and
(4) be subject to all provisions applicable to an administrative law judge under this article.

(b) The director or an environmental law judge may be removed for cause under:

(1) this article;
(2) IC 4-15-2, through application of the standards for removal for cause of a person in the state service (as defined in IC 4-15-2-3.8); or
(3) applicable provisions of the code of judicial conduct.

(c) The director may appoint a special environmental law judge. The special environmental law judge must meet the requirements
of subsection (a).

SECTION 4. IC 14-10-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The commission shall appoint administrative law judges. An administrative law judge:

(1) is subject to IC 4-15-2; and

(2) may be removed for cause under:

(A) IC 4-21.5;

(B) IC 4-15-2, through application of the standards for removal for cause of a person in the state service (as defined in IC 4-15-2-3.8); or

(C) applicable provisions of the code of judicial conduct.

(b) The commission shall create a division of hearings. The division of hearings shall assist the commission in performing the functions of this section. The director of the division of hearings may appoint a special administrative law judge.

(c) A person who is not appointed by:

(1) the director of the division of hearings; or

(2) the commission;

may not act as an administrative law judge. The commission may create a division of hearings to assist in performing the functions of this section.

SECTION 5. IC 25-17.6-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If requested, an administrative review of a determination made by the board under IC 25-17.6-3-7, IC 25-17.6-4, or IC 25-17.6-8-1 shall be conducted before an administrative law judge appointed by the natural resources commission or the director of the division of hearings under IC 14-10-2-2.

SECTION 6. IC 25-31.5-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If requested, an administrative review of a determination made by the board under IC 25-31.5-3, IC 25-31.5-4, or IC 25-31.5-8 shall be conducted before an administrative law judge appointed by the natural resources commission or the director of the division of hearings under IC 14-10-2-2.
AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

SECTION 1. IC 31-19-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except as provided in section 5 of this chapter, this chapter applies only to an adoption that is granted after June 30, 1993.

SECTION 2. IC 31-19-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A person, a licensed child placing agency, or a county office of family and children placing a child for adoption shall prepare a report summarizing the available medical, psychological, and educational records of the person or agency concerning the birth parents. The person, agency, or county office shall exclude from this report information that would identify the birth parents. The person, agency, or county office shall give the report to:

(1) the adoptive parents:
   (A) not later than the time the child is placed with the adoptive parents; or
   (B) with the consent of the adoptive parents, not more than thirty (30) days after the child is placed with the adoptive parents; and

(2) upon request, an adoptee who is:
   (A) at least twenty-one (21) years of age; and
   (B) provides proof of identification.

SECTION 3. IC 31-19-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The person, licensed child placing agency, or county office of family and children shall:

(1) exclude information that would identify the birth parents; and

(2) release all available social, medical, psychological, and educational records concerning the child to:
(A) the adoptive parent; and
(B) upon request, an adoptee who is:
   (i) at least twenty-one (21) years of age; and
   (ii) provides proof of identification;

SECTION 4. IC 31-19-17-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The person, licensed child placing agency, or county office of family and children shall provide:
   (1) the adoptive parent; and
   (2) upon request, an adoptee who is:
       (A) at least twenty-one (21) years of age; and
       (B) provides proof of identification;

with a summary of other existing social, medical, psychological, and educational records concerning the child of which the person, agency, or county office has knowledge but does not have possession. If requested by an adoptive parent or an adoptee, the person, agency, or county office shall attempt to provide the adoptive parent or the adoptee with a copy of any social, medical, psychological, or educational record that is not in the possession of the person, agency, or county office after identifying information has been excluded.

SECTION 5. IC 31-19-17-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to an adoption that is granted before July 1, 1993.

   (b) Upon the request of an adoptee who is:
       (1) at least twenty-one (21) years of age; and
       (2) provides proof of identification;

a person, a licensed child placing agency, or a county office of family and children shall provide to the adoptee available information of social, medical, psychological, and educational records and reports concerning the adoptee. The person, licensed child placing agency, or county office of family and children shall exclude from the records information that would identify the birth parents.

SECTION 6. IC 31-19-19-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) All files and records pertaining to the adoption proceedings in:
   (1) the county office of family and children;
(2) the division of family and children; or
(3) any of the licensed child placing agencies;
are confidential and open to inspection only as provided in IC 31-19-13-2(2), IC 31-19-17, or IC 31-19-25.
(b) The files and records described in subsection (a), including investigation records under IC 31-19-8-5 (or IC 31-3-1-4 before its repeal):
(1) are open to the inspection of the court hearing the petition for adoption; and
(2) on order of the court, may be:
   (A) introduced into evidence; and
   (B) made a part of the record;
in the adoption proceeding.

SECTION 7. IC 31-19-19-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. All papers, records, and information pertaining to the adoption, whether part of:
(1) the permanent record of the court; or
(2) a file in:
   (A) the division of vital records;
   (B) the division of family and children or county office of family and children;
   (C) a licensed child placing agency; or
   (D) a professional health care provider (as defined in IC 34-6-2-117);
are confidential and may be disclosed only in accordance with IC 31-19-17, this chapter, or IC 31-19-25.

AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-15-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The office may
provide a prescription drug benefit to a Medicaid recipient in the Medicaid risk based managed care program.

(b) If the office provides a prescription drug benefit to a Medicaid recipient in the Medicaid risk based managed care program:

(1) the office shall develop a procedure and provide the recipient's risk based managed care provider with information concerning the recipient's prescription drug utilization for the risk based managed care provider's case management program; and

(2) the provisions of IC 12-15-35.5 apply.

(c) If the office does not provide a prescription drug benefit to a Medicaid recipient in the Medicaid risk based managed care program, a Medicaid managed care organization that provides shall provide coverage and reimbursement for outpatient single source legend drugs is subject to IC 12-15-35-46, and IC 12-15-35-47, and IC 12-15-35.5.

SECTION 2. IC 12-15-12-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 4.5. A managed care provider's contract or provider agreement with the office may include a prescription drug program, subject to IC 12-15-5-5, IC 12-15-35, and IC 12-15-35.5.


Sec. 28. (a) The board has the following duties:

(1) The adoption of rules to carry out this chapter, in accordance with the provisions of IC 4-22-2 and subject to any office approval that is required by the federal Omnibus Budget Reconciliation Act of 1990 under Public Law 101-508 and its implementing regulations.

(2) The implementation of a Medicaid retrospective and prospective DUR program as outlined in this chapter, including the approval of software programs to be used by the pharmacist for prospective DUR and recommendations concerning the provisions of the contractual agreement between the state and any
other entity that will be processing and reviewing Medicaid drug claims and profiles for the DUR program under this chapter.

(3) The development and application of the predetermined criteria and standards for appropriate prescribing to be used in retrospective and prospective DUR to ensure that such criteria and standards for appropriate prescribing are based on the compendia and developed with professional input with provisions for timely revisions and assessments as necessary.

(4) The development, selection, application, and assessment of interventions for physicians, pharmacists, and patients that are educational and not punitive in nature.

(5) The publication of an annual report that must be subject to public comment before issuance to the federal Department of Health and Human Services and to the Indiana legislative council by December 1 of each year. The report issued to the legislative council must be in an electronic format under IC 5-14-6.

(6) The development of a working agreement for the board to clarify the areas of responsibility with related boards or agencies, including the following:
   (A) The Indiana board of pharmacy.
   (B) The medical licensing board of Indiana.
   (C) The SARS staff.

(7) The establishment of a grievance and appeals process for physicians or pharmacists under this chapter.

(8) The publication and dissemination of educational information to physicians and pharmacists regarding the board and the DUR program, including information on the following:
   (A) Identifying and reducing the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and recipients.
   (B) Potential or actual severe or adverse reactions to drugs.
   (C) Therapeutic appropriateness.
   (D) Overutilization or underutilization.
   (E) Appropriate use of generic drugs.
   (F) Therapeutic duplication.
   (G) Drug-disease contraindications.
   (H) Drug-drug interactions.
(I) Incorrect drug dosage and duration of drug treatment.
(J) Drug allergy interactions.
(K) Clinical abuse and misuse.
(9) The adoption and implementation of procedures designed to ensure the confidentiality of any information collected, stored, retrieved, assessed, or analyzed by the board, staff to the board, or contractors to the DUR program that identifies individual physicians, pharmacists, or recipients.
(10) The implementation of additional drug utilization review with respect to drugs dispensed to residents of nursing facilities shall not be required if the nursing facility is in compliance with the drug regimen procedures under 410 IAC 16.2-3-8 410 IAC 16.2-3.1 and 42 CFR 483.60.
(11) The research, development, and approval of a preferred drug list for:
(A) Medicaid's fee for service program;
(B) Medicaid's primary care case management program; and
(C) Medicaid's risk based managed care program, if the office provides a prescription drug benefit and subject to IC 12-15-5; and
(D) the primary care case management component of the children's health insurance program under IC 12-17.6; in consultation with the therapeutics committee.
(12) The approval of the review and maintenance of the preferred drug list at least two (2) times per year.
(13) The preparation and submission of a report concerning the preferred drug list at least two (2) times per year to the select joint commission on Medicaid oversight established by IC 2-5-26-3.
(14) The collection of data reflecting prescribing patterns related to treatment of children diagnosed with attention deficit disorder or attention deficit hyperactivity disorder.
(15) Advising the Indiana comprehensive health insurance association established by IC 27-8-10-2.1 concerning implementation of chronic disease management and pharmaceutical management programs under IC 27-8-10-3.5.
(b) The board shall use the clinical expertise of the therapeutics committee in developing a preferred drug list. The board shall also consider expert testimony in the development of a preferred drug list.
(c) In researching and developing a preferred drug list under subsection (a)(11), the board shall do the following:

1. Use literature abstracting technology.
2. Use commonly accepted guidance principles of disease management.
3. Develop therapeutic classifications for the preferred drug list.
4. Give primary consideration to the clinical efficacy or appropriateness of a particular drug in treating a specific medical condition.
5. Include in any cost effectiveness considerations the cost implications of other components of the state's Medicaid program and other state funded programs.

(d) Prior authorization is required for coverage under a program described in subsection (a)(11) of a drug that is not included on the preferred drug list.

(e) The board shall determine whether to include a single source covered outpatient drug that is newly approved by the federal Food and Drug Administration on the preferred drug list not later than sixty (60) days after the date on which the manufacturer notifies the board in writing of the drug's approval. However, if the board determines that there is inadequate information about the drug available to the board to make a determination, the board may have an additional sixty (60) days to make a determination from the date that the board receives adequate information to perform the board's review. Prior authorization may not be automatically required for a single source drug that is newly approved by the federal Food and Drug Administration, and that is:

1. in a therapeutic classification:
   - (A) that has not been reviewed by the board; and
   - (B) for which prior authorization is not required; or
2. the sole drug in a new therapeutic classification that has not been reviewed by the board.

(f) The board may not exclude a drug from the preferred drug list based solely on price.

(g) The following requirements apply to a preferred drug list developed under subsection (a)(11):

1. Except as provided by IC 12-15-35.5-3(b) and IC 12-15-35.5-3(c), the office or the board may require prior authorization for a drug that is included on the preferred drug list.
under the following circumstances:

(A) To override a prospective drug utilization review alert.
(B) To permit reimbursement for a medically necessary brand name drug that is subject to generic substitution under IC 16-42-22-10.
(C) To prevent fraud, abuse, waste, overutilization, or inappropriate utilization.
(D) To permit implementation of a disease management program.
(E) To implement other initiatives permitted by state or federal law.

(2) All drugs described in IC 12-15-35.5-3(b) must be included on the preferred drug list.

(3) The office may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list without prior approval from the board.

(4) The board may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list.

(h) At least two (2) times each year, the board shall provide a report to the select joint commission on Medicaid oversight established by IC 2-5-26-3. The report must contain the following information:

(1) The cost of administering the preferred drug list.
(2) Any increase in Medicaid physician, laboratory, or hospital costs or in other state funded programs as a result of the preferred drug list.
(3) The impact of the preferred drug list on the ability of a Medicaid recipient to obtain prescription drugs.
(4) The number of times prior authorization was requested, and the number of times prior authorization was:
   (A) approved; and
   (B) disapproved.

(i) The board shall provide the first report required under subsection (h) not later than six (6) months after the board submits an initial preferred drug list to the office.

SECTION 4. IC 12-15-35-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 45. (a) The chairman of the board, subject to the approval of the board members, may appoint an advisory committee to make recommendations to the board
on the development of a Medicaid outpatient drug formulary.

(b) If the office decides to establish a Medicaid outpatient drug formulary, the formulary shall be developed by the board.

(c) A formulary, preferred drug list, or prescription drug benefit used by a Medicaid managed care organization is subject to IC 12-15-5-5, IC 12-15-35.5, and sections 46 and 47 of this chapter.

SECTION 5. IC 12-15-35.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), This chapter applies to:

(1) the Medicaid program under this article; and

(2) the children's health insurance program under IC 12-17.6.

(b) This chapter does not apply to a formulary or prior authorization program operated by a managed care organization under a program described in subsection (a).

SECTION 6. IC 12-15-35.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsection (b), the office may establish prior authorization requirements for drugs covered under a program described in section 1 of this chapter.

(b) The office may not require prior authorization for the following single source or brand name multisource drugs:

(1) A drug that is classified as an antianxiety, antidepressant, or antipsychotic central nervous system drug in the most recent publication of Drug Facts and Comparisons (published by the Facts and Comparisons Division of J.B. Lippincott Company).

(2) A drug that, according to:

(A) the American Psychiatric Press Textbook of Psychopharmacology;

(B) Current Clinical Strategies for Psychiatry;

(C) Drug Facts and Comparisons; or

(D) a publication with a focus and content similar to the publications described in clauses (A) through (C);

is a cross-indicated drug for a central nervous system drug classification described in subdivision (1).

(3) A drug that is:

(A) classified in a central nervous system drug category or classification (according to Drug Facts and Comparisons) that is created after the effective date of this chapter; and
(B) prescribed for the treatment of a mental illness (as defined in the most recent publication of the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders).

(c) Except as provided under section 7 of this chapter, a recipient enrolled in a program described in section 1 of this chapter shall have unrestricted access to a drug described in subsection (b).

SECTION 7. IC 12-15-35.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Subject to subsection subsection sections subsections (b) and (c), the office may place limits on quantities dispensed or the frequency of refills for any covered drug for the purpose of:

(1) preventing fraud, abuse, or waste;
(2) preventing overutilization, or inappropriate utilization, or inappropriate prescription practices that are contrary to:
   (A) clinical quality and patient safety; and
   (B) accepted clinical practice for the diagnosis and treatment of mental illness; or
(2) (3) implementing a disease management program.

(b) Before implementing a limit described in subsection (a), the office shall:

(1) consider quality of care and the best interests of Medicaid recipients;
(2) seek the advice of the drug utilization review board, established by IC 12-15-35-19, at a public meeting of the board; and
(3) publish a provider bulletin that complies with the requirements of IC 12-15-13-6.

(c) Subject to subsection (d), the board may establish and the office may implement a restriction on a drug described in section 3(b) of this chapter if:

(1) the board determines that data provided by the office indicates that a situation described in IC 12-15-35-28(a)(8)(A) through IC 12-15-35-28(a)(8)(K) requires an intervention to:
   (A) prevent fraud, abuse, or waste;
   (B) prevent overutilization, or inappropriate utilization, or inappropriate prescription practices that are contrary to:
      (i) clinical quality and patient safety; and
(ii) accepted clinical practice for the diagnosis and treatment of mental illness; or

(B) (C) implement a disease management program; and

(2) the board approves and the office implements an educational intervention program for providers to address the situation. and

(3) at least six (6) months after the implementation of the educational intervention program described in subdivision (2); the board determines that the situation requires further action:

(d) A restriction established under subsection (c) for any drug described in section 3(b) of this chapter:

(1) must comply with the procedures described in IC 12-15-35-35;

(2) may include requiring a recipient to be assigned to one (1) practitioner and one (1) pharmacy provider for purposes of receiving mental health medications;

(3) may not lessen the quality of care; and

(4) must be in the best interest of Medicaid recipients.

(e) Implementation of a restriction established under subsection (c) must provide that only the prescribing practitioner may authorize an for the dispensing of a temporary supply of the drug for a prescription not to exceed seven (7) business days, if additional time is required to review the request for override of the restriction. This subsection does not apply if the federal Food and Drug Administration has issued a boxed warning under 21 CFR 201.57(e) that applies to the drug and is applicable to the patient.

(f) Before implementing a restriction established under subsection (c), the office shall:

(1) seek the advice of the mental health quality advisory committee until June 30, 2007; and

(2) publish a provider bulletin that complies with the requirements of IC 12-15-13-6.

(g) Subsections (c) through (f):

(1) apply only to drugs described in section 3(b) of this chapter; and

(2) do not apply to a restriction on a drug described in section 3(b) of this chapter that was approved by the board and implemented by the office before April 1, 2003.

SECTION 8. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "committee" refers to the mental health quality advisory committee established in subsection (c).

(b) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(c) The mental health quality advisory committee is established. The committee consists of the following members:

1. The director of the office or the director's designee, who shall serve as chairperson of the committee.
2. The director of the division of mental health and addiction or the director's designee.
3. A representative of a statewide mental health advocacy organization.
4. A representative of a statewide mental health provider organization.
5. A representative from a managed care organization that participates in the state's Medicaid program.
6. A member with expertise in psychiatric research representing an academic institution.

The governor shall make the appointments under subdivisions (3) through (7) and fill any vacancy on the committee.

(d) The office shall staff the committee. The expenses of the committee shall be paid by the office.

(e) Each member of the committee who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

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

(g) The affirmative votes of a majority of the voting members appointed to the committee are required by the committee to take
(h) The committee shall advise the office and make recommendations concerning the implementation of IC 12-15-35.5-7(c) and consider the following:
   (1) Peer reviewed medical literature.
   (2) Observational studies.
   (3) Health economic studies.
   (4) Input from physicians and patients.
   (5) Any other information determined by the committee to be appropriate.

(i) The office shall report recommendations made by the committee to the drug utilization review board established by IC 12-15-35-19.

(j) The office shall report the following information to the select joint commission on Medicaid oversight established by IC 2-5-26-3:
   (1) The committee's advice and recommendations made under this SECTION.
   (2) The number of instances that occur under the restriction described in IC 12-15-35.5-7(c) and the outcome of each occurrence.
   (3) The transition of the aged, blind, and disabled population to the risk based managed care program. This information shall also be reported to the health finance commission established by IC 2-5-23-3.
   (4) Any decision by the office to change the health care delivery system in which Medicaid is provided to recipients.

(k) This SECTION expires June 30, 2007.

SECTION 9. [EFFECTIVE JULY 1, 2005] (a) The following are void:
   (1) 405 IAC 5-24-8.5.
   (2) 405 IAC 5-24-8.6.
   (3) 405 IAC 5-24-11.

(b) The publisher of the Indiana Administrative Code and the Indiana Register shall remove these provisions from the Indiana Administrative Code.

(c) This SECTION expires December 31, 2006.

SECTION 10. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "managed care provider" refers to a managed care organization that has entered into a contract with the office to
provide services under Medicaid's risk based managed care program.

(b) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(c) IC 12-15-12-4.5, as added by this act, applies to a provider agreement or contract entered into, amended, or renewed after June 30, 2005, between the office and a managed care provider.

(d) This SECTION expires December 31, 2010.

SECTION 11. P.L.106-2002, SECTION 1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 1. (a) The Indiana prescription drug advisory committee is established to:

(1) study pharmacy benefit programs and proposals, including programs and proposals in other states; and

(2) make initial and ongoing recommendations to the governor for programs that address the pharmaceutical costs of low-income senior citizens.

(b) The committee consists of eleven (11) members appointed by the governor and four (4) legislative members. The term of each member expires December 31, 2005. The members of the committee appointed by the governor are as follows:

(1) A physician with a specialty in geriatrics.

(2) A pharmacist.

(3) A person with expertise in health plan administration.

(4) A representative of an area agency on aging.

(5) A consumer representative from a senior citizen advocacy organization.

(6) A person with expertise in and knowledge of the federal Medicare program.

(7) A health care economist.

(8) A person representing a pharmaceutical research and manufacturing association.

(9) A township trustee.

(10) Two (2) other members as appointed by the governor.

The four (4) legislative members shall serve as nonvoting members. The speaker of the house of representatives and the president pro tempore of the senate shall each appoint two (2) legislative members, who may not be from the same political party, to serve on the
(c) The governor shall designate a member to serve as chairperson. A vacancy with respect to a member shall be filled in the same manner as the original appointment. Each member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties. The expenses of the committee shall be paid from the Indiana prescription drug account created by IC 4-12-8, as added by this act. The office of the secretary of family and social services shall provide staff for the committee. The committee is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. The committee is a governing body for purposes of IC 5-14-1.5.

(d) Not later than September 1, 2004, the committee shall make program design recommendations to the governor and the family and social services administration concerning the following:

1. Eligibility criteria, including the desirability of incorporating an income factor based on the federal poverty level.
2. Benefit structure.
3. Cost-sharing requirements, including whether the program should include a requirement for copayments or premium payments.
5. Administrative structure and delivery systems.

(e) The recommendations described in subsection (d) shall address the following:

1. Cost-effectiveness of program design.
2. Coordination with existing pharmaceutical assistance programs.
3. Strategies to minimize crowd-out of private insurance.
4. Reasonable balance between maximum eligibility levels and maximum benefit levels.
5. Feasibility of a health care subsidy program where the amount of the subsidy is based on income.
6. Advisability of entering into contracts with health insurance companies to administer the program.

(f) Not later than September 1, 2005, the committee shall submit recommendations to the secretary of the office of the secretary of
family and social services and the governor concerning the redesign of the Indiana prescription drug program established by IC 12-10-16-3 to coordinate the program with the federal Medicare prescription drug benefit program. The recommendations must include the following:

1. Methods, including automatic enrollment, that the state should use to ensure that current Indiana prescription drug program enrollees are enrolled in the federal Medicare prescription drug benefit program.
2. Changes to the financial eligibility level requirements for the Indiana prescription drug program, including eligibility requirements that include individuals whose income does not exceed two hundred percent (200%) of the federal poverty level (as defined by IC 12-15-2-1).
3. Methods to assist current enrollees in the Indiana prescription drug program in completing applications and to determine eligibility in the Medicare drug beneficiary subsidy program.
4. Changes to benefits offered under the Indiana prescription drug program, including the following:
   A. Coverage for federal Medicare prescription drug benefit:
      i. deductibles; or
      ii. premiums.
   B. Coverage for prescription drug costs that are not covered by the federal Medicare prescription drug benefit or the federal Medicare prescription drug plans.
5. Methods to maximize use of federal funding available to Indiana under the federal Medicare Modernization Act to maximize enrollment in:
   A. the federal Medicare prescription drug benefit program; and
   B. the Indiana prescription drug program.

The committee shall make recommendations in a manner that would expend but not exceed the Indiana prescription drug program’s budget.

(g) The office of the secretary of family and social services may:
1. implement the recommendations made by the committee under subsection (f);
act as the authorized representative and signatory to complete:
(A) any federal low income Medicare drug beneficiary subsidy application; and
(B) any federal Medicare prescription drug benefit application; and
(3) enroll eligible individuals for the Indiana prescription drug program and the federal Medicare prescription drug benefit program.

The committee may not recommend the use of funds from the Indiana prescription drug account for a state prescription drug benefit for low-income senior citizens if there is a federal statute or program providing a similar prescription drug benefit for the benefit of low-income senior citizens.

This SECTION expires December 31, 2005.

SECTION 12. An emergency is declared for this act.

P.L.102-2005
[H.1736. Approved April 26, 2005.]

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-10-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) All licenses issued expire two (2) years after the end of the month of issue based on the schedule set forth in subsection (b) unless the licensee is on probation or the licensee's license was revoked or suspended before that date by the commissioner or upon notice served upon the commissioner that the insurer or employer of any recovery agent has canceled the licensee's authority to act for the insurer or employer.

(b) A license must be renewed under this article according to the following schedule:
(1) A licensee whose last name commences with the letters A
through H shall renew a license before the last day of August every other calendar year beginning August 1993.
(2) A licensee whose last name commences with the letters I through R shall renew a license before the last day of September every other calendar year beginning September 1993.
(3) A licensee whose last name commences with the letters S through Z shall renew a license before the last day of October every other calendar year beginning October 1993.
(c) A licensee who is issued a new license with not more than one (1) year remaining shall pay fifty percent (50%) of the fee set forth in section 4 of this chapter.
(d) A license that has expired may be reinstated if:
(1) the licensee:
   (A) applies for reinstatement not more than ninety (90) days after the expiration date;
   (B) is not on probation;
   (C) has not previously been denied a license;
   (D) pays:
      (i) a pro rata part of the license fee required under section 7 of this chapter based on the renewal schedule set forth in subsection (b); plus
      (ii) to the commissioner a license reinstatement fee of one hundred dollars ($100); and
   (E) meets all other requirements for licensure; and
(2) the license was not revoked or suspended at the time that the license expired.

SECTION 2. IC 27-10-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The application for license, in addition to the matters set out in section 1 of this chapter, to serve as a bail agent must affirmatively show that:
(1) the applicant is at least eighteen (18) years of age and is of good moral character;
(2) the applicant has never been convicted of a disqualifying offense, notwithstanding IC 25-1-1.1, or:
   (A) in the case of a felony conviction, at least ten (10) years have passed since the date of the applicant's conviction or release from imprisonment, parole, or probation, whichever is later; or
(B) in the case of a misdemeanor disqualifying offense, at least five (5) years have passed since the date of the applicant's conviction or release from imprisonment, parole, or probation, whichever is later; and

(3) the applicant has knowledge or experience in the bail bond business, or has held a valid all lines fire and casualty insurance producer's license for one (1) year within the last five (5) years, or has been employed by a company engaged in writing bail bonds in which field the applicant has actively engaged for at least one (1) year of the last five (5) years; and

(4) the applicant has completed at least twelve (12) hours of instruction in courses approved by the commissioner under section 7.1 of this chapter that pertain to the duties and responsibilities of a bail agent or recovery agent, including instruction in the laws that relate to the conduct of a bail agent or recovery agent.

(b) The application must affirmatively show that the applicant has been a bona fide resident of Indiana for one (1) year immediately preceding the date of application. However, the commissioner may waive this requirement.

SECTION 3. IC 27-10-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. In addition to the requirements prescribed in section 1 of this chapter, an applicant for a license to serve as a recovery agent must affirmatively show that:

1. the applicant is at least eighteen (18) years of age;
2. the applicant is a citizen of the United States and has been a bona fide resident of this state for more than six (6) months immediately preceding the date of application; and
3. the applicant has never been convicted of a disqualifying offense, notwithstanding IC 25-1-1.1, or:
   A. in the case of a felony conviction, at least ten (10) years have passed since the date of the applicant's conviction or release from imprisonment, parole, or probation, whichever is later; or
   B. in the case of a misdemeanor disqualifying offense, at least five (5) years have passed since the date of the applicant's conviction or release from imprisonment, parole, or probation, whichever is later; and
(4) the applicant has completed at least twelve (12) hours of instruction in courses approved by the commissioner under section 7.1 of this chapter that pertain to the duties and responsibilities of a bail agent or recovery agent, including instruction in the laws that relate to the conduct of a bail agent or recovery agent.

A license fee of three hundred dollars ($300) and an examination fee of one hundred dollars ($100) shall be submitted to the commissioner with each application, together with the applicant's fingerprints and photograph.

SECTION 4. IC 27-10-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A renewal license shall be issued by the commissioner to a licensee who:

1) has continuously maintained a license in effect; without further examination; unless deemed necessary by the commissioner, upon the payment of

2) pays a renewal fee of:

(A) six hundred fifty dollars ($650) for bail agents; and

(B) three hundred dollars ($300) for recovery agents; if the licensee

3) has fulfilled the continuing education requirement as required under subsection (b);

4) satisfactorily completes a renewal examination if required by the commissioner; and

5) has in all other respects complied with and been subject to this article.

(b) A licensee shall complete at least six (6) hours of continuing education courses that:

1) are approved under section 7.1 of this chapter; and

2) apply to the licensee's particular license, including instruction in the laws that relate to the conduct of a bail agent or recovery agent;

during each license period. A continuing education course that is used to fulfill the continuing education requirements for an insurance producer license under IC 27-1-15.7 may not be used to satisfy the continuing education requirement set forth in this section.

(c) After the receipt of the licensee's application for renewal, the
current license continues in effect until the renewal license is issued, suspended, or denied for cause.

SECTION 5. IC 27-10-3-7.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.1. (a) A provider of courses required for licensure under sections 3 and 5 of this chapter or license renewal under section 7 of this chapter:

(1) shall obtain from the commissioner approval of the courses and instructors before the courses are conducted;

(2) shall annually pay to the commissioner a reasonable fee, as determined by the commissioner; and

(3) shall comply with any other requirements established by the commissioner.

(b) A provider described in subsection (a) may charge a reasonable fee for attendance at an approved course.

(c) A fee paid under subsection (a)(2) must be:

(1) deposited in the bail bond enforcement and administration fund created under IC 27-10-5-1; and

(2) used to implement this article.

(d) The commissioner shall:

(1) establish criteria for approval or disapproval of instructors and courses required for:

(A) licensure under sections 3 and 5 of this chapter; and

(B) license renewal under section 7 of this chapter; and

(2) approve or disapprove instructors and courses specified in subdivision (1);

that pertain to the duties and responsibilities of a bail agent and recovery agent, including instruction concerning the laws that relate to the conduct of a bail agent and recovery agent.

SECTION 6. IC 27-10-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) If, after investigation, the commissioner determines that a licensed bail agent or recovery agent has been guilty of violating any of the laws of this state relating to bail bonds or has committed any disqualifying offense, the commissioner shall, upon ten (10) days notice in writing to:

(1) the bail agent or recovery agent; and

(2) the insurer represented by the bail agent if a surety bail agent; accompanied by a copy of the charges of the unlawful conduct of the
bail agent or the recovery agent, suspend the license of the bail agent or the recovery agent, unless on or before the expiration of the ten (10) days the bail agent or the recovery agent makes a written response to the commissioner concerning the charges.

(b) If, after the expiration of ten (10) days and within twenty (20) days after the expiration of the ten (10) days, the bail agent or the recovery agent fails to make a written response to the charges, the commissioner shall suspend or revoke the license of the bail agent or the recovery agent. If, however, the bail agent or the recovery agent files a written response denying the charges within the time specified, the commissioner shall call a hearing within a reasonable time for the purpose of taking testimony and evidence on any issue of facts made by the charges and answer.

(c) The commissioner shall give notice to:
   (1) the bail agent or the recovery agent; and
   (2) the insurer represented by the bail agent if a surety bail agent; of the time and place of the hearing. The parties may produce witnesses and appear personally with or without representation by counsel.

(d) If, following the hearing, the commissioner determines by a preponderance of the evidence that the bail agent or the recovery agent is guilty as alleged in the charges, whether or not convicted in court, the commissioner shall publish the determination not later than thirty (30) days after the conclusion of the hearing and shall:
   (1) revoke the license of the bail agent or the recovery agent; or
   (2) suspend the bail agent for a definite period of time to be fixed in the order of suspension.

The commissioner may also levy a civil penalty against the bail agent or the recovery agent that is not more than ten thousand dollars ($10,000).

SECTION 7. IC 27-10-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) An insurer who appoints a surety bail agent in Indiana shall give notice of the appointment to the commissioner along with a written application for license for the bail agent. All appointments are subject to the issuance of a license to the surety bail agent.

(b) If an insurer appoints a surety bail agent under subsection (a), not later than sixty (60) days after the appointment, the appointee shall submit to the commissioner an affidavit:
(1) on a form prescribed by the commissioner;
(2) signed by the appointee; and
(3) that states:
   (A) whether the appointee owes premiums to a former insurer or an agency to which the appointee reported on behalf of a former insurer;
   (B) to whom the appointee owes a premium;
   (C) the amount of the premium owed; and
   (D) whether there is a dispute concerning the premium.

(c) An appointee shall provide a copy of an affidavit submitted under subsection (b) by certified mail to each of the appointee's former insurers or agents to which the appointee reported on behalf of a former insurer in the six (6) years immediately preceding the appointee's appointment under subsection (a).

(d) Not more than one hundred eighty (180) days after receiving a copy of an appointee's affidavit provided under subsection (c), a former insurer or agent that has knowledge that the affidavit is untrue may file a petition with the commissioner stating that the appointee still owes a premium to the insurer or agent in violation of IC 27-10-4-7 and requesting relief. At the same time that the insurer or agent files the petition with the commissioner, the insurer or agent shall mail a copy of the petition to the appointee by certified mail. The appointee may file a response with the commissioner not later than ten (10) days after the appointee receives the petition.

(e) Upon receipt of the petition and response, if filed, under subsection (d), the commissioner may conduct an investigation and institute proceedings in accordance with section 9 of this chapter.

(f) The remedies provided in this section are not the exclusive remedies available to an insurer or agent. The election of an insurer or agent to seek a remedy under this section does not preclude the insurer or agent from seeking other remedies available at law or in equity, and is not a prerequisite for an insurer or agent to seek other remedies available at law or in equity.

(g) An insurer that terminates the appointment of a surety bail agent shall file written notice of the termination with the commissioner together with a statement that the insurer has given or mailed notice to the surety bail agent. The notice filed with the commissioner must state
the reasons, if any, for the termination. Information furnished to the commissioner is confidential and may not be used as evidence in or a basis for any action against the insurer or any of the insurer's representatives.

SECTION 8. IC 27-10-3-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. The department may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 9. IC 27-10-4-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Notwithstanding any other law, not later than thirty (30) days after the termination of a surety bail agent's appointment, the surety bail agent shall pay to the former insurer or agent of the insurer to whom the surety bail agent reported on behalf of the former insurer any premium owed.

(b) The commissioner may enforce this section in accordance with IC 27-10-3-9.

SECTION 10. IC 27-10-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The bail bond enforcement and administration fund is created. All fees and penalties collected by the commissioner under this article shall be paid into a dedicated the fund of the state treasury to be utilized for the enforcement and administration of this article. to be designated the bail bond enforcement and administration fund. The fund shall be administered by the commissioner.

(b) Any unexpended balance remaining in the fund at the end of the a state fiscal year shall not lapse but shall remain exclusively does not revert to the state general fund, appropriated and available solely for the enforcement and administration of this article. Interest that accrues from these investments shall be deposited in the fund. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.
AN ACT to amend the Indiana Code concerning elections.

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

SECTION 1. IC 3-5-8-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) The commission shall prescribe a statement known as the "Absence Voter's Bill of Rights".

(b) The Absentee Voter's Bill of Rights must be in a form prescribed by the commission and include the following:

1. A statement summarizing the rights and responsibilities of the voter when casting and returning the absentee ballot.
2. A summary of Indiana and federal laws concerning providing assistance to the voter, completion of the ballot in secret, intimidation of voters, and the return of the absentee ballot to the county election board.
3. Information concerning how to report violations of the absentee ballot and election laws.

SECTION 2. IC 3-11-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A voter who wants to vote by absentee ballot must apply to the county election board for an official absentee ballot. Except as provided in subsection (b), the voter must sign the absentee ballot application.

(b) If a voter with disabilities is unable to sign the absentee ballot application and the voter has not designated an individual to serve as attorney in fact for the voter, the county election board may designate an individual to sign the application on behalf of the voter. If an individual applies for an absentee ballot as the properly authorized attorney in fact for a voter, the attorney in fact must attach a copy of the power of attorney to the application.

(c) A person may provide an individual with an application for an absentee ballot with the following information already printed or otherwise set forth on the application when provided to the
individual:

(1) The name of the individual.
(2) The voter registration address of the individual.
(3) The mailing address of the individual.
(4) The date of birth of the individual.
(5) The voter identification number of the individual.

(d) A person may not provide an individual with an application for an absentee ballot with the following information already printed or otherwise set forth on the application when provided to the individual:

(1) The address to which the absentee ballot would be mailed, if different from the voter registration address of the individual.
(2) In a primary election, the major political party ballot requested by the individual.
(3) In a primary or general election, the types of absentee ballots requested by the individual.
(4) The reason why the individual is entitled to vote an absentee ballot:
   (A) by mail; or
   (B) before an absentee voter board (other than an absentee voter board located in the office of the circuit court clerk or a satellite office);
   in accordance with IC 3-11-4-18, IC 3-11-10-24, or IC 3-11-10-25.

(e) If the county election board determines that an absentee ballot application does not comply with subsection (d), the board shall deny the application under section 17.5 of this chapter.

(f) A person who assists an individual in completing any information described in subsection (d) on an absentee ballot application shall state under the penalties for perjury the following information on the application:

(1) The full name, residence and mailing address, and daytime and evening telephone numbers (if any) of the person providing the assistance.
(2) The date this assistance was provided.
(3) That the person providing the assistance has complied with Indiana laws governing the submission of absentee ballot applications.
(4) That the person has no knowledge or reason to believe that the individual submitting the application:
   (A) is ineligible to vote or to cast an absentee ballot; or
   (B) did not properly complete and sign the application.

(g) This subsection does not apply to an employee of the United States Postal Service or a bonded courier company acting in the individual's capacity as an employee of the United States Postal Service or a bonded courier company. A person who receives a completed absentee ballot application from the individual who has applied for the absentee ballot shall file the application with the appropriate county election board not later than:
   (1) noon seven (7) days after the person receives the application; or
   (2) the deadline set by Indiana law for filing the application with the board;
whichever occurs first.

(h) This subsection does not apply to an employee of the United States Postal Service or a bonded courier company acting in the individual's capacity as an employee of the United States Postal Service or a bonded courier company. A person filing an absentee ballot application, other than the person's own absentee ballot application, must sign an affidavit at the time of filing the application. The affidavit must be in a form prescribed by the commission. The form must include the following:
   (1) A statement of the full name, residence and mailing address, and daytime and evening telephone numbers (if any) of the person submitting the application.
   (2) A statement that the person filing the affidavit has complied with Indiana laws governing the submission of absentee ballot applications.
   (3) A statement that the person has no knowledge or reason to believe that the individual whose application is to be filed:
      (A) is ineligible to vote or to cast an absentee ballot; or
      (B) did not properly complete and sign the application.
   (4) A statement that the person is executing the affidavit under the penalties of perjury.
   (5) A statement setting forth the penalties for perjury.
(i) The county election board shall record the date and time of the filing of the affidavit.
SECTION 3. IC 3-11-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsection (b) and section 6 of this chapter, an application for an absentee ballot must be received by the circuit court clerk (or, in a county subject to IC 3-6-5.2, the director of the board of elections and registration) not earlier than ninety (90) days before election day nor later than the following:

1. Noon on election day if the voter registers to vote under IC 3-7-36-14.
2. Noon on the day before election day if the voter completes the application in the office of the circuit court clerk or is an absent uniformed services voter or overseas voter who requests that the ballot be transmitted by fax under section 6(h) of this chapter.
3. Noon on the day before election day if:
   A. the application is a mailed, transmitted by fax, or hand delivered application from a confined voter or voter caring for a confined person; and
   B. the applicant requests that the absentee ballots be delivered to the applicant by an absentee voter board.
4. Midnight on the eighth day before election day if the application:
   A. is a mailed application; or
   B. was transmitted by fax;
   from other voters.

(b) This subsection applies to an absentee ballot application from a confined voter or voter caring for a confined person that is sent by fax, mailed, or hand delivered to the circuit court clerk of a county having a consolidated city. An application subject to this subsection that is sent by fax or hand delivered must be received by the circuit court clerk not earlier than ninety (90) days before election day nor later than 10 p.m. on the fifth day before election day. An application subject to this subsection that is mailed must be received by the circuit court clerk not earlier than ninety (90) days before election day and not later than 10 p.m. on the eighth day before election day.

SECTION 4. IC 3-11-4-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.1. (a) The commission shall prescribe the form of an application for an absentee ballot.
(b) This subsection does not apply to the form for an absentee ballot application to be submitted by an absent uniformed services voter or overseas voter that contains a standardized oath for those voters. The form of the application for an absentee ballot must do all of the following:

1. Require the applicant to swear to or affirm under the penalties of perjury that all of the information set forth on the application is true to the best of the applicant's knowledge and belief.
2. Require a person who assisted with the completion of the application to swear to or affirm under the penalties of perjury the statements set forth in section 2(e) of this chapter.
3. Set forth the penalties for perjury.

(c) The form prescribed by the commission shall require that a voter who:

1. requests an absentee ballot; and
2. is eligible to vote in the precinct under IC 3-10-11 or IC 3-10-12;
must include the affidavit required by IC 3-10-11 or a written affirmation described in IC 3-10-12.

SECTION 5. IC 3-11-4-17.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17.5. (a) Upon receiving an application for an absentee ballot, the county election board (or the absentee voter board in the office of the circuit court clerk) shall determine if:

1. the applicant is a voter of the precinct in which the applicant resides, according to the records of the county voter registration office;
2. the information set forth on the application appears to be true; and
3. the application has been completed and filed in accordance with Indiana and federal law.

If the members of the absentee voter board are unable to agree about any of the determinations described in subdivisions (1) through (3), the issue shall be referred to the county election board for determination. If the application is submitted by a voter wanting to cast an absentee ballot under IC 3-11-10-26, the voter shall be permitted to cast an absentee ballot, and the voter's
absentee ballot shall be treated as a provisional ballot.

(b) If:

(1) the applicant is not a voter of the precinct according to the registration record; or

(2) the application as completed and filed:

(A) contains a false statement; or

(B) does not otherwise comply with Indiana or federal law;

as alleged under section 18.5 of this chapter, the county election board shall deny the application.

(b) (c) This subsection applies after December 31, 2003, to an absentee ballot application submitted by an absent uniformed services voter or an overseas voter. In accordance with 42 U.S.C. 1973ff-1(d), if the application is denied, the county election board shall provide the voter with the reasons for the denial of the application. Unless the voter is present when the board denies the application, the board shall send a written notice stating the reasons for the denial to the voter. The notice must be sent:

(1) not later than forty-eight (48) hours after the application is denied; and

(2) to the voter at the address at which the voter requested that the absentee ballot be mailed.

(c) This subsection applies after December 31, 2003. (d) If the county election board determines that the applicant is a voter of the precinct under subsection (a), the board shall then determine whether:

(1) the applicant was required to file any additional documentation under IC 3-7-33-4.5; and

(2) the applicant has filed this documentation according to the records of the county voter registration office.

If the applicant has not filed the required documentation, the county election board shall approve the application if the application otherwise complies with this chapter. The board shall add a notation to the application and to the record compiled under section 17 of this chapter indicating that the applicant will be required to provide additional documentation to the county voter registration office under IC 3-7-33-4.5 before the absentee ballot may be counted.

(d) (e) If the applicant:

(1) is a voter of the precinct according to the registration record;
(2) states on the application that the applicant resides at an address that is within the same precinct but is not the same address shown on the registration record; and
(3) after December 31, 2005, provides a voter identification number on the application to permit transfer of registration under IC 3-7-13-13;

the county election board shall direct the county voter registration office to transfer the applicant's voter registration address to the address within the precinct shown on the application. The applicant's application for an absentee ballot shall be approved if the applicant is otherwise eligible to receive the ballot under this chapter.

SECTION 6. IC 3-11-4-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) If a voter satisfies any of the following qualifications described in IC 3-11-10-24 that entitle a voter to cast an absentee ballot by mail, the county election board shall, at the request of the voter, mail the official ballot, postage fully prepaid, to the voter at the address stated in the application.

(1) The voter will be absent from the county on election day;
(2) The voter will be absent from the precinct of the voter's residence on election day because of service as:
   (A) a precinct election officer under IC 3-6-6;
   (B) a watcher under IC 3-6-8; IC 3-6-9; or IC 3-6-10;
   (C) a challenger or pollbook holder under IC 3-6-7; or
   (D) a person employed by an election board to administer the election for which the absentee ballot is requested;
(3) The voter will be confined on election day to the voter's residence; to a health care facility; or to a hospital because of an illness or injury;
(4) The voter is a voter with disabilities;
(5) The voter is an elderly voter;
(6) The voter is prevented from voting due to the voter's care of an individual confined to a private residence because of illness or injury;
(7) The voter is scheduled to work at the person's regular place of employment during the entire twelve (12) hours that the polls are open;
(8) The voter is eligible to vote under IC 3-10-14 or IC 3-10-12;
(b) If the county election board mails an absentee ballot to a voter required to file additional documentation with the county voter registration office before voting by absentee ballot under this chapter, the board shall include a notice to the voter in the envelope mailed to the voter under section 20 of this chapter. The notice must inform the voter that the voter must file the additional documentation required under IC 3-7-33-4.5 with the county voter registration office not later than noon on election day for the absentee ballot to be counted as an absentee ballot, and that, if the documentation required under IC 3-7-33-4.5 is filed after noon and before 6 p.m. on election day, the ballot will be processed as a provisional ballot. The commission shall prescribe the form of this notice under IC 3-5-4-8.

(c) Except as provided in section 18.5 of this chapter, the ballot shall be mailed:

(1) on the day of the receipt of the voter's application; or
(2) not more than five (5) days after the date of delivery of the ballots under section 15 of this chapter; whichever is later.

(d) In addition to the ballot mailed under subsection (c), the county election board shall mail a special absentee ballot for overseas voters.

(e) Except as provided in section 18.5 of this chapter, the ballot described in subsection (d):

(1) must be mailed:
    (A) on the day of the receipt of the voter's application; or
    (B) not more than five (5) days after the latest date for delivery of the ballots under section 13(b) of this chapter applicable to that election; whichever is later; and
(2) may not be mailed after the absentee ballots described by section 13(a) of this chapter have been delivered to the circuit court clerk or the clerk's authorized deputy.

(f) This subsection applies after December 31, 2005. As required by 42 U.S.C. 15481, an election board must establish a voter education program (specific to a paper ballot or optical scan ballot card provided as an absentee ballot under this chapter) to notify a voter of the effect of casting multiple votes for a single office.

(g) This subsection applies after December 31, 2005. As provided by 42 U.S.C. 15481, when an absentee ballot is mailed under this
section, the mailing must include:

(1) information concerning the effect of casting multiple votes for an office; and

(2) instructions on how to correct the ballot before the ballot is cast and counted, including the issuance of replacement ballots.

SECTION 7. IC 3-11-4-18.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.5. (a) Upon receipt of an absentee ballot application, a member of the county election board or a member of an absentee voter board may file an affidavit with the county election board alleging that the application:

(1) was not submitted by a voter of the precinct;

(2) contains a false statement; or

(3) has not been executed or filed in accordance with Indiana or federal law.

(b) The affidavit must be in a form prescribed by the commission and state the following:

(1) The name and title of the individual filing the affidavit.

(2) A brief statement of the facts known or believed by the individual regarding why:

(A) the applicant is not a voter of the precinct;

(B) the application contains a false statement; or

(C) the application has not been executed or filed in accordance with Indiana or federal law.

(3) That the individual is executing the affidavit under the penalties of perjury.

(4) The penalties for perjury.

(c) Upon the filing of the affidavit, the approval or denial of the application shall be referred to the county election board, which shall promptly conduct a hearing on the matter.

(d) The county election board may act under IC 3-6-5-31 to refer the matter to the appropriate prosecuting attorney.

SECTION 8. IC 3-11-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) On the other side of the envelope required by section 20 of this chapter shall be printed an affidavit in conformity with 42 U.S.C. 1973ff-1(b), providing that the voter affirms under penalty of perjury that the following information is true:
(1) The name of the precinct and township (or ward and city or town).

(2) That the voter is:
   (A) a resident of; or
   (B) entitled under IC 3-10-11 or IC 3-10-12 to vote in; the precinct.

(3) The voter's complete residence address, including the name of the city or town and county.

(4) That the voter is entitled to vote in the precinct, the type of election to be held, and the date of the election.

(5) That:
   (A) the voter has personally marked the enclosed ballot or ballots in secret and has enclosed them in this envelope and sealed them without exhibiting them to any other person;
   (B) the voter personally marked the enclosed ballot or ballots, enclosed them in this envelope, and sealed them with the assistance of an individual whose name is listed on the envelope and who affirms under penalty of perjury that the voter was not coerced or improperly influenced by the individual assisting the voter or any other person, in a manner prohibited by state or federal law, to cast the ballot for or against any candidate, political party, or public question; or
   (C) as the properly authorized attorney in fact for the undersigned under IC 30-5-5-14, the attorney in fact affirms the voter personally marked the enclosed ballot or ballots in secret and enclosed them in this envelope and sealed them without exhibiting them to the attorney in fact or to any other person.

(6) The date and the voter's signature.

(b) If the affidavit is signed by an attorney in fact, the name of the attorney in fact must be indicated.

(c) A guardian or conservator of an individual may not sign an affidavit for the individual under this section unless the guardian or conservator also holds a power of attorney authorizing the guardian or conservator to sign the affidavit.

(d) The side of the envelope containing this affidavit must also set forth the penalties for perjury.

SECTION 9. IC 3-11-10-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A voter voting by absentee ballot shall make and subscribe to the affidavit prescribed by IC 3-11-4-21. The voter then shall, except as provided in subsection (b), do the following:

1. Mark the ballot in the presence of no other person.
2. Fold each ballot separately.
3. Fold each ballot so as to conceal the marking.
4. Enclose each ballot, with the seal and signature of the circuit court clerk on the outside, together with any unused ballot, in the envelope provided.
5. Securely seal the envelope.
6. Do one (1) of the following:
   A. Mail the envelope to the county election board, with not more than one (1) ballot per envelope.
   B. Deliver the envelope to the county election board in person.
   C. Deliver the envelope to a member of the voter's household or a person designated as the attorney in fact for the voter under IC 30-5 for delivery to the county election board:
      i. in person;
      ii. by United States mail; or
      iii. by a bonded courier company.

(b) A voter permitted to transmit the voter's absentee ballots by fax under IC 3-11-4-6 is not required to comply with subsection (a). The individual designated by the circuit court clerk to receive absentee ballots transmitted by fax shall do the following upon receipt of an absentee ballot transmitted by fax:

1. Note the receipt of the absentee ballot in the records of the circuit court clerk as other absentee ballots received by the circuit court clerk are noted.
2. Fold each ballot received from the voter separately so as to conceal the marking.
3. Enclose each ballot in a blank absentee ballot envelope.
4. Securely seal the envelope.
5. Mark on the envelope: "Absentee Ballot Received by Fax".
6. Securely attach to the envelope the faxed affidavit received with the voter's absentee ballots.

(c) Except as otherwise provided in this title, absentee ballots
received by fax shall be handled and processed as other absentee ballots received by the circuit court clerk are handled and processed.

SECTION 10. IC 3-11-10-1.2, AS ADDED BY SEA 483-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. An absentee voter is not required to provide proof of identification when:

1. mailing, delivering, or transmitting an absentee ballot under section 1 of this chapter; or
2. voting before an absentee board under section 25 of this chapter.

SECTION 11. IC 3-11-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A voter voting by absentee ballot may mark a ballot with a pen or a lead pencil.

(b) A person may not engage in electioneering (as defined in IC 3-14-3-16) in the presence of a voter whom the person knows possesses an absentee ballot provided to the voter in accordance with Indiana law.

SECTION 12. IC 3-11-10-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) Except as provided in subsection (b), a voter who satisfies any of the following is entitled to vote by mail:

1. The voter will be has a specific, reasonable expectation of being absent from the county on election day during the entire twelve (12) hours that the polls are open.
2. The voter will be absent from the precinct of the voter's residence on election day because of service as:
   A. a precinct election officer under IC 3-6-6;
   B. a watcher under IC 3-6-8, IC 3-6-9, or IC 3-6-10;
   C. a challenger or pollbook holder under IC 3-6-7; or
   D. a person employed by an election board to administer the election for which the absentee ballot is requested.
3. The voter will be confined on election day to the voter's residence, to a health care facility, or to a hospital because of an illness or injury during the entire twelve (12) hours that the polls are open.
4. The voter is a voter with disabilities.
5. The voter is an elderly voter.
6. The voter is prevented from voting due to the voter's care of
an individual confined to a private residence because of illness or injury during the entire twelve (12) hours that the polls are open.

(7) The voter is scheduled to work at the person's regular place of employment during the entire twelve (12) hours that the polls are open.

(8) The voter is eligible to vote under IC 3-10-11 or IC 3-10-12.

(9) The voter is prevented from voting due to observance of a religious discipline or religious holiday during the entire twelve (12) hours that the polls are open.

(10) The voter is an address confidentiality program participant (as defined in IC 5-26.5-1-6).

(b) A voter with disabilities who:

(1) is unable to make a voting mark on the ballot or sign the absentee ballot secrecy envelope; and

(2) requests that the absentee ballot be delivered to an address within Indiana;

must vote before an absentee voter board under section 25(b) of this chapter.

(c) If a voter receives an absentee ballot by mail, the voter shall personally mark the ballot in secret and seal the marked ballot inside the envelope provided by the county election board for that purpose. The voter shall:

(1) deposit the sealed envelope in the United States mail for delivery to the county election board; or

(2) authorize a member of the voter's household or the individual designated as the voter's attorney in fact to:

(A) deposit the sealed envelope in the United States mail; or

(B) deliver the sealed envelope in person to the county election board.

(d) If a member of the voter's household or the voter's attorney in fact delivers the sealed envelope containing a voter's absentee ballot to the county election board, the individual delivering the ballot shall complete an affidavit in a form prescribed by the commission. The affidavit must contain the following information:

(1) The name and residence address of the voter whose absentee ballot is being delivered.
(2) A statement of the full name, residence and mailing address, and daytime and evening telephone numbers (if any) of the individual delivering the absentee ballot.

(3) A statement indicating whether the individual delivering the absentee ballot is a member of the voter's household or is the attorney in fact for the voter. If the individual is the attorney in fact for the voter, the individual must attach a copy of the power of attorney for the voter, unless a copy of this document has already been filed with the county election board.

(4) The date and location at which the absentee ballot was delivered by the voter to the individual delivering the ballot to the county election board.

(5) A statement that the individual delivering the absentee ballot has complied with Indiana laws governing absentee ballots.

(6) A statement that the individual delivering the absentee ballot is executing the affidavit under the penalties of perjury.

(7) A statement setting forth the penalties for perjury.

(e) The county election board shall record the date and time that the affidavit under subsection (d) was filed with the board.

(f) After a voter has mailed or delivered an absentee ballot to the office of the circuit court clerk, the voter may not recast a ballot, except as provided in:
   (1) section 1.5 of this chapter; or
   (2) section 33 of this chapter.

SECTION 13. IC 3-11-10-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. (a) A voter who votes by absentee ballot because of:
   (1) illness or injury; or
   (2) caring for a confined person at a private residence;
and who is within the county on election day may vote before an absentee voter board or by mail.

(b) If requested by a voter described in subsection (a) or by a voter with disabilities whose precinct is not accessible to voters with disabilities, an absentee voter board shall visit the voter's place of confinement, the residence of the voter with disabilities, or the private residence:
(1) during the regular office hours of the circuit court clerk;
(2) at a time agreed to by the board and the voter;
(3) on any of the twelve (12) days immediately before election day; and
(4) only once before an election, unless:
   (A) the confined voter is unavailable at the time of the board's first visit due to a medical emergency; or
   (B) the board, in its discretion, decides to make an additional visit.

(c) This subsection applies to a voter confined due to illness or injury. An absentee voter board may not be denied access to the voter's place of confinement if the board is present at the place of confinement at a time:
   (1) agreed to by the board and the voter; and
   (2) during the regular office hours of the circuit court clerk. A person who knowingly violates this subsection commits obstruction or interference with an election officer in the discharge of the officer's duty, a violation of IC 3-14-3-4.

(d) The county election board, by unanimous vote of the board's entire membership, may authorize an absentee voter board to visit a voter who is confined due to illness or injury and will be outside of the county on election day in accordance with the procedures set forth in subsection (b).

(e) This subsection applies after December 31, 2005. As provided by 42 U.S.C. 15481, a voter casting an absentee ballot under this section must be:
   (1) permitted to verify in a private and independent manner the votes selected by the voter before the ballot is cast and counted;
   (2) provided with the opportunity to change the ballot or correct any error in a private and independent manner before the ballot is cast and counted, including the opportunity to receive a replacement ballot if the voter is otherwise unable to change or correct the ballot; and
   (3) notified before the ballot is cast regarding the effect of casting multiple votes for the office and provided an opportunity to correct the ballot before the ballot is cast and counted.

(f) This subsection applies after December 31, 2005. As provided by 42 U.S.C. 15481, when an absentee ballot is provided under this
section, the board must also provide the voter with:

(1) information concerning the effect of casting multiple votes for an office; and

(2) instructions on how to correct the ballot before the ballot is cast and counted, including the issuance of replacement ballots.

(g) This subsection applies to a voter who applies to vote an absentee ballot by mail. The county election board shall include a copy of the Absentee Voter's Bill of Rights with any absentee ballot mailed to the voter.

SECTION 14. IC 3-11-10-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) As an alternative to voting by mail, a voter is entitled to cast an absentee ballot before an absentee voter board:

(1) in the office of the circuit court clerk (or board of elections and registration in a county subject to IC 3-6-5.2); or

(2) at a satellite office established under section 26.3 of this chapter.

(b) The voter must:

(1) sign an application on the form prescribed by the commission under IC 3-11-4-5.1; and

(2) provide proof of identification;

before being permitted to vote. The application must be received by the circuit court clerk not later than the time prescribed by IC 3-11-4-3.

(c) The voter may vote before the board not more than twenty-nine (29) days nor later than noon on the day before election day.

(d) An absent uniformed services voter who is eligible to vote by absentee ballot in the circuit court clerk's office under IC 3-7-36-14 may vote before the board not earlier than twenty-nine (29) days before the election and not later than noon on election day. If a voter described by this subsection wishes to cast an absentee ballot during the period beginning at noon on the day before election day and ending at noon on election day, the county election board or absentee voter board may receive and process the ballot at a location designated by resolution of the county election board.

(e) The absentee voter board in the office of the circuit court clerk must permit voters to cast absentee ballots under this section for at least seven (7) hours on each of the two (2) Saturdays preceding election day.
(f) Notwithstanding subsection (e), in a county with a population of less than twenty thousand (20,000), the absentee voter board in the office of the circuit court clerk, with the approval of the county election board, may reduce the number of hours available to cast absentee ballots under this section to a minimum of four (4) hours on each of the two (2) Saturdays preceding election day.

(g) This subsection applies after December 31, 2005. As provided by 42 U.S.C. 15481, a voter casting an absentee ballot under this section must be:

(1) permitted to verify in a private and independent manner the votes selected by the voter before the ballot is cast and counted;
(2) provided with the opportunity to change the ballot or correct any error in a private and independent manner before the ballot is cast and counted, including the opportunity to receive a replacement ballot if the voter is otherwise unable to change or correct the ballot; and
(3) notified before the ballot is cast regarding the effect of casting multiple votes for the office and provided an opportunity to correct the ballot before the ballot is cast and counted.

(h) As provided by 42 U.S.C. 15481, when an absentee ballot is provided under this section, the board must also provide the voter with:

(1) information concerning the effect of casting multiple votes for an office; and
(2) instructions on how to correct the ballot before the ballot is cast and counted, including the issuance of replacement ballots.

(i) If:

(1) the voter is unable or declines to present the proof of identification; or
(2) a member of the board determines that the proof of identification provided by the voter does not qualify as proof of identification under IC 3-5-2-40.5;

the voter shall be permitted to cast an absentee ballot and the voter's absentee ballot shall be treated as a provisional ballot.

SECTION 15. IC 3-11.7-5-2, AS AMENDED BY SEA 483-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in section 5 of this chapter, if the county election board determines that all the following apply, a provisional ballot is valid and shall be counted under this chapter:
(1) The affidavit executed by the provisional voter under IC 3-11.7-2-1 is properly executed.
(2) The provisional voter is a qualified voter of the precinct and has provided proof of identification, if required, under IC 3-10-1, or IC 3-11-8, or IC 3-11-10-26.
(3) Based on all the information available to the county election board, including:
   (A) information provided by the provisional voter;
   (B) information contained in the county's voter registration records; and
   (C) information contained in the statewide voter registration file;
   
   the provisional voter registered to vote at a registration agency under this article on a date within the registration period.

(b) If the provisional voter has provided information regarding the registration agency where the provisional voter registered to vote, the board shall promptly make an inquiry to the agency regarding the alleged registration. The agency shall respond to the board not later than noon of the first Friday after the election, indicating whether the agency's records contain any information regarding the registration. If the agency does not respond to the board's inquiry, or if the agency responds that the agency has no record of the alleged registration, the board shall reject the provisional ballot. The board shall endorse the ballot with the word "Rejected" and document on the ballot the inquiry and response, if any, by the agency.

(c) Except as provided in section 5 of this chapter, a provisional ballot cast by a voter described in IC 3-11.7-2-1(b) is valid and shall be counted if the county election board determines under this article that the voter filed the documentation required under IC 3-7-33-4.5 and 42 U.S.C. 15483 with the county voter registration office not later than the closing of the polls on election day.

SECTION 16. IC 3-11.7-5-2.5, AS ADDED BY SEA-483-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 2.5. (a) A voter who:
   (1) was challenged under IC 3-10-1, or IC 3-11-8, or IC 3-11-10-26 as a result of the voter's inability or declination to provide proof of identification; and
   (2) cast a provisional ballot;
may personally appear before the circuit court clerk or the county election board not later than the deadline specified by section 1 of this chapter for the county election board to determine whether to count a provisional ballot.

(b) Except as provided in subsection (c) or (e), if the voter:
   (1) provides proof of identification to the circuit court clerk or county election board; and
   (2) executes an affidavit before the clerk or board, in the form prescribed by the commission, affirming under the penalties of perjury that the voter is the same individual who:
      (A) personally appeared before the precinct election board; and
      (B) cast the provisional ballot on election day;
the county election board shall find that the voter's provisional ballot is valid and direct that the provisional ballot be opened under section 4 of this chapter and processed in accordance with this chapter.

(c) If the voter executes an affidavit before the circuit court clerk or county election board, in the form prescribed by the commission, affirming under the penalties of perjury that:
   (1) the voter is the same individual who:
      (A) personally appeared before the precinct election board; and
      (B) cast the provisional ballot on election day; and
   (2) the voter:
      (A) is:
         (i) indigent; and
         (ii) unable to obtain proof of identification without the payment of a fee; or
      (B) has a religious objection to being photographed;
the county election board shall determine whether the voter has been challenged for any reason other than the voter's inability or declination to present proof of identification to the precinct election board.

(d) If the county election board determines that the voter described in subsection (c) has been challenged solely for the inability or declination of the voter to provide proof of identification, the county election board shall:
   (1) find that the voter's provisional ballot is valid; and
   (2) direct that the provisional ballot be:
(A) opened under section 4 of this chapter; and
(B) processed in accordance with this chapter.

(e) If the county election board determines that a voter described in subsection (b) or (c) has been challenged for a cause other than the voter's inability or declination to provide proof of identification, the board shall:

(1) note on the envelope containing the provisional ballot that the voter has complied with the proof of identification requirement; and
(2) proceed to determine the validity of the remaining challenges set forth in the challenge affidavit before ruling on the validity of the voter's provisional ballot.

(f) If a voter described by subsection (a) fails by the deadline for counting provisional ballots referenced in subsection (a) to:

(1) appear before the county election board; and
(2) execute an affidavit in the manner prescribed by subsection (b) or (c);
the county election board shall find that the voter's provisional ballot is invalid.

SECTION 17. IC 3-11.7-5-3, AS AMENDED BY SEA 483-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If the board determines that the affidavit executed by the provisional voter has not been properly executed, that the provisional voter is not a qualified voter of the precinct, that the voter failed to provide proof of identification when required under IC 3-10-1, or IC 3-11-8, or IC 3-11-10-26, or that the provisional voter did not register to vote at a registration agency under this article on a date within the registration period, the board shall make the following findings:

(1) The provisional ballot is invalid.
(2) The provisional ballot may not be counted.
(3) The provisional ballot envelope containing the ballots cast by the provisional voter may not be opened.

(b) If the county election board determines that a provisional ballot is invalid, a notation shall be made on the provisional ballot envelope: "Provisional ballot determined invalid".

SECTION 18. IC 3-12-6-21.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21.9. (a) Except as
provided in subsection (c), a recount for nomination to an office conducted under this chapter shall be completed not later than the final Friday in June following the primary.

(b) Except as provided in subsection (c), a recount for election to an office conducted under this chapter shall be completed not later than December 20 following the election.

(c) The court that appointed the commission may issue an order to extend the deadline under this section to a specific date if the court finds that there is good cause to do so.

SECTION 19. IC 3-12-11-17.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17.7. (a) This section applies to ballots cast by any voting method.

(a) (b) Unless the state recount commission makes a finding under subsection (c), the commission shall:

(1) count ballots in accordance with this article; and
(2) not order that all ballots in a precinct not be counted.

(b) (c) If:

(1) a party to the recount presents evidence of fraud, tampering, or misconduct affecting the integrity of the ballot within a precinct; and
(2) the commission determines that the fraud, tampering, or misconduct within that precinct was so pervasive that it is impossible for the commission to determine the approximate number of votes that each candidate received in that precinct;

the commission may order that none of the ballots from that precinct be counted.

SECTION 20. IC 3-12-11-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) Except as provided in subsection (b), a recount or contest for election to a legislative office shall be completed by the state recount commission before December 20 after the election.

(b) The state recount commission may adopt orders extending the deadline for completion of a recount or contest to a date specified in the order if the commission finds that there is good cause to do so.

(b) Before December 20 (c) Not later than seven (7) days after the election, the state recount commission completes a recount, the election division shall prepare two (2) certified statements showing the total
number of votes that each candidate received. The election division shall transmit one (1) statement to the candidate receiving the highest number of votes for the office. Before December 20 after the election, After the statements have been prepared, the secretary of state shall deliver the other statement to the presiding officer of the house in which the successful candidate is to be seated.

(e) (d) The statement shall be referred by the presiding officer for such action as that house considers appropriate.

SECTION 21. IC 3-14-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A person who recklessly writes the name of a voter on an affidavit of registration without being personally acquainted with the voter and knowing the voter to be the person who the voter represents the voter to be commits a Class A misdemeanor: knowingly does any of the following commits a Class D felony:

(1) Conspires with an individual for the purpose of encouraging the individual to submit a false application for registration.

(2) Conspires with an individual for the purpose of encouraging the individual to vote illegally.

(3) Pays or offers to pay an individual for doing any of the following:
   (A) Applying for an absentee ballot.
   (B) Casting an absentee ballot.
   (C) Registering to vote.
   (D) Voting.

(4) Accepts the payment of any property for doing any of the following:
   (A) Applying for an absentee ballot.
   (B) Casting an absentee ballot.
   (C) Registering to vote.
   (D) Voting.

SECTION 22. IC 3-14-2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. A person who does either of the following, knowing that an individual is ineligible to register to vote or to vote, commits absentee ballot fraud, a Class D felony:

(1) Solicits the individual to complete an absentee ballot
application.

(2) Solicits the individual to submit an absentee ballot application to a county election board.

SECTION 23. IC 3-14-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A person who:

(1) subscribes the name of another person to an affidavit of registration or application for an absentee ballot knowing that the application contains a false statement; or

(2) subscribes the name of another person to an affidavit of registration or application for an absentee ballot without writing on it the person's own name and address as an attesting witness;

commits a Class A misdemeanor. Class D felony.

SECTION 24. IC 3-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A person who recklessly destroys or fails to deliver an absentee ballot application to the proper officer after the application has been executed by another individual in accordance with IC 3-11-4 commits a Class A misdemeanor.

(b) A person who recklessly destroys or fails to file or deliver to the proper officer a registration affidavit or form of registration after it the affidavit or form has been executed commits a Class A misdemeanor.

SECTION 25. IC 3-14-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. A person who knowingly hires or solicits another person

(1) to come into Indiana; or

(2) to go from one precinct into another a precinct

for the purpose of voting at an election at the precinct when the person hired or solicited is not a voter in Indiana or the precinct commits a Class D felony.

SECTION 26. IC 3-14-2-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. A member, of the commission, an employee of the commission, or a member, an employee, or an agent of a county election board who knowingly delivers a ballot to a person except in the manner prescribed by this title commits a Class D felony.

SECTION 27. IC 3-14-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. A person who
knowingly does any of the following commits a Class D felony:

1. Applies for or receives a ballot in a precinct other than that precinct in which the person is entitled to vote.
2. Except when receiving assistance under IC 3-11-9, shows a ballot after it is marked to another person in such a way as to reveal the contents of it or the name of a candidate for whom the person has voted.
3. Except when offering assistance requested by a voter in accordance with IC 3-11-9, examines a ballot that a voter has prepared for voting or solicits the voter to show the ballot.
4. Receives from a voter a ballot prepared by the voter for voting, except:
   - A the inspector;
   - B a member of the precinct election board temporarily acting for the inspector;
   - C a member or an employee of a county election board (acting under the authority of the board and state law) or an absentee voter board member acting under IC 3-11-10; or
   - D a member of the voter's household, or an individual designated as attorney in fact for the voter, or an employee of:
     - I the United States Postal Service; or
     - II a bonded courier company;
     (acting in the individual's capacity as an employee of the United States Postal Service or a bonded courier company) when delivering an envelope containing an absentee ballot under IC 3-11-10-1.
5. Receives a ballot from a person other than one of the poll clerks or authorized assistant poll clerks.
6. Delivers a ballot to a voter to be voted, unless the person is:
   - A a poll clerk or authorized assistant poll clerk; or
   - B a member of a county election board or an absentee voter board acting under IC 3-11-10.
7. Delivers a ballot (other than an absentee ballot) to an inspector that is not the ballot the voter receives from the poll clerk or assistant poll clerk.
8. Delivers an absentee ballot to a team of absentee ballot counters appointed under IC 3-11.5-4-22, a county election board, a circuit court clerk, or an absentee voting board under IC 3-11-10.
that is not the ballot cast by the absentee voter.

(9) Delivers an absentee ballot prepared by the voter for voting to a county election board, except for:

   (A) the inspector;
   (B) a member of the precinct election board temporarily acting for the inspector;
   (C) a member or an employee of a county election board (acting under the authority of the board and in accordance with state law) or an absentee voter board member acting under IC 3-11-10; or
   (D) a member of the voter's household or an individual designated as attorney in fact for the voter, an employee of:

      (i) the United States Postal Service; or
      (ii) a bonded courier company;
      (acting in the individual's capacity as an employee of the United States Postal Service or a bonded courier company) when delivering an envelope containing an absentee ballot under IC 3-11-10-1.

(10) Possesses an unmarked absentee ballot on or before the date of the election for which the absentee ballot has been printed, unless the person is authorized to possess the absentee ballot under this title as any of the following:

   (A) A printer, when arranging for the delivery of unmarked absentee ballots to a county election board under IC 3-11-2.
   (B) A county election board member or employee (acting under the authority of the board and in accordance with state law).
   (C) An absentee voter board member.
   (D) An employee of:

      (i) the United States Postal Service; or
      (ii) a bonded courier company;

      (acting in the individual's capacity as an employee of the United States Postal Service or a bonded courier company) when delivering an envelope containing an absentee ballot.
   (E) An individual authorized under IC 3-11-10-24 to deliver an absentee ballot.
   (F) An absentee ballot counter under IC 3-11.5.
(G) A provisional ballot counter.
(H) A precinct election officer.
(I) The voter who applied for the absentee ballot.
(11) Completes or signs an absentee ballot application for a voter, or assists a voter in completing an absentee ballot application in violation of IC 3-11.

SECTION 28. IC 3-14-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A voter who knowingly:
(1) does anything to enable any other person to see or know for what ticket, candidates, or public questions the voter has voted on a voting machine; or
(2) moves into a position, or does any other thing, to enable the voter to see or know for what ticket, candidates, or public questions any other voter votes on a voting machine;

commits a Class D felony.

SECTION 29. IC 3-14-2-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. A person who:
(1) takes a ballot legally deposited out of a ballot box or out of a voting system for the purpose of destroying it or substituting another ballot in its place;
(2) destroys or misplaces a ballot with the intent to substitute another ballot for it or with the intent to prevent it from being counted; or
(3) knowingly enters upon the pollbooks the name of a person who has not legally voted or knowingly tallies a vote for a candidate or on a public question not voted for by the ballot;

commits a Class D felony.

SECTION 30. IC 3-14-2-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. A person who:
(1) during the progress of an election or within the time for preparation required under this title, knowingly breaks open or violates the seal or lock of a ballot box, envelope, container, or bag, or voting system component in which ballots have been deposited;
(2) knowingly obtains a ballot box, envelope, container, or bag, or voting system component that contains ballots and cancels, withholds, or destroys a ballot;
(3) knowingly increases or decreases the number of ballots legally deposited in a ballot box, envelope, container, or bag, or voting system component; or
(4) knowingly makes a fraudulent erasure or alteration on a tally sheet, poll book, list of voters, or election return deposited in a ballot box, envelope, or bag, or voting system component; commits a Class D felony.

SECTION 31. IC 3-14-2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. A person who knowingly inspects a voting machine or electronic voting system under IC 3-12-4-18 without obtaining authorization from the state recount commission to conduct the inspection commits a Class D felony.

SECTION 32. IC 3-14-3-1.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. A person who knowingly does any of the following commits a Class D felony:

(1) Procures or submits voter registration applications known by the person to be materially false, fictitious, or fraudulent.
(2) Procures, casts, or tabulates ballots known by the person to be materially false, fictitious, or fraudulent.

SECTION 33. IC 3-14-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person who:
(1) knowingly obstructs or interferes with an election officer in the discharge of the officer's duty; or
(2) knowingly obstructs or interferes with a voter within fifty (50) feet of the polls; chute;
commits a Class D felony.

(b) A person who knowingly injures an election officer or a voter:

(1) in the exercise of the officer's or voter's rights or duties; or
(2) because the officer or voter has exercised the officer's or voter's rights or duties;
commits a Class D felony.

(b) (c) A person called as a witness to testify against another for a violation of this section is a competent witness to prove the offense even though the person may have been a party to the violation. and The person shall be compelled to testify as other witnesses. However, the person's evidence may not be used against the person in a prosecution
growing out of matters about which the person testifies, and the person is not liable to indictment or information for the offense.

SECTION 34. IC 3-14-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. An inspector or poll clerk in a precinct who, for the purpose of:

(1) deceiving a voter;
(2) causing it to be doubtful for what ticket, candidate, or public question a vote is cast; or
(3) causing it to appear that votes cast for one (1) ticket, candidate, or public question were cast for another ticket, candidate, or public question;

removes, changes, or mutilates a ballot label on a voting machine system or any part thereof of a voting system commits a Class D felony.

SECTION 35. IC 3-14-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) As used in this section, “electioneering” includes expressing support or opposition to any candidate or political party or expressing approval or disapproval of any public question in any manner that could reasonably be expected to convey that support or opposition to another individual. The term does not include expressing:
(1) support or opposition to a candidate or a political party;
or
(2) expressing approval or disapproval of a public question;
in material mailed to a voter.
(b) A person who knowingly does any electioneering:
(1) on election day within:
   (A) the polls; or
   (B) the chute; or
(2) within an area in the office of the circuit court clerk or a satellite office of the circuit court clerk established under IC 3-11-10-26.3 used by an absentee voter board to permit an individual to cast an absentee ballot; or
(3) except for a voter who is:
   (A) the person's spouse;
   (B) an incapacitated person (as defined in IC 29-3-1-7.5) for whom the person has been appointed the guardian (as defined in IC 29-3-1-6); or
(C) a member of the person's household; in the presence of a voter whom the person knows possesses an absentee ballot provided to the voter in accordance with Indiana law; commits a Class A misdemeanor.

SECTION 36. IC 3-14-3-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) As used in this section, “candidate” includes an individual whom the person knows is considering becoming a candidate.

(b) A person who, for the purpose of influencing a voter or candidate, does any of the following commits a Class D felony:

(1) Seeks to enforce the payment of a debt by force or threat of force.

(2) Ejects or threatens to eject the voter or candidate from a house the voter or candidate occupies.

(3) Begins a criminal prosecution. or

(4) Damages the business or trade of the voter or candidate.

(5) Communicates a threat to commit a forcible felony (as defined in IC 35-41-1-11) against a voter or candidate with the intent that the voter or candidate:

(A) engage in conduct against the voter's or candidate's will; or

(B) be placed in fear of retaliation for a prior lawful act as a voter or candidate.

SECTION 37. IC 3-14-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. A person who, for the purpose of inducing or procuring another person to:

(1) apply for or cast an absentee ballot; or

(2) vote or refrain from voting for or against a candidate or for or against a public question at an election or political convention; gives, offers, or promises to any person any money or other property commits a Class D felony.

SECTION 38. IC 3-14-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. A person who, for the purpose of inducing or procuring a voter to:

(1) apply for or cast an absentee ballot; or

(2) vote or refrain from voting for or against a candidate or for or
against a public question at an election or political convention; receives, accepts, requests, or solicits from any person any money or other property commits a Class D felony.

SECTION 39. IC 3-14-3-20.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20.5. (a) This section does not apply to activity subject to 18 U.S.C. 1341.

(b) An individual who knowingly:

(1) conspires to obtain property the individual would be entitled to receive as compensation for serving as an elected official by securing false or fraudulent absentee ballot applications or voter registration applications; and

(2) for the purpose of executing the conspiracy:

(A) causes the applications to be sent or delivered by a private or commercial carrier operating entirely within Indiana; or

(B) takes or receives from the private or commercial carrier the false or fraudulent applications, or causes the applications to be delivered by the carrier to another person;

commits a Class D felony.

SECTION 40. IC 3-14-3-21.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21.5. A person who knowingly or intentionally intimidates, threatens, or coerces an individual for:

(1) voting or attempting to vote;

(2) urging or aiding another individual to vote or attempt to vote; or

(3) exercising any power or duty under this title concerning registration or voting;

commits voter intimidation, a Class D felony.

SECTION 41. IC 35-44-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who:

(1) confers, offers, or agrees to confer on a public servant, either before or after the public servant becomes appointed, elected, or qualified, any property except property the public servant is authorized by law to accept, with intent to control the performance of an act related to the employment or function of
the public servant;
(2) being a public servant, solicits, accepts, or agrees to accept, either before or after he becomes appointed, elected, or qualified, any property, except property he is authorized by law to accept, with intent to control the performance of an act related to his employment or function as a public servant;
(3) confers, offers, or agrees to confer on a person any property, except property the person is authorized by law to accept, with intent to cause that person to control the performance of an act related to the employment or function of a public servant;
(4) solicits, accepts, or agrees to accept any property, except property he is authorized by law to accept, with intent to control the performance of an act related to the employment or function of a public servant;
(5) confers, offers, or agrees to confer any property on a person participating or officiating in, or connected with, an athletic contest, sporting event, or exhibition, with intent that the person will fail to use his best efforts in connection with that contest, event, or exhibition;
(6) being a person participating or officiating in, or connected with, an athletic contest, sporting event, or exhibition, solicits, accepts, or agrees to accept any property with intent that he will fail to use his best efforts in connection with that contest, event, or exhibition;
(7) being a witness or informant in an official proceeding or investigation, solicits, accepts, or agrees to accept any property, with intent to:
   (i) (A) withhold any testimony, information, document, or thing;
   (ii) (B) avoid legal process summoning him to testify or supply evidence; or
   (iii) (C) absent himself from the proceeding to which he has been legally summoned; or
(8) confers, offers, or agrees to confer any property on a witness or informant in an official proceeding or investigation, with intent that the witness or informant:
(f) (A) withhold any testimony, information, document, or thing;
(ii) (B) avoid legal process summoning the witness or informant to testify or supply evidence; or
(iii) (C) absent himself the person from any proceeding or investigation to which the witness or informant has been legally summoned; or
(9) confers or offers or agrees to confer any property on an individual for:
(A) casting a ballot or refraining from casting a ballot; or
(B) voting for a political party, for a candidate, or for or against a public question;
in an election described in IC 3-5-1-2 or at a convention of a political party authorized under IC 3;
commits bribery, a Class C felony.
(b) It is no defense that the person whom the accused person sought to control was not qualified to act in the desired way.

SECTION 42. [EFFECTIVE JULY 1, 2005] (a) The definitions in IC 3-5-2 apply throughout this SECTION.
(b) Not later than September 1, 2005, the commission shall act under IC 3-5-4-8 to prescribe absentee ballot application forms that comply with IC 3-11, as amended by this act.
(c) This subsection does not apply to an absentee ballot application form prescribed by the commission for use by an absent uniformed services voter or overseas voter. An absentee ballot application form prescribed by the commission before September 1, 2005, may not be used or accepted by a county election board after August 31, 2004.
(d) This SECTION expires January 1, 2006.
AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 9-13-2-174.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 174.5. "Storage yard" for purposes of IC 9-22-1, has the meaning set forth in IC 9-22-1-3.5.

SECTION 2. IC 9-22-1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. As used in this chapter, "storage yard" means a storage facility or a towing service used for the removal and storage of abandoned vehicles or parts.

SECTION 3. IC 9-22-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsection (c), the person who owns an abandoned vehicle or parts is:

(1) responsible for the abandonment; and

(2) liable for all of the costs incidental to the removal, storage, and disposal; of the vehicle or the parts under this chapter.

(b) The costs for storage of an abandoned vehicle may not exceed one thousand five hundred dollars ($1,500).

(c) If an abandoned vehicle is sold by a person who removed, towed, or stored the vehicle, the person who previously owned the vehicle is not responsible for storage fees.

(d) If an abandoned vehicle is sold by a person who removed, towed, or stored the vehicle, and proceeds from the sale of the vehicle covered the storage expenses, any remaining proceeds from the sale of the vehicle shall be returned to the previous owner of the vehicle if the previous owner is known.

SECTION 4. IC 9-22-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) If in the opinion of the officer the market value of an abandoned vehicle or parts
determined under in accordance with section 12 of this chapter is less than:

(1) one five hundred dollars ($100); ($500); or
(2) in a municipality that has adopted an ordinance under subsection (b), the amount established by the ordinance;
the officer shall immediately dispose of the vehicle to an automobile scrapyard, a towing service. A copy of the abandoned vehicle report and photographs relating to the abandoned vehicle shall be forwarded to the bureau. The towing service may dispose of the abandoned vehicle not less than thirty (30) days after the date on which the towing service removed the abandoned vehicle. The public agency disposing of the vehicle shall retain the original records and photographs for at least two (2) years.

(b) The legislative body of a municipality (as defined in IC 36-1-2-11) may adopt an ordinance that establishes the market value below which an officer may dispose of a vehicle or parts under subsection (a). However, the market value established by the ordinance may not be more than five seven hundred fifty dollars ($500); ($750).

SECTION 5. IC 9-22-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) If in the opinion of the officer the market value of the abandoned vehicle or parts determined under in accordance with section 12 of this chapter is at least:

(1) one five hundred dollars ($100); ($500); or
(2) in a municipality that has adopted an ordinance under section 13(b) of this chapter, the amount established by the ordinance;
the officer, before placing a notice tag on the vehicle or parts, shall make a reasonable effort to ascertain the person who owns the vehicle or parts or who may be in control of the vehicle or parts.

(b) After seventy-two (72) hours, the officer shall require the vehicle or parts to be towed to a storage area: yard or towing service.

SECTION 6. IC 9-22-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) If after seventy-two (72) hours the person who owns a vehicle believed to be abandoned on private property that the person owns or controls, including rental property, has not removed the vehicle from the private property, the person who owns or controls the private property may have the vehicle towed from the private property. The towing operator
shall do the following:

(1) Contact the bureau to obtain the name and address of the person who owns the vehicle.

(2) **Deliver, Send**, by certified mail, a copy of the information contained in the notice required under section 15 of this chapter to the person who owns the vehicle. The notice required by this subdivision must be given mailed to the person who owns the vehicle according to the records of the bureau not later than five (5) business days after the vehicle is removed. receipt of the information in subdivision (1) from the bureau.

(b) Notwithstanding subsection (a), in an emergency situation a vehicle may be removed immediately. As used in this subsection, "emergency situation" means that the presence of the abandoned vehicle interferes physically with the conduct of normal business operations of the person who owns or controls the private property or poses a threat to the safety or security of persons or property, or both.

SECTION 7. IC 9-22-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) Within seventy-two (72) hours after removal of an abandoned vehicle to a storage area, yard or towing service under section 13, 14, or 16 of this chapter, the public agency or towing operator shall prepare and forward to the bureau an abandoned vehicle report containing a description of the vehicle, including the following information concerning the vehicle:

(1) The make.

(2) The model.

(3) The identification number.

(4) The number of the license plate.

(b) The public agency or towing operator shall request that the bureau advise the public agency or towing operator of the name and most recent address of the person who owns or holds a lien on the vehicle.

(c) Notwithstanding section 4 of this chapter, if the public agency or towing operator fails to notify the bureau of the removal of an abandoned vehicle within seventy-two (72) hours after the vehicle is removed as required by subsection (a), the public agency or towing operator:

(1) may not initially collect more in reimbursement for the costs
of storing the vehicle than the cost incurred for storage for seventy-two (72) hours; and
(2) may collect further reimbursement under this chapter only for additional storage costs incurred after notifying the bureau of the removal of the abandoned vehicle.

SECTION 8. IC 9-22-1-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. The following are not liable for loss or damage to a vehicle or parts occurring during the removal, storage, or disposition of a vehicle or parts under this chapter:

(1) A person who owns, leases, or occupies property from which an abandoned vehicle or parts are removed.
(2) A public agency.
(3) A towing service.
(4) An automobile scrapyard.
(5) A storage yard.

SECTION 9. IC 9-22-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) An individual, a firm, a limited liability company, or a corporation that performs labor, furnishes materials or storage, or does repair work on a motor vehicle, trailer, semitrailer, or recreational vehicle at the request of the person who owns the motor vehicle has a lien on the vehicle to the reasonable value of the charges for the labor, materials, storage, or repairs.

(b) An individual, a firm, a partnership, a limited liability company, or a corporation that provides towing services for a motor vehicle, trailer, semitrailer, or recreational vehicle at the request of:

(1) the person who owns the motor vehicle, trailer, semitrailer, or recreational vehicle; or
(2) an individual, a firm, a partnership, a limited liability company, or a corporation on whose property an abandoned motor vehicle, trailer, semitrailer, or recreational vehicle is located;

has a lien on the vehicle for the reasonable value of the charges for the towing services and other related costs. An individual, a firm, a partnership, a limited liability company, or a corporation that obtains a lien for an abandoned vehicle under subdivision (2) must comply with IC 9-22-1-4, IC 9-22-1-16, IC 9-22-1-17, and
IC 9-22-1-19.

(b) (c) If:

1) the charges made under subsection (a) or (b) are not paid; and
2) the motor vehicle, trailer, semitrailer, or recreational vehicle is not claimed;

within thirty (30) days from the date on which the motor vehicle was left in or came into the possession of the individual, firm, limited liability company, or corporation for repairs, storage, towing, or the furnishing of materials, the individual, firm, limited liability company, or corporation may advertise the vehicle for sale. The vehicle may not be sold before fifteen (15) days after the date the advertisement required by subsection (c) has been placed or after notice required by subsection (d) has been sent, whichever is later.

(c) (d) Before a vehicle may be sold under subsection (b), (c), an advertisement must be placed in a newspaper of general circulation printed in the English language in the city or town in which the lienholder's place of business is located. The advertisement must contain at least the following information:

1. A description of the vehicle, including make, type, and manufacturer's identification number.
2. The amount of the unpaid charges.
3. The time, place, and date of the sale.

(d) (e) In addition to the advertisement required under subsection (c), (d), the person who holds the mechanic's lien must:

1) notify the person who owns the motor vehicle and any other person who holds a lien of record at the person's last known address by certified mail, return receipt requested; or
2) if the vehicle is an abandoned motor vehicle, provide notice as required under subdivision (1) if the location of the owner of the motor vehicle or a lienholder of record is determined by the bureau in a search under IC 9-22-1-20;

that the vehicle will be sold at public auction on a specified date to satisfy the lien imposed by this section.

(e) (f) A person who holds a lien of record on a vehicle subject to sale under this section may pay the storage, repair, towing, or service charges due. If the person who holds the lien of record elects to pay the charges due, the person is entitled to possession of the vehicle and becomes the holder of the mechanic's lien imposed by this section.
(f) (g) If the person who owns a vehicle subject to sale under this section does not claim the vehicle and satisfy the lien on the vehicle, the vehicle may be sold at public auction to the highest and best bidder for cash. A person who holds a mechanic's lien under this section may purchase a motor vehicle subject to sale under this section.

(g) (h) A person who holds a mechanic's lien under this section may deduct and retain the amount of the lien and the cost of the advertisement required under subsection (e) (d) from the purchase price received for a motor vehicle sold under this section. After deducting from the purchase price the amount of the lien and the cost of the advertisement, the person shall pay the surplus of the purchase price to the person who owns the motor vehicle if the person's address or whereabouts is known. If the address or whereabouts of the person who owns the vehicle is not known, the surplus of the purchase price shall be paid over to the clerk of the circuit court of the county in which the person who holds the mechanic's lien has a place of business for the use and benefit of the person who owns the vehicle.

(h) (i) A person who holds a mechanic's lien under this section shall execute and deliver to the purchaser of a vehicle under this section a sales certificate in the form designated by the bureau, setting forth the following information:

1. The facts of the sale.
2. The vehicle identification number.
3. The certificate of title if available.
4. A certificate from the newspaper showing that the advertisement was made as required under subsection (e) (d).

Whenever the bureau receives from the purchaser an application for certificate of title accompanied by these items, the bureau shall issue a certificate of title for the vehicle under IC 9-17.

SECTION 10. IC 32-33-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A person engaged in:

1. towing, repairing, storing, servicing, or furnishing supplies or accessories for motor vehicles, airplanes, construction machinery and equipment, and farm machinery; or
2. maintaining a motor vehicle garage, an airport or repair shop for airplanes, or a repair shop or servicing facilities for construction machinery and equipment and farm machinery;
has a lien on any motor vehicle or airplane or any unit of construction machinery and equipment or farm machinery towed, stored, repaired, serviced, or maintained for the person's reasonable charges for the towing, repair work, storage, or service, including reasonable charges for labor, for the use of tools, machinery, and equipment, and for all accessories, materials, gasoline, oils, lubricants, and other supplies furnished in connection with the towing, repair, storage, servicing, or maintenance of the motor vehicle, airplane, unit of construction machinery and equipment, or farm machinery.

(b) The costs of storing a motor vehicle may not exceed one thousand five hundred dollars ($1,500).

SECTION 11. IC 32-33-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A person seeking to acquire a lien upon a motor vehicle, an airplane, a unit of construction machinery and equipment, or farm machinery, whether the claim to be secured by the lien is then due or not, must file in the recorder's office of the county where:

(1) the towing, repair, service, or maintenance work was performed; or

(2) the storage, supplies, or accessories were furnished;
a notice in writing of the intention to hold the lien upon the motor vehicle, airplane, unit of construction machinery and equipment, or farm machinery for the amount of the person's claim.

(b) A notice filed under subsection (a) must specifically state the amount claimed and give a substantial description of the motor vehicle, airplane, unit of construction machinery and equipment, or farm machinery upon which the lien is asserted.

(c) Any description in a notice of intention to hold a lien filed under subsection (a) is sufficient if by the description the motor vehicle, airplane, unit of construction machinery and equipment, or farm machinery can be identified.

(d) A notice under subsection (a) must be filed in the recorder's office not later than sixty (60) days after the:

(1) performance of the towing or work; or the

(2) furnishing of the storage, supplies, accessories, or materials.

SECTION 12. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-10.1-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 13. (a) Beginning with the class of students who expect to graduate during the 1999-2000 school year, Except as provided in subsection (b), each student is required to meet:

(1) the academic standards tested in the graduation examination; and
(2) any additional requirements established by the governing body;
to be eligible to graduate.

(b) Except as provided in subsections (d), (e), (f), (g), (h), and (i), Beginning with the class of students who expect to graduate during the 2010-2011 school year, each student is required to meet:

(1) the academic standards tested in the graduation examination;
(2) the Core 40 course and credit requirements adopted by the board under IC 20-10.1-5.7; and
(3) any additional requirements established by the governing body;
to be eligible to graduate.

(b) Except as provided in subsections (d), (e), (f), (g), (h), and (i), Beginning with the class of students who expect to graduate during the 2010-2011 school year, each student is required to meet:

(1) the academic standards tested in the graduation examination;
(2) the Core 40 course and credit requirements adopted by the board under IC 20-10.1-5.7; and
(3) any additional requirements established by the governing body;
to be eligible to graduate.

(b) A student who does not meet the academic standards tested in the graduation examination shall be given the opportunity to be tested during each semester of each grade following the grade in which the student is initially tested until the student achieves a passing score.

(c) A student who does not achieve a passing score on the graduation examination may be eligible to graduate if all of the following occur:

(1) The principal of the school the student attends certifies that the student will within one month of the student's scheduled
graduation date successfully complete all components of the Core 40 curriculum as established by the board under IC 20-10.1-5.7-1.

(2) The student otherwise satisfies all state and local graduation requirements.

(d) A student who does not achieve a passing score on the graduation examination and who does not meet the requirements of subsection (c) (b) may be eligible to graduate if the student does all of the following:

(1) Takes the graduation examination in each subject area in which the student did not achieve a passing score at least one (1) time every school year after the school year in which the student first takes the graduation examination.
(2) Completes remediation opportunities provided to the student by the student's school.
(3) Maintains a school attendance rate of at least ninety-five percent (95%) with excused absences not counting against the student's attendance.
(4) Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the board.
(5) Obtains a written recommendation from a teacher of the student in each subject area in which the student has not achieved a passing score. The recommendation must:
   (A) be concurred in by the principal of the student's school; and
   (B) be supported by documentation that the student has attained the academic standard in the subject area based upon:
      (i) tests other than the graduation examination; or
      (ii) classroom work.
(6) Otherwise satisfies all state and local graduation requirements.
(6) Either:
   (A) completes:
      (i) the course and credit requirements for a general diploma, including the career academic sequence;
      (ii) a workforce readiness assessment; and
      (iii) at least one (1) career exploration internship, cooperative education, or workforce credential
recommended by the student's school; or
(B) obtains a written recommendation from a teacher of
the student in each subject area in which the student has
not achieved a passing score on the graduation
examination. The written recommendation must be
concurred in by the principal of the student's school and be
supported by documentation that the student has attained
the academic standard in the subject area based upon:
(i) tests other than the graduation examination; or
(ii) classroom work.

(e) This subsection applies to a student who is a child with a
disability (as defined in IC 20-1-6-1). If the student does not achieve a
passing score on the graduation examination, the student's case
congress committee may determine that the student is eligible to
graduate if the case conference committee finds the following:

(1) The student's teacher of record, in consultation with a teacher
of the student in each subject area in which the student has not
achieved a passing score, makes a written recommendation to the
case conference committee. The recommendation must:
(A) be concurred in by the principal of the student's school; and
(B) be supported by documentation that the student has
attained the academic standard in the subject area based upon:
(i) tests other than the graduation examination; or
(ii) classroom work.

(2) The student meets all of the following requirements:
(A) Retakes the graduation examination in each subject area
in which the student did not achieve a passing score as often
as required by the student's individualized education program.
(B) Completes remediation opportunities provided to the
student by the student's school to the extent required by the
student's individualized education program.
(C) Maintains a school attendance rate of at least ninety-five
percent (95%) to the extent required by the student's
individualized education program with excused absences not
counting against the student's attendance.
(D) Maintains at least a "C" average or the equivalent in the
courses comprising the credits specifically required for
graduation by rule of the board.

(E) Otherwise satisfies all state and local graduation requirements.

(f) Upon the request of a student's parent, the student may be exempted from the Core 40 curriculum requirement set forth in subsection (b) and required to complete the general curriculum to be eligible to graduate. Except as provided in subsection (j), the student's parent and the student's counselor (or another staff member who assists students in course selection) shall meet to discuss the student's progress. Following the meeting, the student's parent shall determine whether the student will achieve greater educational benefits by:

   (1) continuing the general curriculum; or
   (2) completing the Core 40 curriculum.

(g) This subsection applies to a student who does not pass at least three (3) courses required under the Core 40 curriculum. Except as provided in subsection (j), the student's parent and the student's counselor (or another staff member who assists students in course selection) shall meet to discuss the student's progress. Following the meeting, the student's parent shall determine whether the student will achieve greater educational benefits by:

   (1) continuing in the Core 40 curriculum; or
   (2) completing the general curriculum.

(h) This subsection applies to a student who receives a score on the graduation examination that is in the twenty-fifth percentile or lower when the student takes the graduation examination for the first time. Except as provided in subsection (j), the student's parent and the student's counselor (or another staff member who assists students in course selection) shall meet to discuss the student's progress. Following the meeting, the student's parent shall determine whether the student will achieve greater educational benefits by:

   (1) continuing in the Core 40 curriculum; or
   (2) completing the general curriculum.

(i) A decision with regard to whether a student who is a child with a disability (as defined in IC 20-1-6-1) is subject to the requirements of subsection (b)(2) shall be made in accordance with the student's individualized education program and federal law.

(j) This subsection applies if the parent of a student to whom
subsection (g) or (h) applies does not attend a meeting with the student and the student's counselor after receiving two (2) written requests to attend a meeting. If the student's parent does not attend a meeting described in subsection (g) or (h), the student and the student's counselor shall meet and:

1) the student's counselor shall make a recommendation to the student as to whether the student will achieve greater educational benefits by:
   A) continuing in the Core 40 curriculum; or
   B) completing the general curriculum; and
2) the student shall determine which curriculum the student will complete.

SECTION 2. IC 20-12-17.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 17.5. Admission Requirements for State Educational Institutions

Sec. 1. (a) This chapter applies beginning with the class of students who enter a state educational institution as freshmen during the 2011-2012 academic year.

(b) As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

Sec. 2. (a) This section does not apply to:

1) Ivy Tech State College; and
2) Vincennes University with respect to two-year degree programs.

(b) Except as provided in sections 5 and 6 of this chapter, each state educational institution must require a student who is an Indiana resident to have completed either:

1) the Core 40 curriculum established under IC 20-30-10; or
2) a curriculum that is equivalent to the Core 40 curriculum; as a general requirement for regular admission as a freshman to the state educational institution.

(c) Each state educational institution must establish the institution's:

1) requirements for regular admission; and
2) exceptions to the institution's requirements for regular admission.

Sec. 3. (a) This section applies to:
(1) Ivy Tech State College; and
(2) Vincennes University with respect to two-year degree programs.

(b) A student who enters a state educational institution to which this section applies to obtain a two-year degree is not required to have completed either:

(1) the Core 40 curriculum established under IC 20-30-10; or
(2) a curriculum that is equivalent to the Core 40 curriculum;
to be admitted to the state educational institution.

Sec. 4. The commission for higher education created under IC 20-12-0.5-2 shall encourage accredited private institutions of higher education to adopt general regular admissions requirements and exceptions to the regular admissions requirements that are similar to the requirements set forth in section 2 of this chapter.

Sec. 5. (a) This section applies to a student who has not completed:

(1) the Core 40 curriculum established under IC 20-30-10; or
(2) a curriculum that is equivalent to the Core 40 curriculum.

(b) A student to whom this section applies may apply for acceptance as a transfer student at a state educational institution to which section 2 of this chapter applies if the student has successfully completed at least twelve (12) credit hours of college level courses with at least a "C" average or the equivalent in each course.

Sec. 6. The requirement set forth in section 2(b) of this chapter that a student must complete the Core 40 curriculum or a curriculum equivalent to the Core 40 curriculum for regular admission does not apply to a student who will be at least twenty-one (21) years of age during the semester for which the student seeks admission.

SECTION 3. IC 20-32-4-1, AS ADDED BY HEA 1288-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), a student must meet:

(1) the academic standards tested in the graduation examination; and
(2) any additional requirements established by the governing body of the student's school corporation;
to be eligible to graduate.
(b) Except as provided in sections 4, 5, 6, 7, 8, 9, and 10 of this chapter, beginning with the class of students who expect to graduate during the 2010-2011 school year, each student is required to meet:

1. the academic standards tested in the graduation examination;
2. the Core 40 course and credit requirements adopted by the state board under IC 20-30-10; and
3. any additional requirements established by the governing body;

to be eligible to graduate.

SECTION 4. IC 20-32-4-4, AS ADDED BY HEA 1288-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A student who does not achieve a passing score on the graduation examination and who does not meet the requirements of section 31 of this chapter may be eligible to graduate if the student does all the following:

1. Takes the graduation examination in each subject area in which the student did not achieve a passing score at least one (1) time every school year after the school year in which the student first takes the graduation examination.
2. Completes remediation opportunities provided to the student by the student's school.
3. Maintains a school attendance rate of at least ninety-five percent (95%) with excused absences not counting against the student's attendance.
4. Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the state board.
5. Obtains a written recommendation from a teacher of the student in each subject area in which the student has not achieved a passing score. The recommendation must:
   A. be concurred in by the principal of the student's school; and
   B. be supported by documentation that the student has attained the academic standard in the subject area based on:
      i) tests other than the graduation examination; or
      ii) classroom work.
(5) Otherwise satisfies all state and local graduation requirements.

(6) Either:

(A) completes:

(i) the course and credit requirements for a general diploma, including the career academic sequence;
(ii) a workforce readiness assessment; and
(iii) at least one (1) career exploration internship, cooperative education, or workforce credential recommended by the student's school; or

(B) obtains a written recommendation from a teacher of the student in each subject area in which the student has not achieved a passing score on the graduation examination. The written recommendation must be concurred in by the principal of the student's school and be supported by documentation that the student has attained the academic standard in the subject area based on:

(i) tests other than the graduation examination; or
(ii) classroom work.

SECTION 5. IC 20-32-4-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. A decision with regard to whether a student who is a child with a disability (as defined in IC 20-35-1-2) is subject to the requirements of section 1(b)(2) of this chapter shall be made in accordance with the student's individualized education program and federal law.

SECTION 6. IC 20-32-4-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. Upon the request of a student's parent, the student may be exempted from the Core 40 curriculum requirement set forth in section 1 of this chapter and be required to complete the general curriculum to be eligible to graduate. Except as provided in section 10 of this chapter, the student's parent and the student's counselor (or another staff member who assists students in course selection) shall meet to discuss the student's progress. Following the meeting, the student's parent shall determine whether the student will achieve greater educational benefits by:

(1) continuing the general curriculum; or
(2) completing the Core 40 curriculum.

SECTION 7. IC 20-32-4-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. This section applies to a student who does not pass at least three (3) courses required under the Core 40 curriculum. Except as provided in section 10 of this chapter, the student's parent and the student’s counselor (or another staff member who assists students in course selection) shall meet to discuss the student's progress. Following the meeting, the student's parent shall determine whether the student will achieve greater educational benefits by:

(1) continuing in the Core 40 curriculum; or
(2) completing the general curriculum.

SECTION 8. IC 20-32-4-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. This section applies to a student who receives a score on the graduation examination that is in the twenty-fifth percentile or lower when the student takes the graduation examination for the first time. Except as provided in section 10 of this chapter, the student's parent and the student's counselor (or another staff member who assists students in course selection) shall meet to discuss the student's progress. Following the meeting, the student's parent shall determine whether the student will achieve greater educational benefits by:

(1) continuing in the Core 40 curriculum; or
(2) completing the general curriculum.

SECTION 9. IC 20-32-4-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This section applies if the parent of a student to whom section 8 or 9 of this chapter applies does not attend a meeting with the student and the student's counselor after receiving two (2) written requests to attend a meeting. If the student’s parent does not attend a meeting described in section 8 or 9 of this chapter, the student and the student’s counselor shall meet and:

(1) the student’s counselor shall make a recommendation to the student as to whether the student will achieve greater educational benefits by:
(A) continuing in the Core 40 curriculum; or
(B) completing the general curriculum; and
(2) the student shall determine which curriculum the student will complete.

SECTION 10. IC 20-32-4-3 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 11. [EFFECTIVE JULY 1, 2005] Notwithstanding IC 20-32-4-1, as amended by this act, before July 1, 2010, the following apply:

(1) To be eligible to graduate from high school, each student is required to meet:

(A) the academic standards tested in the graduation examination (as defined in IC 20-18-2-6); and
(B) any additional requirements established by the governing body (as defined in IC 20-18-2-5).

(2) A student who does not meet the academic standards tested in the graduation examination shall be given the opportunity to be tested during each semester of each grade following the grade in which the student is initially tested until the student achieves a passing score.

(3) A student who does not achieve a passing score on the graduation examination may be eligible to graduate if all the following occur:

(A) The principal of the school the student attends certifies that the student will within one (1) month of the student's scheduled graduation date successfully complete all components of the Core 40 curriculum as established by the Indiana state board of education under IC 20-30-10.
(B) The student otherwise satisfies all state and local graduation requirements.

(4) A student who does not achieve a passing score on the graduation examination and who does not meet the requirements of subdivision (3) may be eligible to graduate if the student does all the following:

(A) Takes the graduation examination in each subject area in which the student did not achieve a passing score at least one (1) time every school year after the school year in which the student first takes the graduation examination.
(B) Completes remediation opportunities provided to the
student by the student's school.
(C) Maintains a school attendance rate of at least ninety-five percent (95%) with excused absences not counting against the student's attendance.
(D) Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the board.
(E) Obtains a written recommendation from a teacher of the student in each subject area in which the student has not achieved a passing score. The recommendation must:
   (i) be concurred in by the principal of the student's school; and
   (ii) be supported by documentation that the student has attained the academic standard in the subject area based upon tests other than the graduation examination or classroom work.
(F) Otherwise satisfies all state and local graduation requirements.
(5) This subdivision applies to a student who is a child with a disability (as defined in IC 20-35-1-2). If the student does not achieve a passing score on the graduation examination, the student's case conference committee may determine that the student is eligible to graduate if the case conference committee finds the following:
   (A) The student's teacher of record, in consultation with a teacher of the student in each subject area in which the student has not achieved a passing score, makes a written recommendation to the case conference committee. The recommendation must:
      (i) be concurred in by the principal of the student's school; and
      (ii) be supported by documentation that the student has attained the academic standard in the subject area based upon tests other than the graduation examination or classroom work.
   (B) The student meets all the following requirements:
      (i) Retakes the graduation examination in each subject area in which the student did not achieve a passing score as often as required by the student's individualized
education program.
(ii) Completes remediation opportunities provided to the student by the student’s school to the extent required by the student’s individualized education program.
(iii) Maintains a school attendance rate of at least ninety-five percent (95%) to the extent required by the student’s individualized education program with excused absences not counting against the student’s attendance.
(iv) Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the board.
(v) Otherwise satisfies all state and local graduation requirements.

SECTION 12. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "department" refers to the department of education established by IC 20-19-3-1.

(b) To ensure the successful implementation of the requirement that, beginning with the 2010-2011 school year and with certain exceptions, a student must complete the Core 40 curriculum in order to graduate from high school, the department shall conduct a survey to determine whether a shortage of mathematics, science, and special education teachers exists in public schools, particularly in urban and rural areas.

(c) Not later than November 1, 2005, the department must:
(1) report the results of the survey conducted under subsection (b); and
(2) recommend strategies to address any shortages that are found to exist;

to the Indiana state board of education established by IC 20-19-2-2, the education roundtable established by IC 20-19-4-2, and the legislative council (in an electronic format under IC 5-14-6).

(d) This SECTION expires November 2, 2005.
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 5-2-10.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The Indiana safe schools fund is established to do the following:

1. Promote school safety through the:
   A. purchase of equipment for the detection of firearms and other weapons;
   B. use of dogs trained to detect firearms, drugs, explosives, and illegal substances; and
   C. purchase of other equipment and materials used to enhance the safety of schools.

2. Combat truancy.
3. Provide matching grants to schools for school safe haven programs.
4. Provide grants for school safety and safety plans.
5. Provide educational outreach and training to school personnel concerning:
   A. the identification of;
   B. the prevention of; and
   C. intervention in;
   bullying.

(b) The fund consists of amounts deposited:
1. under IC 33-37-9-4; and
2. from any other public or private source.

(c) The institute shall determine grant recipients from the fund with a priority on awarding grants in the following order:
1. A grant for a safety plan.
2. A safe haven grant requested under section 10 of this chapter.
3. A safe haven grant requested under section 7 of this chapter.
(d) Upon recommendation of the council, the institute shall establish
a method for determining the maximum amount a grant recipient may receive under this section.

SECTION 2. IC 5-2-10.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The school safety specialist training and certification program is established.
(b) The school safety specialist training program shall provide:
   (1) annual training sessions, which may be conducted through distance learning or at regional centers; and
   (2) information concerning best practices and available resources; for school safety specialists and county school safety commissions.
(c) The department of education shall do the following:
   (1) Assemble an advisory group of school safety specialists from around the state to make recommendations concerning the curriculum and standards for school safety specialist training.
   (2) Develop an appropriate curriculum and the standards for the school safety specialist training and certification program. The department of education may consult with national school safety experts in developing the curriculum and standards. The curriculum developed under this subdivision must include training in identifying, preventing, and intervening in bullying.
   (3) Administer the school safety specialist training program and notify the institute of candidates for certification who have successfully completed the training program.
(d) The institute shall do the following:
   (1) Establish a school safety specialist certificate.
   (2) Review the qualifications of each candidate for certification named by the department of education.
   (3) Present a certificate to each school safety specialist that the institute determines to be eligible for certification.

SECTION 3. IC 5-2-10.1-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Each school within a school corporation shall establish a safe school committee. The committee may be a subcommittee of the committee that develops the strategic and continuous school improvement and achievement plan under IC 20-10.2-3.
(b) The department of education and the school corporation's
school safety specialist shall provide materials to assist a safe school committee in developing a plan for the school that addresses the following issues:

1. Unsafe conditions, crime prevention, school violence, bullying, and other issues that prevent the maintenance of a safe school.
2. Professional development needs for faculty and staff to implement methods that decrease problems identified under subdivision (1).
3. Methods to encourage:
   A. involvement by the community and students;
   B. development of relationships between students and school faculty and staff; and
   C. use of problem solving teams.

SECTION 4. IC 20-8.1-5.1-0.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.2. As used in this chapter, "bullying" means overt, repeated acts or gestures, including:
   1. verbal or written communications transmitted;
   2. physical acts committed; or
   3. any other behaviors committed;
by a student or group of students against another student with the intent to harass, ridicule, humiliate, intimidate, or harm the other student.

SECTION 5. IC 20-8.1-5.1-7.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.7. (a) Discipline rules adopted by the governing body of a school corporation under section 7 of this chapter must:
   1. prohibit bullying; and
   2. include provisions concerning education, parental involvement, reporting, investigation, and intervention.
(b) The discipline rules described in subsection (a) must apply when a student is:
   1. on school grounds immediately before or during school hours, immediately after school hours, or at any other time when the school is being used by a school group;
   2. off school grounds at a school activity, function, or event;
   3. traveling to or from school or a school activity, function,
or event; or
(4) using property or equipment provided by the school.

(c) This section may not be construed to give rise to a cause of action against a person or school corporation based on an allegation of noncompliance with this section. Noncompliance with this section may not be used as evidence against a school corporation in a cause of action.

SECTION 6. IC 20-33-8-0.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.2. As used in this chapter, "bullying" means overt, repeated acts or gestures, including:

(1) verbal or written communications transmitted;
(2) physical acts committed; or
(3) any other behaviors committed;

by a student or group of students against another student with the intent to harass, ridicule, humiliate, intimidate, or harm the other student.

SECTION 7. IC 20-33-8-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.5. (a) Discipline rules adopted by the governing body of a school corporation under section 12 of this chapter must:

(1) prohibit bullying; and
(2) include provisions concerning education, parental involvement, reporting, investigation, and intervention.

(b) The discipline rules described in subsection (a) must apply when a student is:

(1) on school grounds immediately before or during school hours, immediately after school hours, or at any other time when the school is being used by a school group;
(2) off school grounds at a school activity, function, or event;
(3) traveling to or from school or a school activity, function, or event; or
(4) using property or equipment provided by the school.

(c) This section may not be construed to give rise to a cause of action against a person or school corporation based on an allegation of noncompliance with this section. Noncompliance with this section may not be used as evidence against a school corporation in a cause of action.
AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-7-2-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. "Committee" means the following:

(1) For purposes of IC 12-8-3, the meaning set forth in IC 12-8-3-1.

(2) For purposes of IC 12-15-33, the meaning set forth in IC 12-15-33-1.

(3) For purposes of IC 12-17.2-3.2, the meaning set forth in IC 12-17.2-3.2-1.

SECTION 2. IC 12-17.2-3.2 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 3.2. Committee on Child Care

Sec. 1. As used in this chapter, "committee" refers to the committee on child care established by section 2 of this chapter.

Sec. 2. (a) The committee on child care is established.

(b) The committee consists of the following voting members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. Members appointed under this subdivision may not be members of the same political party.

(2) Two (2) members of the senate appointed by the president pro tempore of the senate. Members appointed under this subdivision may not be members of the same political party.

(3) The director of the division of family and children or the director's designee.

(4) The commissioner of the department of workforce development or the commissioner's designee.

(5) One (1) individual who holds a degree in the study of early
childhood development.
(6) One (1) administrator of an elementary school.
(7) One (1) individual who operates or administers a Head Start program.
(8) One (1) individual who operates or administers a child care center.
(9) One (1) individual who operates or administers a class I child care home.
(10) One (1) individual who operates or administers a class II child care home.
(11) One (1) individual who operates or administers a child care ministry.
(12) One (1) individual who operates or administers an after school care program.
(13) One (1) individual who operates or administers child care in an employer offered setting.
(14) One (1) individual who is a consumer of child care and who does not operate or administer a child care program.
(15) The state fire marshal or the state fire marshal's designee.

(c) The president pro tempore of the senate shall appoint the members listed in subsections (b)(5), (b)(8), (b)(9), (b)(12), and (b)(14). In making the appointments, the president pro tempore of the senate shall attempt to appoint individuals that represent both rural and urban areas. The president pro tempore of the senate shall appoint a member described in subsection (b)(2) as chairperson of the committee in 2006.

(d) The speaker of the house of representatives shall appoint the members listed in subsections (b)(6), (b)(7), (b)(10), (b)(11), and (b)(13). In making the appointments, the speaker of the house of representatives shall attempt to appoint individuals that represent both rural and urban areas. The speaker of the house of representatives shall appoint a member described in subsection (b)(1) as chairperson of the committee in 2005.

Sec. 3. The committee shall operate under the policies governing study committees adopted by the legislative council. However, the committee shall meet throughout the year at the call of the chairperson, except when the general assembly is in session.

Sec. 4. The affirmative votes of a majority of the voting
members appointed to the committee are required for the committee to take action on any measure, including final reports. Sec. 5. (a) The committee shall:

1. study the system of child care regulation; and
2. report and make recommendations concerning the system of child care regulation to the legislative council not later than:
   (A) October 31, 2005; and
   (B) October 31, 2006.

(b) The committee's recommendations under subsection (a) must further the following child care regulation purposes:

1. To provide support for families in need of reliable, high quality child care.
2. To encourage and support high quality child care providers.
3. To allow for a variety of methods of child care provision and allow each family to determine the method preferred for the family's children.
4. To access available and affordable child care by parents.
5. To encourage the state to access all available federal funds for child care.

(c) The committee's program of study must include consideration of the following:

2. Encouragement of high quality child care through committee assessment and recommendation of nationally recognized child care provider quality accreditation organizations.
3. A review of child care models from other states.
4. Ensuring the safety of the child.
5. Any need for reorganization and refocusing of governmental agencies responsible for regulation of child care.
6. Parental rights.

(d) The report required under subsection (a)(2) must include recommendations concerning:

1. continued legislative monitoring of child care regulation by the committee or another legislative committee; and
(2) any amendment to the system of child care regulation that
the committee determines is necessary.
Sec. 6. This chapter expires November 1, 2006.
SECTION 3. IC 12-17.2-3.1 IS REPEALED [EFFECTIVE UPON
PASSAGE].
SECTION 4. An emergency is declared for this act.

P.L.108-2005
[S.417. Approved April 27, 2005.]

AN ACT concerning corrections.

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

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this
SECTION, "real estate" refers to certain real property owned by
the state, more particularly described as follows:

(1) all residential housing and all undeveloped land located at
the Westville Correctional Facility in LaPorte County,
Indiana, except for facilities that are used to house inmates;
and

(2) all residential housing and all undeveloped land located at
the Putnamville Correctional Facility in Putnam County,
Indiana, except for facilities that are used to house inmates.

(b) The commissioner of the Indiana department of
administration shall:

(1) hire a land surveyor or use the services of a staff member
registered under IC 25-21.5 to determine how real estate
could be divided in order for real estate to be sold; and

(2) hire a real estate appraiser to determine the value of real
estate that could be sold.

(c) The land surveyor or staff member described in subsection
(b) shall:

(1) perform a survey and determine how real estate could be
divided to be sold; and
(2) submit a report to the legislative council, in an electronic format under IC 5-14-6, by August 1, 2005, that contains at least the following:

(A) A description of all real estate at Putnamville Correctional Facility and Westville Correctional Facility.

(B) The results of the survey, including how:
   (i) undeveloped real estate could be divided into individual plots to be sold; and
   (ii) land surrounding individual residences could be divided to be sold.

(d) The real estate appraiser described in subsection (b) shall:
   (1) appraise all real estate based on the survey described in subsection (c)(2)(B); and
   (2) submit a report to the legislative council, in an electronic format under IC 5-14-6, by November 1, 2005, that contains at least the following:
      (A) A description of all real estate at Putnamville Correctional Facility and Westville Correctional Facility that could be sold on the real estate market and what the appraisal of each piece of real estate is.
      (B) The appraiser’s opinion concerning potential problems with selling the real estate, including any potential issues with zoning.

(e) The commissioner of the department of correction is authorized to refuse to sell any property that is located within one thousand (1,000) feet from the facility’s secured perimeter. Any land sold is subject to existing utility easements.

(f) This SECTION expires December 31, 2005.

SECTION 2. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning elections.

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

SECTION 1. IC 3-5-2-40.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40.5. "Proof of identification" refers to a document that satisfies all the following:

1. The document shows the name of the individual to whom the document was issued, and the name conforms to the name in the individual's voter registration record.
2. The document shows a photograph of the individual to whom the document was issued.
3. The document includes an expiration date, and the document:
   - (A) is not expired; or
   - (B) expired after the date of the most recent general election.
4. The document was issued by the United States or the state of Indiana.

SECTION 2. IC 3-10-1-7.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.2. (a) Except as provided in subsection (e), a voter who desires to vote an official ballot at a primary election shall provide proof of identification.

(b) Except as provided in subsection (e), before the voter proceeds to vote in a primary election, a member of the precinct election board shall ask the voter to provide proof of identification. The voter must produce the proof of identification before being permitted to sign the poll list.

(c) If:
   1. the voter is unable or declines to present the proof of identification; or
(2) a member of the precinct election board determines that the proof of identification presented by the voter does not qualify as proof of identification under IC 3-5-2-40.5; a member of the precinct election board shall challenge the voter as prescribed by IC 3-11-8.

(d) If the voter executes a challenged voter's affidavit under section 9 of this chapter or IC 3-11-8-22, the voter may:

(1) sign the poll list; and

(2) receive a provisional ballot.

(e) A voter who votes in person at a precinct polling place that is located at a state licensed care facility where the voter resides is not required to provide proof of identification before voting in a primary election.

SECTION 3. IC 3-11-8-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. (a) Except as provided in subsection (e), a voter who desires to vote an official ballot at an election shall provide proof of identification.

(b) Except as provided in subsection (e), before the voter proceeds to vote in the election, a member of the precinct election board shall ask the voter to provide proof of identification. The voter shall produce the proof of identification before being permitted to sign the poll list.

(c) If:

(1) the voter is unable or declines to present the proof of identification; or

(2) a member of the precinct election board determines that the proof of identification provided by the voter does not qualify as proof of identification under IC 3-5-2-40.5; a member of the precinct election board shall challenge the voter as prescribed by this chapter.

(d) If the voter executes a challenged voter's affidavit under section 22 of this chapter, the voter may:

(1) sign the poll list; and

(2) receive a provisional ballot.

(e) A voter who votes in person at a precinct polling place that is located at a state licensed care facility where the voter resides is not required to provide proof of identification before voting in an election.

(f) After a voter has passed the challengers or has been sworn in, the
A voter shall be admitted to the polls. Upon entering the polls, the instructed by a member of the precinct election board to proceed to the location where the poll clerks are stationed. The voter shall announce the voter's name to the poll clerks or assistant poll clerks. A poll clerk, an assistant poll clerk, or a member of the precinct election board shall require the voter to write the following on the poll list:

1. The voter’s name.
2. The voter’s current residence address.

(b) The poll clerk, an assistant poll clerk, or a member of the precinct election board shall:

1. ask the voter to provide the voter's voter identification number;
2. tell the voter the number the voter may use as a voter identification number; and
3. explain to the voter that the voter is not required to provide a voter identification number at the polls.

(c) This subsection applies after December 31, 2003. The poll clerk or assistant poll clerk shall examine the list provided under IC 3-7-29-1 or IC 3-11-3-18 to determine if the county election board has indicated that the voter is required to provide additional personal identification under 42 U.S.C. 15483 and IC 3-7-33-4.5 before voting in person. If the list (or a certification concerning absentee voters under IC 3-11-10-12) indicates that the voter is required to present this identification before voting in person, the poll clerk shall advise the voter that the voter must present, in addition to the proof of identification required under subsection (b), a piece of identification described in subsection (d) to the poll clerk.

(d) This subsection applies after December 31, 2003. As required by 42 U.S.C. 15483, in addition to the proof of identification required under subsection (b), a voter described by IC 3-7-33-4.5 who has not complied with IC 3-7-33-4.5 before appearing at the polls on election day must present one (1) of the following documents to the poll clerk:

1. a current and valid photo identification; or
2. a current utility bill, bank statement, government check, paycheck, or government document that shows the name and address of the voter.

(e) This subsection applies after December 31, 2003. If a voter
presents a document under subsection (d), (i), the poll clerk shall add a notation to the list indicating the type of document presented by the voter. The election division shall prescribe a standardized coding system to classify documents presented under this subsection for entry into the county voter registration system.

(f) This subsection applies after December 31, 2003. If a voter required to present documentation under subsection (d) (i) is unable to present the documentation to the poll clerk while present in the polls, the poll clerk shall notify the precinct election board. The board shall provide a provisional ballot to the voter under IC 3-11.7-2.

(g) This subsection applies after December 31, 2003. The precinct election board shall advise the voter that the voter may file a copy of the documentation with the county voter registration office to permit the provisional ballot to be counted under IC 3-11.7.

(h) This subsection does not apply to a precinct in a county with a computerized registration system whose inspector was:
   (1) furnished with a list certified under IC 3-7-29; and
   (2) not furnished with a certified photocopy of the signature on the affidavit of registration of each voter of the precinct for the comparison of signatures under this section.

In case of doubt concerning a voter's identity, the precinct election board shall compare the voter's signature with the signature on the affidavit of registration or any certified copy of the signature provided under IC 3-7-29. If the board determines that the voter's signature is authentic, the voter may then vote. If either poll clerk doubts the voter's identity following comparison of the signatures, the poll clerk shall challenge the voter in the manner prescribed by section 21 of this chapter.

(i) If, in a precinct governed by subsection (h): (m):
   (1) the poll clerk does not execute a challenger's affidavit; or
   (2) the voter executes a challenged voter's affidavit under section 22 of this chapter or had executed the affidavit before signing the poll list;

the voter may then vote.

(j) This section expires January 1, 2006.

SECTION 4. IC 3-11-8-25.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.1. (a) This section applies after December 31, 2005.
(b) Except as provided in subsection (f), a voter who desires to vote an official ballot at an election shall provide proof of identification.

(c) Except as provided in subsection (f), before the voter proceeds to vote in the election, a member of the precinct election board shall ask the voter to provide proof of identification. The voter shall produce the proof of identification before being permitted to sign the poll list.

(d) If:

(1) the voter is unable or declines to present the proof of identification; or

(2) a member of the precinct election board determines that the proof of identification provided by the voter does not qualify as proof of identification under IC 3-5-2-40.5; a member of the precinct election board shall challenge the voter as prescribed by this chapter.

(e) If the voter executes a challenged voter's affidavit under section 22 of this chapter, the voter may:

(1) sign the poll list; and

(2) receive a provisional ballot.

(f) A voter who votes in person at a precinct polling place that is located at a state licensed care facility where the voter resides is not required to provide proof of identification before voting in an election.

(g) After a voter has passed the challengers or has been sworn in, the voter shall be admitted to the polls. Upon entering the polls, the voter shall announce the voter's name to the poll clerks or assistant poll clerks. A poll clerk, an assistant poll clerk, or a member of the precinct election board shall require the voter to write the following on the poll list:

(1) The voter's name.

(2) Except as provided in subsection (f); (l), the voter's current residence address.

(h) The poll clerk, an assistant poll clerk, or a member of the precinct election board shall:

(1) ask the voter to provide or update the voter's voter identification number;
(2) tell the voter the number the voter may use as a voter identification number; and
(3) explain to the voter that the voter is not required to provide or update a voter identification number at the polls.

(i) The poll clerk, an assistant poll clerk, or a member of the precinct election board shall ask the voter to provide proof of identification.

(j) In case of doubt concerning a voter's identity, the precinct election board shall compare the voter's signature with the signature on the affidavit of registration or any certified copy of the signature provided under IC 3-7-29. If the board determines that the voter's signature is authentic, the voter may then vote. If either poll clerk doubts the voter's identity following comparison of the signatures, the poll clerk shall challenge the voter in the manner prescribed by section 21 of this chapter.

(k) If, in a precinct governed by subsection (c):
(1) the poll clerk does not execute a challenger's affidavit; or
(2) the voter executes a challenged voter's affidavit under section 22 of this chapter or executed the affidavit before signing the poll list;
the voter may then vote.

(l) Each line on a poll list sheet provided to take a voter's current address must include a box under the heading "Address Unchanged" so that a voter whose residence address shown on the poll list is the voter's current residence address may check the box instead of writing the voter's current residence address on the poll list.

SECTION 5. IC 3-11-8-25.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.2. (a) This section applies after December 31, 2005. (b) The poll clerk or assistant poll clerk shall examine the list provided under IC 3-7-29-1 to determine if the county election board has indicated that the voter is required to provide additional personal identification under 42 U.S.C. 15483 and IC 3-7-33-4.5 before voting in person. If the list (or a certification concerning absentee voters under IC 3-11-10-12) indicates that the voter is required to present this identification before voting in person, the poll clerk shall advise the voter that the voter must present, in addition to the proof of identification required by section 25.1(b) of this chapter, a piece of
identification described in subsection (c) to the poll clerk.

(c) As required by 42 U.S.C. 15483, **and in addition to the proof of identification required by section 25.1(b) of this chapter**, a voter described by IC 3-7-33-4.5 who has not complied with IC 3-7-33-4.5 before appearing at the polls on election day must present one (1) of the following documents to the poll clerk:

1. A current and valid photo identification.
2. A current utility bill, bank statement, government check, paycheck, or government document that shows the name and address of the voter.

(d) If a voter presents a document under subsection (c), the poll clerk shall add a notation to the list indicating the type of document presented by the voter. The election division shall prescribe a standardized coding system to classify documents presented under this subsection for entry into the county voter registration system.

(e) If a voter required to present documentation under subsection (c) is unable to present the documentation to the poll clerk while present in the polls, the poll clerk shall notify the precinct election board. The board shall provide a provisional ballot to the voter under IC 3-11.7-2.

(f) The precinct election board shall advise the voter that the voter may file a copy of the documentation with the county voter registration office to permit the provisional ballot to be counted under IC 3-11.7.

SECTION 6. IC 3-11-8-25.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.5. If an individual signs the individual's name and either:

1. signs the individual's address; or
2. after December 31, 2005, checks the "Address Unchanged" box;

on the poll list under section 25 or 25.1 of this chapter and then leaves the polls without casting a ballot or after casting a provisional ballot, the voter may not be permitted to reenter the polls to cast a ballot at the election.

SECTION 7. IC 3-11-8-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) **This section does not apply to a list kept by a poll clerk under section 10.5 of this chapter.**

(b) A precinct election board may not keep a poll list other than the poll list required by section 25 or 25.1 of this chapter.
SECTION 8. IC 3-11-10-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. An absentee voter is not required to provide proof of identification when:

(1) mailing, delivering, or transmitting an absentee ballot under section 1 of this chapter; or

(2) voting before an absentee board under this chapter.

SECTION 9. IC 3-11-10-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) If an absentee ballot is challenged under section 21 of this chapter, the absentee voter's application for an absentee ballot shall be considered as the affidavit required to be made by a voter when challenged at the polls while voting in person. In all other respects

(b) Except as provided in subsection (c), the challenge procedure under this section is the same as though the ballot was cast by the voter in person.

(c) An absentee voter is not required to provide proof of identification.

(d) If a proper affidavit is made that would entitle the absentee voter to vote if the absentee voter had personally appeared, then the absentee ballot shall be placed in the ballot box.

SECTION 10. IC 3-11.5-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) If an absentee ballot is challenged under section 15 of this chapter, the absentee voter's application for an absentee ballot shall be considered as the affidavit required to be made by a voter when challenged at the polls while voting in person. In all other respects.

(b) Except as provided in subsection (c), the challenge procedure under this section is the same as though the ballot was cast by the voter in person.

(c) An absentee voter is not required to provide proof of identification.

(d) If a proper affidavit by a qualified person in the form required by IC 3-11-8-22 is made that would entitle the absentee voter to vote if the absentee voter had personally appeared, the couriers shall return the affidavit to the county election board in the same envelope as the certificate returned under section 9 of this chapter.

(e) The absentee ballot cast by the challenged voter shall be
counted if the county election board makes the findings required under section 11 of this chapter.

SECTION 11. IC 3-11.7-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The precinct election board shall affix to the envelope the challenger's affidavit and the affidavit executed by the provisional voter under section 1 of this chapter.

(b) The form of the envelope is prescribed under IC 3-6-4.1-14. The envelope must permit a member of a precinct election board to indicate whether the voter has been issued a provisional ballot as the result of a challenge based on the voter's inability or declination to provide proof of identification.

(c) Except as provided in subsection (c) and in accordance with 42 U.S.C. 15482, the precinct election board shall securely keep the sealed envelope, along with the affidavits affixed to the envelope, in another envelope or container marked "Provisional Ballots".

(d) This subsection applies to the sealed envelope and the affidavits affixed to the envelope of a provisional voter described in section 1(a)(3) of this chapter. As required by 42 U.S.C. 15482, the precinct election board shall keep the sealed envelope or container separate from the envelope or container described in subsection (b).

The envelope or container described in this subsection must be labeled "Provisional Ballots Issued After Regular Poll Closing Hours".

SECTION 12. IC 3-11.7-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in section 5 of this chapter, if the county election board determines that all the following apply, a provisional ballot is valid and shall be counted under this chapter:

1. The affidavit executed by the provisional voter under IC 3-11.7-2-1 is properly executed.
2. The provisional voter is a qualified voter of the precinct and has provided proof of identification, if required, under IC 3-10-1 or IC 3-11-8.
3. Based on all the information available to the county election board, including:
   (A) information provided by the provisional voter;
   (B) information contained in the county's voter registration records; and
(C) information contained in the statewide voter registration file;
the provisional voter registered to vote at a registration agency under this article on a date within the registration period.

(b) If the provisional voter has provided information regarding the registration agency where the provisional voter registered to vote, the board shall promptly make an inquiry to the agency regarding the alleged registration. The agency shall respond to the board not later than noon of the first Friday after the election, indicating whether the agency's records contain any information regarding the registration. If the agency does not respond to the board's inquiry, or if the agency responds that the agency has no record of the alleged registration, the board shall reject the provisional ballot. The board shall endorse the ballot with the word "Rejected" and document on the ballot the inquiry and response, if any, by the agency.

(c) This subsection applies after December 31, 2003. Except as provided in section 5 of this chapter, a provisional ballot cast by a voter described in IC 3-11.7-2-1(b) is valid and shall be counted if the county election board determines under this article that the voter filed the documentation required under IC 3-7-33-4.5 and 42 U.S.C. 15483 with the county voter registration office not later than the closing of the polls on election day.

SECTION 13. IC 3-11.7-5-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) A voter who:
(1) was challenged under IC 3-10-1 or IC 3-11-8 as a result of the voter's inability or declination to provide proof of identification; and
(2) cast a provisional ballot;
may personally appear before the circuit court clerk or the county election board not later than the deadline specified by section 1 of this chapter for the county election board to determine whether to count a provisional ballot.

(b) Except as provided in subsection (c) or (e), if the voter:
(1) provides proof of identification to the circuit court clerk or county election board; and
(2) executes an affidavit before the clerk or board, in the form prescribed by the commission, affirming under the penalties
of perjury that the voter is the same individual who:

(A) personally appeared before the precinct election board; and

(B) cast the provisional ballot on election day;

the county election board shall find that the voter's provisional ballot is valid and direct that the provisional ballot be opened under section 4 of this chapter and processed in accordance with this chapter.

(c) If the voter executes an affidavit before the circuit court clerk or county election board, in the form prescribed by the commission, affirming under the penalties of perjury that:

(1) the voter is the same individual who:

(A) personally appeared before the precinct election board; and

(B) cast the provisional ballot on election day; and

(2) the voter:

(A) is:

(i) indigent; and

(ii) unable to obtain proof of identification without the payment of a fee; or

(B) has a religious objection to being photographed;

the county election board shall determine whether the voter has been challenged for any reason other than the voter's inability or declination to present proof of identification to the precinct election board.

(d) If the county election board determines that the voter described in subsection (c) has been challenged solely for the inability or declination of the voter to provide proof of identification, the county election board shall:

(1) find that the voter's provisional ballot is valid; and

(2) direct that the provisional ballot be:

(A) opened under section 4 of this chapter; and

(B) processed in accordance with this chapter.

(e) If the county election board determines that a voter described in subsection (b) or (c) has been challenged for a cause other than the voter's inability or declination to provide proof of identification, the board shall:

(1) note on the envelope containing the provisional ballot that the voter has complied with the proof of identification
requirement; and
(2) proceed to determine the validity of the remaining challenges set forth in the challenge affidavit before ruling on the validity of the voter's provisional ballot.

(f) If a voter described by subsection (a) fails by the deadline for counting provisional ballots referenced in subsection (a) to:
   (1) appear before the county election board; and
   (2) execute an affidavit in the manner prescribed by subsection (b) or (c);
the county election board shall find that the voter's provisional ballot is invalid.

SECTION 14. IC 3-11.7-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If the board determines that the affidavit executed by the provisional voter has not been properly executed, that the provisional voter is not a qualified voter of the precinct, the voter failed to provide proof of identification when required under IC 3-10-1 or IC 3-11-8, or that the provisional voter did not register to vote at a registration agency under this article on a date within the registration period, the board shall make the following findings:
   (1) The provisional ballot is invalid.
   (2) The provisional ballot may not be counted.
   (3) The provisional ballot envelope containing the ballots cast by the provisional voter may not be opened.

(b) If the county election board determines that a provisional ballot is invalid, a notation shall be made on the provisional ballot envelope: "Provisional ballot determined invalid".

SECTION 15. IC 9-24-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The bureau may adopt rules under IC 4-22-2 and prescribe all forms necessary to implement this chapter. However, the bureau may not impose a fee for the issuance of:
   (1) an original;
   (2) a renewal of an; or
   (3) a duplicate;
identification card to an individual described in subsection (b).

(b) An identification card must be issued without the payment of a fee or charge to an individual who:
(1) does not have a valid Indiana driver's license; and
(2) will be at least eighteen (18) years of age at the next
general, municipal, or special election.

SECTION 16. IC 9-29-3-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) Except as
provided in IC 9-24-16-10, the service charge for an identification
card issued under IC 9-24 is fifty cents ($0.50) and one-half (1/2) of
each fee collected as set forth in IC 9-29-9-15.

(b) Fifty cents ($0.50) of each service charge collected under
subsection (a) shall be deposited in the state motor vehicle technology
fund established by IC 9-29-16-1.

SECTION 17. IC 9-29-9-15 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. Except as
provided in IC 9-24-16-10, the fees for the issuance, renewal, or
duplication of identification cards under IC 9-24-16 are as follows:

(1) For a person at least sixty-five (65) years of age or a person
with a physical disability and not entitled to obtain a driving
license, two dollars ($2).

(2) For any other eligible person, four dollars ($4).

SECTION 18. [EFFECTIVE JULY 1, 2005] (a) It is the intent of
the general assembly that no fee or charge be imposed for the
issuance of:

(1) an original;
(2) a renewal of an; or
(3) a duplicate;

identification card to an individual described in subsection (b).

(b) An identification card must be issued without the payment
of a fee or charge to an individual who:

(1) does not have a valid Indiana driver's license; and
(2) will be at least eighteen (18) years of age at the next
general, municipal, or special election.

(c) Before January 1, 2006, the bureau of motor vehicles shall
amend 140 IAC 8-3-20 to remove all fees and charges imposed for
the issuance of an identification card to an individual described in
subsection (b).

(d) This SECTION expires January 1, 2006.
AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-19-3-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) The state department shall adopt guidelines concerning the safety of children during bad weather conditions.
(b) The guidelines adopted under subsection (a) must include a listing of places that are safe during the following types of weather conditions:
   (A) Blizzards.
   (B) Tornados.
   (C) Rain storms.
   (D) Lightning storms.
   (E) Hail storms.
   (F) Wind storms.
   (G) Extreme heat.
   (H) Any other weather condition for which the National Weather Service issues an advisory, a watch, or a warning.
   (c) The guidelines adopted under subsection (a) must cover the following types of events and places where children may be exposed to weather conditions:
      (1) Schools and activities organized by schools.
      (2) Child care centers and child care homes licensed under IC 12-17.2.
      (3) Preschool (as defined in IC 12-7-2-143.5).
      (4) Organized sporting events.
      (5) Public parks.
   (d) The state department shall:
      (1) distribute the guidelines adopted under subsection (a) to the department of education, which shall then distribute the guidelines to each:
(A) school corporation; and
(B) nonpublic school; and
(2) make available the guidelines adopted under subsection (a) to any person that:
(A) operates a place; or
(B) organizes or conducts an activity or event; described in subsection (c).

***

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 36-4-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The validity of the prior acts, contracts, and obligations of a municipality that changes its status, name, or classification under this chapter is not affected by that change. The ordinances, rules, and regulations of the municipality continue in effect until amended or repealed.

SECTION 2. IC 36-4-1.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 1.5. Changing a Town Into a City
Sec. 1. (a) A town may be changed into a city only as provided in this chapter.
(b) A town with a population of less than two thousand (2,000) may not be changed into a city.

Sec. 2. A town may be changed into a city through the following:
(1) The town legislative body must adopt a resolution submitting to the town's voters the question of whether the town should be changed into a city. The town legislative body shall adopt a resolution described in this subdivision if at least the number of registered voters of the town equal to ten
percent (10%) of the total votes cast in the town at the last election for secretary of state sign a petition requesting the town legislative body to adopt such a resolution. In determining the number of signatures required under this subdivision, any fraction that exceeds a whole number shall be disregarded.

(2) A resolution adopted under subdivision (1) must fix the date for an election on the question of whether the town should be changed into a city. If the election is to be a special election, the date must be:

   (A) not less than thirty (30); and
   (B) not more than sixty (60); days after the notice of the election. If the election is to be on the same date as a general election, the resolution must state that fact and be certified in accordance with IC 3-10-9-3.

(3) The town legislative body shall file a copy of the resolution adopted under subdivision (1) with the circuit court clerk of each county in which the town is located. The circuit court clerk shall immediately certify the resolution to the county election board.

(4) The county election board shall give notice of the election in the manner prescribed by IC 3-8-2-19. IC 3-10-6 applies to the election.

(5) The question described in subdivision (1) shall be placed on the ballot in the form prescribed by IC 3-10-9-4. The text of the question shall be: "Shall the town of _________ change into a city?".

(6) If a majority of the voters voting on the question described in subdivision (1) vote "yes", the town is changed into a city as provided in this chapter. If a majority of the voters voting on the question vote "no", the town remains a town.

Sec. 3. (a) A town legislative body may satisfy the requirements of this section in an ordinance adopted either before or after the town's voters vote on the question described in section 2 of this chapter.

(b) If a resolution is adopted under section 2 of this chapter, the town legislative body shall adopt an ordinance providing for the transition from governance as a town to governance as a city. The ordinance adopted under this section must include the following
details:
(1) A division of the town into city legislative body districts as provided in the applicable provisions of IC 36-4-6.
(2) Provisions for the election of the following officers:
   (A) The city executive.
   (B) The members of the city legislative body.
   (C) The city clerk or city clerk-treasurer as appropriate under IC 36-4-10.
(3) The date of the first election of the city officers. The first election may be held only on the date of a general election or a municipal election. Candidates for election to the city offices shall be nominated:
   (A) at the corresponding primary election during a general election year or a municipal election year; or
   (B) as otherwise provided in IC 3.
(4) Subject to section 4 of this chapter, the term of office of each city officer elected at the first election of city officers.
(5) Any other details the town legislative body considers useful in providing for the transition of the town into a city.
(c) An ordinance adopted under this section is effective only if the voters of the town approve the conversion of the town into a city under section 2(6) of this chapter.
(d) The provisions of an ordinance adopted under this section are subject to all other laws governing the structure of city government.
(e) Subject to this chapter, the town legislative body or the city legislative body (after the town is changed into a city) may amend an ordinance adopted under this section.
Sec. 4. (a) Notwithstanding any other law, the term of office of the city officers elected at the first election of city officers held under the ordinance adopted under section 3 of this chapter:
(1) begins on January 1 after the first election of city officers; and
(2) may not extend after December 31 of the next municipal election year that occurs after the first election of city officers.
(b) The ordinance adopted under section 3 of this chapter may provide for a shorter term of office for specified members of the city legislative body to stagger terms as permitted under IC 3 and IC 36-4-6 if a general election will occur before the next municipal
election after the first election of city officers.

(c) After the first municipal election after the first election of city officers, the term of office of each city officer is four (4) years.

Sec. 5. A town becomes a city under this chapter on January 1 after the first election of city officers under section 4 of this chapter.

Sec. 6. (a) The acts, contracts, and obligations of a town that is changed into a city under this chapter become the acts, contracts, and obligations of the city.

(b) The ordinances, rules, and regulations of a town that is changed into a city under this chapter continue in effect as ordinances, rules, and regulations of the city until amended or repealed.

SECTION 3. IC 36-4-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The legislative body of a municipality may, by ordinance, annex any of the following:

(1) Territory that is contiguous to the municipality.

(2) Territory that is not contiguous to the municipality and is occupied by a municipally owned or operated airport or landing field.

(3) Territory that is not contiguous to the municipality but is found by the legislative body to be occupied by a municipally owned or regulated sanitary landfill, golf course, or hospital. However, if territory annexed under this subsection ceases to be used as a municipally owned or regulated sanitary landfill, golf course, or hospital for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices required to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation.

(b) This subsection applies to municipalities in a county having a population of:

(1) more than seventy-three thousand (73,000) but less than
seventy-four thousand (74,000);
(2) more than seventy-one thousand four hundred (71,400) but less than seventy-three thousand (73,000);
(3) more than seventy thousand (70,000) but less than seventy-one thousand (71,000);
(4) more than forty-five thousand (45,000) but less than forty-five thousand nine hundred (45,900);
(5) more than forty thousand nine hundred (40,900) but less than forty-one thousand (41,000);
(6) more than thirty-eight thousand (38,000) but less than thirty-nine thousand (39,000);
(7) more than thirty thousand (30,000) but less than thirty thousand seven hundred (30,700);
(8) more than twenty-three thousand five hundred (23,500) but less than twenty-four thousand (24,000); or
(9) more than two hundred thousand (200,000) one hundred eighty-two thousand seven hundred ninety (182,790) but less than three hundred thousand (300,000).

Except as provided in subsection (c), the legislative body of a municipality to which this subsection applies may, by ordinance, annex territory that is not contiguous to the municipality, has its entire area not more than two (2) miles from the municipality's boundary, is to be used for an industrial park containing one (1) or more businesses, and is either owned by the municipality or by a property owner who consents to the annexation. However, if territory annexed under this subsection is not used as an industrial park within five (5) years after the date of passage of the annexation ordinance, or if the territory ceases to be used as an industrial park for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices entitled to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation.

(c) A city in a county with a population of more than two hundred
thousand (200,000) but less than three hundred thousand (300,000) may not annex territory as prescribed in subsection (b) until the territory is zoned by the county for industrial purposes.

(d) Notwithstanding any other law, territory that is annexed under subsection (b) or (h) is not considered a part of the municipality for the purposes of:

(1) annexing additional territory:
   (A) in a county that is not described by clause (B); or
   (B) in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), unless the boundaries of the noncontiguous territory become contiguous to the city, as allowed by Indiana law;

(2) expanding the municipality's extraterritorial jurisdictional area; or

(3) changing an assigned service area under IC 8-1-2-3-6(1).

(e) As used in this section, "airport" and "landing field" have the meanings prescribed by IC 8-22-1.

(f) As used in this section, "hospital" has the meaning prescribed by IC 16-18-2-179(b).

(g) An ordinance adopted under this section must assign the territory annexed by the ordinance to at least one (1) municipal legislative body district.

(h) This subsection applies to a city having a population of more than thirty-one thousand (31,000) but less than thirty-two thousand (32,000). The legislative body of a city may, by ordinance, annex territory that:

(1) is not contiguous to the city;

(2) has its entire area not more than eight (8) miles from the city's boundary;

(3) does not extend more than:
   (A) one and one-half (1 1/2) miles to the west;
   (B) three-fourths (3/4) mile to the east;
   (C) one-half (1/2) mile to the north; or
   (D) one-half (1/2) mile to the south;

of an interchange of an interstate highway (as designated by the federal highway authorities) and a state highway (as designated by the state highway authorities); and

(4) is owned by the city or by a property owner that consents to
the annexation.

SECTION 4. IC 36-4-3-4.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.1. (a) This section
applies to the following:

(1) A town having a population of:
    (A) more than fifteen thousand (15,000); or
    (B) more than five thousand (5,000) but less than six thousand
        three hundred (6,300);
located in a county having a population of more than one hundred
thousand (100,000) but less than one hundred five thousand
(105,000).
(2) A city having a population of more than thirty-two thousand
    eight hundred (32,800) but less than thirty-three thousand
    (33,000).
(3) A municipality that is located in a county having a population
    of more than four hundred thousand (400,000) but less than seven
    hundred thousand (700,000).
(4) A town having a population of more than nine thousand
    (9,000) but less than thirty thousand (30,000) located in a county
    having a population of more than one hundred eighty thousand
    (180,000) but less than one hundred eighty-two thousand seven
    hundred ninety (182,790).
(5) A town located in a county that contains a racetrack
    sanctioned by a nationally chartered and recognized auto
    racing organization.
(6) A town having a population of more than three thousand
    five hundred (3,500) located in a county having a population
    of more than one hundred thirty thousand (130,000) but less
    than one hundred forty-five thousand (145,000).
(7) A town having a population of more than one thousand
    five hundred (1,500) but less than one thousand nine hundred
    (1,900) located in a county having a population of more than
    one hundred thirty thousand (130,000) but less than one
    hundred forty-five thousand (145,000).
(8) A town located in a township that:
    (A) borders the Muscatatuck River; and
    (B) has a canning factory.

(b) Except as provided in subsection (c), the legislative body of a
municipality to which this section applies may, by ordinance, annex territory that:

(1) is contiguous to the municipality;
(2) in the case of a municipality described in subsection (a)(1) (a)(1)(A) or (a)(1)(B), has its entire area within the township within which the municipality is primarily located; and
(3) is owned by a property owner who consents to the annexation.

(c) Subsection (b)(2) does not apply to a town having a population of:

(1) more than five thousand (5,000) but less than eight thousand (8,000); or
(2) more than nine thousand (9,000) but less than twelve thousand five hundred (12,500);

in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(d) Territory annexed under this section is exempt from all property tax liability under IC 6-1.1 for municipal purposes for all portions of the annexed territory that are classified for zoning purposes as agriculture and remains exempt from the property tax liability while the property's zoning classification remains agriculture.

(e) There may not be a change in the zoning classification of territory annexed under this section without the consent of the owner of the annexed territory.

(f) Except as provided in subsection (g), territory annexed under this section may not be considered a part of the municipality for purposes of involuntarily annexing additional territory.

(g) Territory annexed under this section shall be considered a part of the municipality for purposes of annexing additional territory under section 5 or 5.1 of this chapter.

SECTION 5. IC 36-4-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: Sec. 9. (a) A town must obtain the consent of both the metropolitan development commission and the legislative body of a county having a consolidated city before annexing territory within the county where a consolidated city is located.

(b) This subsection does not apply to the following:
(1) A town:
(A) located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and
(B) that has a population of more than thirty thousand (30,000);

(2) A town:
    (A) located in a county having a population of more than one hundred eighty thousand (180,000) but less than one hundred eighty-two thousand seven hundred ninety (182,790);
    (B) having a population of more than thirty thousand (30,000); and
    (C) located in a different county than the city:

A town must obtain the consent of the legislative body of a second or third class city before annexing territory within three (3) miles of the corporate boundaries of the city unless:

(1) the town that proposes to annex the territory is located in a different county than the city; or
(2) the annexation by the town is:
    (A) an annexation under section 5 or 5.1 of this chapter; or
    (B) consented to by at least fifty-one percent (51%) of the owners of land in the territory the town proposes to annex.

(c) In determining the total number of landowners of the annexed territory and whether signers of a consent under subsection (b)(2)(B) are landowners, the names appearing on the tax duplicate for that territory constitute prima facie evidence of ownership. Only one (1) person having an interest in each single property, as evidenced by the tax duplicate, is considered a landowner for purposes of this section.

(d) Each municipality that is known as an included town under IC 36-3-1-7 is also considered a town for purposes of this section.

SECTION 6. IC 36-4-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in section 5.1(i) of this chapter and subsection subsections (d) and (e), whenever territory is annexed by a municipality under this chapter, the annexation may be appealed by filing with the circuit or superior court of a county in which the annexed territory is located a written remonstrance signed by:

(1) at least sixty-five percent (65%) of the owners of land in the
annexed territory; or
(2) the owners of more than seventy-five percent (75%) in assessed valuation of the land in the annexed territory.

The remonstrance must be filed within ninety (90) days after the publication of the annexation ordinance under section 7 of this chapter, must be accompanied by a copy of that ordinance, and must state the reason why the annexation should not take place.

(b) On receipt of the remonstrance, the court shall determine whether the remonstrance has the necessary signatures. In determining the total number of landowners of the annexed territory and whether signers of the remonstrance are landowners, the names appearing on the tax duplicate for that territory constitute prima facie evidence of ownership. Only one (1) person having an interest in each single property, as evidenced by the tax duplicate, is considered a landowner for purposes of this section.

(c) If the court determines that the remonstrance is sufficient, it shall fix a time, within sixty (60) days of its determination, for a hearing on the remonstrance. Notice of the proceedings, in the form of a summons, shall be served on the annexing municipality. The municipality is the defendant in the cause and shall appear and answer.

(d) If an annexation is initiated by property owners under section 5.1 of this chapter and all property owners within the area to be annexed petition the municipality to be annexed, a remonstrance to the annexation may not be filed under this section.

(e) This subsection applies if:
(1) the territory to be annexed consists of not more than one hundred (100) parcels; and
(2) eighty percent (80%) of the boundary of the territory proposed to be annexed is contiguous to the municipality.

An annexation may be appealed by filing with the circuit or superior court of a county in which the annexed territory is located a written remonstrance signed by at least seventy-five percent (75%) of the owners of land in the annexed territory as determined under subsection (b).

SECTION 7. IC 36-4-3-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Except as provided in subsections (e) and (g), at the hearing under section 12 of this chapter, the court shall order a proposed annexation to take place
if the following requirements are met:
   (1) The requirements of either subsection (b) or (c).
   (2) The requirements of subsection (d).
(b) The requirements of this subsection are met if the evidence establishes the following:
   (1) That the territory sought to be annexed is contiguous to the municipality.
   (2) One (1) of the following:
      (A) The resident population density of the territory sought to be annexed is at least three (3) persons per acre.
      (B) Sixty percent (60%) of the territory is subdivided.
      (C) The territory is zoned for commercial, business, or industrial uses.
(c) The requirements of this subsection are met if the evidence establishes the following:
   (1) That the territory sought to be annexed is contiguous to the municipality as required by section 1.5 of this chapter, except that at least one-fourth (1/4), instead of one-eighth (1/8), of the aggregate external boundaries of the territory sought to be annexed must coincide with the boundaries of the municipality.
   (2) That the territory sought to be annexed is needed and can be used by the municipality for its development in the reasonably near future.
(d) The requirements of this subsection are met if the evidence establishes that the municipality has developed and adopted a written fiscal plan and has established a definite policy, by resolution of the legislative body as set forth in section 3.1 of this chapter. The fiscal plan must show the following:
   (1) The cost estimates of planned services to be furnished to the territory to be annexed. The plan must present itemized estimated costs for each municipal department or agency.
   (2) The method or methods of financing the planned services. The plan must explain how specific and detailed expenses will be funded and must indicate the taxes, grants, and other funding to be used.
   (3) The plan for the organization and extension of services. The plan must detail the specific services that will be provided and the dates the services will begin.
(4) That planned services of a noncapital nature, including police protection, fire protection, street and road maintenance, and other noncapital services normally provided within the corporate boundaries, will be provided to the annexed territory within one (1) year after the effective date of annexation and that they will be provided in a manner equivalent in standard and scope to those noncapital services provided to areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density.

(5) That services of a capital improvement nature, including street construction, street lighting, sewer facilities, water facilities, and stormwater drainage facilities, will be provided to the annexed territory within three (3) years after the effective date of the annexation in the same manner as those services are provided to areas within the corporate boundaries, regardless of similar topography, patterns of land use, and population density, and in a manner consistent with federal, state, and local laws, procedures, and planning criteria.

(e) At the hearing under section 12 of this chapter, the court shall do the following:

(1) Consider evidence on the conditions listed in subdivision (2).

(2) Order a proposed annexation not to take place if the court finds that all of the following conditions set forth in clauses (A) through (D) and, if applicable, clause (E) exist in the territory proposed to be annexed:

(A) The following services are adequately furnished by a provider other than the municipality seeking the annexation:
   (i) Police and fire protection.
   (ii) Street and road maintenance.

(B) The annexation will have a significant financial impact on the residents or owners of land.

(C) The annexation is not in the best interests of the owners of land in the territory proposed to be annexed as set forth in subsection (f).

(D) One (1) of the following opposes the annexation:
   (i) At least sixty-five percent (65%) of the owners of land in the territory proposed to be annexed.
   (ii) The owners of more than seventy-five percent (75%) in
assessed valuation of the land in the territory proposed to be annexed. Evidence of opposition may be expressed by any owner of land in the territory proposed to be annexed.

(E) This clause applies only to an annexation in which eighty percent (80%) of the boundary of the territory proposed to be annexed is contiguous to the municipality and the territory consists of not more than one hundred (100) parcels. At least seventy-five percent (75%) of the owners of land in the territory proposed to be annexed oppose the annexation as determined under section 11(b) of this chapter.

(f) The municipality under subsection (e)(2)(C) bears the burden of proving that the annexation is in the best interests of the owners of land in the territory proposed to be annexed. In determining this issue, the court may consider whether the municipality has extended sewer or water services to the entire territory to be annexed:

1. within the three (3) years preceding the date of the introduction of the annexation ordinance; or
2. under a contract in lieu of annexation entered into under IC 36-4-3-21.

The court may not consider the provision of water services as a result of an order by the Indiana utility regulatory commission to constitute the provision of water services to the territory to be annexed.

(g) This subsection applies only to cities located in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000). However, this subsection does not apply if on April 1, 1993, the entire boundary of the territory that is proposed to be annexed was contiguous to territory that was within the boundaries of one (1) or more municipalities. At the hearing under section 12 of this chapter, the court shall do the following:

1. Consider evidence on the conditions listed in subdivision (2).
2. Order a proposed annexation not to take place if the court finds that all of the following conditions exist in the territory proposed to be annexed:

   (A) The following services are adequately furnished by a provider other than the municipality seeking the annexation:
   1. Police and fire protection.
(ii) Street and road maintenance.
(B) The annexation will have a significant financial impact on the residents or owners of land.
(C) One (1) of the following opposes the annexation:
   (i) A majority of the owners of land in the territory proposed to be annexed.
   (ii) The owners of more than seventy-five percent (75%) in assessed valuation of the land in the territory proposed to be annexed.
   
   Evidence of opposition may be expressed by any owner of land in the territory proposed to be annexed.

(h) The most recent:
   (1) federal decennial census;
   (2) federal special census;
   (3) special tabulation; or
   (4) corrected population count;

shall be used as evidence of resident population density for purposes of subsection (b)(2)(A), but this evidence may be rebutted by other evidence of population density.

SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 36-4-1-3; IC 36-4-1-4; IC 36-4-1-4.1; IC 36-4-1-5.

SECTION 9. [EFFECTIVE UPON PASSAGE] (a) A town that began conversion into a city under IC 36-4-1, as in effect before January 1, 2005, may complete its conversion into a city under IC 36-4-1.5, as added by this act.

(b) This SECTION expires July 1, 2009.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) A town that began conversion into a city under IC 36-4-1, as in effect before January 1, 2005, may complete its conversion into a city under this SECTION.

(b) The town legislative body must adopt an ordinance providing for the transition from governance as a town to governance as a city. The ordinance must include the following details:

   (1) A division of the town into city legislative body districts as provided in the applicable provisions of IC 36-4-6.
   (2) Provisions for the election of the following officials:
(A) The city executive.
(B) The members of the city legislative body.
(C) The city clerk or city clerk-treasurer as appropriate under IC 36-4-10.

(3) That the first election of the city officers will be held in a special election on November 8, 2005, as provided in this SECTION.

(4) Subject to subdivision (5), the term of office of each city officer elected at the November 8, 2005, special election.

(5) The term of office of each city officer elected at the special election may be as follows, as provided in the ordinance:

(A) The term of office of a city officer may expire January 1, 2007. The successor of a city officer described in this clause shall be elected at the November 7, 2006, general election and serve a term of four (4) years, beginning January 1, 2007.

(B) The term of office of a city officer may expire January 1, 2008. The successor of a city officer described in this clause shall be elected at the November 6, 2007, municipal election and serve a term of four (4) years, beginning January 1, 2008.

(C) The term of office of a city officer may expire January 1, 2009. The successor of a city officer described in this clause shall be elected at the November 4, 2008, general election and serve a term of four (4) years, beginning January 1, 2009.

The ordinance may provide for different terms of office of the city officers elected at the November 8, 2005, special election in order to provide for staggered terms of office.

(6) Any other details the town legislative body considers useful in providing for the transition of the town into a city.

(c) If a town legislative body adopts an ordinance under this SECTION, a copy of the ordinance must be filed with the circuit court clerk of each county in which the town has territory.

(d) Notwithstanding IC 3-10-8-5, candidates for a city office elected under this SECTION shall be nominated as follows:

(A) If a candidate is affiliated with a major political party, the candidate shall be nominated by a declaration of candidacy. A declaration of candidacy must be filed not
earlier than July 27, 2005, and not later than August 26, 2005. Except as provided in this SECTI
ON, IC 3-8-2 applies to a declaration of candidacy filed under this SECTI
ON.

(B) If a candidate is not affiliated with a major political party, the candidate may be nominated by a petition of nomination. A petition of nomination must be filed not earlier than July 27, 2005, and not later than August 26, 2005. Except as provided in this SECTI
ON, IC 3-8-6 applies to a petition of nomination filed under this SECTI
ON.

(C) If a candidate wants to be a write-in candidate, the candidate shall file a declaration of intent to be a write-in candidate not earlier than July 27, 2005, and not later than August 26, 2005. Except as provided in this SECTI
ON, IC 3-8-2 applies to a declaration of intent to be a write-in candidate filed under this SECTI
ON.

(e) The provisions of an ordinance adopted under this SECTI
ON are subject to all other laws governing the structure of city government.

(f) Subject to this chapter, the town legislative body or the city legislative body (after the town is changed into a city) may amend an ordinance adopted under this SECTI
ON.

(g) A candidate who files a valid declaration of candidacy or a petition of nomination shall be placed on the special election ballot for the office the candidate seeks. Candidates shall be placed on the ballot in the order that the candidates file a declaration of candidacy or petition of nomination. A candidate’s political affiliation shall be indicated on the ballot next to the candidate’s name. If a candidate is an independent candidate, that fact shall be indicated on the ballot next to the candidate’s name. If there are no declared write-in candidates for an office, the ballot is not required to include a space for voters to insert the name of a write-in candidate for that office.

(h) The candidate who receives the most votes for election to a city office at the November 8, 2005, special election is elected to that office.

(i) Except as provided in this SECTI
ON, a special election held under this SECTI
ON is subject to all provisions of IC 3 applicable
to a special election.

(j) A town that elects its city officers under this SECTION becomes a city on January 1, 2006.

(k) The acts, contracts, and obligations of a town that is changed into a city under this SECTION become the acts, contracts, and obligations of the city.

(l) The ordinances, rules, and regulations of a town that is changed into a city under this SECTION continue in effect as ordinances, rules, and regulations of the city until amended or repealed.

(m) This SECTION expires January 1, 2009.

SECTION 11. An emergency is declared for this act.

P.L.112-2005
[S.8. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

SECTION 1. IC 34-6-2-44.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44.7. "Family law arbitrator", for purposes of IC 34-57-5, means:

(1) an attorney certified as a family law specialist in Indiana by an independent certifying organization that is approved and monitored under Rule 30 of the Rules for Admission to the Bar;

(2) a private judge qualified under Rule 1.3 of the Indiana Supreme Court Rules for Alternative Dispute Resolution;

(3) an individual who is a former magistrate or commissioner of an Indiana court of record; or

(4) an attorney who is a registered domestic relations mediator under Rule 2.5(B) of the Indiana Supreme Court R.
Rules for Alternative Dispute Resolution.
SECTION 2. IC 34-57-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 5. Family Law Arbitration
Sec. 1. (a) This chapter is applicable only to the family law matters described in section 2 of this chapter and does not apply to any other type of arbitration. An appellate court opinion interpreting or construing this chapter has precedential value only for family law arbitrations and does not apply to any other type of arbitration.

(b) This chapter is applicable only to an action in which each party is:
   (1) represented by an attorney; or
   (2) pro se.
This chapter does not apply if one (1) party is represented by an attorney and the other party is pro se.

Sec. 2. (a) In an action:
   (1) for the dissolution of a marriage;
   (2) to establish:
      (A) child support;
      (B) custody; or
      (C) parenting time; or
   (3) to modify:
      (A) a decree;
      (B) a judgment; or
      (C) an order;
both parties may agree in writing to submit to arbitration by a family law arbitrator.

(b) If the parties file an agreement with a court to submit to arbitration, the parties shall:
   (1) identify an individual to serve as a family law arbitrator; or
   (2) indicate to the court that they have not selected a family law arbitrator.
(c) Each court shall maintain a list of attorneys who are:
   (1) qualified; and
   (2) willing to be appointed by the court;
to serve as family law arbitrators.

(d) If the parties indicate that they have not selected a family law arbitrator under subsection (b)(2), the court shall designate three (3) attorneys from the court's list of attorneys under subsection (c). The party initiating the action shall strike one (1) attorney, the other party shall strike one (1) attorney, and the remaining attorney is the family law arbitrator for the parties.

(e) In a dissolution of marriage case, the written agreement to submit to arbitration must state that both parties confer jurisdiction on the family law arbitrator to dissolve the marriage and to determine:

1. child support, if there is a child of both parties to the marriage;
2. custody, if there is a child of both parties to the marriage;
3. parenting time, if there is a child of both parties to the marriage; or
4. any other matter over which a trial court would have jurisdiction concerning family law.

Sec. 3. Unless both parties agree in writing to repudiate the agreement, an agreement to submit to arbitration by a family law arbitrator under this chapter is:

1. valid;
2. irrevocable; and
3. enforceable;

until the judgment is entered in the matter in which arbitration has taken place.

Sec. 4. For arbitration to take place under this chapter, at least one (1) of the parties must have been:

1. a resident of Indiana; or
2. stationed at a United States military installation in Indiana;

for at least six (6) months immediately preceding the filing of the petition or cause of action.

Sec. 5. (a) A family law arbitrator shall comply with the:

1. child support; and
2. parenting time;

Guidelines adopted by the Indiana supreme court in family law arbitration if there is a child of both parties to the marriage.

(b) Before assuming the duties of a family law arbitrator, a
family law arbitrator must take an oath to:
   (1) faithfully perform the duties of the family law arbitrator;
   and
   (2) support and defend to the best of the family law arbitrator's ability the constitution and laws of Indiana and the United States.

(c) The family law arbitrator shall sign a written copy of the oath described in subsection (b) and submit the signed copy to the court.

Sec. 6. (a) A record of the proceeding in family law arbitration may be requested by either party if written notice is given to the family law arbitrator not more than fifteen (15) days after the family law arbitrator has been selected.

(b) Written notice under subsection (a) must specify the requested manner of recording and preserving the transcript.

(c) The family law arbitrator may select a person to record any proceedings and to administer oaths.

Sec. 7. (a) Except as provided in subsection (b), the family law arbitrator shall make written findings of fact and conclusions of law not later than thirty (30) days after the hearing.

(b) If both parties consent, the period for the family law arbitrator to make written findings of fact and conclusions of law may be extended to ninety (90) days after the hearing.

(c) The family law arbitrator shall send a copy of the written findings of fact and conclusions of law to:
   (1) all parties participating in the arbitration; and
   (2) the court.

(d) After the court has received a copy of the findings of fact and conclusions of law, the court shall enter:
   (1) judgment; and
   (2) an order for an entry on the docket regarding the judgment.

Sec. 8. (a) In a dissolution of marriage case, the family law arbitrator shall:

   (1) divide the property of the parties, regardless of whether the property was:
       (A) owned by either party before the marriage;
       (B) acquired by either party in his or her own right:
           (i) after the marriage; and
(ii) before final separation of the parties; or
(C) acquired by their joint efforts; and
(2) divide the property in a just and reasonable manner by:
(A) division of the property in kind;
(B) setting the property or parts of the property over to
one (1) of the parties and requiring either party to pay an
amount, either in gross or in installments, that is just and
proper;
(C) ordering the sale of the property under the conditions
the family law arbitrator prescribes and dividing the
proceeds of the sale; or
(D) ordering the distribution of benefits described in
IC 31-9-2-98(b)(2) or IC 31-9-2-98(b)(3) that are payable
after the dissolution of marriage, by setting aside to either
of the parties a percentage of those payments either by
assignment or in kind at the time of receipt.

(b) The division of marital property under this section must
comply with IC 31-15-7-5.

Sec. 9. In a dissolution of marriage case, at least sixty (60) days
after the petition or cause of action is filed, the family law
arbitrator may enter a summary dissolution decree without
holding a hearing if verified pleadings have been filed with the
family law arbitrator, signed by both parties, containing:
(1) a written waiver of hearing; and
(2) either:
   (A) a statement that there are no contested issues in the
       action; or
   (B) a written agreement made in accordance with
       IC 31-15-2-7 that settles any contested issues between the
       parties.

Sec. 10. A family law arbitrator may modify an award after
making written findings of fact and conclusions of law if:
(1) a party makes a fraudulent misrepresentation during the
    arbitration;
(2) the family law arbitrator is ordered to modify the award
    on remand; or
(3) both parties consent to the modification.

Sec. 11. An appeal may be taken after the entry of judgment
under section 7(d) of this chapter as may be taken after a judgment
in a civil action.

Sec. 12. (a) Except as provided in subsection (b), fees for the family law arbitrator shall be shared equally by both parties unless otherwise agreed in writing.

(b) The family law arbitrator may order a party to pay:

(1) a reasonable amount for the cost to the other party of:
   (A) maintaining; or
   (B) defending;
   any proceeding under this chapter; and

(2) attorney's fees, including:
   (A) amounts for legal services provided; and
   (B) costs incurred:
      (i) before the commencement of the proceedings; or
      (ii) after entry of judgment.

(c) Fees for the family law arbitrator shall be paid not later than thirty (30) days after the court enters judgment.

Sec. 13. The Indiana Supreme Court Rules for Alternative Dispute Resolution apply to family law arbitration in all matters not covered by this chapter.

P.L.113-2005
[S.18. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning elections.

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

SECTION 1. IC 3-8-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This section does not apply to a candidate for federal office.

(b) As used in this section, "felony" means a conviction in any jurisdiction for which the convicted person might have been imprisoned for at least one (1) year. However, the term does not include a conviction:

(1) for which the person has been pardoned; or
(2) that has been:
   (A) reversed;
   (B) vacated;
   (C) set aside; or
   (D) not entered because the trial court did not accept the person's guilty plea.

(b) (c) A person is disqualified from holding or being a candidate for an elected office if:

   (1) the person gave or offered a bribe, threat, or reward to procure the person's election, as provided in Article 2, Section 6 of the Constitution of the State of Indiana;
   (2) the person does not comply with IC 5-8-3 because of a conviction for a violation of the federal laws listed in that statute;
   (3) has in a:
      (A) jury trial, a jury publicly announces a verdict against the person for a felony;
      (B) bench trial, the court publicly announces a verdict against the person for a felony; or
      (C) guilty plea hearing, the person pleads guilty or nolo contendere to a felony;
      (A) entered a plea of guilty or nolo contendere to; or
      (B) been convicted of;
      a felony (as defined in IC 35-50-2-1);
   (4) the person has been removed from the office the candidate seeks under Article 7, Section 11 or Article 7, Section 13 of the Constitution of the State of Indiana;
   (5) the person is a member of the United States armed forces on active duty and prohibited by the United States Department of Defense from being a candidate; or
   (6) the person is subject to:
      (A) 5 U.S.C. 1502 (the Little Hatch Act); or
      (B) 5 U.S.C. 7321-7326 (the Hatch Act);
      and would violate either federal statute by becoming or remaining the candidate of a political party for nomination or election to an elected office or a political party office.

(d) The reduction of a felony to a Class A misdemeanor under IC 35-50-2-7 or IC 35-38-1-1.5 does not affect the operation of subsection (c).
SECTION 2. IC 5-8-1-37 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 37. (a) As used in this section:
"Felony" means any crime punishable by imprisonment for more than one (1) year in any correctional facility. has the meaning set forth in IC 3-8-1-5.
"Public officer" means any person, elected or appointed, who holds any state, county, township, city, or town office.
(b) Any public officer convicted of a felony during his term of office shall:
(1) be removed from office by operation of law when: he is sentenced for the felony;
   (A) in a jury trial, a jury publicly announces a verdict against the person for a felony;
   (B) in a bench trial, the court publicly announces a verdict against the person for a felony; or
   (C) in a guilty plea hearing, the person pleads guilty or nolo contendere to a felony; and
(2) not receive any salary or remuneration from the time he is sentenced for the felony: the officer is removed from office under subdivision (1).
(c) The reduction of a felony to a Class A misdemeanor under IC 35-50-2-7 or IC 35-38-1-1.5 does not affect the operation of subsection (b).
(d) (e) If the conviction is: reversed, vacated, or set aside;
(1) reversed;
(2) vacated;
(3) set aside;
(4) for a felony other than a felony arising out of an action taken in the officer’s official capacity, reduced to a Class A misdemeanor under IC 35-50-2-7 or IC 35-38-1-1.5; or
(5) not entered because the trial court did not accept the guilty plea;
and the officer's term has not expired, the officer shall (+) be reinstated in office and (2) receive any salary or other remuneration which he the officer would have received had he the officer not been removed from office.
(e) (f) If the conviction is reversed, vacated, or set aside, and the officer's term has expired, he the officer shall receive any salary or
other remuneration which the officer would have received had he not been removed from office.

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

SECTION 3. An emergency is declared for this act.

P.L.114-2005
[S.30. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning transportation.

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

SECTION 1. IC 36-9-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) An authority is under the control of a board (referred to as "the board" in this chapter) that, except as provided in subsections (b) and (c), consists of:

1. two (2) members appointed by the executive of each county in the authority;
2. one (1) member appointed by the executive of the largest municipality in each county in the authority;
3. one (1) member appointed by the executive of each second class city in a county in the authority; and
4. one (1) member from any other political subdivision that has public transportation responsibilities in a county in the authority.

(b) An authority that includes a consolidated city is under the control of a board consisting of the following:

1. Two (2) members appointed by the executive of the county having the consolidated city.
2. One (1) member appointed by the board of commissioners of the county having the consolidated city.
3. One (1) member appointed by the executive of each other county in the authority.
(4) Two (2) members appointed by the governor from a list of at least five (5) names provided by the Indianapolis regional transportation council.

(5) One (1) member representing the four (4) largest municipalities in the authority located in a county other than a county containing a consolidated city. The member shall be appointed by the executives of the municipalities acting jointly.

(6) One (1) member representing the excluded cities located in a county containing a consolidated city that are members of the authority. The member shall be appointed by the executives of the excluded cities acting jointly.

(7) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member.

(c) An authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) is under the control of a board consisting of the following sixteen (16) members:

1. Three (3) members appointed by the executive of a city with a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

2. Two (2) members appointed by the executive of a city with a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

3. One (1) member jointly appointed by the executives of the following municipalities located within a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):
   (A) A city with a population of more than five thousand one hundred thirty-five (5,135) but less than five thousand two hundred (5,200).
   (B) A city with a population of more than thirty-two thousand (32,000) but less than thirty-two thousand eight hundred (32,800).

4. One (1) member who is jointly appointed by the fiscal body of the following municipalities located within a county with a population of more than four hundred thousand (400,000) but less
than seven hundred thousand (700,000):
   (A) A town with a population of more than fifteen thousand (15,000) but less than twenty thousand (20,000).
   (B) A town with a population of more than twenty-three thousand (23,000) but less than twenty-four thousand (24,000).
   (C) A town with a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(5) One (1) member who is jointly appointed by the fiscal body of the following municipalities located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):
   (A) A town with a population of more than eight thousand (8,000) but less than nine thousand (9,000).
   (B) A town with a population of more than twenty-four thousand (24,000) but less than thirty thousand (30,000).
   (C) A town with a population of more than twelve thousand five hundred (12,500) but less than fifteen thousand (15,000).

(6) One (1) member who is jointly appointed by the following authorities of municipalities located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):
   (A) The executive of a city with a population of more than nineteen thousand eight hundred (19,800) but less than twenty-one thousand (21,000).
   (B) The fiscal body of a town with a population of more than nine thousand (9,000) but less than twelve thousand five hundred (12,500).
   (C) The fiscal body of a town with a population of more than five thousand (5,000) but less than eight thousand (8,000).
   (D) The fiscal body of a town with a population of less than one thousand five hundred (1,500).
   (E) The fiscal body of a town with a population of more than two thousand two hundred (2,200) but less than five thousand (5,000).

(7) One (1) member appointed by the fiscal body of a town with a population of more than thirty thousand (30,000) located within a county with a population of more than four hundred thousand
(8) One (1) member who is jointly appointed by the following authorities of municipalities that are located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

   (A) The executive of a city having a population of more than twenty-five thousand (25,000) but less than twenty-seven thousand (27,000).
   (B) The executive of a city having a population of more than thirteen thousand nine hundred (13,900) but less than fourteen thousand two hundred (14,200).
   (C) The fiscal body of a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).

(9) Three (3) members appointed by the fiscal body of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(10) One (1) member appointed by the county executive of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(11) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member. If more than one (1) labor organization represents the employees of the authority, each organization shall submit one (1) name to the governor, and the governor shall appoint the member from the list of names submitted by the organizations.

(12) The executive of a city with a population of more than twenty-seven thousand four hundred (27,400) but less than twenty-eight thousand (28,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

(13) The executive of a city with a population of more than thirty-three thousand (33,000) but less than thirty-six thousand (36,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but
less than one hundred forty-eight thousand (148,000), or the executive's designee.

(14) One (1) member of the board of commissioners of a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), appointed by the board of commissioners, or the member's designee.

SECTION 2. IC 36-9-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) A majority of the members appointed to the board constitutes a quorum for a meeting.

(b) Except as provided in subsection subsections (c) and (d), the board may act officially by an affirmative vote of a majority of those present at the meeting at which the action is taken.

(c) If the authority includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), then:

(1) an affirmative vote of a majority of the board is necessary for an action to be taken; and

(2) a vacancy in membership does not impair the right of a quorum to exercise all rights and perform all duties of the board.

(d) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). A member described in section 5(c)(12), 5(c)(13), or 5(c)(14) of this chapter may not vote on the distribution or payment of money by the authority unless a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000) pays to the authority the county's share of the authority's budget under this chapter and as agreed by the counties participating in the authority.

SECTION 3. P.L.28-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: SECTION 1. (a) The rail corridor safety committee is established.

(b) The committee consists of eight (8) members as follows:

(1) Four (4) members of the house of representatives appointed by the speaker of the house of representatives. Not more than two (2) members appointed under this subdivision may represent the same political party.
(2) Four (4) members of the senate appointed by the president pro tempore of the senate. Not more than two (2) members appointed under this subdivision may represent the same political party.

(c) The chairman of the legislative council shall designate one (1) member of the committee to be chairperson of the committee.

(d) Each member of the committee appointed under subsection (b)(1) or (b)(2) is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on legislative study committees established by the legislative council.

(e) The committee shall do the following:
   (1) Study the safety of rail corridors, including corridors at overpasses, underpasses, and crossings.
   (2) Review railroad safety records.
   (3) Study methods of encouraging cooperation among the railroads, local government, state government, and federal government to enhance the safety of railroads.
   (4) Study other topics as assigned by the legislative council.

(f) The committee shall issue a final report two (2) reports to the legislative council regarding the matters listed under subsection (e). A report shall be issued before each of the following dates:
   (1) November 1, 2005.
   (2) November 1, 2010.

(g) The committee is under the jurisdiction of the legislative council and shall operate under policies and procedures established by the legislative council.

(h) Staff and administrative support for the committee shall be provided by the legislative services agency.

(i) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.

(j) This SECTION expires November 1, 2005-2010.
AN ACT to amend the Indiana Code concerning computer issues.

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

SECTION 1. IC 24-4.8 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 4.8. PROHIBITED SPYWARE

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Advertisement" means a communication that has the primary purpose of promoting a commercial product or service.

Sec. 3. (a) "Computer software" means a sequence of instructions written in any programming language that is executed on a computer.

(b) The term does not include computer software that is a web page or a data component of a web page that is not executable independently of the web page.

Sec. 4. "Damage" means a significant impairment to the integrity or availability of data, computer software, a system, or information.

Sec. 5. "Execute" means to perform a function or carry out an instruction of computer software.

Sec. 6. "Intentionally deceptive means" means any of the following:

(1) A materially false statement that a person knows to be false.

(2) A statement or description made by a person who omits or misrepresents material information with the intent to deceive an owner or operator of a computer.

(3) The failure to provide notice to an owner or operator of a computer regarding the installation or execution of computer
software with the intent to deceive the owner or operator.

Sec. 7. "Internet" has the meaning set forth in IC 5-22-2-13.5.

Sec. 8. (a) "Owner or operator" means the person who owns or leases a computer or a person who uses a computer with the authorization of the person who owns or leases the computer.

(b) The term does not include a manufacturer, distributor, wholesaler, retail merchant, or any other person who owns or leases a computer before the first retail sale of the computer.

Sec. 9. "Person" means an individual, a partnership, a corporation, a limited liability company, or another organization.

Sec. 10. "Personally identifying information" means the following information that refers to a person who is an owner or operator of a computer:

1. Identifying information (as defined in IC 35-43-5-1).
2. An electronic mail address.
3. Any of the following information in a form that personally identifies an owner or operator of a computer:
   A. An account balance.
   B. An overdraft history.
   C. A payment history.

Sec. 11. (a) Except as provided in subsection (b), "transmit" means to transfer, send, or otherwise make available computer software or a computer software component through a network, the Internet, a wireless transmission, or any other medium, including a disk or data storage device.

(b) "Transmit" does not include an action by a person who provides:

1. the Internet connection, telephone connection, or other means of connection for an owner or operator, including a compact disc or DVD on which computer software to establish or maintain a connection is made available;
2. the storage or hosting of computer software or an Internet web page through which the computer software was made available; or
3. an information location tool, including a directory, an index, a reference, a pointer, or a hypertext link, through which the owner or operator of the computer located the software;

unless the person receives a direct economic benefit from the
Chapter 2. Prohibited Conduct

Sec. 1. This chapter does not apply to a person who monitors or interacts with an owner or operator's Internet connection, Internet service, network connection, or computer if the person is a telecommunications carrier, cable operator, computer hardware or software provider, or other computer service provider who monitors or interacts with an owner or operator's Internet connection, Internet service, network connection, or computer for one (1) or more of the following purposes:

(1) Network security.
(2) Computer security.
(3) Diagnosis.
(4) Technical support.
(5) Maintenance.
(6) Repair.
(7) Authorized updates of software or system firmware.
(8) Authorized remote system management.
(9) Detection or prevention of the unauthorized, illegal, or fraudulent use of a network, service, or computer software, including scanning for and removing computer software that facilitates a violation of this chapter.

Sec. 2. A person who is not the owner or operator of the computer may not knowingly or intentionally:

(1) transmit computer software to the computer; and
(2) by means of the computer software transmitted under subdivision (1), do any of the following:

(A) Use intentionally deceptive means to modify computer settings that control:
   (i) the page that appears when an owner or operator opens an Internet browser or similar computer software used to access and navigate the Internet;
   (ii) the Internet service provider, search engine, or web proxy that an owner or operator uses to access or search the Internet; or
   (iii) the owner or operator's list of bookmarks used to access web pages.

(B) Use intentionally deceptive means to collect personally identifying information:
(i) through the use of computer software that records a keystroke made by an owner or operator and transfers that information from the computer to another person; or
(ii) in a manner that correlates the personally identifying information with data respecting all or substantially all of the web sites visited by the owner or operator of the computer, not including a web site operated by the person collecting the personally identifying information.

(C) Extract from the hard drive of an owner or operator's computer:
(i) a credit card number, debit card number, bank account number, or any password or access code associated with these numbers;
(ii) a Social Security number, tax identification number, driver's license number, passport number, or any other government issued identification number; or
(iii) the account balance or overdraft history of a person in a form that identifies the person.

(D) Use intentionally deceptive means to prevent reasonable efforts by an owner or operator to block or disable the installation or execution of computer software.

(E) Knowingly or intentionally misrepresent that computer software will be uninstalled or disabled by an owner or operator's action.

(F) Use intentionally deceptive means to remove, disable, or otherwise make inoperative security, antispyware, or antivirus computer software installed on the computer.

(G) Take control of another person's computer with the intent to cause damage to the computer or cause the owner or operator to incur a financial charge for a service that the owner or operator has not authorized by:
(i) accessing or using the computer's modem or Internet service; or
(ii) without the authorization of the owner or operator, opening multiple, sequential, standalone advertisements in the owner or operator's Internet browser that a reasonable computer user cannot close without turning off the computer or closing the browser.
(H) Modify:
   (i) computer settings that protect information about a
   person with the intent of obtaining personally identifying
   information without the permission of the owner or
   operator; or
   (ii) security settings with the intent to cause damage to a
   computer.

(I) Prevent reasonable efforts by an owner or operator to
   block or disable the installation or execution of computer
   software by:
   (i) presenting an owner or operator with an option to
decline installation of computer software knowing that
   the computer software will be installed even if the owner
   or operator attempts to decline installation; or
   (ii) falsely representing that computer software has been
disabled.

Sec. 3. A person who is not the owner or operator may not
knowingly or intentionally do any of the following:
(1) Induce the owner or operator to install computer software
on the owner or operator's computer by knowingly or
intentionally misrepresenting the extent to which installing
the computer software is necessary for:
   (A) computer security;
   (B) computer privacy; or
   (C) opening, viewing, or playing a particular type of
   content.

(2) Use intentionally deceptive means to execute or cause the
execution of computer software with the intent to cause the
owner or operator to use the computer software in a manner
that violates subdivision (1).

Chapter 3. Relief and Damages
Sec. 1. In addition to any other remedy provided by law, a
provider of computer software, the owner of a web site, or the
owner of a trademark who is adversely affected by reason of the
violation may bring a civil action against a person who violates
IC 24-4.8-2:
(1) to enjoin further violations of IC 24-4.8-2; and
(2) to recover the greater of:
   (A) actual damages; or
(B) one hundred thousand dollars ($100,000);
for each violation of IC 24-4.8-2.

Sec. 2. For purposes of section 1 of this chapter, conduct that
violates more than one (1) subdivision, clause, or item of
IC 24-4.8-2 constitutes a separate violation for each separate
subdivision, clause, or item violated. However, a single action or
course of conduct that causes repeated violations of a single
subdivision, clause, or item of IC 24-4.8-2 constitutes one (1)
vialation.

SECTION 2. IC 35-32-2-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Criminal actions
shall be tried in the county where the offense was committed, except as
otherwise provided by law.

(b) If a person committing an offense upon the person of another is
located in one (1) county and his the person's victim is located in
another county at the time of the commission of the offense, the trial
may be in either of the counties.

(c) If the offense involves killing or causing the death of another
human being, the trial may be in the county in which the:
(1) cause of death is inflicted;
(2) death occurs; or
(3) victim's body is found.

(d) If an offense is committed in Indiana and it cannot readily be
determined in which county the offense was committed, trial may be in
any county in which an act was committed in furtherance of the
offense.

(e) If an offense is commenced outside Indiana and completed
within Indiana, the offender may be tried in any county where any act
in furtherance of the offense occurred.

(f) If an offense commenced inside Indiana is completed outside
Indiana, the offender shall be tried in any county where an act in
furtherance of the offense occurred.

(g) If an offense is committed on the portions of the Ohio or Wabash
Rivers where they form a part of the boundaries of this state, trial may
be had in the county that is adjacent to the river and whose boundaries,
if projected across the river, would include the place where the offense
was committed.

(h) If an offense is committed at a place which is on or near a
common boundary which is shared by two (2) or more counties and it
cannot be readily determined where the offense was committed, then
the trial may be held in any county sharing the common boundary.

(i) If an offense is committed on a public highway (as defined in
IC 9-25-2-4) that runs on and along a common boundary shared by two
(2) or more counties, the trial may be held in any county sharing the
common boundary.

(j) If an offense is committed by use of the Internet or another
computer network (as defined in IC 35-43-2-3), the trial may be
held in any county:

(1) from which or to which access to the Internet or other
computer network was made; or
(2) in which any computer, computer data, computer
software, or computer network that was used to access the
Internet or other computer network is located.

(k) If an offense:

(1) is committed by use of:

   (A) the Internet or another computer network (as defined
       in IC 35-43-2-3); or

   (B) another form of electronic communication; and

(2) occurs outside Indiana and the victim of the offense resides
in Indiana at the time of the offense;

the trial may be held in the county where the victim resides at the
time of the offense.

SECTION 3. IC 35-41-1-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this
section, "Indiana" includes:

(1) the area within the boundaries of the state of Indiana, as set
forth in Article 14, Section 1 of the Constitution of the State of
Indiana;

(2) the portion of the Ohio River on which Indiana possesses
concurrent jurisdiction with the state of Kentucky under Article
14, Section 2 of the Constitution of the State of Indiana; and

(3) the portion of the Wabash River on which Indiana possesses
concurrent jurisdiction with the state of Illinois under Article 14,
Section 2 of the Constitution of the State of Indiana.

(b) A person may be convicted under Indiana law of an offense if:

(1) either the conduct that is an element of the offense, the result
that is an element, or both, occur in Indiana;
(2) conduct occurring outside Indiana is sufficient under Indiana law to constitute an attempt to commit an offense in Indiana;
(3) conduct occurring outside Indiana is sufficient under Indiana law to constitute a conspiracy to commit an offense in Indiana, and an overt act in furtherance of the conspiracy occurs in Indiana;
(4) conduct occurring in Indiana establishes complicity in the commission of, or an attempt or conspiracy to commit, an offense in another jurisdiction that also is an offense under Indiana law;
(5) the offense consists of the omission to perform a duty imposed by Indiana law with respect to domicile, residence, or a relationship to a person, thing, or transaction in Indiana;
(6) conduct that is an element of the offense or the result of conduct that is an element of the offense, or both, involve the use of the Internet or another computer network (as defined in IC 35-43-2-3) and access to the Internet or other computer network occurs in Indiana; or
(7) conduct:
   (A) involves the use of:
      (i) the Internet or another computer network (as defined in IC 35-43-2-3); or
      (ii) another form of electronic communication;
   (B) occurs outside Indiana and the victim of the offense resides in Indiana at the time of the offense; and
   (C) is sufficient under Indiana law to constitute an offense in Indiana.
(c) When the offense is homicide, either the death of the victim or bodily impact causing death constitutes a result under subsection (b)(1). If the body of a homicide victim is found in Indiana, it is presumed that the result occurred in Indiana.
AN ACT to amend the Indiana Code concerning civil procedure.

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

SECTION 1. IC 34-6-2-3.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.3. (a) "Advertiser or sponsor", for purposes of IC 34-30-22, means a person who for political, commercial, educational, benevolent, or charitable purposes:
   (1) donates or contributes money, materials, or products; or
   (2) pays fees to advertise or display trademarks; in connection with an event.
   (b) The term does not include a person who exercises primary control over an event.

SECTION 2. IC 34-6-2-44.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44.3. "Event", for purposes of section 3.3 of this chapter and IC 34-30-22, means:
   (1) a performance;
   (2) a benefit;
   (3) a fundraiser;
   (4) an auction;
   (5) a meal;
   (6) a concert;
   (7) a sporting event;
   (8) a festival;
   (9) a parade;
   (10) a reception;
   (11) a trade show;
   (12) a convention;
   (13) an educational program; or
   (14) another occasion organized by or for a federally tax-exempt organization.
SECTION 3. IC 34-30-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except as provided in section 2 of this chapter, a person who meets the following criteria is immune from civil liability resulting from any act or omission relating to the provision of health care services:

1. Has licensure to provide health care services under Indiana law.
2. Voluntarily provides without compensation health care services under IC 36-1-14.2 within the scope of the person's license to another person.
3. Provides the health care services at any medical clinic or health care facility that provides health care services without charge and that:
   A. purchases professional liability insurance under IC 36-1-14.2; and/or
   B. is covered under 42 U.S.C. 233.

SECTION 4. IC 34-30-22 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 22. Events: Immunity of Advertiser or Sponsor

Sec. 1. This chapter does not grant immunity from civil liability to the following:

1. A person who engages in intentional, willful, wanton, or reckless behavior.
2. A person who contractually assumes civil liability in connection with an event.
3. A person who fails to exercise reasonable care in connection with the direction or control of an event.
4. A person who provides defective materials or products or fails to exercise reasonable care in providing materials or products.

Sec. 2. An advertiser or sponsor of an event is immune from civil liability for the acts or omissions of:

1. the advertiser or sponsor; and
2. any other person;

in connection with the event.

Sec. 3. An advertiser or sponsor of an event may not be
considered to be:
   (1) part of a joint venture;
   (2) the principal of an agent; or
   (3) the employer of an employee;
with regard to a person participating in the event in a capacity other than that of an advertiser or sponsor.

SECTION 5. [EFFECTIVE JULY 1, 2005] IC 34-30-13-1, as amended by this act, applies to a cause of action that arises after June 30, 2005.

P.L.117-2005
[S.64. Approved May 4, 2005.]

AN ACT concerning natural and cultural resources.

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

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the library and heritage study committee established under subsection (b).
   (b) The library and heritage study committee is established.
   (c) The committee shall study and evaluate the creation of a department of the state library and heritage, which may include the study and evaluation of the administration and oversight of the following:
      (1) The state library.
      (2) The Indiana state archives established by IC 4-23-7-3.
      (3) Historic preservation and archeology.
      (4) The historical marker program.
      (5) The governor's portraits collection.
      (6) Any other heritage-related function of the government that could logically be incorporated into the department.
   (d) The committee shall examine the executive oversight of the proposed department of the state library and heritage, specifically considering whether the department should be overseen by the
lieutenant governor.
   (e) The study committee shall obtain input from the following:
      (1) The department of natural resources.
      (2) The budget agency.
      (3) The state library.
      (4) The commission on public records.
      (5) The Indiana department of administration.
      (6) The historical bureau.
      (7) Any other agency that has a heritage-related function.
   (f) The committee shall operate under the policies governing study committees adopted by the legislative council.
   (g) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.
   (h) This SECTION expires January 1, 2006.

SECTION 2. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "department" refers to the Indiana department of administration established under IC 4-13-1.

(b) The department shall study and evaluate the feasibility of constructing a state house museum, visitor's center, and gift shop within the state house.
   (c) The department shall study the feasibility, from a design, architectural, and engineering perspective, of renovating the first floor of the state house beneath the rotunda to accommodate a museum, visitor's center, and gift shop.
   (d) The department shall submit a final report of the results of its study to the legislative council before October 1, 2005. The report must be in an electronic format under IC 5-14-6.
   (e) This SECTION expires January 1, 2006.

SECTION 3. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "committee" refers to the state house museum committee established by subsection (b).

(b) The state house museum committee is established.
   (c) The committee shall study and evaluate the creation of a state house museum, visitor's center, and gift shop within the state house.
   (d) The committee shall do the following:
      (1) Recommend which state agency or agencies should be responsible for the museum, the visitor's center, and the gift
shop.
(2) Evaluate the amount of space needed for the state house museum, visitor's center, and gift shop.
(3) Evaluate and recommend the types of memorabilia and displays to be included as part of the collection of the state house museum.
(4) Evaluate and recommend the amenities and services of the visitor's center.
(5) Recommend legislation, if necessary, to implement the creation of the museum, visitor's center, and gift shop.
(6) Consider and make recommendations concerning any other issues determined by the committee that are relevant to the creation of a state museum, visitor's center, and gift shop.
(e) The committee consists of eight (8) members appointed as follows:
   (1) Four (4) members of the senate, not more than two (2) of whom may be affiliated with the same political party, to be appointed by the president pro tempore of the senate.
   (2) Four (4) members of the house of representatives, not more than two (2) of whom may be affiliated with the same political party, to be appointed by the speaker of the house of representatives.
(f) The committee shall submit a report to the legislative council before November 1, 2005. The report must be in an electronic format under IC 5-14-6.
(g) The legislative services agency shall provide staff support to the committee.
(h) The affirmative votes of a majority of the members appointed to the committee are required for the committee to take action on any measure, including the final report.
(i) Except as otherwise specifically provided by this act, the committee shall operate under the rules of the legislative council. All funds necessary to carry out this act shall be paid from appropriations to the legislative council and the legislative services agency.
(j) This SECTION expires January 1, 2006.
SECTION 4. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-3.5-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) Except as provided in sections 18(e) and 18.5(b)(3) of this chapter, in determining the fractional share of distributive shares the civil taxing units of a county are entitled to receive under section 18 of this chapter during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property subject to assessment in that county.

(b) In determining the amount of distributive shares a civil taxing unit is entitled to receive under section 18(g) of this chapter, the department of local government finance shall consider only the percentage of the civil taxing unit's budget that equals the ratio that the total assessed valuation that lies within the civil taxing unit and the county that has adopted the county option tax bears to the total assessed valuation that lies within the civil taxing unit.

(c) The distributive shares to be allocated and distributed under this chapter:

(1) shall be treated by each civil taxing unit as additional revenue for the purpose of fixing its the civil taxing unit's budget for the budget year during which the distributive shares is are to be distributed to the civil taxing unit; and

(2) may be used for any lawful purpose of the civil taxing unit.

(d) In the case of a civil taxing unit that includes a consolidated city, its fiscal body may distribute any revenue it receives under this chapter to any governmental entity located in its county except an excluded city, a township, or a school corporation.

SECTION 2. IC 6-3.5-7-13.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.1. (a) The fiscal officer of each county, city, or town for a county in which the county
economic development tax is imposed shall establish an economic development income tax fund. Except as provided in sections 23, 25, 26, and 27 of this chapter, the revenue received by a county, city, or town under this chapter shall be deposited in the unit's economic development income tax fund.

(b) Except as provided in sections 15, 23, 25, 26, and 27 of this chapter, revenues from the county economic development income tax may be used as follows:

1) By a county, city, or town for economic development projects, for paying, notwithstanding any other law, under a written agreement all or a part of the interest owed by a private developer or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project, for the retirement of bonds under section 14 of this chapter for economic development projects, for leases under section 21 of this chapter, or for leases or bonds entered into or issued prior to the date the economic development income tax was imposed if the purpose of the lease or bonds would have qualified as a purpose under this chapter at the time the lease was entered into or the bonds were issued.

2) By a county, city, or town for:

   A) the construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8;
   B) the retirement of bonds issued under any provision of Indiana law for a capital project;
   C) the payment of lease rentals under any statute for a capital project;
   D) contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects;
   E) operating expenses of a governmental entity that plans or implements economic development projects;
   F) to the extent not otherwise allowed under this chapter, funding substance removal or remedial action in a designated unit; or
(G) funding of a revolving fund established under IC 5-1-14-14.

(3) By a county, city, or town for any lawful purpose for which money in any of its other funds may be used.

(c) As used in this section, an economic development project is any project that:

(1) the county, city, or town determines will:
   (A) promote significant opportunities for the gainful employment of its citizens;
   (B) attract a major new business enterprise to the unit; or
   (C) retain or expand a significant business enterprise within the unit; and

(2) involves an expenditure for:
   (A) the acquisition of land;
   (B) interests in land;
   (C) site improvements;
   (D) infrastructure improvements;
   (E) buildings;
   (F) structures;
   (G) rehabilitation, renovation, and enlargement of buildings and structures;
   (H) machinery;
   (I) equipment;
   (J) furnishings;
   (K) facilities;
   (L) administrative expenses associated with such a project, including contract payments authorized under subsection (b)(2)(D);
   (M) operating expenses authorized under subsection (b)(2)(E); or

   (N) to the extent not otherwise allowed under this chapter, substance removal or remedial action in a designated unit; or any combination of these.

(d) If there are bonds outstanding that have been issued under section 14 of this chapter or leases in effect under section 21 of this chapter, a county, city, or town may not expend money from its economic development income tax fund for a purpose authorized under subsection (b)(3) in a manner that would adversely affect
owners of the outstanding bonds or payment of any lease rentals due.
provided in subsection (c), subsections (c) and (d)), the caucus shall meet and select a person to fill the vacancy by a majority vote of those casting a vote for a candidate, including vice committee men eligible to vote as a proxy under section 5 of this chapter.

(c) A state chairman may give notice of a caucus before the time specified under subsection (b) if a vacancy will exist because the official has:

(1) submitted a written resignation under IC 5-8-3.5 that has not yet taken effect; or
(2) been elected to another office.

(d) If a vacancy in a legislative office exists because of the death of the legislator, the caucus shall meet and select a person to fill the vacancy not later than thirty (30) days after the state chairman receives notice of the death of the legislator from the secretary of state under IC 5-8-6.

(e) Notwithstanding IC 5-8-4, a person may not withdraw the person’s resignation after the resignation has been accepted by the person authorized to accept the resignation less than seventy-two (72) hours before the announced starting time of the caucus under this chapter.

(f) The person selected must reside in the district where the vacancy occurred.

SECTION 3. IC 3-13-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The state chairman of the political party that elected or selected the person who held the vacated seat shall set the place, date, and time of a caucus meeting. The chairman shall send a notice, by first class mail, of the purpose, place, date, and time of the meeting to all precinct committeemen in the caucus at least ten (10) days before the meeting.

(b) If a vacancy in a legislative office exists because of the death of the legislator, the state chairman may not send the notice required by subsection (a) until the state chairman receives notice of the death from the secretary of state under IC 5-8-6.

SECTION 4. IC 3-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this section, "judge" refers to a judge of a circuit, superior, probate, or county court.

(b) If a judge wants to resign from office, the judge must resign
as provided in IC 5-8-3.5.

(c) A vacancy that occurs because of the death of a judge may be certified to the governor under IC 5-8-6.

(d) A vacancy that occurs, other than by resignation in the office or death of a judge, of a circuit, superior, probate, or county court shall be certified to the governor by the circuit court clerk of the county in which the judge resided.

(e) A vacancy in the office of judge of a circuit court shall be filled by the governor as provided by Article 5, Section 18 of the Constitution of the State of Indiana. **However, the governor may not fill a vacancy that occurs because of the death of a judge until the governor receives notice of the death under IC 5-8-6.** The person who is appointed holds the office until:

1. the end of the unexpired term; or
2. a successor is elected at the next general election and qualified;

whichever occurs first. The person elected at the general election following an appointment to fill the vacancy, upon being qualified, holds office for the six (6) year term prescribed by Article 7, Section 7 of the Constitution of the State of Indiana and until a successor is elected and qualified.

(f) A vacancy in the office of judge of a superior, probate, or county court shall be filled by the governor subject to the following:

1. IC 33-33-2-39.
2. IC 33-33-2-43.
3. IC 33-33-45-38.
4. IC 33-33-71-40.

**However, the governor may not fill a vacancy that occurs because of the death of a judge until the governor receives notice of the death under IC 5-8-6.** The person who is appointed holds office for the remainder of the unexpired term.

SECTION 5. IC 3-13-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) **This section applies to** a vacancy in a county elected office (other than county council) not covered by section 1 of this chapter.

(b) **A vacancy** shall be filled by the board of commissioners of the county at a regular or special meeting. The county auditor shall give notice of the meeting. **Except as provided in subsection (d),**
the meeting shall be held within not later than thirty (30) days after
the vacancy occurs. The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each commissioner at least ten
(10) days before the meeting.

(b) (c) Selections made under this section (or under IC 3-2-10-3(a)
before its repeal on March 4, 1986) are appointments pro tempore for
the purposes of Article 2, Section 11 of the Constitution of the State of
Indiana.

d) If a vacancy occurs because of the death of an elected county
officer, the board of commissioners shall meet and select an
individual to fill the vacancy not later than thirty (30) days after
the county auditor receives notice of the death under IC 5-8-6. The
county auditor may not give the notice required under subsection
(b) until the county auditor receives notice of the death under
IC 5-8-6.

SECTION 6. IC 3-13-7-3 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section applies to
a vacancy in a county council not covered by section 1 of this chapter.

(b) A vacancy shall be filled by a majority of the remaining
members of the council at a regular or special meeting. The county
auditor shall give notice of the meeting. Except as provided in
subsection (c), the meeting shall be held within not later than thirty
(30) days after the vacancy occurs. The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten
(10) days before the meeting.

(c) If a vacancy occurs because of the death of a county council
member, the county council shall meet and select an individual to
fill the vacancy not later than thirty (30) days after the county
auditor receives notice of the death under IC 5-8-6. The county
auditor may not give the notice required under subsection (b) until
the county auditor receives notice of the death under IC 5-8-6.

SECTION 7. IC 3-13-8-2 IS AMENDED TO READ AS FOLLOWS
(a) As used in this section, "judge" refers to a judge of a city court.

(b) If a judge wishes to resign from office, the judge must resign as provided in IC 5-8-3.5.

(c) A vacancy that occurs because of the death of a judge may be certified to the governor under IC 5-8-6.

(d) A vacancy that occurs, other than by resignation in the office or death of a judge, of a city court shall be certified to the governor by the circuit court clerk of the county in which the judge resided.

(e) A vacancy in the office of judge of a city court shall be filled by the governor. However, the governor may not fill a vacancy that occurs because of the death of a judge until the governor receives notice of the death under IC 5-8-6.

SECTION 8. IC 3-13-8-3 IS AMENDED TO READ AS FOLLOWS

(a) This section applies to a vacancy in the office of mayor of a first class city not covered by section 1 of this chapter.

(b) The vacancy shall be filled by the city-county council at a regular or special meeting. The city clerk shall give notice of the meeting. Except as provided in subsection (d), the meeting shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:

1. be in writing;
2. state the purpose of the meeting;
3. state the date, time, and place of the meeting; and
4. be sent by first class mail to each council member at least ten (10) days before the meeting.

(c) The city clerk shall preside at the meeting but may not vote unless there is a tie vote among the members of the council. The council must appoint one (1) of its own members to the office. Until the vacancy is filled, the president of the council shall serve as acting mayor.

(d) If a vacancy exists because of the death of the mayor, the council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the city clerk receives notice of the death under IC 5-8-6. The city clerk may not give the notice required by subsection (b) until the city clerk receives notice of the death under IC 5-8-6.
SECTION 9. IC 3-13-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) This section applies to a vacancy in the city-county council of a first class city not covered by section 1 of this chapter.

(b) A vacancy shall be filled by a majority of the remaining members of the council at a regular or special meeting. The city clerk shall give notice of the meeting. Except as provided in subsection (c), the meeting shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:

1. be in writing;
2. state the purpose of the meeting;
3. state the date, time, and place of the meeting; and
4. be sent by first class mail to each council member at least ten (10) days before the meeting.

(c) If a vacancy exists because of the death of a council member, the council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the city clerk receives notice of the death under IC 5-8-6. The city clerk may not give the notice required by subsection (b) until the city clerk receives notice of the death under IC 5-8-6.

(b) (d) The appointed member serves until a successor is elected and qualified at the next municipal or general election, whichever occurs first. The successor serves from noon January 1 following that election to noon January 1 following the next municipal election, as provided in IC 36-3-4-2. The persons appointed and elected must be resident voters in the district where the vacancy occurred, unless the vacancy occurred in an at large seat.

SECTION 10. IC 3-13-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to a vacancy in the office of mayor of a second class city not covered by section 1 of this chapter.

(b) A vacancy shall be filled as follows:

1. If the city has a deputy mayor, the deputy mayor assumes the office for the remainder of the unexpired term.
2. If the city does not have a deputy mayor, the city controller assumes the office for the remainder of the unexpired term.
3. If the city does not have a deputy mayor and the office of city controller is vacant, the common council shall fill the vacancy at
a regular or special meeting.

(b)(c) The city clerk shall give notice of the meeting required under subsection (a)(3), which (b)(3). Except as provided in subsection (d), the meeting shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

(d) If a vacancy exists because of the death of the mayor, the council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the city clerk receives notice of the death under IC 5-8-6. The city clerk may not give the notice required by subsection (c) until the city clerk receives notice of the death under IC 5-8-6.

(e) Until the vacancy is filled, the council shall designate one (1) of its members to serve as acting mayor.

SECTION 11. IC 3-13-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies to a vacancy in the office of city clerk of a second class city not covered by section 1 of this chapter.

(b) A vacancy shall be filled by the mayor or acting mayor, subject to the approval of the common council. However, if a vacancy exists because of the death of the city clerk, the mayor or acting mayor may not fill the vacancy until the mayor or acting mayor receives notice of the death under IC 5-8-6.

(c) The common council shall vote on the question of approving the mayor or acting mayor's appointment at a regular or special meeting. The president of the common council shall give notice of the meeting, which shall be held within not later than thirty (30) days after the appointment is made. The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

SECTION 12. IC 3-13-8-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section applies to a vacancy in the common council of a second class city not covered by section 1 of this chapter.

(b) A vacancy shall be filled by the remaining members of the council at a regular or special meeting. The city clerk shall give notice of the meeting. Except as provided in subsection (c), the meeting shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

(c) If a vacancy exists because of the death of a council member, the council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the city clerk receives notice of the death under IC 5-8-6. The city clerk may not give the notice required by subsection (b) until the city clerk receives notice of the death under IC 5-8-6.

SECTION 13. IC 3-13-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies to a vacancy in the office of mayor of a third class city not covered by section 1 of this chapter.

(b) A vacancy shall be filled as follows:

(1) If the city has a deputy mayor, the deputy mayor assumes the office for the remainder of the unexpired term.
(2) If the city does not have a deputy mayor, the common council shall fill the vacancy at a regular or special meeting.

(c) The city clerk-treasurer shall give notice of the meeting required under subsection (a)(2), which shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

(d) If a vacancy exists because of the death of the mayor, the
council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the city clerk-treasurer receives notice of the death by IC 5-8-6. The city clerk-treasurer may not give the notice required by subsection (c) until the city clerk-treasurer receives notice of the death under IC 5-8-6.

(e) Until the vacancy is filled, the council shall designate one (1) of its members to serve as acting mayor.

SECTION 14. IC 3-13-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section applies to a vacancy in the office of city clerk-treasurer of a third class city not covered by section 1 of this chapter.

(b) The vacancy shall be filled by the mayor or acting mayor, subject to the approval of the common council. However, if a vacancy exists because of the death of the city clerk-treasurer, the mayor or acting mayor may not fill the vacancy until the mayor or acting mayor receives notice of the death under IC 5-8-6.

(c) The common council shall vote on the question of approving the mayor or acting mayor's appointment at a regular or special meeting. The mayor shall give notice of the meeting, which shall be held within not later than thirty (30) days after the appointment is made. The notice must:

1. be in writing;
2. state the purpose of the meeting;
3. state the date, time, and place of the meeting; and
4. be sent by first class mail to each council member at least ten (10) days before the meeting.

SECTION 15. IC 3-13-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section applies to a vacancy in the common council of a third class city not covered by section 1 of this chapter.

(b) A vacancy shall be filled by the remaining members of the council at a regular or special meeting. The city executive may break any tie vote.

(c) The city clerk-treasurer shall give notice of the meeting, which except as provided in subsection (d), the meeting shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:

1. be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten
(10) days before the meeting.

(d) If a vacancy exists because of the death of a council member,
the council shall meet and select an individual to fill the vacancy
not later than thirty (30) days after the city clerk-treasurer
receives notice of the death under IC 5-8-6. The city
clerk-treasurer may not give the notice required by subsection (c)
until the city clerk-treasurer receives notice of the death under
IC 5-8-6.

SECTION 16. IC 3-13-9-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) **This section
applies to** a vacancy in the office of judge of a town court that is:
(1) not covered by section 1 of this chapter; or
(2) covered by section 1 of this chapter, but exists existing after
the thirtieth day after:
(A) the vacancy occurs, if IC 5-8-6 does not apply; or
(B) the town clerk-treasurer receives the notice required
under IC 5-8-6.

(b) A vacancy shall be filled by the town council at a regular or
special meeting.

(c) **The town clerk-treasurer shall give notice of the meeting,**
which **Except as provided in subsections (e) and (f), the meeting
shall be held:**
(1) **within not later than** thirty (30) days after the vacancy occurs
if the vacancy is not covered by section 1 of this chapter; or
(2) **within not later than** sixty (60) days after the vacancy occurs
if the vacancy is covered by section 1 of this chapter and exists
for more than thirty (30) days.

(d) **The notice must:**
(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten
(10) days before the meeting.

(e) **If a vacancy:**
(1) is not covered by section 1 of this chapter; and
(2) exists because of the death of a judge; the council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the town clerk-treasurer receives notice of the death under IC 5-8-6. The town clerk-treasurer may not give the notice required by subsection (c) until the town clerk-treasurer receives notice of the death under IC 5-8-6.

(f) If a vacancy:
(1) is covered by section 1 of this chapter;
(2) exists because of the death of a judge; and
(3) exists for more than thirty (30) days;
the council shall meet and select an individual to fill the vacancy not later than sixty (60) days after the town clerk-treasurer receives notice of the death under IC 5-8-6. The town clerk-treasurer may not give the notice required by subsection (c) until the town clerk-treasurer receives notice of the death under IC 5-8-6.

SECTION 17. IC 3-13-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section applies to a vacancy in the office of town clerk-treasurer:
(1) not covered by section 1 of this chapter; or
(2) covered by section 1 of this chapter, but existing after the thirtieth day after:
   (A) the vacancy occurs, if IC 5-8-6 does not apply; or
   (B) the president of the town council receives the notice required under IC 5-8-6.
(b) A vacancy shall be filled by the town council at a regular or special meeting.

(c) The president of the town council shall give notice of the meeting, which shall be held:
   (1) within not later than thirty (30) days after the vacancy occurs if the vacancy is covered by section 1 of this chapter; or
   (2) within not later than sixty (60) days after the vacancy occurs if the vacancy is covered by section 1 of this chapter and exists for more than thirty (30) days.

(d) The notice must:
   (1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten
(10) days before the meeting.

(e) If a vacancy:

(1) is not covered by section 1 of this chapter; and

(2) exists because of the death of the town clerk-treasurer;
the council shall meet and select an individual to fill the vacancy
not later than thirty (30) days after the president of the town
council receives notice of the death under IC 5-8-6. The president
of the town council may not give the notice required by subsection
(c) until the president of the town council receives notice of the
death under IC 5-8-6.

(f) If a vacancy:

(1) is covered by section 1 of this chapter;
(2) exists because of the death of the town clerk-treasurer;
and
(3) exists for more than thirty (30) days;
the council shall meet and select an individual to fill the vacancy
not later than sixty (60) days after the president of the town council
receives notice of the death under IC 5-8-6. The president of the
town council may not give the notice required by subsection (c)
until the president of the town council receives notice of the death
under IC 5-8-6.

SECTION 18. IC 3-13-9-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) This section
applies to a vacancy in the town council:

(1) not covered by section 1 of this chapter; or
(2) covered by section 1 of this chapter, but existing after the
thirtieth day after:
(A) the vacancy occurs, if IC 5-8-6 does not apply; or
(B) the town clerk-treasurer receives the notice required
under IC 5-8-6.

(b) The vacancy shall be filled by the remaining members of the
council at a regular or special meeting.

(c) The town clerk-treasurer shall give notice of the meeting. Except as provided in subsection (d) or subsections (e), (f), (g), and
(h), the meeting shall be held:
within not later than thirty (30) days after the vacancy occurs if the vacancy is not covered by section 1 of this chapter; or
within not later than sixty (60) days after the vacancy occurs if the vacancy is covered by section 1 of this chapter and exists for more than thirty (30) days.

(c) The notice must:
(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

(d) Notwithstanding subsection (b), (e) If a vacancy:
(1) is not covered by subsection (f) or section 1 of this chapter; and
(2) exists because a circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3);
the town council shall meet and select an individual to fill the vacancy not later than thirty (30) days after the town council determines that a circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3).

(e) Notwithstanding subsection (b), (g) If a vacancy:
(1) is covered by section 1 of this chapter and not covered by subsection (h);
(2) exists because a circumstance has occurred under IC 36-5-2-6.5(2); and
(3) exists for more than thirty (30) days;
the council shall meet and select an individual to fill the vacancy not
later than sixty (60) days after the town council determines that a circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3).

(h) If a vacancy:

(1) is covered by section 1 of this chapter and not covered by subsection (g);
(2) exists because a circumstance has occurred under IC 36-5-2-6.5(2); and
(3) exists for more than thirty (30) days;

the council shall meet and select an individual to fill the vacancy not later than sixty (60) days after the town clerk-treasurer receives notice of the death under IC 5-8-6. The town clerk-treasurer may not give the notice required by subsection (c) until the town clerk-treasurer receives notice of the death under IC 5-8-6.

SECTION 19. IC 3-13-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A vacancy in the office of township trustee:

(1) not covered by section 1 of this chapter; or
(2) covered by section 1 of this chapter, but that exists after the thirtieth day after:
   (A) the vacancy occurs, if IC 5-8-6 does not apply; or
   (B) the county auditor receives the notice required under IC 5-8-6;

shall be filled by the board of commissioners of the county at a regular or special meeting.

(b) The county auditor shall give notice of the meeting, which

(c) Except as provided in subsections (e) and (f), the meeting shall be held within not later than:

(1) thirty (30) days after the vacancy occurs, if the vacancy is not covered by section 1 of this chapter; or
(2) not later than sixty (60) days after the vacancy occurs, if the vacancy is covered by section 1 of this chapter and exists for more than thirty (30) days.

(d) The notice must:

(1) be in writing;
(2) state the purpose of the meeting;
(3) state the date, time, and place of the meeting; and
(4) be sent by first class mail to each commissioner at least ten 
(10) days before the meeting.

(e) If the vacancy:

(1) is not covered by section 1 of this chapter; and
(2) exists because of the death of the township trustee;
the meeting required by subsection (c) shall be held not later than 
thirty (30) days after the county auditor receives notice of the 
death under IC 5-8-6. The county auditor may not give the notice 
required by subsection (b) until the county auditor receives notice 
of the death under IC 5-8-6.

(f) If the vacancy:

(1) is covered by section 1 of this chapter;
(2) exists because of the death of the township trustee; and
(3) exists for more than thirty (30) days;
the meeting required under subsection (c) shall be held not later 
than sixty (60) days after the county auditor receives notice of the 
death under IC 5-8-6. The county auditor may not give the notice 
required by subsection (b) until the county auditor receives notice 
of the death under IC 5-8-6.

SECTION 20. IC 3-13-10-3 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section 
applies to a vacancy in the office of township assessor not covered by 
section 1 of this chapter.

(b) A vacancy shall be filled by the county assessor, subject to the 
approval of the department of local government finance. Except as 
provided in subsection (c), the county assessor shall make the 
appointment within not later than thirty (30) days after the vacancy 
occurs. If the vacancy occurred because the elected township assessor 
failed to qualify or was removed, the person who is appointed must be 
of the same political party as the elected township assessor.

(c) If a vacancy exists because of the death of the township 
assessor, the county assessor shall make the appointment required 
by subsection (b) not later than thirty (30) days after the county 
assessor receives notice of the death under IC 5-8-6. The county 
assessor may not fill the vacancy as required by subsection (b) until 
the county assessor receives notice of the death under IC 5-8-6.

SECTION 21. IC 3-13-10-4 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A vacancy on the
township board of a township:
  (1) not covered by section 1 of this chapter; or
  (2) covered by section 1 of this chapter, but that exists after the thirtieth day after:
    (A) the vacancy occurs, if IC 5-8-6 does not apply; or
    (B) the county auditor receives the notice required under IC 5-8-6;
shall be filled by the board of commissioners of the county at a regular or special meeting.
  (b) The county auditor shall give notice of the meeting. which
(c) Except as provided in subsections (e) and (f), the meeting shall be held: within
    (1) not later than thirty (30) days after the vacancy occurs, if the vacancy is not covered by section 1 of this chapter; or
    (2) not later than sixty (60) days after the vacancy occurs, if the vacancy is covered by section 1 of this chapter and exists for more than thirty (30) days.
(d) The notice must:
    (1) be in writing;
    (2) state the purpose of the meeting;
    (3) state the date, time, and place of the meeting; and
    (4) be sent by first class mail to each commissioner at least ten (10) days before the meeting.
(e) If a vacancy:
    (1) is not covered by section 1 of this chapter; and
    (2) exists because of the death of a township board member; the meeting required by subsection (c) shall be held not later than thirty (30) days after the county auditor receives notice of the death under IC 5-8-6. The county auditor may not give the notice required under subsection (b) until the county auditor receives notice of the death under IC 5-8-6.
(f) If a vacancy:
    (1) is covered by section 1 of this chapter;
    (2) exists because of the death of a township board member; and
    (3) exists for more than thirty (30) days; the meeting required by subsection (c) shall be held not later than sixty (60) days after the county auditor receives notice of the death
under IC 5-8-6. The county auditor may not give the notice required by subsection (b) until the county auditor receives notice of the death under IC 5-8-6.

SECTION 22. IC 3-13-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to a vacancy in the office of judge of a small claims court or small claims court constable not covered by section 1 of this chapter.

(b) A vacancy shall be filled by the township board at a regular or special meeting. The chairman of the township board shall give notice of the meeting, which except as provided in subsection (c), the meeting shall be held within not later than thirty (30) days after the vacancy occurs. The notice must:
   (1) be in writing;
   (2) state the purpose of the meeting;
   (3) state the date, time, and place of the meeting; and
   (4) be sent by first class mail to each board member at least ten (10) days before the meeting.

(c) If a vacancy exists because of the death of a judicial officer, the meeting required by subsection (b) shall be held not later than thirty (30) days after the chairman of the township board receives notice of the death under IC 5-8-6. The chairman of the township board may not give the notice required by subsection (b) until the chairman of the township board receives notice of the death under IC 5-8-6.

SECTION 23. IC 3-13-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsections (b) and (e) and section 3.5 of this chapter, not later than ten (10) days after a vacancy occurs in an office subject to this chapter, the county chairman:
   (1) of the county in which the greatest percentage of the population of the election district of the office is located; and
   (2) of the same political party that elected or selected the official who vacated the office;

shall give notice of a caucus to all eligible precinct committeemen.

(b) A county chairman may give notice of a caucus before the time specified under subsection (a) if a vacancy will exist because the official has:
   (1) submitted a written resignation under IC 5-8-3.5; or
(2) been elected to another office.

(c) Notwithstanding IC 5-8-4, a person may not withdraw the person’s resignation after the resignation has been accepted by the person authorized to accept the resignation less than seventy-two (72) hours before the announced starting time of a caucus under this section.

(d) Except as provided in subsection (e) and section 3.5 of this chapter, a caucus under this section shall be held after giving notice to caucus members under section 4 of this chapter and not later than thirty (30) days after the vacancy occurs.

(e) If a vacancy exists in an office because a circumstance has occurred under IC 36-5-2-6.5(2), the caucus shall meet and select an individual to fill the vacancy not later than thirty (30) days after the county chairman receives notice of the death under IC 5-8-6. The county chairman shall give notice to caucus members under section 4 of this chapter. The county chairman may not give the notice required by section 4 of this chapter until the county chairman receives notice of the death under IC 5-8-6.

SECTION 24. IC 3-13-11-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) If a vacancy exists on a town council because a circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3), the caucus shall meet and select an individual to fill the vacancy not later than thirty (30) days after the county chairman receives a notice of the vacancy under IC 5-8-5. If the vacancy is due to the death of a town council member and the county chairman is aware of the member’s death before receiving a notice of the death, the caucus may meet before the county chairman receives the notice of the death.

(b) The county chairman shall:

(1) give notice of the caucus meeting to caucus members under section 4 of this chapter; and

(2) keep the notice of the vacancy with the records of the caucus.

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

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

(2) "Public officer" means any person, elected or appointed, who holds any state, county, township, city, or town office.
(b) Any public officer convicted of a felony during his term of office shall:
   (1) be removed from office by operation of law when he is sentenced for the felony; and
   (2) not receive any salary or remuneration from the time he is sentenced for the felony.
(c) If the conviction is reversed, vacated, or set aside, and the officer's term has not expired, the officer shall:
   (1) be reinstated in office; and
   (2) receive any salary or other remuneration which he would have received had he not been removed from office.
(d) If the conviction is reversed, vacated, or set aside, and the officer's term has expired, he shall receive any salary or other remuneration which he would have received had he not been removed from office.
  (e) Every vacancy in a public office caused by the removal of a public officer under this section shall be filled as provided by law. If a convicted public officer is reinstated, the person filling the office during the appeal shall cease to hold the office.
  (f) This subsection applies whenever:
   (1) the court imposes on a public officer a sentence for a felony, as referred to in subsection (b); and
   (2) a vacancy occurs in a state, county, township, city, or town office as the result of the court's sentence.
The court must file a certified copy of the sentencing order with the person who is entitled under IC 5-8-6 to receive notice of the death of an individual holding the office. The person receiving a copy of the sentencing order must give notice of the vacancy in the same manner as if the person had received a notice under IC 5-8-6. The person who is required or permitted to fill the vacancy must comply with IC 3-13.
  (g) This subsection applies if a public officer is reinstated in office under subsection (e). The court must file a certified copy of the order reversing, vacating, or setting aside the conviction with the person who is entitled under IC 5-8-6 to receive notice of the death of an individual holding the office. The person receiving a copy of the order must give notice of the reinstatement in the same
manner as notice of a vacancy would be given under IC 5-8-6. In addition, the person receiving a copy of the order must also give notice to the person who was selected to fill the vacancy before the reinstatement occurred.

SECTION 26. IC 5-8-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies when a vacancy must be filled under:

(1) IC 3-13-9; or
(2) IC 3-13-11;

due to a reason set forth in IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3).

SECTION 27. IC 5-8-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The town council may hold a public meeting to determine whether a circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3) that results in a vacancy on the town council. The town council may set a meeting for making the determination on its own motion, or a person may petition the town council to set a meeting to make the determination. The town council may grant or deny a petition for a meeting.

(b) If a person files a petition with the council, the petition must state the basis for the person's claim that a circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3).

SECTION 28. IC 5-8-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If the town council is reasonably satisfied that any circumstance has occurred under IC 36-5-2-6.5(2) through IC 36-5-2-6.5(3), the council may, by an affirmative vote of a majority of the members appointed to the body, vote to declare a vacancy in the town council membership. The member who is alleged to have vacated the member's seat may participate in the meeting as a member, but may not vote on the issue.

(b) If the member who is the subject of the petition or motion does not attend the meeting at which the town council makes the determination that a vacancy exists, the town council shall mail notice of its determination to the member.

(c) If the town council determines that a vacancy exists, the town clerk-treasurer shall give the circuit court clerk notice of the determination not later than five (5) days after the date of the town council's determination. The circuit court clerk shall give notice to the county chairman if a caucus is required under IC 3-13-11 to fill the
SECTION 29. IC 5-8-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 6. Notice of Death of an Officeholder

Sec. 1. This chapter applies when a vacancy must be filled due to the death of an officeholder.

Sec. 2. As used in this chapter, "officeholder" refers to a person who holds a state office, legislative office, local office, or school board office (as those terms are defined in IC 3-5-2).

Sec. 3. (a) A person who knows of the death of an officeholder may certify the death to the following:

(1) The governor, in the case of the death of any of the following:
   (A) An individual who holds a state office (as defined in IC 3-5-2-48).
   (B) An individual who is a judge of a circuit, superior, probate, county, or city court.

(2) The secretary of state, in the case of the death of an individual who holds a legislative office (as defined in IC-3-5-2-28).

(3) The circuit court clerk of the county in which the officeholder resided, in the case of the death of an officeholder of a county, city, town, township, or school corporation not covered under subdivision (1).

(b) A person who certifies the death of an officeholder shall:

(1) state the information that causes the person to believe the officeholder has died; and

(2) certify, under the penalties for perjury, that to the best of
the person's knowledge and belief, the information stated is true.

Sec. 4. When the governor:
(1) obtains information concerning the death of an individual who:
   (A) holds a state office (as defined in IC 3-5-2-48); or
   (B) is a judge of a circuit, superior, probate, county, or city court; and
(2) is reasonably satisfied that the information described in subdivision (1) is true;
the governor shall fill the vacancy as provided by law.

Sec. 5. (a) When the secretary of state:
(1) obtains information concerning the death of an individual who holds a legislative office (as defined in IC 3-5-2-28); and
(2) is reasonably satisfied that the information described in subdivision (1) is true;
the secretary of state shall give notice of the death to the state chairman of the political party that elected or selected the deceased individual.

(b) The secretary of state shall give the notice required by subsection (a) not later than seventy-two (72) hours after the requirements of subsection (a)(1) and (a)(2) are satisfied.

Sec. 6. (a) When a circuit court clerk:
(1) obtains information concerning the death of an officeholder of a county, city, town, township, or school corporation not subject to section 4 of this chapter; and
(2) is reasonably satisfied that the information described in subdivision (1) is true;
the circuit court clerk shall give notice of the death to the person described in subsection (b).

(b) The circuit court clerk shall give the notice required by subsection (a) to:
(1) the person who must give notice of any meeting or caucus required to fill the vacancy caused by the death; or
(2) if a meeting or caucus is not required to fill the vacancy, the person who has the power to fill the vacancy.

(c) The circuit court clerk shall give the notice required by subsection (a) not later than seventy-two (72) hours after the requirements of subsection (a)(1) and (a)(2) are satisfied.
SECTION 30. IC 20-3-11-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) The board of school commissioners consists of seven (7) members. Each member shall be elected on a nonpartisan basis in primary elections held in the county as specified in this section. Five (5) of the members shall be elected from the school board districts in which they reside and two (2) members shall be elected at large. Not more than two (2) of the members who serve on the board may reside in the same school board district. When a candidate runs for one (1) of the district positions on the board, only eligible voters residing in the candidate's district may vote for that candidate. When a person is a candidate for one (1) of the at-large positions, eligible voters from all the districts may vote for that candidate. When a candidate files to run for a position on the board, the candidate must specify whether the candidate is running for a district or an at-large position. All members elected to the board serve four (4) year terms. A candidate who runs for a district or an at-large position wins if the candidate receives the greatest number of votes of all the candidates against whom the candidate runs. Districts shall be established within the school corporation by the state board of education. The districts shall be drawn on the basis of precinct lines and as nearly as practicable, of equal population with the population of the largest not to exceed the population of the smallest by more than five percent (5%). District lines must not cross precinct lines. The state board of education shall establish balloting procedures for the election under IC 3 and other procedures required to implement this section.

(b) Each member of the board of school commissioners serves under section 2 of this chapter. In accordance with subsection (e), the vacancies in the board of school commissioners shall be filled temporarily by the school board as soon as practicable after the vacancy occurs. The member chosen by the board to fill a vacancy holds office until the member's successor is elected and qualified. The successor shall be elected at the next regular school board election occurring after the date on which the vacancy occurs, at which time the vacancy shall be filled for the remainder of the term.

(c) Persons elected to serve on the board begin their terms on July 1 of the year of their election.

(d) Notwithstanding any law to the contrary, voters shall cast their votes for school board candidates by voting system or paper ballot.
However, the same method used to cast votes for all other offices for which candidates have qualified to be on the election ballot must be used for the school board offices.

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

SECTION 31. IC 20-5-3-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) This section applies to a school corporation subject to section 3 of this chapter.

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

(c) If a vacancy in a school board office exists because of the death of a school board member, the remaining members of the governing body shall meet and select an individual to fill the vacancy after the secretary of the governing body receives notice of the death under IC 5-8-6 and in accordance with section 3 of this chapter.

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

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

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

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

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

(d) If a candidate files to run for a position on the board, the candidate must specify whether the candidate is running for a district or an at-large position.
(e) A candidate who runs for a district or an at-large position wins if the candidate receives the greatest number of votes of all the candidates against whom the candidate runs.

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

1. balloting procedures for the election under IC 3; and
2. other procedures required to implement this section.

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

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

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

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

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

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

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

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

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

(1) that person shall proceed to exercise the functions of the office after the person has been qualified, as required by law; and
(2) the court shall order the defendant to deliver all the funds and records in the custody or within the power of the defendant, belonging to the office from which the defendant has been removed:

(A) to the person entitled to hold the office; or
(B) if a vacancy results, to the court to hold until a person is selected under subsection (b) to fill the vacancy.

(b) This subsection applies whenever:

(1) the court renders a judgment under subsection (a) that an individual holding a public office (as that term is used in IC 34-17-1-1) is not entitled to hold that office; and
(2) a vacancy occurs in that office as the result of the court’s judgment.

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

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

(c) This subsection applies whenever:

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

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

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

P.L.120-2005
[S.196. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning professions and occupations.

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

SECTION 1. IC 10-13-3-38.5, AS AMENDED BY HEA 1288-2005, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. (a) Under federal P.L.92-544 (86 Stat. 1115), the department may use an individual's fingerprints submitted by the individual for the following purposes:

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

(A) that has a job description that includes contact with, care
of, or supervision over a person less than eighteen (18) years of age;
(B) that has a job description that includes contact with, care of, or supervision over an endangered adult (as defined in IC 12-10-3-2), except the individual is not required to meet the standard for harmed or threatened with harm set forth in IC 12-10-3-2(a)(3);
(C) at a state institution managed by the office of the secretary of family and social services or state department of health;
(D) at the Indiana School for the Deaf established by IC 20-22-2-1;
(E) at the Indiana School for the Blind established by IC 20-21-2-1;
(F) at a juvenile detention facility;
(G) with the gaming commission under IC 4-33-3-16;
(H) with the department of financial institutions under IC 28-11-2-3; or
(I) that has a job description that includes access to or supervision over state financial or personnel data, including state warrants, banking codes, or payroll information pertaining to state employees.
(2) Identification in a request related to an application for a teacher's license submitted to the professional standards board established under IC 20-28-2-1.
(3) Use by the state boxing commission established under IC 25-9-1-1 for licensure of a promoter (as defined in IC 25-9-1-0.7) under IC 25-9-1.

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

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

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

SECTION 2. IC 25-9-1-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.5. As used in this chapter, "matchmaker" means a person who, under contract, agreement, or other arrangement with a boxer, acts as a booker, an agent, a booking agent, or a representative to secure:

(1) an engagement; or
(2) a contract;

for the boxer.

SECTION 3. IC 25-9-1-0.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.7. As used in this chapter, "promoter" has the meaning set forth in 15 U.S.C. 6301(9).

SECTION 4. IC 25-9-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Applications for licenses or permits to conduct or participate in, either directly or indirectly, a boxing or sparring match, semiprofessional elimination contest, or exhibition shall be:

(1) made in writing upon forms prescribed by the state boxing commission and shall be addressed to and filed with the Indiana professional licensing agency; and
(2) verified by the applicant, if an individual, or by some officer of the club, corporation, or association in whose behalf the application is made.

(b) The application for a permit to conduct a particular boxing or sparring match, semiprofessional elimination contest, or exhibition, shall, among other things, state:

(1) the time and exact place at which the boxing or sparring match, semiprofessional elimination contest, or exhibition is proposed to be held;
(2) the names of the contestants who will participate and their seconds;
(3) the seating capacity of the buildings or the hall in which such exhibition is proposed to be held;
(4) the admission charge which is proposed to be made;
(5) the amount of the compensation percentage of gate receipts which is proposed to be paid to each of the participants;
(6) the name and address of the person making the application;
(7) the names and addresses of all the officers if the person is a club, a corporation, or an association; and
(8) the record of each contestant from a source approved by the commission.

(c) The commission shall cause to be kept by the licensing agency proper records of the names and addresses of all persons receiving permits and licenses.

SECTION 5. IC 25-9-1-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) As used in this section, "applicant" means a person applying for a promoter's license or permit.

(b) The commission shall require an applicant to provide:
(1) information, including fingerprints, that is needed to facilitate access to criminal history information; and
(2) financial information, to the extent allowed by law.

(c) The state police department shall:
(1) provide assistance in obtaining criminal history information of an applicant; and
(2) forward fingerprints submitted by an applicant to the Federal Bureau of Investigation for the release of an applicant's criminal history information for the purposes of licensure under this chapter.

(d) The applicant shall pay any fees associated with the release of the criminal history information of the applicant.

SECTION 6. IC 25-9-1-8 IS REPEALED [EFFECTIVE JULY 1, 2005].
AN ACT to amend the Indiana Code concerning education finance.

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

SECTION 1. IC 20-12-5.5-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2.5. (a) Except as provided in subsection (b), a project that has been approved or authorized by the general assembly is not subject to review by the commission for higher education.

(b) The commission for higher education shall review a project approved or authorized by the general assembly if the review is requested by the budget agency or the budget committee.

SECTION 2. [EFFECTIVE UPON PASSAGE] (a) The trustees of Indiana University may issue and sell bonds under IC 20-12-8, subject to the approvals required by IC 20-12-5.5, to provide funds for the acquisition, renovation, expansion, and improvement of the hotel facility (including all functionally related and subordinate components of the hotel facility) adjacent to the Indiana University Conference Center on the Indianapolis campus and may undertake the project if the total costs financed by the bond issue, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, do not exceed thirty-one million two hundred thousand dollars ($31,200,000).

(b) Notwithstanding IC 20-12-8-1, the trustees of Indiana University may use a part of the proceeds of the bond issue authorized by subsection (a) for an integrated transit study. The purpose of the study must be to ascertain and recommend options for increasing accessibility to the Indianapolis campus and surrounding areas. The costs of the study authorized by this subsection may not exceed two hundred thousand dollars ($200,000).

SECTION 3. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning professions and occupations.

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

SECTION 1. IC 25-26-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 21. Home Medical Equipment Services Providers
Sec. 1. As used in this chapter, "board" refers to the Indiana board of pharmacy established by IC 25-26-13-3.
Sec. 2. As used in this chapter, "home medical equipment" means technologically sophisticated medical devices that may be used in a residence, including the following:
   (1) Oxygen and oxygen delivery systems.
   (2) Ventilators.
   (3) Respiratory disease management devices.
   (4) Continuous positive airway pressure (CPAP) devices.
   (5) Electronic and computerized wheelchairs and seating systems.
   (6) Apnea monitors.
   (7) Transcutaneous electrical nerve stimulator (TENS) units.
   (8) Low air loss cutaneous pressure management devices.
   (9) Sequential compression devices.
   (10) Feeding pumps.
   (11) Home phototherapy devices.
   (12) Infusion delivery devices.
   (13) Distribution of medical gases to end users for human consumption.
   (14) Hospital beds.
   (15) Nebulizers.
   (16) Other similar equipment determined by the board in rules adopted under section 7 of this chapter.
Sec. 3. As used in this chapter, "home medical equipment
services" means the:
   (1) sale;
   (2) rental;
   (3) delivery;
   (4) installation;
   (5) maintenance or replacement; or
   (6) instruction in the use;

of medical equipment used by an individual that allows the individual to reside in a noninstitutional environment.

Sec. 4. As used in this chapter, "provider" means a person engaged in the business of providing home medical equipment services to an unrelated individual in the individual's residence.

Sec. 5. (a) This chapter does not apply to the following:
   (1) A home health agency (as defined in IC 16-27-1-2) that does not sell, lease, or rent home medical equipment.
   (2) A hospital licensed under IC 16-21-2 that:
      (A) provides home medical equipment services only as an integral part of patient care; and
      (B) does not provide home medical equipment services through a separate business entity.
   (3) A manufacturer or wholesale distributor that does not sell, lease, or rent home medical equipment directly to a consumer.
   (4) Except as provided under subsection (b), a practitioner (as defined in IC 25-1-9-2) who does not sell, lease, or rent home medical equipment.
   (5) A veterinarian licensed under IC 15-5-1.1.
   (6) A hospice program (as defined in IC 16-25-1.1-4) that does not sell, lease, or rent home medical equipment.
   (7) A health facility licensed under IC 16-28 that does not sell, lease, or rent home medical equipment.
   (8) A provider that:
      (A) provides home medical equipment services within the scope of the licensed provider's professional practice;
      (B) is otherwise licensed by the state; and
      (C) receives annual continuing education that is documented by the provider or the licensing entity.
   (9) An employee of a person licensed under this chapter.
   (b) A pharmacist licensed in Indiana or a pharmacy that holds a permit issued under IC 25-26 that sells, leases, or rents home
medical equipment:
   (1) is not required to obtain a license under this chapter; and
   (2) is otherwise subject to the:
       (A) requirements of this chapter; and
       (B) requirements established by the board by rule under
           this chapter.

Sec. 6. (a) A person seeking to provide home medical equipment
services in Indiana shall apply to the board for a license in the
manner prescribed by the board.
   (b) A provider shall do the following:
       (1) Comply with:
           (A) federal and state law; and
           (B) regulatory requirements;
       for home medical equipment services.
       (2) Maintain a physical facility and medical equipment
           inventory in Indiana.
       (3) Purchase and maintain in an amount determined by the
           board:
           (A) product liability insurance; and
           (B) professional liability insurance;
       and maintain proof of the insurance coverage.
       (4) Establish procedures to ensure that an employee or a
           contractor of the provider who is engaged in the following
           home medical equipment activities receives annual training:
           (A) Delivery.
           (B) Orientation of a patient in the use of home medical
               equipment.
           (C) Reimbursement assistance.
           (D) Maintenance.
           (E) Repair.
           (F) Cleaning and inventory control.
           (G) Administration of home medical equipment services.
   The provider shall maintain documentation of the annual
training received by each employee or contractor.
   (5) Maintain clinical records on a customer receiving home
medical equipment services.
   (6) Establish home medical equipment maintenance and
personnel policies.
   (7) Provide home medical equipment emergency maintenance
services available twenty-four (24) hours a day.

(8) Comply with the rules adopted by the board under this chapter.

Sec. 7. (a) The board may adopt rules under IC 4-22-2 to do the following:

1. Specify home medical equipment in addition to the home medical equipment set forth in section 2 of this chapter that is to be regulated under this chapter.
2. Set standards for the licensure of providers.
3. Govern the safety and quality of home medical equipment services that are provided to customers.
4. Specify the amount of insurance coverage required under section 6(b)(3) of this chapter.
5. Set reasonable fees for the application, issuance, and renewal of a license under this chapter and set other fees permitted under IC 25-1-8.

(b) The board may consult with individuals engaged in the home medical equipment services business to advise the board on the formulation of rules under subsection (a). The individuals may not be compensated or reimbursed for mileage by the board.

Sec. 8. (a) After June 30, 2006, a provider must be licensed by the board before the provider may provide home medical equipment services. If a provider provides home medical equipment services from more than one (1) location in Indiana, the provider must obtain a license under this chapter for each location.

(b) An applicant shall submit the application to the board on a form adopted by the board. The nonrefundable application fee set by the board must be submitted with the application. The fee must be deposited in the state general fund.

(c) If the board determines that the applicant:
1. meets the standards set forth by the board; and
2. has satisfied the requirements under this chapter and the requirements established by the board by rule;
the board shall notify the applicant in writing that the license is being issued to the applicant. The license is effective on the applicant's receipt of the written notification.

(d) A license issued under this chapter is effective for not more than two (2) years, beginning on a date determined by the board. An entity that is licensed under this chapter shall display the
license or a copy of the license on the licensed premises.

(e) The board may renew a license every two (2) years.

Sec. 9. (a) The board may inspect the operations and facilities of an applicant for a license under this chapter to determine whether to issue the applicant a license.

(b) The board may conduct random inspections at any time for the following reasons:

(1) To ensure the integrity and effectiveness of the licensing process.

(2) To investigate a consumer complaint or a complaint by a qualified source as identified by the board.

(3) To ensure continuing compliance with the licensing requirements under this chapter.

(c) The board shall provide the provider a report of the board's findings after the board completes an investigation under this section.

(d) A provider that disputes the report in subsection (c) may file an appeal under IC 4-21.5 with the board not later than thirty (30) days after receipt of the report. The board shall review the inspection report and, upon the provider's request, conduct a new inspection.

(e) The board shall employ qualified inspectors to investigate complaints and conduct inspections. Investigators may review and audit records under an investigation or inspection during the inspected facility's normal business hours at the place of business of the provider being investigated.

(f) The board and the board's employees may not disclose confidential information obtained during an investigation except:

(1) during a disciplinary hearing held under section 10 of this chapter; or

(2) under a court order.

Sec. 10. The board may discipline the holder of a license under IC 25-1-9 after a hearing or for any of the following reasons:

(1) Violation of this chapter or violation of a rule established by the board.

(2) Violation of a board order.

(3) Failure to meet the standards set forth in section 6(b) of this chapter.

(4) The conviction or plea of guilty for a felony or
misdemeanor that:
   (A) involves fraud or deceit; or
   (B) is directly related to providing home medical equipment services.
(5) Negligence or gross misconduct in providing home medical equipment services.
(6) The aid, assistance, or willful allowance of another person in violating a provision under this chapter or a rule adopted by the board.
(7) Failure to provide information within sixty (60) days in response to a written request from the board.
(8) The engagement in conduct that is likely to deceive, defraud, or harm the public.
(9) Denial, revocation, suspension, or restriction of a license in another state or jurisdiction to provide home medical equipment services for a reason other than the failure to renew the license.
(10) The receipt of a fee, commission, rebate, or other form of compensation for services not rendered.
(11) Knowingly making or filing false records, reports, or billings in the course of providing home medical equipment services, including false records, reports, or billings prepared for or submitted to state or federal agencies or departments.
(12) Failure to comply with federal rules issued under the federal Medicare program (42 U.S.C. 1395 et seq.) relating to operations, financial transactions, and general business practices of home medical equipment services providers.
Sec. 11. (a) A person who engages in the business of home medical equipment services and who:
   (1) is required to be licensed under this chapter; and
   (2) knowingly provides home medical equipment services without a license issued under this chapter;
commits a Class A misdemeanor.
   (b) Each day a violation of this section continues constitutes a separate offense.
   (c) The board may, in the name of the state and through the attorney general, apply in a court to enjoin a person from providing home medical equipment services in violation of this chapter.
AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 9-24-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The bureau shall adopt rules under IC 4-22-2 to regulate persons required to hold a commercial driver's license.


(c) Rules adopted under this section must include the following:
   (1) Establishment of classes and periods of validation of commercial driver's licenses.
   (2) Standards for commercial driver's licenses, including suspension and revocation procedures.
   (3) Requirements for documentation of eligibility for legal employment, as set forth in 8 CFR 274a.2, and proof of residence in Indiana.
   (4) Development of written or oral tests, driving tests, and fitness requirements.
   (5) Defining the commercial driver's licenses by classification and the information to be contained on the licenses, including the Social Security number and a unique identifier of the holder.
   (6) Establishing fees for the issuance of commercial driver's licenses, including fees for testing and examination.
   (7) Procedures for the notification by the holder of a commercial driver's license to the bureau and the driver's employer of pointable traffic offense convictions.
   (8) Conditions for reciprocity with other states, including requirements for a written commercial driver's license test and
operational skills test, and a hazardous materials endorsement written test and operational skills test, before a license may be issued.

(9) Other rules necessary to administer this chapter.

(d) 49 CFR 383 through 384 are adopted as Indiana law.

SECTION 2. IC 9-24-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Each application for a license or permit under this chapter must require the following information:

(1) The name, date of birth, sex, Social Security number, and mailing address and, if different from the mailing address, the residence address of the applicant. The applicant shall indicate to the bureau:

(A) which address the license or permit shall contain; and

(B) whether the Social Security number or another distinguishing number shall be the distinctive identification number used on the license or permit.

(2) Whether the applicant has been licensed as an operator, a chauffeur, or a public passenger chauffeur or has been the holder of a learner's permit, and if so, when and by what state.

(3) Whether the applicant's license or permit has ever been suspended or revoked, and if so, the date of and the reason for the suspension or revocation.

(4) Whether the applicant has been convicted of a crime punishable as a felony under Indiana motor vehicle law or any other felony in the commission of which a motor vehicle was used.

(5) Whether the applicant has a physical or mental disability, and if so, the nature of the disability and other information the bureau directs.

The bureau shall maintain records of the information provided under subdivisions (1) through (5).

SECTION 3. IC 9-24-11-5, AS AMENDED BY SEA 223-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A permit or license issued under this chapter must bear the distinguishing number assigned to the permittee or licensee, and must contain:

(1) the name of the permittee or licensee;

(2) the date of birth of the permittee or licensee;
(3) the mailing address or residence address of the permittee or licensee;
(4) a brief description of the permittee or licensee;
(5) if the permittee or licensee is less than eighteen (18) years of age at the time of issuance, the dates on which the permittee or licensee will become:
   (A) eighteen (18) years of age; and
   (B) twenty-one (21) years of age;
(6) if the permittee or licensee is at least eighteen (18) years of age but less than twenty-one (21) years of age at the time of issuance, the date on which the permittee or licensee will become twenty-one (21) years of age; and
(7) except as provided in subsection (c), for the purpose of identification, a:
   (A) photograph; or
   (B) computerized image;
and additional information that the bureau considers necessary, including a space for reproduction of the signature of the permittee or licensee. **If the permittee or licensee has not indicated to the bureau under IC 9-24-9-2 that the Social Security number shall be the distinguishing number to be used, the Social Security number may not be shown on the permit or license.**

(b) In carrying out this section, the bureau shall obtain the equipment necessary to provide the photographs and computerized images for permits and licenses as provided in subsection (a).

(c) The following permits or licenses do not require a photograph or computerized image:
   (1) Temporary motorcycle learner's permit issued under IC 9-24-8.
   (2) Motorcycle learner's permit issued under IC 9-24-8.
   (3) Operator's license reissued under IC 9-24-12-6.
   (d) The bureau may provide for the omission of a photograph or computerized image from any other license or permit if there is good cause for the omission.
   (e) The information contained on the permit or license as required by subsection (a)(5) or (a)(6) for a permittee or licensee who is less than twenty-one (21) years of age at the time of issuance shall be
(f) This subsection applies to a permit or license issued after June 30, 2006, and before July 1, 2011. At the request of the permittee or licensee and if the permittee or licensee provides documentation from a medical laboratory or a blood center (as defined in IC 16-41-12-3), the bureau shall include the permittee's or licensee's blood type, including the rhesus (Rh) factor with the information required by subsection (a) on the permit or license. The permittee or licensee is responsible for the accuracy of the blood type information submitted under this subsection.

SECTION 4. IC 9-24-16-3, AS AMENDED BY SEA 223-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) An identification card must have the same dimensions and shape as a driver's license, but the card must have markings sufficient to distinguish the card from a driver's license.

(b) The front side of an identification card must contain the following information about the individual to whom the card is being issued:

1. Full legal name.
2. Mailing address and, if different from the mailing address, the residence address.
3. Date of birth.
4. Date of issue and date of expiration.
5. Distinctive identification number or Social Security account number, whichever is requested by the individual. If the individual has not requested that the Social Security number be the distinctive identification number to be used, the Social Security number may not be shown on the identification card.
7. Weight.
8. Height.
9. Color of eyes and hair.
10. Reproduction of the signature of the individual identified.
11. Whether the individual is blind (as defined in IC 12-7-2-21(1)).
12. If the individual is less than eighteen (18) years of age at the time of issuance, the dates on which the individual will become:
   (A) eighteen (18) years of age; and
(B) twenty-one (21) years of age.
(13) If the individual is at least eighteen (18) years of age but less
than twenty-one (21) years of age at the time of issuance, the date
on which the individual will become twenty-one (21) years of age.
(14) Photograph or computerized image.
(c) The information contained on the identification card as required
by subsection (b)(12) or (b)(13) for an individual who is less than
twenty-one (21) years of age at the time of issuance shall be printed
perpendicular to the bottom edge of the permit or license.
(d) This subsection applies to an identification card issued after
June 30, 2006, and before July 1, 2011. At the request of an applicant
for an identification card, and if the applicant for the identification card
provides documentation from a medical laboratory or a blood center (as
defined in IC 16-41-12-3), the bureau shall include the applicant's
blood type, including the rhesus (Rh) factor with the information
required by subsection (b) on the identification card. The applicant is
responsible for the accuracy of the blood type information submitted
under this subsection.

P.L.124-2005
[S.233. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning criminal law and
procedure.

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

SECTION 1. IC 35-42-4-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) As used in this
section, "solicit" means to command, authorize, urge, incite, request,
or advise an individual:
(1) in person;
(2) by telephone;
(3) in writing;
(4) by using a computer network (as defined in IC 35-43-2-3(a));
(5) by advertisement of any kind; or
(6) by any other means;
to perform an act described in subsection (b) or (c).

(b) A person eighteen (18) years of age or older who knowingly or
intentionally solicits a child under fourteen (14) years of age, or an
individual the person believes to be a child under fourteen (14) years
of age, to engage in:
(1) sexual intercourse;
(2) deviate sexual conduct; or
(3) any fondling or touching intended to arouse or satisfy the
sexual desires of either the child or the older person;
commits child solicitation, a Class D felony. However, the offense is
a Class C felony if it is committed by using a computer network (as
defined in IC 35-43-2-3(a)).

(c) A person at least twenty-one (21) years of age who knowingly
or intentionally solicits a child at least fourteen (14) years of age
but less than sixteen (16) years of age, or an individual the person
believes to be a child at least fourteen (14) years of age but less
than sixteen (16) years of age, to engage in:
(1) sexual intercourse;
(2) deviate sexual conduct; or
(3) any fondling or touching intended to arouse or satisfy the
sexual desires of either the child or the older person;
commits child solicitation, a Class D felony. However, the offense is
a Class C felony if it is committed by using a computer network (as
defined in IC 35-43-2-3(a)).

(d) In a prosecution under this section, including a prosecution
for attempted solicitation, the state is not required to prove that
the person solicited the child to engage in an act described in subsection
(b) or (c) at some immediate time.

SECTION 2. [EFFECTIVE JULY 1, 2005] IC 35-42-4-6, as
amended by this act, applies only to offenses committed after June
30, 2005.
AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-1-3-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) As used in this section, "accident and sickness insurance policy" has the meaning set forth in IC 27-8-14.2-1.

(b) As used in this section, "health maintenance organization" has the meaning set forth in IC 27-13-1-19.

(c) As used in this section, "mandated benefit" means certain health coverage or an offering of certain health coverage that is required under:

(1) an accident and sickness insurance policy; or
(2) a contract with a health maintenance organization.

(d) As used in this section, "mandated benefit proposal" means a bill or resolution pending before the general assembly that, if enacted, would require certain health coverage or an offering of certain health coverage under:

(1) an accident and sickness insurance policy; or
(2) a contract with a health maintenance organization.

(e) The commissioner shall establish a task force to review mandated benefits and mandated benefit proposals.

(f) The task force must consist of nine (9) ten (10) members appointed by the governor as follows:

(1) Two (2) members representing the insurance industry.
(2) Two (2) members representing consumers.
(3) Two (2) members representing health care providers.
(4) Two (2) members representing the business sector.
(5) One (1) member who is an independent actuary.
(6) The commissioner or the commissioner's designee.

A registered lobbyist may not serve as a member of the task force.

(g) Members of the task force shall serve on a voluntary basis.
(g) Each member of the task force who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

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

(i) Each member of the task force shall attend at least fifty percent (50%) of scheduled meetings. A member who does not comply with this subsection is subject to replacement by the governor.

(j) The department shall provide administrative and actuarial support for the functions of the task force, including the use of the services of the department's actuary as necessary for the completion of the duties of the task force under this chapter.

(k) Upon the:

1. request of the legislative services agency on behalf of a member of the general assembly; or
2. determination of the task force;

the task force shall review mandated benefits and assess the social, medical, and financial impacts of at least one (1) mandated benefit proposal each year.

(l) In assessing a mandated benefit or mandated benefit proposal, and to the extent that information is available, the task force shall consider:

1. social impacts, including:
   1. the extent to which the service that is the subject of the mandated benefit or mandated benefit proposal is generally used by a significant part of the population;
(B) the extent to which the health coverage is already generally available;
(C) if the health coverage is not generally available, the extent to which the lack of health coverage results in unreasonable financial hardship;
(D) the level of public demand for the service that is the subject of the mandated benefit or mandated benefit proposal;
(E) the level of public demand for the health coverage; and
(F) the extent to which the service that is the subject of the mandated benefit or mandated benefit proposal is covered under self-funded health coverage provided by Indiana employers that employ at least five hundred (500) employees;

(2) medical impacts, including the extent to which the service that is the subject of the mandated benefit or mandated benefit proposal is generally:
   (A) recognized by the medical community as effective in patient treatment;
   (B) demonstrated by a review of scientific and peer review literature to be recognized by the medical community; and
   (C) available and used by treating physicians; and

(3) financial impacts, including the:
   (A) extent to which the health coverage will increase or decrease the cost of the service that is the subject of the mandated benefit or mandated benefit proposal;
   (B) extent to which the health coverage will increase the appropriate use of the service that is the subject of the mandated benefit or mandated benefit proposal;
   (C) extent to which the service that is the subject of the mandated benefit or mandated benefit proposal will be a substitute for a more expensive service;
   (D) extent to which the health coverage will increase or decrease the:
      (i) administrative expenses of accident and sickness insurers and health maintenance organizations; and
      (ii) premium and administrative expenses of individuals covered under accident and sickness insurance policies and health maintenance organization contracts;
(E) impact of the health coverage on the total cost of health care in Indiana, including any potential cost savings that may be realized through the mandated benefit or mandated benefit proposal;

(F) impact of all mandated benefits on the ability of employers to purchase health coverage that meets employee needs;

(G) extent to which the financial impact of all mandated benefits, including the mandated benefit or mandated benefit proposal under consideration, will affect employee wages and compensation; and

(H) extent to which the financial impact of all mandated benefits, including the mandated benefit or mandated benefit proposal under consideration, will affect hiring practices of Indiana employers.

(m) The task force shall annually determine the full cost of all existing mandated benefits in Indiana as a percentage of:

1. Indiana's average annual wage; and
2. health coverage premiums.

(n) In making the annual determination under subsection (m), the task force shall consider the full cost of existing mandated benefits under:

1. a typical group and individual:
   A. accident and sickness insurance policy; and
   B. health maintenance organization contract;
   in Indiana; and
2. the state employee health plans provided for in IC 5-10-8-7(b) and IC 5-10-8-7(c).

(o) The task force may contract for professional services as necessary for the completion of the duties of the task force under this chapter.

(p) The task force shall report the findings of the task force in an electronic format under IC 5-14-6 to the legislative council not later than December 31, November 1 of each year.

(q) Any recommendations made by the task force must be approved by at least five (5) six (6) members of the task force.

(r) The department may adopt rules under IC 4-22-2 to implement this section.
(s) Information that identifies a person and that is obtained by the task force under this section is confidential.

1. This section expires December 31, 2010.

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

1. The entire money and other considerations for the policy are expressed in the policy.
2. The time at which the insurance takes effect and terminates is expressed in the policy.
3. The policy purports to insure only one (1) person, except that a policy may insure, originally or by subsequent amendment, upon the application of any member of a family who shall be deemed the policyholder and who is at least eighteen (18) years of age, any two (2) or more eligible members of that family, including husband, wife, dependent children or any children under a specified age, which shall not exceed nineteen (19) years, and any other person dependent upon the policyholder.
4. The style, arrangement, and overall appearance of the policy give no undue prominence to any portion of the text, and unless every printed portion of the text of the policy and of any endorsements or attached papers is plainly printed in lightface type of a style in general use, the size of which shall be uniform and not less than ten point with a lower-case unspaced alphabet length not less than one hundred and twenty point (the "text" shall include all printed matter except the name and address of the insurer, name or title of the policy, the brief description if any, and captions and subcaptions).
5. The exceptions and reductions of indemnity are set forth in the policy and, except those which are set forth in section 3 of this chapter, are printed, at the insurer's option, either included with the benefit provision to which they apply, or under an appropriate caption such as "EXCEPTIONS", or "EXCEPTIONS AND REDUCTIONS", provided that if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of such exception or reduction shall be included with
the benefit provision to which it applies.

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

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

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

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

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

Proof of such incapacity and dependency must be furnished to the insurer by the policyholder within thirty-one (31) days of the child's attainment of the limiting age. The insurer may require at reasonable intervals during the two (2) years following the child's attainment of the limiting age subsequent proof of the child's disability and dependency. After such two (2) year period, the insurer may require subsequent proof not more than once each year. The foregoing provision shall not require an insurer to insure a dependent who is a mentally retarded or mentally or physically disabled child where such dependent does not satisfy the conditions of the policy provisions as may be stated in the policy or contract required for coverage thereunder to take effect. In any such case the terms of the policy or contract shall apply with regard to the coverage or exclusion from coverage of such dependent. This subsection applies only to policies or contracts delivered or issued for delivery in this state more than one hundred twenty (120) days after August 18, 1969.
(b) If any policy is issued by an insurer domiciled in this state for delivery to a person residing in another state, and if the official having responsibility for the administration of the insurance laws of such other state shall have advised the commissioner that any such policy is not subject to approval or disapproval by such official, the commissioner may by ruling require that such policy meet the standards set forth in subsection (a) and in section 3 of this chapter.

(c) An insurer may issue a policy described in this section in electronic or paper form. However, the insurer shall:

1. inform the insured that the insured may request the policy in paper form; and
2. issue the policy in paper form upon the request of the insured.

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

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

1. the provisions described in subsection (c); or
2. provisions that, in the opinion of the commissioner, are:
   A. more favorable to the persons insured; or
   B. at least as favorable to the persons insured and more favorable to the policyholder;

then the provisions set forth in subsection (c).

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

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

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

   (A) the insurance has not been in force for a period of two (2) years or longer during the person's lifetime; or
   (B) the statement is contained in a written instrument signed by the insured person.

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

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

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

(5) A provision specifying any additional exclusions or limitations applicable under the policy with respect to a disease or physical condition of a person that existed before the effective date of the person's coverage under the policy and that is not otherwise excluded from the person's coverage by name or specific description effective on the date of the person's loss. An exclusion or limitation that must be specified in a provision under this subdivision:
(A) may apply only to a disease or physical condition for which medical advice, diagnosis, care, or treatment was received by the person or recommended to the person during the six (6) months before the enrollment date of the person's coverage; and
(B) may not apply to a loss incurred or disability beginning after the earlier of:
   (i) the end of a continuous period of twelve (12) months beginning on or after the enrollment date of the person's coverage; or
   (ii) the end of a continuous period of eighteen (18) months beginning on the enrollment date of the person's coverage if the person is a late enrollee.

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

(6) A provision specifying any additional exclusions or limitations applicable under the policy with respect to a disease or physical condition of a person that existed before the effective date of the person's coverage under the policy. An exclusion or limitation that must be specified in a provision under this subdivision:
(A) may apply only to a disease or physical condition for which medical advice or treatment was received by the person during a period of three hundred sixty-five (365) days before the effective date of the person's coverage; and
(B) may not apply to a loss incurred or disability beginning after the earlier of the following:
   (i) The end of a continuous period of three hundred sixty-five (365) days, beginning on or after the effective date of the person's coverage, during which the person did not receive medical advice or treatment in connection with the disease or physical condition.
   (ii) The end of the two (2) year period beginning on the effective date of the person's coverage.

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

(7) If premiums or benefits under the policy vary according to a
person's age, a provision specifying an equitable adjustment of:
   (A) premiums;
   (B) benefits; or
   (C) both premiums and benefits;
to be made if the age of a covered person has been misstated. A
provision under this subdivision must contain a clear statement of
the method of adjustment to be used.

(8) A provision that the insurer will issue to the policyholder, for
delivery to each person insured, a certificate, in **electronic or**
**paper form**, setting forth a statement that:
   (A) explains the insurance protection to which the person
       insured is entitled;
   (B) indicates to whom the insurance benefits are payable; and
   (C) explains any family member's or dependent's coverage
       under the policy.

The provision must specify that the certificate will be
provided *in paper form upon the request of the insured*.

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

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

(11) A provision stating that:
   (A) in the case of a claim for loss of time for disability, written
proof of the loss must be furnished to the insurer within ninety (90) days after the commencement of the period for which the insurer is liable, and that subsequent written proofs of the continuance of the disability must be furnished to the insurer at reasonable intervals as may be required by the insurer;
(B) in the case of a claim for any other loss, written proof of the loss must be furnished to the insurer within ninety (90) days after the date of the loss; and
(C) the failure to furnish proof within the time required under clause (A) or (B) does not invalidate or reduce any claim if it was not reasonably possible to furnish proof within that time, and if proof is furnished as soon as reasonably possible but (except in case of the absence of legal capacity of the claimant) no later than one (1) year from the time proof is otherwise required under the policy.

(12) A provision that:
(A) all benefits payable under the policy (other than benefits for loss of time) will be paid in accordance with IC 27-8-5.7; and
(B) subject to due proof of loss, all accrued benefits under the policy for loss of time will be paid not less frequently than monthly during the continuance of the period for which the insurer is liable, and any balance remaining unpaid at the termination of the period for which the insurer is liable will be paid as soon as possible after receipt of the proof of loss.

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

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

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

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

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

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

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

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

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

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

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

(d) Subsection (c)(5), (c)(8), and (c)(13) do not apply to policies
insuring the lives of debtors. The standard provisions required under
section 3(a) of this chapter for individual accident and sickness
insurance policies do not apply to group accident and sickness
insurance policies.

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

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

(1) obtain a certificate described in subsection (c)(8); and
(2) request the certificate in paper form.

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

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

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

1. the total dollar amount submitted to the insurer for payment;
2. any reduction in the amount paid due to the application of any co-payment or deductible, along with an explanation of the amount of the co-payment or deductible applied under the insured’s policy;
3. any reduction in the amount paid due to the application of any other policy limitation or exclusion as set forth in the insured’s policy along with an explanation thereof;
4. the total dollar amount paid; and
5. the total dollar amount remaining unpaid.

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

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

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

(f) An accident and sickness insurer shall:
1. inform an insured that the insured may request that the statements described in subsection (c) be sent in paper form; and
2. send the statements in paper form upon the request of the insured.

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

(b) An insurer that provides a directory described in subsection (a) shall:
   (1) inform the insured that the insured may request the directory in paper form; and
   (2) provide the directory in paper form upon the request of the insured.

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

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

   (c) A health maintenance organization shall include in the health maintenance organization’s enrollment materials information concerning the manner in which a subscriber may:
       (1) obtain an evidence of coverage; and
       (2) request the evidence of coverage in paper form.

SECTION 7. IC 27-13-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.
   (a) Upon:
       (1) the enrollment; and
       (2) each reenrollment;
   of a subscriber, a health maintenance organization must provide to the subscriber in electronic or paper form a list of providers who provide health care services through the health maintenance organization. The health maintenance organization must also provide the list of providers in electronic or paper form to a potential enrollee upon request.

   (b) A health maintenance organization shall:
       (1) inform a subscriber or potential enrollee that the subscriber or potential enrollee may request a list described in subsection (a) in paper form; and
       (2) provide the list in paper form upon the request of the
subscriber or potential enrollee.

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

1. The limited health services to which each enrollee is entitled.
2. Any limitation of the services, kinds of services, or benefits to be provided.
3. Any exclusions, including any copayment or other charges.
4. Where and in what manner information is available as to where and how services may be obtained.
5. The method for resolving complaints.

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

(c) A limited service health maintenance organization shall issue the evidence of coverage described in subsection (a) and an amendment described in subsection (b) in paper form upon the request of the subscriber.

(d) A limited service health maintenance organization shall include in the limited service health maintenance organization’s enrollment materials information concerning the manner in which a subscriber may:

1. Obtain an evidence of coverage; and
2. Request the evidence of coverage in paper form.
Sec. 5.5. "Adult stem cell" means an undifferentiated cell that:

1. is found in a differentiated tissue;
2. is renewable; and
3. yields specialized cell types with certain limitations of the tissue from which it originated.

SECTION 2. IC 16-18-2-56.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 56.5. (a) "Cloning" means the use of asexual reproduction to create or grow a human embryo from a single cell or cells of a genetically identical human.

(b) The term does not include:
1. a treatment or procedure to enhance human reproductive capability through the manipulation of human oocytes or embryos, including the following:
   (A) In vitro fertilization.
   (B) Gamete intrafallopian transfer.
   (C) Zygote intrafallopian transfer; or
2. the following types of stem cell research:
   (A) Adult stem cell.
   (B) Fetal stem cell, as long as the biological parent has given written consent for the use of the fetal stem cells.
   (C) Embryonic stem cells from lines that are permissible for use under applicable federal law.

SECTION 3. IC 16-18-2-128.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 128.5. (a) "Fetal stem cell" means any of the following types of stem cells taken from a fetus that was either miscarried or stillborn from any of the following sources:

1. Placenta.
2. Umbilical cord.
3. Amniotic fluid.
4. Fetal tissue.

(b) The term does not include any cells that are taken as the result of an abortion unless the cells are permissible for use under applicable federal law.

SECTION 4. IC 16-18-2-183.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
Sec. 183.5. "Human embryo" means a human egg cell with a full genetic composition capable of differentiating and maturing into a complete human being.

SECTION 5. IC 16-21-3-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:
Sec. 4. Notwithstanding section 1 of this chapter, the state department shall revoke the license of a hospital licensed under this article if, after appropriate notice and an opportunity for a hearing, the state health commissioner proves by a preponderance of the evidence that the hospital:

1) knowingly allows the hospital's facilities to be used for cloning or attempted cloning; or

2) knowingly allows the hospital's employees, in the course of the employee's employment, to participate in cloning or attempted cloning.

SECTION 6. IC 16-34.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 34.5. CLONING
Chapter 1. Public Policy Against Human Cloning
Sec. 1. The general assembly declares that human cloning is against public policy.

Sec. 2. The state, a state educational institution (as defined in IC 20-12-0.5-1), or a political subdivision of the state may not use public funds, facilities, or employees to knowingly participate in cloning or attempted cloning.

SECTION 7. IC 20-12-29.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 29.7. Adult Stem Cell Research Center
Sec. 1. As used in this chapter, "center" refers to an adult stem cell research center established under section 2 of this chapter to carry out the duties specified by this chapter.

Sec. 2. The board of trustees of Indiana University may establish an adult stem cell research center.

Sec. 3. The center must be under the administration of the school of medicine.

Sec. 4. The dean of the school of medicine shall appoint the
director of the center.

Sec. 5. The board of trustees of Indiana University may receive, accept, hold, and apply donations, bequests of funds, property, gifts, and other income in support of the center's purposes.

Sec. 6. The center shall:
(1) conduct a thorough and comprehensive needs assessment of the state of science of adult stem cell research; and
(2) develop strategies to move Indiana University into the forefront of the nation in its capacity to attract and retain adult stem cell researchers.

SECTION 8. IC 25-22.5-8-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As used in this section, "cloning" has the meaning set forth in IC 16-18-2-56.5.
(b) Notwithstanding IC 25-1-9, the board shall revoke the license of a physician if, after appropriate notice and an opportunity for a hearing, the attorney general proves by a preponderance of the evidence that the physician knowingly participated in cloning or attempted cloning.

SECTION 9. IC 35-46-5-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section does not apply to in vitro fertilization.
(b) As used in this section, "cloning" has the meaning set forth in IC 16-18-2-56.5.
(c) A person who knowingly or intentionally:
(1) participates in cloning;
(2) implants or attempts to implant a cloned human embryo into a uterine environment to initiate a pregnancy; or
(3) ships or receives a cloned human embryo;
commits unlawful participation in human cloning, a Class D felony.

SECTION 10. IC 35-46-5-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A person who knowingly or intentionally purchases or sells a human ovum, zygote, embryo, or fetus commits unlawful transfer of a human organism, a Class C felony.
(b) This section does not apply to the following:
(1) The transfer to or receipt by a woman donor of an ovum of an amount for:
   (A) earnings lost due to absence from employment;
   (B) travel expenses;
   (C) hospital expenses;
   (D) medical expenses; and
   (E) recovery time in an amount not to exceed three thousand dollars ($3,000);
concerning a treatment or procedure to enhance human reproductive capability through in vitro fertilization, gamete intrafallopian transfer, or zygote intrafallopian transfer.
(2) The following types of stem cell research:
   (A) Adult stem cell.
   (B) Fetal stem cell, as long as the biological parent has given written consent for the use of the fetal stem cells.

SECTION 11. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "state department" refers to the state department of health.

(b) Before November 1, 2005, the state department shall investigate and report to the legislative council in an electronic format under IC 5-14-6 the following information:
   (1) The feasibility of the state creating an embryo adoption bank to which embryos in Indiana would be transferred and in which the embryos would be stored instead of being destroyed.
   (2) The costs of creating an embryo adoption bank.
   (3) The legal implications and requirements for the adoption of an embryo.
   (4) Any other relevant information concerning the state creating and embryo adoption bank.

(c) This SECTION expires December 31, 2005.

SECTION 12. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 1-1-3.5-5, AS AMENDED BY P.L.4-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The governor shall forward a copy of the executive order issued under section 3 of this chapter to:

(1) the director of the Indiana state library;
(2) the election division; and
(3) the Indiana Register.

(b) The director of the Indiana state library, or an employee of the Indiana state library designated by the director to supervise a state data center established under IC 4-23-7.1, shall notify each state agency using population counts as a basis for the distribution of funds or services of the effective date of the tabulation of population or corrected population count.

(c) The agencies that the director of the Indiana state library must notify under subsection (b) include the following:

(1) The auditor of state, for distribution of money from the following:
   (A) The cigarette tax fund in accordance with IC 6-7-1-30.1.
   (B) Excise tax revenue allocated under IC 7.1-4-7-8.
   (C) The local road and street account in accordance with IC 8-14-2-4.
   (D) The repayment of loans from the Indiana University permanent endowment funds under IC 21-7-4.

(2) The board of trustees of Ivy Tech State Community College of Indiana, for the board's division of Indiana into service regions under IC 20-12-61-9.

(3) The lieutenant governor, for the distribution of money from the rural development fund under IC 4-4-9.

(4) The division of disability, aging, and rehabilitative services,
for establishing priorities for community residential facilities under IC 12-11-1.1 and IC 12-28-4-12.

(5) The department of state revenue, for distribution of money from the motor vehicle highway account fund under IC 8-14-1-3.

(6) The Indiana economic development corporation, for the evaluation of enterprise zone applications under IC 5-28-15.

(7) The alcohol and tobacco commission, for the issuance of permits under IC 7.1.

(8) The Indiana library and historical board, for distribution of money to eligible public library districts under IC 4-23-7.1-29.

(9) The state board of accounts, for calculating the state share of salaries paid under IC 33-38-5, IC 33-39-6, and IC 33-41-2.

SECTION 2. IC 4-1.5-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The board is composed of the following twenty-three (23) members, none of whom may be members of the general assembly:

(1) Fifteen (15) persons appointed by the governor who must be employed in or retired from the private or nonprofit sector. The following apply to appointments under this subdivision:

(A) The governor shall consider the recommendation of the speaker of the house of representatives when making one (1) appointment.

(B) The governor shall consider the recommendation of the minority leader of the house of representatives when making one (1) appointment.

(C) The governor shall consider the recommendation of the president pro tempore of the senate when making one (1) appointment.

(D) The governor shall consider the recommendation of the minority leader of the senate when making one (1) appointment.

(2) The lieutenant governor.

(3) Seven (7) persons appointed by the governor who must be employed in or retired from the private or nonprofit sector or academia, on recommendation of the following:

(A) The president of Indiana University.

(B) The president of Purdue University.

(C) The president of Indiana State University.
(D) The president of Ball State University.
(E) The president of the University of Southern Indiana.
(F) The president of Ivy Tech State Community College of Indiana.
(G) The president of Vincennes University.

SECTION 3. IC 4-13-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. This chapter may not be construed to restrict the powers of the state board of accounts as prescribed by IC 5-11-1 or restrict the powers and functions of the state police department as prescribed by IC 10-11-2. This chapter, except IC 4-13-1-4(1) and IC 4-13-1-4(3), does not apply to the state universities and Ivy Tech State Community College of Indiana.

SECTION 4. IC 4-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Ivy Tech State Community College of Indiana may enter into such contracts as are necessary to provide equipment for a data processing school on or off the premises of Ivy Tech State Community College of Indiana or any of its regional institutes.

SECTION 5. IC 5-11-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section applies to the state and its political subdivisions. However, this section does not apply to the following:

1. The state universities.
2. Ivy Tech State Community College of Indiana.
3. A municipality (as defined in IC 36-1-2-11).
4. A county.
5. An airport authority operating in a consolidated city.
6. A capital improvements board of managers operating in a consolidated city.
7. A board of directors of a public transportation corporation operating in a consolidated city.
8. A municipal corporation organized under IC 16-22-8-6.
10. A library services authority.
11. A hospital organized under IC 16-22 or a hospital organized under IC 16-23.
12. A school corporation (as defined in IC 36-1-2-17).
13. A regional water or sewer district organized under IC 13-26
or under IC 13-3-2 (before its repeal).
(14) A municipally owned utility (as defined in IC 8-1-2-1).
(15) A board of an airport authority under IC 8-22-3.
(16) A conservancy district.
(17) A board of aviation commissioners under IC 8-22-2.
(18) A public transportation corporation under IC 36-9-4.
(19) A commuter transportation district under IC 8-5-15.
(20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
(22) A soil and water conservation district established under IC 14-32.

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

(c) The certificate provided for in subsection (b) is not required for:
(1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated by a governmental body;
(2) a warrant issued by the auditor of state under IC 4-13-2-7(b);
(3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or
(4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:
(1) processed in accordance with this section; and
(2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

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

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

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

SECTION 7. IC 20-8.1-3-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. Within fifteen (15) school days after the beginning of each semester, the principal of every public high school shall send to the superintendent with jurisdiction over his school a list of names and last known addresses of all students not graduated and not enrolled in the then current semester who were otherwise eligible for enrollment. Each superintendent shall immediately make available all lists received under this section to an authorized representative of Ivy Tech State Community College of Indiana and an authorized representative of an agency whose purpose it is to enroll high school drop-outs in various training programs.

SECTION 8. IC 20-8.1-3-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. Each representative of Ivy Tech State Community College of Indiana or agency identified in section 25 of this chapter who is authorized to receive a list prepared under section 25 of this chapter shall stipulate in writing that the list will be used only for purposes of contacting prospective students or prospective trainees. If a list is used for any other purpose, the college or agency which the recipient represents shall be ineligible to receive subsequent lists for a period of five (5) years.

SECTION 9. IC 20-12-0.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The commission shall have no powers or authority relating to the management,
operation, or financing of Ball State University, Indiana University, Indiana State University, Purdue University, Vincennes University, Ivy Tech State Community College of Indiana, the University of Southern Indiana, or any other state educational institution except as expressly set forth in this chapter. All of the particulars, management, operations, and financing of all state educational institutions shall remain exclusively vested in the trustees or other governing boards or bodies of these institutions.

SECTION 10. IC 20-12-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:

"Higher education institution" means Indiana University, Purdue University, Indiana State University, Vincennes University, Ball State University, University of Southern Indiana, and Ivy Tech State Community College of Indiana.

"Repair and rehabilitation project" means any project to repair, rehabilitate, remodel, renovate, reconstruct, or finish existing facilities or buildings; to improve, replace, or add utilities or fixed equipment; and to perform site improvement work, whereby the exterior dimensions of any existing facilities or buildings remain substantially unchanged.

SECTION 11. IC 20-12-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The trustees of Indiana University, the trustees of Purdue University, the Ball State University board of trustees, the Indiana State University board of trustees, the board of trustees for Vincennes University, the University of Southern Indiana board of trustees, and the trustees of Ivy Tech State Community College of Indiana (sometimes referred to in this chapter collectively as "corporations" or respectively as "corporation") are respectively authorized, from time to time as they find the necessity exists, to acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, enlarge, equip, furnish, and operate:

(1) any buildings, structures, improvements, or facilities;
(2) any utilities, other services, and appurtenances related to an item described in subdivision (1) (including, but not limited to, facilities for the production and transmission of heat, light, water and power, sewage disposal facilities, streets and walks, and parking facilities); and
(3) the land required for items described in subdivision (1) or (2); as the governing boards of the corporations from time to time deem necessary for carrying on the educational research, the public service programs, or the statutory responsibilities of the educational institutions and various divisions of the institutions under the jurisdiction of the corporations respectively, or for the management, operation, or servicing of the institutions, (the buildings, structures, improvements, facilities, utilities, services, appurtenances, and land being sometimes referred to in this chapter collectively as "building facilities" or respectively as "building facility"). The building facilities may be located at any place within Indiana at which the governing board of the corporation determines the need exists for the building facilities.

SECTION 12. IC 20-12-9.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "corporation" means the trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana board of trustees, the Ball State University board of trustees, the Indiana State University board of trustees, the board of trustees for Vincennes University, or the trustees of Ivy Tech State Community College of Indiana.

SECTION 13. IC 20-12-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana board of trustees, Ball State University board of trustees, Indiana State University board of trustees, the board of trustees of Vincennes University, the board of trustees of Ivy Tech State Community College of Indiana, and the board of directors of the independent colleges and universities of Indiana (referred to collectively in this chapter as the universities) are authorized, if they find the need exists for a broad dissemination of a wide variety of educational communications for the improvements and the advancement of higher educational opportunity, to jointly arrange from time to time, for a period not exceeding ten (10) years, for internet services under IC 5-21 and for the use of a multipurpose, multimedia, closed circuit, statewide telecommunications system furnished by communications common carriers subject to the jurisdiction of the utility regulatory commission to interconnect the main campuses and
the regional campuses of the universities and centers of medical education and service.

(b) In addition to the closed circuit statewide telecommunications system described in subsection (a), the universities shall establish, in accordance with federal copyright law, a videotape program to provide for the advancement of higher education opportunity and individualized access to higher education programs. As part of the program, the universities may make available a wide variety of higher education courses in videotape form. The universities shall make the videotapes available to the public by any means of public or private distribution that they determine to be appropriate, including sale or lease. The universities may determine policy and establish procedures in order to administer this program. The universities shall maintain and keep current a listing of all videotapes.

(c) The transmission system shall be for the exclusive use of the universities. However, the universities may permit the use of the transmission system, or any portion of the transmission system, by others under section 4 of this chapter.

SECTION 14. IC 20-12-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter:

(1) "Academic year" means the period from September 1 of a year through August 31 of the next succeeding year.

(2) "Approved institution of higher learning" means the following:

(A) An educational institution that operates in the state and:
   (i) provides an organized two (2) year or longer program of collegiate grade directly creditable toward a baccalaureate degree;
   (ii) is either operated by the state or operated not-for-profit; and
   (iii) is accredited by a recognized regional accrediting agency or by the commission on proprietary education.

(B) Ivy Tech State Community College of Indiana.

(C) A hospital which operates a nursing diploma program which is accredited by the Indiana state board of nursing.

(D) A postsecondary proprietary educational institution that meets the following requirements:
(i) Is incorporated in Indiana, or is registered as a foreign corporation doing business in Indiana.
(ii) Is fully accredited by and is in good standing with the commission on proprietary education.
(iii) Is accredited by and is in good standing with a regional or national accrediting agency.
(iv) Offers a course of study that is at least eighteen (18) consecutive months in duration (or an equivalent to be determined by the commission on proprietary education) and that leads to an associate or a baccalaureate degree recognized by the commission on proprietary education.
(v) Is certified to the commission by the commission on proprietary education as meeting the requirements of this clause.

(3) "Approved secondary school" means a public high school located in the state and any school, located in or outside the state, that in the judgment of the superintendent provides a course of instruction at the secondary level and maintains standards of instruction substantially equivalent to those of public high schools located in the state.
(4) "Caretaker relative" means a relative by blood or law who lives with a minor and exercises parental responsibility, care, and control over the minor in the absence of the minor's parent.
(5) "Commission" means the state student assistance commission established by this chapter.
(6) "Commission on proprietary education" refers to the Indiana commission on proprietary education established under IC 20-12-76-11.
(7) "Educational costs" means tuition and regularly assessed fees.
(8) "Enrollment" means the establishment and maintenance of an individual's status as an undergraduate student in an institution of higher learning.
(9) "Higher education award" means a monetary award.
(10) "Postsecondary proprietary educational institution" has the meaning set forth in IC 20-12-76-9.
(11) "Superintendent" means the state superintendent of public instruction.

SECTION 15. IC 20-12-21-6.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) A student who:

1. participates in:
   A. a nursing diploma program which is accredited by the Indiana state board of nursing and operated by a hospital;
   B. a technical certificate or associate degree program at Ivy Tech State Community College of Indiana; or
   C. an associate degree program at a postsecondary proprietary educational institution that meets the requirements of section 3(2)(D) of this chapter; and

2. meets the requirements of section 6 of this chapter, except the requirement of satisfactory progress toward a first baccalaureate degree set forth in section 6(a)(5) of this chapter;

is eligible to receive a state higher education award under this chapter. However, such a student must make satisfactory progress toward obtaining the diploma, technical certificate, or associate degree to remain eligible for the award.

(b) The maximum amount of a grant that may be offered to an eligible student in a program at an institution of higher learning described in section 3(2)(D) of this chapter is equal to the maximum amount of an award the student could receive under this chapter if the student were enrolled at Ivy Tech State Community College of Indiana.

SECTION 16. IC 20-12-61-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. It shall be the primary purpose of this chapter to provide educational opportunities and appropriate workforce development, assessment, and training services to:

1. employees of employers whose productivity and competitiveness will be enhanced by targeted employee education and training courses and programs delivered in the employer's workplace;
2. students who require additional education before enrolling in college level courses at either a two (2) year or a four (4) year institution;
3. those who have graduated from high school but are either not interested in attending a four (4) year college or and are more interested and naturally equipped to continue in continuing their education in an a general, liberal arts, occupational, or technical
program at a two (2) year, nonresidential college;
(4) those who have graduated from high school and want to earn credits that will transfer to a four (4) year college;
(3) (5) those students who do not complete work at a four (4) year college or who are referred by a four (4) year college to Ivy Tech;
(4) (6) those students who complete their work at a four (4) year college but would like to supplement that education to improve existing skills or acquire new skills; and
(5) (7) adult workers needing and desiring retraining or additional training of an occupational or technical nature for the workplace.

SECTION 17. IC 20-12-61-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. As used in this chapter, “Ivy Tech” refers to Ivy Tech State Community College of Indiana.

SECTION 18. IC 20-12-61-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) There shall be, and hereby is created and established, a two (2) year state college to be devoted primarily to providing the following:

1) Educational opportunities that are occupational or technical in nature for the citizens of Indiana under as described in section 1 of this chapter.

2) Assessment and training services described in subsection (b).

(b) Ivy Tech State Community College of Indiana shall help promote education and economic development by providing assessment and training services for the citizens of Indiana that include, but are not limited to, the following:

1) Determining the skills needed for specific jobs.
2) Determining whether particular individuals have the skills needed to:
   2A) do specific jobs; or
   2B) qualify for specific skill certifications.
3) Developing and delivering training programs designed to help individuals:
   3A) acquire the skills needed to do specific jobs;
   3B) obtain specific skill certifications; or
   3C) improve the quality of the individual’s work product.
(c) The community college policy committee shall not consider the
provision of assessment and training services by Ivy Tech State College that are authorized by subsection (b) in developing a community college system under IC 20-12-75. Ivy Tech State College is not granted any rights by subsection (b) with respect to the community college system and shall not use the provision of assessment and training services authorized by subsection (b) in negotiating or developing any aspect of the community college system.

(c) Ivy Tech Community College of Indiana shall meet the needs of state and local officials, employers, and labor organizations by designing and delivering educational and training courses and programs. The primary objective of this effort shall be to provide economic and workforce development support to the state's employers and communities by meeting their needs for better educated and trained, more productive, and more competitive employees and citizens.

SECTION 19. IC 20-12-61-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Said educational institution shall be called "Ivy Tech State Community College of Indiana", but authority is hereby given to its governing board of trustees, as hereinafter described, to change the name of the institution, with the approval of the governor of the state of Indiana.

SECTION 20. IC 20-12-61-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The state board is a body corporate and politic and shall be known by the name of "The Trustees of Ivy Tech State Community College of Indiana", except when the name is altered, as provided in this chapter. In the corporate name and capacity the state board may sue and be sued, plead and be impleaded, in any court of record, and by that name shall have perpetual succession.

(b) The state board has responsibility for the management and policies of Ivy Tech and its regional institutes within the framework of laws enacted by the general assembly. The state board shall select and employ a president of the institution, with qualifications set out, and other staff and professional employees as are required.

SECTION 21. IC 20-12-61-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The state board has the following powers and duties:

(1) Initiating, promoting, inaugurating, and developing
occupational and technical education programs in a manner consistent with sections 1 through 2 of this chapter.

(2) Operating, either through committee or through subordinate corporate entities, statewide general, liberal arts, occupational, and technical education programs, which in its opinion should be established due to the specialized nature of the programs, the limited number of students involved, or other unique features requiring special attention.

(3) Contracting with appropriate education institutions, including local public schools or other agencies, to carry out specific programs which can best and most economically be provided through this approach.

(4) Dividing the state into appropriate regions, taking into consideration, but not limited to, factors such as population, potential enrollment, tax bases, and driving distances, and developing an overall state plan which provides for the orderly development of regional technical institutes encompassing, ultimately, all parts of the state into a coordinated system providing a comprehensive program of post-high school general, liberal arts, occupational, and technical education.

(5) Whenever a regional institute is established, issuing a certificate of incorporation and a charter, in a form that the state board provides, to the regional institute, assisting and supervising the development of a regional plan, and coordinating regional programs to avoid unnecessary and wasteful duplication.

(6) Making biennial studies of the budget requirements of the regional institutes and of its own programs and preparing a budget, including anticipated revenues and providing for the construction or rental of facilities requisite to carrying out the needs of Ivy Tech.

(7) Performing or contracting for the performance of an audit of the financial records of each regional institute on at least a biennial basis.

SECTION 22. IC 20-12-61-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) A regional board shall do the following:

(1) Make a careful analysis of the educational needs and opportunities of the region.
(2) Develop and recommend to the state board, a plan for providing postsecondary general, liberal arts, occupational, and technical education for the people of that region.

(3) Develop and recommend a budget for regional programs and operations.

(4) Identify and recommend alternative methods of acquiring or securing facilities and equipment necessary for the delivery of effective regional programs.

(5) Facilitate and develop regional cooperation with employers, community leaders, economic development efforts, area vocational centers, and other public and private education and training entities in order to provide postsecondary general, liberal arts, and occupational and technical education and training in an efficient and cost effective manner and to avoid duplication of services.

(6) Determine through evaluation, studies, or assessments the degree to which the established training needs of the region are being met.

(7) Make recommendations to the state board concerning policies that appear to substantially affect the regional board's capacity to deliver effective and efficient programming.

(b) A regional board may do the following:

(1) Adopt, amend, or repeal bylaws for the regional institute, subject to the approval of the state board.

(2) Make recommendations to the state board concerning amendments to the charter of the regional institute.

SECTION 23. IC 20-12-61-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) In addition to the duties described in section 9 of this chapter, the state board may do the following:

(1) Hold, encumber, control, acquire by donation or purchase, construct, own, lease, use, and sell real and personal property as is necessary for the conduct of its program of operation, on whatever terms and for whatever consideration may be appropriate.

(2) Accept gifts, grants, bequests, and devises absolutely and in trust for support of the college or its programs.

(3) Develop and adopt the appropriate programs to be offered.
(4) Develop a statewide salary structure and classification system, including provisions for employee group insurance, employee benefits, and personnel policies.
(5) Employ the chief administrator of a regional institute.
(6) Authorize the chief administrator of a regional institute to employ the necessary personnel for the regional institute, determine their qualifications, and fix their compensation in accordance with statewide policies established under subdivision (4).
(7) Grant appropriate certificates of achievement and associate degrees, including associate of applied science, associate of science, and associate of arts degrees, to students who complete prescribed and authorized courses or series of courses.
(8) Prescribe rules for the effective operation of a statewide program and exercise other powers that are necessary for the efficient management of the program.
(9) Establish a schedule of fees or charges for students and provide scholarships and remission of fees in proper cases.
(10) Authorize, approve, enter into, ratify, or confirm any agreement relating to a statewide program or a regional institute with the United States government, acting through any agency of the government designated or created to aid in the financing of such projects, or with any person, organization, or agency offering contracts or grants-in-aid financing the educational facilities or the operation of the facilities and programs.
(11) Establish written policies for the investment of the funds of Ivy Tech in the manner provided by IC 30-4-3-3.

(b) Before taking any action under subsection (a)(1), (a)(3), (a)(5), or (a)(8) that would substantially affect a regional institute, the state board shall request recommendations concerning the proposed action from the regional board for that region.

(c) Upon request of a regional board that has submitted recommendations under subsection (b) or section 12(a)(7) of this chapter, the state board shall conduct public hearings concerning the recommendations at a regular or special meeting of the state board.

SECTION 24. IC 20-12-65-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this chapter, "enabling statute" means the following:
(1) In the case of the Ball State University board of trustees, one or more of the following:
   IC 20-12-5.5.
   IC 20-12-6.
   IC 20-12-7.
   IC 20-12-8.
   IC 20-12-9.
   IC 20-12-14.

(2) In the case of the trustees of Indiana University, one (1) or more of the following:
   IC 20-12-5.5.
   IC 20-12-6.
   IC 20-12-7.
   IC 20-12-8.
   IC 20-12-9.
   IC 20-12-14.

(3) In the case of the Indiana State University board of trustees, one (1) or more of the following:
   IC 20-12-5.5.
   IC 20-12-6.
   IC 20-12-7.
   IC 20-12-8.
   IC 20-12-9.
   IC 20-12-14.

(4) In the case of the trustees of Ivy Tech State Community College of Indiana, one (1) or more of the following:
   IC 20-12-5.5.
   IC 20-12-6.

(5) In the case of the trustees of Purdue University, one (1) or more of the following:
   IC 20-12-5.5.
   IC 20-12-6.
   IC 20-12-7.
   IC 20-12-8.
   IC 20-12-9.
   IC 20-12-14.

(6) In the case of the board of trustees for Vincennes University, one (1) or more of the following:
IC 20-12-5.5.
IC 20-12-6.
IC 23-13-18.

(7) In the case of the University of Southern Indiana board of trustees, one (1) or more of the following:
   IC 20-12-5.5.
   IC 20-12-6.
   IC 20-12-7.
   IC 20-12-9.

(b) As used in this chapter, "qualified institution" means any of the following:
   (1) Ball State University board of trustees.
   (2) Trustees of Indiana University.
   (3) Indiana State University board of trustees.
   (4) Trustees of Ivy Tech State Community College of Indiana.
   (5) Trustees of Purdue University.
   (6) Board of trustees for Vincennes University.
   (7) University of Southern Indiana board of trustees.

SECTION 25. IC 20-12-70-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Money in the fund shall be used to provide annual tuition scholarships to scholarship applicants who qualify under section 11(a) of this chapter in an amount that is equal to the lowest of the following amounts:

(1) If the scholarship applicant attends a state educational institution (as defined in IC 20-12-0.5-1) that satisfies the requirements of subsection (c) and:
   (A) receives no other financial assistance specifically designated for tuition and other regularly assessed fees, a full tuition scholarship to the state educational institution; or
   (B) receives other financial assistance specifically designated for tuition and other regularly assessed fees, the balance required to attend the state educational institution not to exceed the amount described in clause (A).

(2) If the scholarship applicant attends a private institution of higher education (as defined in IC 20-12-63-3) that satisfies the requirements of subsection (c) and:
   (A) receives no other financial assistance specifically designated for tuition and other regularly assessed fees, an
average of the full tuition scholarship amounts of all state educational institutions not including Ivy Tech State Community College of Indiana; or

(B) receives other financial assistance specifically designated for tuition and other regularly assessed fees, the balance required to attend the college or university not to exceed the amount described in clause (A).

(3) If the scholarship applicant attends a postsecondary proprietary educational institution (as defined in IC 20-12-76-9) that satisfies the requirements of subsection (c) and:

(A) receives no other financial assistance specifically designated for tuition and other regularly assessed fees, the lesser of:

(i) the full tuition scholarship amounts of Ivy Tech State Community College of Indiana; or

(ii) the actual tuition and regularly assessed fees of the institution; or

(B) receives other financial assistance specifically designated for tuition and other regularly assessed fees, the balance required to attend the institution not to exceed the amount described in clause (A).

(b) Each tuition scholarship awarded under this chapter is renewable under section 11(b) of this chapter for a total scholarship award that does not exceed the equivalent of eight (8) semesters.

(c) An institution of higher learning attended by an applicant described in subsection (a) must satisfy the following requirements:

(1) Be accredited by an agency that is recognized by the Secretary of the United States Department of Education.

(2) Operate an organized program of postsecondary education leading to an associate or a baccalaureate degree on a campus located in Indiana.

(3) Be approved by the commission:

(A) under rules adopted under IC 4-22-2; and

(B) in consultation with the commission on proprietary education, if appropriate.

SECTION 26. IC 20-12-75-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A statewide
community college system is established. as a coordinated partnership of Vincennes University and Ivy Tech State College that: The system consists of the campuses and other instructional sites of Ivy Tech Community College of Indiana and the various courses, programs, and services provided by the college throughout Indiana. As Indiana's community college system, Ivy Tech Community College of Indiana shall:

(1) offers a community college curriculum and training services as described in IC 20-12-61 at all of its major instructional sites; and

(2) provides an opportunity for students to earn associate degrees that are accepted by four (4) year colleges and universities.

(b) Notwithstanding any provision of this chapter, no courses may be offered by the community college system established by this section before January 1, 2000.

SECTION 27. IC 20-33-2-22, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Not later than fifteen (15) school days after the beginning of each semester, the principal of a public high school shall send to the superintendent with jurisdiction over the school a list of names and last known addresses of all students:

(1) not graduated; and

(2) not enrolled in the then current semester who were otherwise eligible for enrollment.

(b) Each superintendent immediately shall make available all lists received under this section to an authorized representative of:

(1) Ivy Tech State Community College of Indiana; and

(2) an agency whose purpose it is to enroll high school dropouts in various training programs.

(c) Each representative authorized to receive a list prepared under subsection (b) shall stipulate in writing that the list will be used only to contact prospective students or prospective trainees. If a list is used for any other purpose, the college or agency that the recipient represents is ineligible to receive subsequent lists for five (5) years.

SECTION 28. IC 22-4-18-6, AS AMENDED BY HEA 1288-2005, SECTION 185, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The department shall develop
a uniform system for assessing workforce skills strengths and weaknesses in individuals.

(b) The uniform assessment system shall be used at the following:
   (1) Workforce development centers under IC 22-4-42 if established.
   (2) Ivy Tech State Community College of Indiana under IC 20-12-61.
   (3) Vocational education (as defined in IC 22-4.1-13-5) programs at the secondary level.

SECTION 29. IC 22-4-42-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Ivy Tech State Community College of Indiana and secondary level technical education program providers shall offer the services described in section 2(1) through 2(4) of this chapter.

SECTION 30. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-12-75-5; IC 20-12-75-6; IC 20-12-75-7; IC 20-12-75-8; IC 20-12-75-9; IC 20-12-75-10; IC 20-12-75-11; IC 20-12-75-12; IC 20-12-75-13.

SECTION 31. [EFFECTIVE JULY 1, 2005] (a) This act applies to academic terms that begin after June 30, 2005.
   (b) This SECTION expires January 1, 2006.

P.L.128-2005
[S.322. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 36-1-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 17. Defense Expenses for Unit and Municipal Corporation Officers and Employees

Sec. 1. As used in this chapter, "criminal action" means a
prosecution against an individual alleging the commission of a felony or misdemeanor.

Sec. 2. Except as provided in section 3 of this chapter, a unit or municipal corporation may not pay the legal expenses incurred by an officer or employee of the unit or the municipal corporation:

(1) in defending against:
   (A) a criminal action;
   (B) a civil action brought by the attorney general of the United States, a United States attorney, the attorney general of Indiana, or an Indiana prosecuting attorney under:
      (i) IC 34-24-1;
      (ii) IC 34-24-2;
      (iii) IC 34-24-3;
      (iv) IC 5-11-5;
      (v) IC 5-11-6;
      (vi) IC 5-13-6;
      (vii) IC 5-13-14-3; or
      (viii) 18 U.S.C. 1964; or
   (C) a proceeding to enforce an ordinance or a statute defining an infraction; or

(2) who is the target of a grand jury investigation, if the scope of the investigation includes a claim that the officer or employee committed a criminal act.

Sec. 3. (a) An officer or employee of a unit or municipal corporation who is charged with:

(1) a crime; or

(2) an infraction;

relating to an act that was within the scope of the official duties of the officer or employee may apply to the fiscal body of the unit or municipal corporation for reimbursement of reasonable and customarily charged expenses incurred in the officer's or employee's defense against those charges, if all charges have been dismissed or the officer or employee has been found not guilty of all charges. The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses, as determined by the fiscal body of the unit or municipal corporation, incurred in the officer's or employee's defense against those charges, if all charges have been
dismissed or the officer or employee has been found not guilty of all charges.

(b) An officer or employee of a unit or municipal corporation who is the target of a grand jury investigation may apply to the fiscal body of the unit or municipal corporation for reimbursement of reasonable and customarily charged expenses incurred by the officer or employee resulting from the grand jury investigation, if the grand jury fails to indict the officer or employee and the acts investigated by the grand jury were within the scope of the official duties of the officer or employee. The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses, as determined by the fiscal body of the unit or municipal corporation, incurred by the officer or employee as a result of the grand jury investigation, if the grand jury fails to indict the officer or employee.

(c) An officer or employee of a unit or municipal corporation who is the defendant in a civil action described in section 2(1)(B)(i) through section 2(1)(B)(viii) of this chapter and brought by a person described in section 2(1)(B) of this chapter that involves an action within the scope of the official duties of the officer or employee may apply to the fiscal body of the unit or municipal corporation for reimbursement of reasonable and customarily charged expenses incurred in the officer’s or employee’s defense in the civil action. The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses incurred in the officer’s or employee’s defense against the civil action if:

1. all claims that formed the basis of the civil action have been dismissed; or
2. a judgment is rendered in favor of the officer or employee on all counts in the civil action.

Sec. 4. The fiscal body of a unit or municipal corporation may:

1. act on an application under section 3 of this chapter without a hearing; and
2. require an officer or employee seeking reimbursement under this chapter to:
   1. answer questions under oath; or
   2. provide information or documents concerning the case or investigation for which the officer or employee is
seeking reimbursement.
SECTION 2. An emergency is declared for this act.

P.L.129-2005
[S.340. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

SECTION 1. IC 31-9-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. "Adoptive parent", for purposes of IC 31-19-11 and IC 31-19-17 through IC 31-19-24, means an adult who has become a parent of a child through adoption.

SECTION 2. IC 31-17-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. Upon:
(1) the court's own motion;
(2) the motion of a party;
(3) the motion of the child; or
(4) the motion of the child's guardian ad litem; or
(5) the motion of the court appointed special advocate;
the court may order the custodian or the joint custodians to obtain counseling for the child under such terms and conditions as the court considers appropriate.

SECTION 3. IC 31-19-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever the court has heard the evidence and finds that:
(1) the adoption requested is in the best interest of the child;
(2) the petitioner or petitioners for adoption are of sufficient ability to rear the child and furnish suitable support and education;
(3) the report of the investigation and recommendation under IC 31-19-8-5 has been filed;
(4) the attorney or agency arranging an adoption has filed with the
court an affidavit prepared by the state department of health under IC 31-19-5-16 indicating whether a man is entitled to notice of the adoption because the man has registered with the putative father registry in accordance with IC 31-19-5;
(5) proper notice arising under subdivision (4), if notice is necessary, of the adoption has been given;
(6) the attorney or agency has filed with the court an affidavit prepared by the state department of health under:
   (A) IC 31-19-6 indicating whether a record of a paternity determination; or
   (B) IC 16-37-2-2(g) indicating whether a paternity affidavit executed under IC 16-37-2-2.1;
has been filed in relation to the child;
(7) proper consent, if consent is necessary, to the adoption has been given; and
(8) the petitioner for adoption is not prohibited from adopting the child as the result of an inappropriate criminal history described in subsection (c) or (d); and

(9) the person, licensed child placing agency, or county office of family and children that has placed the child for adoption has provided the documents and other information required under IC 31-19-17 to the prospective adoptive parents;
the court shall grant the petition for adoption and enter an adoption decree.

(b) A court may not grant an adoption unless the department's affidavit under IC 31-19-5-16 is filed with the court as provided under subsection (a)(4).

(c) A conviction of a felony or a misdemeanor related to the health and safety of a child by a petitioner for adoption is a permissible basis for the court to deny the petition for adoption. In addition, the court may not grant an adoption if a petitioner for adoption has been convicted of any of the felonies described as follows:
   (1) Murder (IC 35-42-1-1).
   (2) Causing suicide (IC 35-42-1-2).
   (3) Assisting suicide (IC 35-42-1-2.5).
   (4) Voluntary manslaughter (IC 35-42-1-3).
   (5) Reckless homicide (IC 35-42-1-5).
   (6) Battery as a felony (IC 35-42-2-1).
(7) Aggravated battery (IC 35-42-2-1.5).
(8) Kidnapping (IC 35-42-3-2).
(9) Criminal confinement (IC 35-42-3-3).
(10) A felony sex offense under IC 35-42-4.
(11) Carjacking (IC 35-42-5-2).
(12) Arson (IC 35-43-1-1).
(13) Incest (IC 35-46-1-3).
(14) Neglect of a dependent (IC 35-46-1-4(a)(1) and IC 35-46-1-4(a)(2)).
(15) Child selling (IC 35-46-1-4(d)).
(16) A felony involving a weapon under IC 35-47 or IC 35-47.5.
(17) A felony relating to controlled substances under IC 35-48-4.
(18) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3.
(19) A felony that is substantially equivalent to a felony listed in subdivisions (1) through (18) for which the conviction was entered in another state.

However, the court is not prohibited from granting an adoption based upon a felony conviction under subdivision (6), (11), (12), (16), or (17), or its equivalent under subdivision (19), if the offense was not committed within the immediately preceding five (5) year period.

(d) A court may not grant an adoption if the petitioner is an offender (as defined in IC 5-2-12-4).

SECTION 4. IC 31-19-17-2, AS AMENDED BY HEA 1217-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A person, a licensed child placing agency, or a county office of family and children placing a child for adoption shall prepare a report summarizing the available medical, psychological, and educational records of the person or agency concerning the birth parents. The person, agency, or county office shall exclude from this report information that would identify the birth parents. The person, agency, or county office shall give the report to:

(1) the adoptive parents:
   (A) not later than the time the child is placed with the adoptive parents; at the time the home study or evaluation concerning the suitability of the proposed home for the child is commenced; or
   (B) with the consent of the adoptive parents, not more than
thirty (30) days after the child is placed with the adoptive parents; and

(2) upon request, an adoptee who is:

(A) is at least twenty-one (21) years of age; and

(B) provides proof of identification.

SECTION 5. IC 31-34-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Whenever a child is taken into custody without a court order under this chapter, the attorney for the county office of family and children shall, without unnecessary delay, request the juvenile court to:

(1) authorize the filing of a petition alleging that the child is a child in need of services;

(2) hold an initial hearing under IC 31-34-10 not later than the next business day after the child is taken into custody; and

(3) appoint a guardian ad litem or a court appointed special advocate for the child.

SECTION 6. IC 31-34-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Upon motion by the person representing the interests of the state, the juvenile court shall dismiss any petition the person has filed. (a) A person representing the interests of the state may file a motion to dismiss any petition that the person has filed under this chapter.

(b) If a person files a motion to dismiss under subsection (a), the person must provide to the court a statement that sets forth the reasons the person is requesting that the petition be dismissed.

(c) Not later than ten (10) days after the motion to dismiss is filed under subsection (a), the court shall:

(1) summarily grant the motion to dismiss; or

(2) set a date for a hearing on the motion to dismiss.

(d) If the court sets a hearing on the motion to dismiss under subsection (c)(2), the court may appoint:

(1) a guardian ad litem;

(2) a court appointed special advocate; or

(3) both a guardian ad litem and a court appointed special advocate;

to represent and protect the best interests of the child.

SECTION 7. IC 31-34-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The juvenile
court shall hold an initial hearing on each petition.
(b) The juvenile court shall set a time for the initial hearing. A summons shall be issued for the following:
   (1) The child.
   (2) The child's parent, guardian, custodian, or guardian ad litem, or court appointed special advocate.
   (3) Any other person necessary for the proceedings.
(c) A copy of the petition must accompany each summons. The clerk shall issue the summons under Rule 4 of the Indiana Rules of Trial Procedure.

SECTION 8. IC 31-34-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsection (b), a report prepared by the state:
   (1) for the juvenile court's review of the court's dispositional decree; or
   (2) prepared for use at a periodic case review under IC 31-34-21-2 or hearing under IC 31-34-21-7;
shall be made available to the child and the child's parent, guardian, guardian ad litem, court appointed special advocate, or custodian within a reasonable time after the report's presentation to the court or before the hearing.
(b) If the court determines on the record that the report contains information that should not be released to the child or the child's parent, guardian, or custodian, the court shall provide a copy of the report to the following:
   (1) Each attorney or guardian ad litem representing the child.
   (2) Each attorney representing the child's parent, guardian, or custodian.
   (3) Each court appointed special advocate.
(c) The court may also provide a factual summary of the report to the child or the child's parent, guardian, or custodian.
(d) In addition to the requirements of subsection (a), any report prepared by the state for the juvenile court's review shall also be made available to any court appointed special advocate within the same time period and in the same manner as required in the case of a parent under subsection (a). However, if under subsection (a) the court determines on the record that the report contains information that should not be released to the parent, the court shall still provide a copy of the report
to any court appointed special advocate.

SECTION 9. IC 31-34-23-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. While the juvenile court retains jurisdiction under IC 31-30-2, the juvenile court may modify any dispositional decree:

(1) upon the juvenile court's own motion;
(2) upon the motion of:
   (A) the child;
   (B) the child's:
      (i) parent;
      (ii) guardian;
      (iii) custodian;
      (iv) court appointed special advocate; or
   (v) guardian ad litem;
   (C) the probation officer;
   (D) the caseworker;
   (E) the prosecuting attorney; or
   (F) the attorney for the county office of family and children; or
(3) upon the motion of any person providing services to the child or to the child's parent, guardian, or custodian under a decree of the court.

SECTION 10. IC 31-34-23-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If a hearing is required, IC 31-34-18 governs the preparation and use of a modification report. The report shall be prepared if the state or any person other than the child or the child's parent, guardian, guardian ad litem, court appointed special advocate, or custodian is requesting the modification.

SECTION 11. IC 33-24-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The division of state court administration shall establish and administer an office of guardian ad litem and court appointed special advocate services. The division shall use money it receives from the state general fund to administer the office. If funds for guardian ad litem and court appointed special advocate programs are appropriated by the general assembly, the division shall provide matching funds to counties that are required to implement and administer, in courts with juvenile jurisdiction, a guardian ad litem and or court appointed special
advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33. Matching funds must be distributed in accordance with the provisions of section 5 of this chapter. A county may use these matching funds to supplement amounts that are collected as fees under IC 31-40-3-1 and used for the operation of guardian ad litem and court appointed special advocate programs. The division may use its administrative fund to provide training services and communication services for local officials and local guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for matching funds under this section.

(b) Matching funds provided to a county under this section shall be used for guardian ad litem and court appointed special advocate programs and may be deposited in the county's guardian ad litem or court appointed special advocate fund described in IC 31-40-3.

(c) Any matching funds appropriated to the division of state court administration that are not used before July 1 of each fiscal year do not revert but shall be redistributed under this section on July 1. The division shall redistribute the funds among counties providing guardian ad litem and court appointed special advocate programs that are entitled to receive matching funds.

(d) Money appropriated to the division of state court administration does not revert at the end of a state fiscal year to the state general fund.

(e) Only guardian ad litem or court appointed special advocate programs certified by the supreme court are eligible for funding under this section.
AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

SECTION 1. IC 31-19-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The notice required by this chapter may be waived in writing before or after the birth of a child.

(b) A waiver of notice under subsection (a) must:

(1) be in writing and signed in the presence of a notary public; and

(2) acknowledge that:

(A) the waiver is irrevocable; and

(B) the person signing the waiver will not receive notice of the adoption proceedings.

A person who waives notice of an adoption may not subsequently challenge or contest an adoption of the child.

SECTION 2. IC 31-19-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The notice required by this chapter is not necessary:

(1) if actual notice has been given to a putative father under IC 31-19-3; or

(2) if:

(A) a person has attempted to give notice to a putative father at a particular address under IC 31-19-3; and

(B) the putative father could not be located at that address; unless the putative father registers that address with the putative father registry under IC 31-19-5.

SECTION 3. IC 31-19-4.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The notice required by this chapter may be waived in writing before or after the birth of a child.
(b) A waiver of notice under subsection (a) must:
   (1) be in writing and signed in the presence of a notary public; and
   (2) acknowledge that:
       (A) the waiver is irrevocable; and
       (B) the person signing the waiver will not receive notice of the adoption proceedings.

A person who waives notice of an adoption may not challenge or contest an adoption of the child.

SECTION 4. IC 31-19-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) The consent to adoption may be executed at any time after the birth of the child either in the presence of:
   (1) the court;
   (2) a notary public or other person authorized to take acknowledgments; or
   (3) an authorized agent of:
       (A) the division of family and children;
       (B) a county office of family and children; or
       (C) a licensed child placing agency.

(b) The child's mother may not execute a consent to adoption before the birth of the child.

(c) The child's father may execute a consent to adoption before the birth of the child if the consent to adoption:
   (1) is in writing;
   (2) is signed by the child's father in the presence of a notary public; and
   (3) contains an acknowledgment that:
       (A) the consent to adoption is irrevocable; and
       (B) the child's father will not receive notice of the adoption proceedings.

(d) A child's father who consents to the adoption of the child under subsection (c) may not challenge or contest the child's adoption.

SECTION 5. IC 31-19-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 8. (a) Consent to adoption, which may be required under section 1 of this chapter, is not required from any of the following:
(1) A parent or parents if the child is adjudged to have been abandoned or deserted for at least six (6) months immediately preceding the date of the filing of the petition for adoption.

(2) A parent of a child in the custody of another person if for a period of at least one (1) year the parent:
   (A) fails without justifiable cause to communicate significantly with the child when able to do so; or
   (B) knowingly fails to provide for the care and support of the child when able to do so as required by law or judicial decree.

(3) The biological father of a child born out of wedlock whose paternity has not been established:
   (A) by a court proceeding other than the adoption proceeding; or
   (B) by executing a paternity affidavit under IC 16-37-2-2.1.

(4) The biological father of a child born out of wedlock who was conceived as a result of:
   (A) a rape for which the father was convicted under IC 35-42-4-1;
   (B) child molesting (IC 35-42-4-3);
   (C) sexual misconduct with a minor (IC 35-42-4-9); or
   (D) incest (IC 35-46-1-3).

(5) The putative father of a child born out of wedlock if the putative father's consent to adoption is irrevocably implied under section 15 of this chapter.

(6) The biological father of a child born out of wedlock if the:
   (A) father's paternity is established after the filing of a petition for adoption in a court proceeding or by executing a paternity affidavit under IC 16-37-2-2.1; and
   (B) father is required to but does not register with the putative father registry established by IC 31-19-5 within the period required by IC 31-19-5-12.

(7) A parent who has relinquished the parent's right to consent to adoption as provided in this chapter.

(8) A parent after the parent-child relationship has been terminated under IC 31-35 (or IC 31-6-5 before its repeal).

(9) A parent judicially declared incompetent or mentally defective if the court dispenses with the parent's consent to adoption.

(10) A legal guardian or lawful custodian of the person to be
adopted who has failed to consent to the adoption for reasons found by the court not to be in the best interests of the child.

(11) A parent if:
   (A) a petitioner for adoption proves by clear and convincing evidence that the parent is unfit to be a parent; and
   (B) the best interests of the child sought to be adopted would be served if the court dispensed with the parent's consent.

(12) A child's biological father who denies paternity of the child before or after the birth of the child if the denial of paternity:
   (A) is in writing;
   (B) is signed by the child's father in the presence of a notary public; and
   (C) contains an acknowledgment that:
      (i) the denial of paternity is irrevocable; and
      (ii) the child's father will not receive notice of adoption proceedings.

A child's father who denies paternity of the child under this subdivision may not challenge or contest the child's adoption.

(b) If a parent has made only token efforts to support or to communicate with the child the court may declare the child abandoned by the parent.

SECTION 6. IC 31-19-10-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.5. The party bearing the burden of proof in a proceeding under this chapter must prove the party's case by clear and convincing evidence.

SECTION 7. IC 31-19-12-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this section, "record" includes the following:
   (1) A court document.
   (2) A medical record.
   (3) A social or medical history.
   (4) A photograph.
   (5) Correspondence being held for the benefit of:
      (A) a birth parent;
      (B) a person who was adopted;
(C) an adoptive parent; or
(D) a sibling of the person who was adopted.

(b) A child placing agency, governmental entity, or licensed attorney who arranges or facilitates an adoption may, after entry of the adoption decree, transfer an adoption record to the state registrar for inclusion in the adoption history program administered by the state registrar, or, after giving notice to the state registrar, to a transferee agency that assumes responsibility for the preservation of records maintained as part of the adoption history program.

(c) An attorney who complies with this section does not violate attorney-client privilege.

(d) A record maintained or transferred under this section is confidential.

SECTION 8. IC 31-19-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in section 2 of this chapter or IC 31-19-16, if the biological parents of an adopted person are alive, the biological parents are:

(1) relieved of all legal duties and obligations to the adopted child; and
(2) divested of all rights with respect to the child; after the adoption.

(b) The obligation to support the adopted person continues until the entry of the adoption decree. The entry of the adoption decree does not extinguish the obligation to pay past due child support owed for the adopted person before the entry of the adoption decree.

SECTION 9. IC 31-19-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If the adoptive parent of a child is married to a biological parent of the child, the parent-child relationship of the biological parent is not affected by the adoption.

(b) If the adoptive parent of a child is married to a previous adoptive parent, the parent-child relationship of the previous adoptive parent is not affected by the adoption.

(c) After the adoption, the adoptive father or mother, or both:
(1) occupy the same position toward the child that the adoptive father or the adoptive mother, or both, would occupy if the
adoptive father or adoptive mother, or both, were the biological
father or mother; and
(2) are jointly and severally liable for the maintenance and
education of the person.

SECTION 10. IC 31-19-18-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The state registrar:
(1) may adopt rules under IC 4-22-2; and
(2) shall prescribe forms necessary;
to implement this chapter, IC 31-19-12-5, and IC 31-19-19 through

SECTION 11. IC 31-19-28-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Whenever a person
is adopted outside Indiana, under the laws of the state, territory, or
country where the adoption took place:
(1) the adoption decree:
(A) when filed with the clerk of the court of any county in
Indiana; and
(B) when entered upon the order book of the court in open
session;
has the same force and effect as if the adoption decree were made
in accordance with this article; and
(2) the adopted person:
(A) has the same rights; and
(B) is capable of taking by inheritance, upon the death of the
adoptive parent, property located in Indiana;
as though the person had been adopted according to the laws of
Indiana; and
(3) if a name other than a name in the adoption decree is
requested, the adopted person shall take the name requested
in a petition filed under this section.

SECTION 12. IC 31-35-1-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as
provided in subsection (b), the parents must give their consent in open
court unless the court makes findings of fact upon the record that:
(1) the parents gave their consent in writing before a person
authorized by law to take acknowledgments;
(2) the parents were notified of their constitutional and other legal
rights and of the consequences of their actions under advised in
According to section 12 of this chapter; and
(3) the parents failed to appear.

(b) The consent of a parent to the termination of the parent-child relationship under this chapter is not required if:

(1) consent to the termination of the parent-child relationship is implied under section 4.5 of this chapter, if the parent is the putative father; or

(2) the parent's consent to the adoption of the child would not be required under:

(A) IC 31-19-9-8;
(B) IC 31-19-9-9; or
(C) IC 31-19-9-10; or

(3) the child's biological father denies paternity of the child before or after the birth of the child if the denial of paternity:

(A) is in writing;
(B) is signed by the child's father in the presence of a notary public; and
(C) contains an acknowledgment that:
   (i) the denial of paternity is irrevocable; and
   (ii) the child's father will not receive notice of adoption or termination of parent-child relationship proceedings.

A child's father who denies paternity of the child under subdivision (3) may not challenge or contest the child's adoption or termination of the parent-child relationship.

SECTION 13. IC 31-35-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If the court makes findings of fact upon the record that:

(1) one (1) parent has made a valid consent to the termination of the parent-child relationship;

(2) the other parent:
   (A) is required under this chapter to consent to the termination of the parent-child relationship;
   (B) cannot be located, after a good faith effort has been made to do so, or has been located but fails to appear at the termination hearing; and
   (C) has been served with notice of the hearing in the most effective means under the circumstances; and

(3) the investigation that may be required by section 7 of this
chapter has been completed and entered on the record; the court may enter a default judgment against the unavailable parent and terminate as to both parents.

(b) A parent may waive the notice required by subsection (a)(2)(C) if the waiver:
   (1) is in writing;
   (2) is signed by the parent in the presence of a notary public; and
   (3) contains an acknowledgment that:
      (A) the waiver is irrevocable; and
      (B) the parent will not receive notice of:
         (i) adoption; or
         (ii) termination of parent-child relationship; proceedings.
(c) A parent who waives notice under subsection (b) may not challenge or contest:
   (1) the termination of the parent-child relationship; or
   (2) the child's adoption.

SECTION 14. IC 35-46-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Except as provided in subsection (b), a person who, with respect to an adoption, transfers or receives any property in connection with the waiver of parental rights, the termination of parental rights, the consent to adoption, or the petition for adoption commits profiting from an adoption, a Class D felony.

(b) This section does not apply to the transfer or receipt of:
   (1) reasonable attorney's fees;
   (2) hospital and medical expenses concerning childbirth and pregnancy incurred by the adopted person's birth mother;
   (3) reasonable charges and fees levied by a child placing agency licensed under IC 12-17.4 or by a county office of family and children;
   (4) reasonable expenses for psychological counseling relating to adoption incurred by the adopted person's birth parents;
   (5) reasonable costs of housing, utilities, and phone service for the adopted person's birth mother during the second or third trimester of pregnancy and not more than six (6) weeks after childbirth;
   (6) reasonable costs of maternity clothing for the adopted person's
birth mother;
(7) reasonable travel expenses incurred by the adopted person's
birth mother that relate to the pregnancy or adoption;
(8) any additional itemized necessary living expenses for the
adopted person's birth mother during the second or third trimester
of pregnancy and not more than six (6) weeks after childbirth, not
listed in subdivisions (5) through (7) in an amount not to exceed
one thousand dollars ($1,000); or
(9) other charges and fees approved by the court supervising the
adoption, including reimbursement of not more than actual wages
lost as a result of the inability of the adopted person's birth mother
to work at her regular, existing employment due to a medical
condition, excluding a psychological condition, if:
   (A) the attending physician of the adopted person's birth
       mother has ordered or recommended that the adopted person's
       birth mother discontinue her employment; and
   (B) the medical condition and its direct relationship to the
       pregnancy of the adopted person's birth mother are
documented by her attending physician.
In determining the amount of reimbursable lost wages, if any, that are
reasonably payable to the adopted person's birth mother under
subdivision (9), the court shall offset against the reimbursable lost
wages any amounts paid to the adopted person's birth mother under
subdivisions (5) and (8) and any unemployment compensation received
by or owed to the adopted person's birth mother.
(c) Except as provided in this subsection, payments made under
subsection (b)(5) through (b)(9) may not exceed three thousand dollars
($3,000) and must be disclosed to the court supervising the adoption.
The amounts paid under subsection (b)(5) through (b)(9) may exceed
three thousand dollars ($3,000) to the extent that a court in Indiana
with jurisdiction over the child who is the subject of the adoption
approves the expenses after determining that:
   (1) the expenses are not being offered as an inducement to
       proceed with an adoption; and
   (2) failure to make the payments may seriously jeopardize the
       health of either the child or the mother of the child and the direct
       relationship is documented by a licensed social worker or the
       attending physician.
(d) An attorney or licensed child placing agency shall inform a birth mother of the penalties for committing adoption deception under section 9.5 of this chapter before the attorney or agency transfers a payment for adoption related expenses under subsection (b) in relation to the birth mother.

(e) The limitations in this section apply regardless of the state or country in which the adoption is finalized.

SECTION 15. [EFFECTIVE JULY 1, 2005] IC 35-46-1-9, as amended by this act, applies only to crimes committed after June 30, 2005.

AN ACT concerning local government.

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

SECTION 1. IC 8-1.5-5-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) Subsections (c), (d), and (e) do not apply to a city that before January 1, 2005, adopted an ordinance establishing procedures for the collection of unpaid user fees under this chapter through the enforcement of a lien.

(b) Fees assessed against real property under this chapter constitute a lien against the property assessed. The lien is superior to all other liens except tax liens. Except as provided in subsections (c) and (d), the lien attaches when notice of the lien is filed in the county recorder's office under section 30 of this chapter.

(c) A fee is not enforceable as a lien against a subsequent owner of property unless the lien for the fee was recorded with the county recorder before the conveyance to the subsequent owner. If property is conveyed before a lien is filed, the department shall notify the person who owned the property at the time the fee became payable. The notice must inform the person that payment,
including penalty fees for delinquencies, is due not more than fifteen (15) days after the date of the notice. If payment is not received within one hundred eighty (180) days after the date of the notice, the amount due may be expensed as a bad debt loss.

(d) A lien attaches against real property occupied by someone other than the owner only if the department notifies the owner within twenty (20) days after the time the user fees became sixty (60) days delinquent. However, the department must give notice to the owner only if the owner has given the department written notice of the address to which to send notice.

(e) The department shall release:

(1) liens filed with the county recorder after the recorded date of conveyance of the property; and

(2) delinquent fees incurred by the seller;

upon receipt of a verified demand in writing from the purchaser. The demand must state that the delinquent fees were not incurred by the purchaser as a user, lessee, or previous owner and that the purchaser has not been paid by the seller for the delinquent fees.

SECTION 2. IC 8-1.5-5-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) The board may defer enforcing the collection of unpaid fees and penalties assessed under this chapter until the unpaid fees and penalties have been due and unpaid for at least ninety (90) days.

(b) Except as provided in subsection (k), the board shall enforce payment of fees imposed under this chapter. As often as the board determines necessary in a calendar year, the board shall prepare either of the following:

(1) A list of the delinquent fees and penalties that are enforceable under this section. The list must include the following:

(A) The name of the owner of each lot or parcel of real property on which fees are delinquent.

(B) A description of the premises, as shown by the records of the county auditor.

(C) The amount of the delinquent fees, together with the penalty.

(2) An individual instrument for each lot or parcel of real property on which the fees are delinquent.
(c) An officer of the board shall record a copy of each list or each individual instrument with the county recorder who shall charge a fee for recording the list or each individual instrument in accordance with the fee schedule established in IC 36-2-7-10. The officer shall mail by certified mail, or by another delivery service providing proof of delivery, to each property owner on the list or on an individual instrument a notice stating that a lien against the owner’s property has been recorded. A service charge of five dollars ($5), which is in addition to the recording fee charged under this subsection and under subsection (e), shall be added to each delinquent fee that is recorded.

(d) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the board shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. The county and its officers and employees are not liable for any material error in the information on this list.

(e) The board shall release any recorded lien when the delinquent fees, penalties, service charges, and recording fees have been fully paid. The county recorder shall charge a fee for releasing the lien in accordance with IC 36-2-7-10.

(f) Upon receipt of the list under subsection (c), the county auditor of each county shall add a fifteen dollar ($15) certification fee for each lot or parcel of real property on which fees are delinquent. The fee is in addition to all other fees and charges. The county auditor shall immediately enter on the tax duplicate for the district the delinquent fees, penalties, service charges, recording fees, and certification fees, which are due not later than the due date of the next May installment of property taxes. The county treasurer shall include any unpaid charges for the delinquent fee, penalty, service charge, recording fee, and certification fee to the owner or owners of each lot or parcel of property, at the time the next cycle's property tax installment is billed.

(g) After certification of liens under subsection (d), the board may not collect or accept delinquent fees, penalties, service charges, recording fees, or certification fees from property owners whose property has been certified to the county auditor.

(h) If a delinquent fee, penalty, service charge, recording fee,
and certification fee are not paid, they shall be collected by the county treasurer in the same way that delinquent property taxes are collected.

(i) At the time of each semianual tax settlement, the county treasurer shall certify to the county auditor all fees, charges, and penalties that have been collected. The county auditor shall deduct the service charges and certification fees collected by the county treasurer and pay over to the officer the remaining fees and penalties due the district. The county treasurer shall retain the service charges and certification fees that have been collected and shall deposit them in the county general fund.

(j) Fees, penalties, and service charges that were not recorded before a recorded conveyance shall be removed from the tax roll for a purchaser who, in the manner prescribed by section 29(e) of this chapter, files a verified demand with the county auditor.

(k) A board may write off a fee or penalty under subsection (a) that is less than forty dollars ($40).

SECTION 3. IC 8-1.5-5-31 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) A district may foreclose a lien established by this chapter in order to collect fees and penalties. The district shall recover the amount of the fees and penalties, and a reasonable attorney's fee. The court shall order the sale to be made without relief from valuation or appraisement laws.

(b) Except as otherwise provided by this chapter, actions under this chapter are subject to the general statutes regarding municipal public improvement assessments.

SECTION 4. IC 13-26-14-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Rates, fees, or charges made, assessed, or established by the district are a lien on a lot, parcel of land, or building that is connected with or uses the works of the district in the manner established under IC 36-9-23. The liens:

(1) attach;
(2) are recorded;
(3) are subject to the same penalties, interest, and reasonable attorney's fees on recovery; and
(4) shall be collected and enforced; in substantially the same manner as provided in IC 36-9-23-31
through IC 36-9-23-32.

SECTION 5. IC 36-1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If a condition violating an ordinance of a municipal corporation exists on real property, officers of the municipal corporation may enter onto that property and take appropriate action to bring the property into compliance with the ordinance. However, before action to bring compliance may be taken, all persons holding a substantial interest in the property must be given a reasonable opportunity of at least ten (10) days but not more than sixty (60) days to bring the property into compliance. If the municipal corporation takes action to bring compliance, the expenses incurred by the municipal corporation to bring compliance constitute a lien against the property. The lien attaches when notice of the lien is recorded in the office of the county recorder in which the property is located. The lien is superior to all other liens except liens for taxes, in an amount that does not exceed:

(1) two thousand five hundred dollars ($2,500) for real property that:

(A) contains one (1) or more occupied or unoccupied single or double family dwellings or the appurtenances or additions to those dwellings; or

(B) is unimproved; or

(2) ten thousand dollars ($10,000) for all other real property not described in subdivision (1).

(b) The municipal corporation may issue a bill to the owner of the real property for the costs incurred by the municipal corporation in bringing the property into compliance with the ordinance, including administrative costs and removal costs.

(c) If the owner of the real property fails to pay a bill issued under subsection (b), the municipal corporation may, after thirty (30) days; certify to the county auditor the amount of the bill, plus any additional administrative costs incurred in the certification. The auditor shall place the total amount certified on the tax duplicate for the property affected; and the total amount, including any accrued interest, shall be collected as delinquent taxes are collected and shall be disbursed to the general fund of the municipal corporation.

(c) A bill issued under subsection (b) is delinquent if the owner of the real property fails to pay the bill within thirty (30) days after
the date of the issuance of the bill.

(d) Whenever a municipal corporation determines it necessary, the officer charged with the collection of fees and penalties for the municipal corporation shall prepare:

(1) a list of delinquent fees and penalties that are enforceable under this section, including:
   (A) the name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent;
   (B) a description of the premises, as shown on the records of the county auditor; and
   (C) the amount of the delinquent fees and the penalty; or
(2) an instrument for each lot or parcel of real property on which the fees are delinquent.

(e) The officer shall record a copy of each list or each instrument with the county recorder, who shall charge a fee for recording the list or instrument under the fee schedule established in IC 36-2-7-10.

(f) The amount of a lien shall be placed on the tax duplicate by the auditor. The total amount, including any accrued interest, shall be collected in the same manner as delinquent taxes are collected and shall be disbursed to the general fund of the municipal corporation.

(g) A fee is not enforceable as a lien against a subsequent owner of property unless the lien for the fee was recorded with the county recorder before conveyance to the subsequent owner. If the property is conveyed before the lien is recorded, the municipal corporation shall notify the person who owned the property at the time the fee became payable. The notice must inform the person that payment, including penalty fees for delinquencies, is due not later than fifteen (15) days after the date of the notice. If payment is not received within one hundred eighty (180) days after the date of the notice, the amount due may be considered a bad debt loss.

(h) The municipal corporation shall release:

(1) liens filed with the county recorder after the recorded date of conveyance of the property; and
(2) delinquent fees incurred by the seller;
upon receipt of a written demand from the purchaser or a representative of the title insurance company or the title insurance company's agent that issued a title insurance policy to the
purchaser. The demand must state that the delinquent fees were not incurred by the purchaser as a user, lessee, or previous owner and that the purchaser has not been paid by the seller for the delinquent fees.

(i) The county auditor shall remove the fees, penalties, and service charges that were not recorded before a recorded conveyance to a subsequent owner upon receipt of a copy of the written demand under subsection (h).

SECTION 6. IC 36-3-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Liens for taxes levied by the consolidated city are perfected when certified to the auditor of the county: evidenced on the tax duplicate in the office of the treasurer of the county.

(b) Liens created when the city enters upon property to make improvements to bring it into compliance with a city ordinance, and liens created upon failure to pay charges assessed by the city for services shall be certified to the auditor, after the adoption of a resolution confirming the incurred expense by the appropriate city department, board, or other agency. In addition, the resolution must state the name of the owner as it appears on the township assessor's record and a description of the property. These liens are perfected when certified to the auditor.

(c) The amount of a perfected lien shall be placed on the tax duplicate by the auditor in the nature of a delinquent tax subject to enforcement and collection as otherwise provided under IC 6-1.1-22, IC 6-1.1-24, and IC 6-1.1-25. However, the amount of the lien is not considered a tax within the meaning of IC 6-1.1-21-2(b) and shall not be included as a part of either a total county tax levy under IC 6-1.1-21-2(g) or the tax liability of a taxpayer under IC 6-1.1-21-5 for purposes of the tax credit computations under IC 6-1.1-21-4 and IC 6-1.1-21-5.

SECTION 7. IC 36-9-23-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) Fees assessed against real property under this chapter or under any statute repealed by IC 19-2-5-30 constitute a lien against the property assessed. The lien is superior to all other liens except tax liens. Except as provided in subsections (b) and (c), the lien attaches when notice of the lien is filed in the county recorder's office under section 33 of this chapter.
(b) A fee is not enforceable as a lien against a subsequent owner of property unless the lien for the fee was recorded with the county recorder before the conveyance to the subsequent owner. If the property is conveyed before the lien can be filed, the municipality shall notify the person who owned the property at the time the fee became payable. The notice must inform the person that payment, including penalty fees for delinquencies, is due not less more than fifteen (15) days after the date of the notice. If payment is not received within one hundred eighty (180) days after the date of the notice, the amount due may be expensed as a bad debt loss.

(c) A lien attaches against real property occupied by someone other than the owner only if the utility notified the owner within twenty (20) days after the time the utility fees became sixty (60) days delinquent. However, the utility is required to give notice to the owner only if the owner has given the general office of the utility written notice of the address to which his the owner's notice is to be sent.

(d) The municipality shall release:

1. liens filed with the county recorder after the recorded date of conveyance of the property; and
2. delinquent fees incurred by the seller;

upon receipt of a verified demand in writing from the purchaser. The demand must state that the delinquent fees were not incurred by the purchaser as a user, lessee, or previous owner, and that the purchaser has not been paid by the seller for the delinquent fees.

SECTION 8. IC 36-11-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A district may enforce delinquent fees and penalties in the manner described in IC 36-9-23.

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

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

SECTION 1. [EFFECTIVE JULY 1, 2005] (a) The state educational institutions (as defined in IC 20-12-0.5-1) shall cooperate to compile and submit a report to the budget committee and the legislative council (in an electronic format under IC 5-14-6), not later than December 31, 2005, concerning the following:

1. The joint purchase by state educational institutions of the following types of insurance:
   (A) Life insurance.
   (B) Health insurance.
   (C) Property insurance.
   (D) Supplemental insurance, including dental and vision insurance.
   (E) Disability insurance.
   (F) Worker's compensation coverage for:
      (i) personal injury or death by accident arising out of and in the course of employment under IC 22-3-2 through IC 22-3-6; and
      (ii) disablement or death by occupational disease arising out of and in the course of employment under IC 22-3-7.
   (G) Other insurance offered by a state educational institution.

2. The possible ramifications, costs, and cost savings in joining together to purchase the insurance specified in subdivision (1).

3. The joint purchase of other materials, supplies, and services by the state educational institutions and the ramifications, costs, and cost savings in jointly purchasing
these materials, supplies, and services.
(b) This SECTION expires December 31, 2006.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 12-7-2-192.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 192.7. "Transitional services plan", for purposes of IC 12-13-5-13, has the meaning set forth in IC 12-13-5-13(a).

SECTION 2. IC 12-13-5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) As used in this section, "transitional services plan" means a plan that provides information concerning the following to an individual described in subsection (b):
(1) Education.
(2) Employment.
(3) Housing.
(4) Health care.
(5) Development of problem solving skills.
(6) Available local, state, and federal financial assistance.
(b) The division may implement a program that provides a transitional services plan to an individual who:
(1) has become; or
(2) will become;
eighteen (18) years of age or emancipated while receiving foster care.
(c) The division may adopt rules under IC 4-22-2 necessary to implement the program described in this section.

SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this
SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(b) The office may apply to the United States Department of Health and Human Services for approval to amend the state Medicaid plan to include services for an individual who:

(1) is:
   (A) at least eighteen (18) years of age; and
   (B) less than twenty-one (21) years of age; and
(2) was receiving foster care when the individual became:
   (A) eighteen (18) years of age; or
   (B) emancipated;

and who meets the income and resource eligibility requirements for an individual under the state Medicaid plan.

(c) If the office determines a Medicaid waiver is necessary, the office may apply to the United States Department of Health and Human Services for approval of a Medicaid waiver to fund services for an individual described in subsection (b).

(d) The office may not implement the amendment to the state Medicaid plan until the office files an affidavit with the governor attesting that the amendment applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not more than five (5) days after the office is notified that the amendment is approved.

(e) The office may not implement the Medicaid waiver until the office files an affidavit with the governor attesting that the waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not more than five (5) days after the office is notified that the waiver is approved.

(f) If the office receives approval to amend the state Medicaid plan under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (d), the office shall implement the amendment not more than five (5) days after the governor receives the affidavit.

(g) If the office receives approval for the Medicaid waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (e), the office shall implement the waiver not more than five (5) days after the governor receives the affidavit.
(h) This SECTION expires December 31, 2009.

SECTION 4. An emergency is declared for this act.
(d) Before beginning the duties of office, each board member shall take and subscribe the usual oath of office, to be endorsed upon the certificate of appointment, and shall cause that to be filed with the clerk or other officer performing duties similar to that of clerk in the entity. Any person who does not file the oath with the clerk or other officer performing duties similar to that of the clerk within thirty (30) days after the beginning of the term for which the person has been appointed, or at the date of the person’s appointment, if appointed after the beginning of the term, is considered to have refused to serve and the office becomes vacant.

(e) Notwithstanding subsection (b), if a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000) has established a board, the county council and the mayors of the two (2) cities in the county having the largest populations may each appoint one (1) additional member to the board, thereby creating a board consisting of a total of seven (7) members. The three (3) additional members serve in the same manner, are accorded the same status, and perform the same duties as the four (4) initial board members, and serve terms of four (4) years. If either the county council or either of the two (2) mayors fails to make appointments to the board, that fact does not prejudice appointments that may be made by the other appointing authority or authorities.

(f) This subsection applies to the following:

1. A county having a population of more than ninety thousand (90,000) but less than one hundred thousand (100,000).
2. A county having a population of more than thirty-six thousand (36,000) but less than thirty-six thousand seventy-five (36,075).

Notwithstanding subsection (b), if a county has established a board under this chapter, the county executive may add one (1) additional member to the board so that the board has a total of five (5) members. Not more than three (3) of the five (5) members of the board may be of the same political party. The one (1) additional member shall serve in the same manner, be accorded the same status, and perform the same duties as the four (4) initial members, and serve a four (4) year term.

(g) This subsection does not apply to a board subject to subsection (e) or (f). Notwithstanding subsection (b), the fiscal body of an eligible entity may adopt an ordinance or a resolution providing that the board consists of five (5) members. If the board
consists of five (5) members, not more than three (3) members may be of the same political party.

SECTION 2. IC 8-22-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This subsection applies only in counties that contain a consolidated city or at least one (1) second class city. To be eligible to be a member of the board of aviation commissioners, a person must:

1. be at least eighteen (18) years of age;
2. be a resident of the county in which the eligible entity is located;
3. not be actively engaged or employed in commercial aeronautics;
4. not hold any other governmental office (by appointment or election) that has statutory fiscal or management review of the board’s actions; and
5. not serve as a member of any other agency, board, commission, department, or other governmental entity that:
   A. is located within the jurisdiction of the department of aviation; and
   B. has statutory fiscal or management review of the board’s actions.

(b) The restrictions on membership qualifications contained in subsection (a)(4) and (a)(5) apply only to counties in which are located:

1. consolidated cities; or
2. second class cities.

(b) This subsection does not apply to a county if the county contains a consolidated city or a second class city. To be eligible to be a member of the board of aviation commissioners, a person must:

1. be at least eighteen (18) years of age;
2. be a resident of the county in which the eligible entity is located; and
3. not be actively engaged or employed in commercial aeronautics in a county that the board serves.

SECTION 3. IC 8-22-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The first members of the board hold office as follows:

1. One (1) for the term of one (1) year.
(2) One (1) for the term of two (2) years.
(3) One (1) for the term of three (3) years.
(4) In the case of:
   (A) a board initially established with four (4) members, one
       (1) for the term of four (4) years; or
   (B) a board initially established with five (5) members, two
       (2) for the term of four (4) years.

The members serve under this subsection from twelve o'clock noon on the first Monday in January of the year of their appointment.

(b) On the expiration of the respective terms, the executive shall appoint a commissioner or commissioners to fill the vacancies caused by the expiration, and the commissioner or commissioners so appointed hold office for a term of four (4) years, and until their successors are appointed and qualified, and if a vacancy occurs in the board by resignation or otherwise, the executive shall appoint a commissioner for the remainder of the term. The executive of the eligible entity may, at any time, remove a commissioner from office, but only upon filing in writing with the clerk or other officer performing duties similar to that of clerk in entities having no clerk, the reasons for the removal.

SECTION 4. IC 8-22-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsections (b), (c), (d), (e), (f), and (g) and section 4.3 of this chapter, the board consists of four (4) members, whenever the fiscal body of an eligible entity, acting individually, establishes an authority. The members of the board shall be appointed by the executive of the entity, and not more than two (2) members of the board may be of the same political party.

(b) In the event that two (2) cities or one (1) city and one (1) town act jointly to establish an authority under this chapter, the board consists of five (5) members. The executive of each city or town shall each appoint two (2) members to the board. The county executive shall appoint one (1) member to the board. Each member appointed by an executive must be of a different political party than the other appointed member.

(c) In the event that an authority is established by a city or town and a county, acting jointly, the board consists of six (6) members. The executive of each entity shall appoint three (3) members. Not more than two (2) members appointed by each executive may be of the same
political party.

(d) In the event that an authority was established under IC 19-6-3 (before its repeal on April 1, 1980) the board consists of five (5) members. Three (3) members of the board shall be appointed by the mayor of the city, and two (2) members of the board shall be appointed by the board of commissioners of the county. Not more than two (2) members representing the city may be members of the same political party, and not more than one (1) member representing the county may be a member of the same political party.

(e) Except as provided in section 4.1(b)(3) of this chapter, the county executive of each Indiana county that is adjacent to a county establishing an authority under this chapter and in which the authority owns real property may appoint one (1) advisory member to the board. An advisory member who is appointed under this subsection:

1. must be a resident of the adjacent county;
2. may not vote on any matter before the board;
3. serves at the pleasure of the appointing authority; and
4. serves without compensation or payment for expenses.

(f) The board of an authority established in a city that has a population of more than sixteen thousand six hundred (16,600) but less than seventeen thousand four hundred (17,400) consists of five (5) members. The members of the board shall be appointed by the executive of the eligible entity, and not more than three (3) members of the board may be of the same political party.

(g) This subsection does not apply to a board subject to subsection (b), (c), (d), or (f). Notwithstanding subsection (a), the fiscal body of an eligible entity may adopt an ordinance or a resolution providing that the board consists of five (5) members. If the board consists of five (5) members, not more than three (3) members may be of the same political party.

SECTION 5. IC 8-22-3-4.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.3. (a) This section applies only to the board of an airport authority that:

1. is not located in a county containing a consolidated city;
2. is established by a city; and
3. has entered into a federal interstate compact.

(b) The board of an airport authority described in subsection (a)
consists of members appointed as follows:

1. Four (4) members appointed by the executive of the city in which the airport is located. Not more than two (2) members appointed under this subdivision may be members of the same political party.
2. One (1) member appointed by the executive of the county in which the airport is located.
3. One (1) member appointed by the executive of the county (other than the county in which the airport is located) that is closest geographically to the airport.
4. One (1) member appointed by the governor.

(c) A member of the board holds office for four (4) years and until the member's successor is appointed and qualified.

(d) If a vacancy occurs in the board, the authority that appointed the member that vacated the board shall appoint an individual to serve for the remainder of the unexpired term.

(e) A board member may be reappointed to successive terms.

(f) A board member may be impeached under the procedure provided for the impeachment of county officers.

SECTION 6. IC 8-22-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This subsection applies only in counties that contain a consolidated city or at least one (1) second class city. To be eligible to be a member of the board, a person must have the following qualifications:

1. Be at least eighteen (18) years old.
2. Except as provided in section 4.1 of this chapter, be a resident of the county in which the eligible entity is located.
3. Not be actively engaged or employed in commercial aeronautics.
4. Not hold any other governmental office (by appointment or election) that has statutory fiscal or management review of the board's actions.
5. Not serve as a member of any other agency, board, commission, department, or other governmental entity that:
   (A) is located within the jurisdiction of the authority; and
   (B) has statutory fiscal or management review of the authority's actions.

(b) The restrictions on membership qualifications contained in
subsection (a)(4) and (a)(5) apply only to counties in which are located:
(1) consolidated cities; or
(2) second class cities.

(b) This subsection does not apply to a county if the county contains a consolidated city or a second class city. To be eligible to be a member of the board, a person must:

(1) be at least eighteen (18) years of age;
(2) be a resident of the county in which the eligible entity is located; and
(3) not be actively engaged or employed in commercial aeronautics in a county that the board serves.

SECTION 7. IC 8-22-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The board members shall be appointed as soon as possible after the adoption of an ordinance establishing an authority under this chapter. The term of each member starts at noon on the day the authority is established, at which time the board members shall meet and organize as the board.

(b) Members of the board shall be appointed as follows:

(1) One (1) member for an initial term of one (1) year.
(2) One (1) for an initial term of two (2) years. and
(3) If a third or fourth appointment is required, one (1) for an initial term of three (3) years and one (1) for an initial term of four (4) years.
(4) If a fifth appointment is required, one (1) for an initial term of four (4) years.
(5) If a sixth appointment is necessary, one (1) for an initial term of four (4) years.

At the expiration of the respective terms, a member or members shall be appointed to fill the vacancies caused by the expiration. The members so appointed hold office for a term of four (4) years and until their successors are appointed and qualified. (2) If the authority was established under IC 19-6-3 (before its repeal on April 1, 1980), at the expiration of the members’ terms the mayor or the board of county commissioners shall appoint a member or members to fill the vacancies caused by the expiration. The members so appointed hold office for a term of three (3) years and until their successors are appointed and qualified.

(c) If a vacancy occurs in the board by resignation or otherwise, a
member shall be appointed for the remainder of the term.

(d) A board member is eligible for reappointment to successive terms.

(e) A board member may be impeached under the procedure provided for the impeachment of county officers.

P.L.135-2005
[S.538. Approved May 4, 2005.]

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 12-15-12-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. The office shall develop the following:

(1) A measure to evaluate the performance of a Medicaid managed care organization in screening a child who is less than six (6) years of age for lead poisoning.

(2) A system to maintain the results of an evaluation under subdivision (1) in written form.

(3) A performance incentive program for Medicaid managed care organizations evaluated under subdivision (1).

SECTION 2. IC 16-41-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsections (d) and (e), and IC 16-41-39.4-4, a person may not disclose or be compelled to disclose medical or epidemiological information involving a communicable disease or other disease that is a danger to health (as defined under rules adopted under IC 16-41-2-1). This information may not be released or made public upon subpoena or otherwise, except under the following circumstances:

(1) Release may be made of medical or epidemiologic information for statistical purposes if done in a manner that does not identify an individual.
(2) Release may be made of medical or epidemiologic information with the written consent of all individuals identified in the information released.

(3) Release may be made of medical or epidemiologic information to the extent necessary to enforce public health laws, laws described in IC 31-37-19-4 through IC 31-37-19-6, IC 31-37-19-9 through IC 31-37-19-10, IC 31-37-19-12 through IC 31-37-19-23, IC 35-38-1-7.1, and IC 35-42-1-7, or to protect the health or life of a named party.

(b) Except as provided in subsection (a), a person responsible for recording, reporting, or maintaining information required to be reported under IC 16-41-2 who recklessly, knowingly, or intentionally discloses or fails to protect medical or epidemiologic information classified as confidential under this section commits a Class A misdemeanor.

(c) In addition to subsection (b), a public employee who violates this section is subject to discharge or other disciplinary action under the personnel rules of the agency that employs the employee.

(d) Release shall be made of the medical records concerning an individual to:

(1) the individual;
(2) a person authorized in writing by the individual to receive the medical records; or
(3) a coroner under IC 36-2-14-21.

(e) An individual may voluntarily disclose information about the individual's communicable disease.

(f) The provisions of this section regarding confidentiality apply to information obtained under IC 16-41-1 through IC 16-41-16.

SECTION 3. IC 16-41-39.4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The state department may adopt rules under IC 4-22-2 to implement this chapter.

(b) The state department shall adopt rules under IC 4-22-2 for the case management of a child with lead poisoning.

SECTION 4. IC 16-41-39.4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The state department may do the following:

(1) Determine the magnitude of lead poisoning in Indiana's residents.
(2) Provide consultation and education to a medical provider
network that screens for lead poisoning throughout Indiana.

(3) Receive and analyze blood samples or assist regional lab sites to receive and analyze blood samples for lead poisoning.

(4) Develop and maintain a database of unduplicated children with lead poisoning.

(5) Provide consultation to local health departments regarding medical case follow-up and environmental inspections connected to reducing the incidence of lead poisoning.

(6) Coordinate lead exposure detection activities with local health departments.

(7) Coordinate with the Indiana Minority Health Coalition social service organizations for outreach programs regarding lead poisoning.

(8) Notify and update pediatricians and family practice physicians of lead hazards in a timely fashion.

(9) Provide consumer alerts and consumer education regarding lead hazards, including those associated with mini-blinds.

(b) The state department shall establish reporting, monitoring, and preventive procedures to protect from lead poisoning.

SECTION 5. IC 16-41-39.4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person that examines the blood of an individual described in section 2 of this chapter for the presence of lead must report to the state department the results of the examination not later than one (1) week after completing the examination. The report must include at least the following:

1. With respect to the individual whose blood is examined:
   (A) the name;
   (B) the date of birth;
   (C) the gender;
   (D) the race; and
   (E) any other information that is required to be included to qualify to receive federal funding.

2. With respect to the examination:
   (A) the date;
   (B) the type of blood test performed;
   (C) the person's normal limits for the test;
   (D) the results of the test; and
   (E) the person's interpretation of the results of the test.
(3) The names, addresses, and telephone numbers of:
   (A) the person; and
   (B) the attending physician, hospital, clinic, or other specimen submitter.

(b) If a person required to report under subsection (a) has submitted more than fifty (50) results in the previous calendar year, the person must submit subsequent reports in an electronic format determined by the state department.

SECTION 6. IC 16-41-39.4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Notwithstanding IC 16-41-8-1, the state department, the office of the secretary of family and social services, and local health departments shall share among themselves and with the United States Department of Health and Human Services and the United States Department of Housing and Urban Development information, including a child's name, address, and demographic information, that is gathered after January 1, 1990, concerning the concentration of lead in the blood of a child less than seven (7) years of age to the extent necessary to determine the prevalence and distribution of lead poisoning in children less than seven (7) years of age.

(b) Notwithstanding IC 16-41-8-1, the state department, the office of the secretary of family and social services, and local health departments shall share information described in subsection (a) that is gathered after July 1, 2002, among themselves and with organizations that administer federal, state, and local programs covered by the United States Department of Housing and Urban Development regulations concerning lead-based paint poisoning prevention in certain residential structures under 24 CFR Subpart A, Part 35 to the extent necessary to ensure that children potentially affected by lead-based paint and lead hazards are adequately protected from lead poisoning.

(c) A person who shares data under this section is not liable for any damages caused by compliance with this section.

SECTION 7. IC 16-41-39.4-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The state department shall, in cooperation with other state agencies, collect data under this chapter and, before March 15 of each year, report the results to the general assembly for the previous calendar year. A copy of the
report shall be transmitted in an electronic format under IC 5-14-6 to the executive director of the legislative services agency for distribution to the members of the general assembly.

(b) The report transmitted under subsection (a) must include for each county the following information concerning children who are less than seven (7) years of age:

(1) The number of children who received a blood lead test.
(2) The number of children who had a blood test result of at least ten (10) micrograms of lead per deciliter of blood.
(3) The number of children identified under subdivision (2) who received a blood test to confirm that they had lead poisoning.
(4) The number of children identified under subdivision (3) who had lead poisoning.
(5) The number of children identified under subdivision (4) who had a blood test result of less than ten (10) micrograms of lead per deciliter of blood.
(6) The average number of days taken to confirm a blood lead test.
(7) The number of risk assessments performed for children identified under subdivision (4) and the average number of days taken to perform the risk assessment.
(8) The number of housing units in which risk assessments performed under subdivision (7) documented lead hazards as defined by 40 CFR 745.
(9) The number of housing units identified under subdivision (8) that were covered by orders issued under IC 13-14-10-2 or by another governmental authority to eliminate lead hazards.
(10) The number of housing units identified under subdivision (9) for which lead hazards have been eliminated within thirty (30) days, three (3) months, and six (6) months.
AN ACT to amend the Indiana Code concerning state offices and administration.

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

SECTION 1. IC 4-23-7.1-40.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40.5. (a) For purposes of this section, "accessible electronic information service" means a service that provides to an eligible individual news and other timely information, including newspapers, from a multistate service center, using high speed computers and telecommunications technology for Internet acquisition of content and rapid distribution in a form appropriate for use by an eligible individual.

(b) For purposes of this section, "director" refers to the director of the Indiana talking books and braille division of the Indiana state library.

(c) For purposes of this section, "eligible individual" means an individual who is blind or disabled and qualifies for services under 36 CFR 701.10(b).

(d) For purposes of this section, "qualified entity" means an agency, instrumentality, or political subdivision of the state or a nonprofit organization that:

(1) using computer technology, produces audio or braille editions of daily news reports, including newspapers, for the purpose of providing eligible individuals with access to news;
(2) obtains electronic news text through direct transfer arrangements made with participating news organizations; and
(3) provides a means of program administration and reader registration on the Internet.

(e) The director may enter into an agreement with a qualified entity to provide an accessible electronic information service for
eligible individuals. This service shall be planned for continuation from year to year and make maximum use of federal and other funds available by:
(1) obtaining grants or in kind support from appropriate programs; and
(2) securing access to low cost interstate rates for telecommunications by reimbursement or otherwise.

AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-10-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) The board consists of the following nine (9) fifteen (15) members:
(1) The director of the division of family and children or the director's designee.
(2) The chairman of the Indiana state commission on aging or the chairman's designee.
(3) Two (2) Three (3) citizens at least sixty (60) years of age, nominated by one (1) or more organizations that:
   (A) represent senior citizens; and
   (B) have statewide membership.
(4) One (1) citizen less than sixty (60) years of age nominated by one (1) or more organizations that:
   (A) represent individuals with disabilities; and
   (B) have statewide membership.
(5) One (1) citizen less than sixty (60) years of age nominated by one (1) or more organizations that:
   (A) represent individuals with mental illness; and
   (B) have statewide membership.
(6) One (1) provider who provides services under IC 12-10-10.
(7) One (1) licensed physician, nurse, or nurse practitioner who specializes either in the field of gerontology or in the field of disabilities.

(8) One (1) Two (2) home care services advocate(s) or policy specialist(s) nominated by one (1) two (2) or more:
   (A) organizations;
   (B) associations; or
   (C) nongovernmental agencies;
that advocate on behalf of home care consumers, including an organization listed in subdivision (3) that represents senior citizens or persons with disabilities.

(9) Two (2) members of the senate, who may not be members of the same political party, appointed by the president pro tempore of the senate with the advice of the minority leader of the senate.

(10) Two (2) members of the house of representatives, who may not be members of the same political party, appointed by the speaker of the house of representatives with the advice of the minority leader of the house of representatives.

The members of the board listed in subdivisions (9) and (10) are nonvoting members.

(b) The members of the board designated by subsection (a)(3) through (a)(8) shall be appointed by the governor for terms of two (2) years. In case of a vacancy, the governor shall appoint an individual to serve for the remainder of the unexpired term.

(c) The division shall establish notice and selection procedures to notify the public of the board's nomination process described in this chapter. Information must be distributed through:
   (1) the area agencies on aging; and
   (2) all organizations, associations, and nongovernmental agencies that work with the division on home care issues and programs.

SECTION 2. IC 12-10-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The board shall do the following:
   (1) Establish long term goals of the state for the provision of a continuum of care for the elderly and disabled based on the following:
(A) Individual independence, dignity, and privacy.

(B) Long term care services that are:
   (i) integrated, accessible, and responsible; and
   (ii) available in home and community settings.

(C) Individual choice in planning and managing long term care.

(D) Access to an array of long term care services:
   (i) for an individual to receive care that is appropriate for the individual's needs; and
   (ii) to enable a case manager to have cost effective alternatives available in the construction of care plans and the delivery of services.

(E) Long term care services that include home care, community based services, assisted living, congregate care, adult foster care, and institutional care.

(F) Maintaining an individual's dignity and self-reliance to protect the fiscal interests of both taxpayers and the state.

(G) Long term care services that are fiscally sound.

(2) Review state policies on community and home care services.
(3) Recommend the adoption of rules under IC 4-22-2.
(4) Recommend legislative changes affecting community and home care services.
(5) Recommend the coordination of the board's activities with the activities of other boards and state agencies concerned with community and home care services.
(6) Evaluate cost effectiveness, quality, scope, and feasibility of a state administered system of community and home care services.
(7) Evaluate programs for financing services to those in need of a continuum of care.
(8) Evaluate state expenditures for community and home care services, taking into account efficiency, consumer choice, competition, and equal access to providers.
(9) Develop policies that support the participation of families and volunteers in meeting the long term care needs of individuals.
(10) Encourage the development of funding for a continuum of care from private resources, including insurance.
(11) Develop a cost of services basis and a program of cost
reimbursement for those persons who can pay all or a part of the cost of the services rendered. The division shall use this cost of services basis and program of cost reimbursement in administering IC 12-10-10. The cost of services basis and program of cost reimbursement must include a client cost share formula that:

(A) imposes no charges for an eligible individual whose income does not exceed one hundred fifty percent (150%) of the federal income poverty level; and
(B) does not impose charges for the total cost of services provided to an individual under the community and home options to institutional care for the elderly and disabled program unless the eligible individual's income exceeds three hundred fifty percent (350%) of the federal income poverty level.

The calculation of income for an eligible individual must include the deduction of the individual's medical expenses and the medical expenses of the individual's spouse and dependent children who reside in the eligible individual's household.

(12) Establish long term goals for the provision of guardianship services for adults.
(13) Coordinate activities and programs with the activities of other boards and state agencies concerning the provision of guardianship services.
(14) Recommend statutory changes affecting the guardianship of indigent adults.

(15) Review a proposed rule concerning home and community based services as required under section 9 of this chapter.

SECTION 3. IC 12-10-11-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 9. (a) The board shall be given the opportunity to review a proposed rule concerning home and community based services for:

(1) elderly individuals; or
(2) individuals with disabilities;

at least three (3) months before a proposed rule may be published in the Indiana Register.

(b) If the proposing agency fails to give the board the
opportunity to review a proposed rule described in subsection (a), the rule:

(1) is void; and
(2) must be withdrawn by the proposing agency.
(c) The board may determine that the proposed rule reviewed by the board under this section should be subject to a public comment period. If the board makes a determination that a public comment period is necessary, the board shall set the:

(1) date and time;
(2) location; and
(3) format;

of the public comment period for the proposed rule.
(d) After a public hearing, if the board determines that a proposed rule is substantially out of compliance with state law governing home and community based services, the board shall request that the agency proposing the rule modify or withdraw the proposed rule. If a proposed rule is modified under this subsection, the modified rule must be reviewed by the board.

SECTION 4. P.L.274-2003, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 7. (a) As used in this SECTION, "board" refers to the community and home options to institutional care for the elderly and disabled board established by IC 12-10-11-1.
(b) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.
(c) As used in this SECTION, "waiver" refers to the aged and disabled Medicaid waiver.
(d) Before September 1, 2003, the office shall discuss and review any amendment to the waiver required under this SECTION with the board.
(e) Before October 1, 2005, the office shall apply to the United States Department of Health and Human Services to amend the waiver to include in the waiver any service that is offered under the community and home options to institutional care for the elderly and disabled (CHOICE) program established by IC 12-10-10-6. A service provided under this subsection may not be more restrictive than the corresponding service provided under IC 12-10-10.
(f) The office may not implement the waiver until the office files an
affidavit with the governor attesting that the amendment to the waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(g) If the office receives approval for the amendment to the waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (f), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

(h) Before January 1, 2004—2006, the office shall meet with the board to discuss any changes to other state Medicaid waivers that are necessary to provide services that may not be more restrictive than the services provided under the CHOICE program. The office shall recommend the changes determined necessary by this subsection to the governor.

(i) The office may adopt rules under IC 4-22-2 necessary to implement this SECTION.

(j) This SECTION expires July 1, 2008—2010.

SECTION 5. P.L.274-2003, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 8. (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(b) As used in this SECTION, "waiver" refers to a Medicaid waiver approved by the United States Department of Health and Human Services (42 U.S.C. 1396 et seq.).

(c) Before September 1, 2003—2005, the office shall seek approval from the United States Department of Health and Human Services to amend the waiver to modify income eligibility requirements to include spousal impoverishment protection provisions under 42 U.S.C. 1396r-5 that are at least at the level of the spousal impoverishment protections afforded to individuals who reside in health facilities licensed under IC 16-28. The office also shall seek approval for twenty thousand (20,000) additional waiver slots at no additional cost to the state.

(d) The office may not implement the waiver amendments until the office files an affidavit with the governor attesting that the federal waiver amendment applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver amendment is approved.
(c) If the United States Department of Health and Human Services approves the waiver amendment requested under this SECTION and the governor receives the affidavit filed under subsection (d), the office shall implement the waiver amendments not more than sixty (60) days after the governor receives the affidavit.

(f) The office may adopt rules under IC 4-22-2 necessary to implement this SECTION.

(g) This SECTION expires July 1, 2008.

SECTION 6. P.L.274-2003, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 10. (a) As used in this SECTION, "office" refers to the office of the secretary of family and social services established by IC 12-8-1-1.

(b) Before July 1, 2006, the office shall have self-directed care options services available for:

1. the community and home options to institutional care for the elderly and disabled program established by IC 12-10-10-6; and
2. a Medicaid waiver;

for an eligible individual who chooses self-directed care services.

(c) This SECTION expires December 31, 2006.

SECTION 7. P.L.274-2003, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 12. (a) Before December 31, 2005, the secretary of family and social services (IC 12-8-1-2) shall discuss with the community and home options to institutional care for the elderly and disabled (CHOICE) board established by IC 12-10-11-1, and with any other agency, volunteer, volunteer group, faith based group, or individual that the secretary considers appropriate, the establishment of a system of integrated services, including:

1. transportation;
2. housing;
3. education; and
4. workforce development;

for an eligible individual who chooses self-directed care services.

(b) The secretary shall report to the governor and the budget committee any recommendations for funding these services.

(c) This SECTION expires December 31, 2006.

SECTION 8. P.L.274-2003, SECTION 14, IS AMENDED TO
READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 14. (a) Beginning July 1, 2003, the office of Medicaid policy and planning shall implement a policy that allows the amount of Medicaid funds necessary to provide for services to follow an individual who is transferring from institutional care to Medicaid home and community based care. The amount may not exceed the amount that would have been spent on the individual if the individual had stayed in institutional care.

(b) This SECTION expires July 1, 2005-2007.

SECTION 9. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-4-1-4, AS AMENDED BY HEA 1219-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The following are hereby defined as unfair methods of competition and unfair and deceptive acts and practices in the business of insurance:

(1) Making, issuing, circulating, or causing to be made, issued, or circulated, any estimate, illustration, circular, or statement:

(A) misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon;
(B) making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies;
(C) making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates;
(D) using any name or title of any policy or class of policies misrepresenting the true nature thereof; or
(E) making any misrepresentation to any policyholder insured in any company for the purpose of inducing or tending to induce such policyholder to lapse, forfeit, or surrender the policyholder's insurance.

(2) Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to any person in the conduct of the person's insurance business, which is untrue, deceptive, or misleading.

(3) Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating of any oral or written statement or any pamphlet, circular, article, or literature which is false, or maliciously critical of or derogatory to the financial condition of an insurer, and which is calculated to injure any person engaged in the business of insurance.

(4) Entering into any agreement to commit, or individually or by a concerted action committing any act of boycott, coercion, or intimidation resulting or tending to result in unreasonable restraint of, or a monopoly in, the business of insurance.

(5) Filing with any supervisory or other public official, or making, publishing, disseminating, circulating, or delivering to any person, or placing before the public, or causing directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false statement of financial condition of an insurer with intent to deceive. Making any false entry in any book, report, or statement of any insurer with intent to deceive any agent or examiner lawfully appointed to examine into its condition or into any of its affairs, or any public official to which such insurer is required by law to report, or which has authority by law to examine into its condition or into
any of its affairs, or, with like intent, willfully omitting to make a true entry of any material fact pertaining to the business of such insurer in any book, report, or statement of such insurer.

(6) Issuing or delivering or permitting agents, officers, or employees to issue or deliver, agency company stock or other capital stock, or benefit certificates or shares in any common law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance.

(7) Making or permitting any of the following:

(A) Unfair discrimination between individuals of the same class and equal expectation of life in the rates or assessments charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract; however, in determining the class, consideration may be given to the nature of the risk, plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(B) Unfair discrimination between individuals of the same class involving essentially the same hazards in the amount of premium, policy fees, assessments, or rates charged or made for any policy or contract of accident or health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever; however, in determining the class, consideration may be given to the nature of the risk, the plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(C) Excessive or inadequate charges for premiums, policy fees, assessments, or rates, or making or permitting any unfair discrimination between persons of the same class involving essentially the same hazards, in the amount of premiums, policy fees, assessments, or rates charged or made for:

(i) policies or contracts of reinsurance or joint reinsurance, or abstract and title insurance;

(ii) policies or contracts of insurance against loss or damage to aircraft, or against liability arising out of the ownership,
maintenance, or use of any aircraft, or of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance; or

(iii) policies or contracts of any other kind or kinds of insurance whatsoever.

However, nothing contained in clause (C) shall be construed to apply to any of the kinds of insurance referred to in clauses (A) and (B) nor to reinsurance in relation to such kinds of insurance. Nothing in clause (A), (B), or (C) shall be construed as making or permitting any excessive, inadequate, or unfairly discriminatory charge or rate or any charge or rate determined by the department or commissioner to meet the requirements of any other insurance rate regulatory law of this state.

(8) Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any contract or policy of insurance of any kind or kinds whatsoever, including but not in limitation, life annuities, or agreement as to such contract or policy other than as plainly expressed in such contract or policy issued thereon, or paying or allowing, or giving or offering to pay, allow, or give, directly or indirectly, as inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends, savings, or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract or policy; or giving, or selling, or purchasing or offering to give, sell, or purchase as inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, limited liability company, or partnership, or any dividends, savings, or profits accrued thereon, or anything of value whatsoever not specified in the contract. Nothing in this subdivision and subdivision (7) shall be construed as including within the definition of discrimination or rebates any of the following practices:

(A) Paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, so long as any such bonuses or
abatement of premiums are fair and equitable to policyholders and for the best interests of the company and its policyholders.

(B) In the case of life insurance policies issued on the industrial debit plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expense.

(C) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, which may be made retroactive only for such policy year.

(D) Paying by an insurer or insurance producer thereof duly licensed as such under the laws of this state of money, commission, or brokerage, or giving or allowing by an insurer or such licensed insurance producer thereof anything of value, for or on account of the solicitation or negotiation of policies or other contracts of any kind or kinds, to a broker, an insurance producer, or a solicitor duly licensed under the laws of this state, but such broker, insurance producer, or solicitor receiving such consideration shall not pay, give, or allow credit for such consideration as received in whole or in part, directly or indirectly, to the insured by way of rebate.

(9) Requiring, as a condition precedent to loaning money upon the security of a mortgage upon real property, that the owner of the property to whom the money is to be loaned negotiate any policy of insurance covering such real property through a particular insurance producer or broker or brokers. However, this subdivision shall not prevent the exercise by any lender of the lender's right to approve or disapprove of the insurance company selected by the borrower to underwrite the insurance.

(10) Entering into any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of commerce in the business of insurance.

(11) Monopolizing or attempting to monopolize or combining or conspiring with any other person or persons to monopolize any part of commerce in the business of insurance. However, participation as a member, director, or officer in the activities of
any nonprofit organization of insurance producers or other
workers in the insurance business shall not be interpreted, in
itself, to constitute a combination in restraint of trade or as
combining to create a monopoly as provided in this subdivision
and subdivision (10). The enumeration in this chapter of specific
unfair methods of competition and unfair or deceptive acts and
practices in the business of insurance is not exclusive or
restrictive or intended to limit the powers of the commissioner or
department or of any court of review under section 8 of this
chapter.

(12) Requiring as a condition precedent to the sale of real or
personal property under any contract of sale, conditional sales
contract, or other similar instrument or upon the security of a
chattel mortgage, that the buyer of such property negotiate any
policy of insurance covering such property through a particular
insurance company, insurance producer, or broker or brokers.
However, this subdivision shall not prevent the exercise by any
seller of such property or the one making a loan thereon of the
right to approve or disapprove of the insurance company selected
by the buyer to underwrite the insurance.

(13) Issuing, offering, or participating in a plan to issue or offer,
any policy or certificate of insurance of any kind or character as
an inducement to the purchase of any property, real, personal, or
mixed, or services of any kind, where a charge to the insured is
not made for and on account of such policy or certificate of
insurance. However, this subdivision shall not apply to any of the
following:

(A) Insurance issued to credit unions or members of credit
unions in connection with the purchase of shares in such credit
unions.

(B) Insurance employed as a means of guaranteeing the
performance of goods and designed to benefit the purchasers
or users of such goods.

(C) Title insurance.

(D) Insurance written in connection with an indebtedness and
intended as a means of repaying such indebtedness in the
event of the death or disability of the insured.

(E) Insurance provided by or through motorists service clubs
or associations.

(F) Insurance that is provided to the purchaser or holder of an air transportation ticket and that:

(i) insures against death or nonfatal injury that occurs during the flight to which the ticket relates;
(ii) insures against personal injury or property damage that occurs during travel to or from the airport in a common carrier immediately before or after the flight;
(iii) insures against baggage loss during the flight to which the ticket relates; or
(iv) insures against a flight cancellation to which the ticket relates.

(14) Refusing, because of the for-profit status of a hospital or medical facility, to make payments otherwise required to be made under a contract or policy of insurance for charges incurred by an insured in such a for-profit hospital or other for-profit medical facility licensed by the state department of health.

(15) Refusing to insure an individual, refusing to continue to issue insurance to an individual, limiting the amount, extent, or kind of coverage available to an individual, or charging an individual a different rate for the same coverage, solely because of that individual's blindness or partial blindness, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience.

(16) Committing or performing, with such frequency as to indicate a general practice, unfair claim settlement practices (as defined in section 4.5 of this chapter).

(17) Between policy renewal dates, unilaterally canceling an individual's coverage under an individual or group health insurance policy solely because of the individual's medical or physical condition.

(18) Using a policy form or rider that would permit a cancellation of coverage as described in subdivision (17).

(19) Violating IC 27-1-22-25, IC 27-1-22-26, or IC 27-1-22-26.1 concerning motor vehicle insurance rates.

(20) Violating IC 27-8-21-2 concerning advertisements referring to interest rate guarantees.
(21) Violating IC 27-8-24.3 concerning insurance and health plan coverage for victims of abuse.
(22) Violating IC 27-8-26 concerning genetic screening or testing.
(23) Violating IC 27-1-15.6-3(b) concerning licensure of insurance producers.
(24) Violating IC 27-1-38 concerning depository institutions.
(25) Violating IC 27-8-28-17(c) or IC 27-13-10-8(c) concerning the resolution of an appealed grievance decision.
(26) Violating IC 27-8-5-2.5(e) through IC 27-8-5-2.5(j) or IC 27-8-5-19.2.
(27) Violating IC 27-2-21 concerning use of credit information.
(28) Violating IC 27-4-9-3 concerning recommendations to senior consumers.

SECTION 2. IC 27-4-9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 9. Recommendations to Senior Consumers
Sec. 1. As used in this chapter, "securities commissioner" refers to the commissioner appointed by the secretary of state under IC 23-2-1-15.

Sec. 2. As used in this chapter, "senior consumer" means an individual who is at least sixty-five (65) years of age.

Sec. 3. (a) An insurance producer, or an insurer in a case in which an insurance producer is not involved, shall not recommend to a senior consumer the:
   (1) purchase of an annuity; or
   (2) exchange of an annuity that results in another insurance transaction;
that is unsuitable for the senior consumer.

(b) A determination regarding whether a purchase or an exchange under subsection (a) is unsuitable for a senior consumer must be made:
   (1) based on the facts disclosed by the senior consumer concerning the senior consumer's:
       (A) investments and other insurance products; and
       (B) financial situation and needs; and
   (2) according to the rule adopted under section 4 of this chapter.
Sec. 4. The department shall adopt a rule under IC 4-22-2 to establish a method for making determinations as to whether a purchase or an exchange described in section 3 of this chapter is unsuitable for a senior consumer.

Sec. 5. (a) Except as provided in subsection (b), a recommendation made in violation of section 3 of this chapter is an unfair method of competition or an unfair and deceptive act or practice under IC 27-4-1-4.

(b) A recommendation made in violation of section 3 of this chapter is not an unfair method of competition or an unfair and deceptive act or practice under IC 27-4-1-4 if the recommendation is made in compliance with the National Association of Securities Dealers Conduct Rules concerning suitability, as determined by the commissioner.

Sec. 6. (a) The commissioner may conduct an investigation, pursue an enforcement action, and take other official action that the commissioner considers appropriate to ensure compliance with section 3 of this chapter.

(b) With regard to a variable annuity, the commissioner may:

(1) consult with the securities commissioner; and
(2) use the resources of the securities commissioner;

in making a final determination regarding any issue concerning compliance with section 3 of this chapter.

(c) If the securities commissioner is informed of a violation or suspected violation of section 3 of this chapter or other insurance laws of the state, the securities commissioner shall timely advise the commissioner of the violation or suspected violation.

SECTION 3. IC 27-8-31 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 31. Interstate Insurance Product Regulation Compact

Sec. 1. The purposes of this compact are, through means of joint and cooperative action among the compacting states, to:

(1) promote and protect the interest of consumers of individual and group annuity, life insurance, disability income, and long term care insurance products;
(2) develop uniform standards for insurance products covered under the compact;
(3) establish a central clearinghouse to receive and provide
prompt review of insurance products covered under the compact and, in certain cases, advertisements related thereto, submitted by insurers authorized to do business in one (1) or more compacting states;

(4) give appropriate regulatory approval to product filings and advertisements satisfying the applicable uniform standard;

(5) improve coordination of regulatory resources and expertise between state insurance departments regarding the setting of uniform standards and review of insurance products covered under the compact;

(6) create the interstate insurance product regulation commission; and

(7) perform these and any other related functions as may be consistent with the state regulation of the business of insurance.

Sec. 2. (a) The definitions in this section apply throughout this chapter.

(b) "Advertisement" means material designed to create public interest in a product or induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace, or retain a policy, as more specifically defined in the rules and operating procedures of the commission.

(c) "Bylaws" means bylaws established by the commission for the governance, direction, or control of the commission.

(d) "Commission" refers to the interstate insurance product regulation commission established by section 3 of this chapter.

(e) "Commissioner" means the chief insurance regulatory official of a state, including a commissioner, a superintendent, a director, or an administrator.

(f) "Compacting state" means a state that:

   (1) has enacted this compact; and

   (2) has not:

      (A) withdrawn as provided in section 15 of this chapter; or

      (B) been terminated as provided in section 16 of this chapter.

(g) "Domiciliary state" means the state in which an insurer is incorporated or organized, or the state of entry of an alien insurer.

(h) "Insurer" means an entity licensed by a state to issue
contracts of insurance for the lines of insurance covered by this chapter.

(i) "Member" means the commissioner or the commissioner's designee.

(j) "NAIC" refers to the National Association of Insurance Commissioners.

(k) "Noncompacting state" means a state that is not a compaction state.

(l) "Operating procedures" mean procedures adopted by the commission to implement a rule, a uniform standard, or a provision of this compact.

(m) "Opt out" means any action by a compacting state to decline to adopt or participate in a promulgated uniform standard.

(n) "Product" means the form of a policy or contract, including an application, an endorsement, or a related form that is attached to and made a part of the policy or contract, and any evidence of coverage or certificate, for an individual or a group annuity, life insurance, disability income, or long term care insurance product that an insurer is authorized to issue in Indiana or another compacting state.

(o) "Rule" means a statement of general or particular applicability and future effect adopted by the commission, including a uniform standard developed under section 8 of this chapter, that has the full force and effect of law in the compacting states and:

(1) is designed to implement or interpret law or prescribe policy; or
(2) describes the organization, procedure, or practice requirements of the commission.

(p) "State" means a state, district, or territory of the United States.

(q) "Third party filer" means an entity that submits a product filing to the commission on behalf of an insurer.

(r) "Uniform standard" means a standard adopted by the commission for a product line under section 8 of this chapter. The term includes all the product requirements. However:

(1) each uniform standard shall be construed, whether express or implied, to prohibit the use of any inconsistent, misleading, or ambiguous provisions in a product; and
(2) the form of the product made available to the public shall not be unfair, inequitable, or against public policy as determined by the commission.

Sec. 3. (a) The compacting states hereby establish a joint public agency known as the interstate insurance product regulation commission. Under section 4 of this chapter, the commission may:

(1) develop uniform standards for product lines;
(2) receive and provide prompt review of products filed with the commission; and
(3) give approval to product filings satisfying applicable uniform standards.

However, it is not intended for the commission to be the exclusive entity for receipt and review of insurance product filings. This chapter does not prohibit an insurer from filing the insurer's product in a state where the insurer is licensed to conduct the business of insurance and any such filing is subject to the laws of the state where filed.

(b) The commission is a body corporate and politic, and an instrumentality of the compacting states.

(c) The commission is solely responsible for the commission's liabilities except as otherwise specifically provided in this compact.

(d) Venue is proper, and judicial proceedings by or against the commission shall be brought solely and exclusively, in a court with jurisdiction where the principal office of the commission is located.

Sec. 4. The commission has the following powers:

(1) To adopt rules under section 8 of this chapter, which shall have the force and effect of law and are binding in the compacting states to the extent and in the manner provided in this compact.

(2) To exercise the commission's rulemaking authority and establish reasonable uniform standards for products covered under the compact and advertisement related to the products, which shall have the force and effect of law and are binding in the compacting states, but only for those products filed with the commission. However, a compacting state has the right to opt out of the uniform standard under section 8(d) of this chapter, to the extent and in the manner provided in this compact, and any uniform standard established by the commission for long term care insurance products may
provide the same or greater protections for consumers as, but shall not provide less than, those protections set forth in the NAIC's long term care insurance model act and long term care insurance model regulation, respectively, adopted as of 2001. The commission shall consider whether any subsequent amendments to the NAIC long term care insurance model act or long term care insurance model regulation adopted by the NAIC require amending the uniform standards established by the commission for long term care insurance products.

(3) To receive and review in an expeditious manner products filed with the commission and rate filings for disability income and long term care insurance products, and give approval of those products and rate filings that satisfy the applicable uniform standard, where the approval shall have the force and effect of law and is binding on the compacting states to the extent and in the manner provided in the compact.

(4) To receive and review in an expeditious manner advertisement relating to long term care insurance products for which uniform standards have been adopted by the commission, and give approval to all advertisement that satisfies the applicable uniform standard. For any product covered under this compact, other than long term care insurance products, the commission has authority to require an insurer to submit all or any part of the insurer's advertisement with respect to that product for review or approval before use, if the commission determines that the nature of the product is such that an advertisement of the product could have the capacity or tendency to mislead the public. The actions of the commission as provided in this section shall have the force and effect of law and are binding in the compacting states to the extent and in the manner provided in the compact.

(5) To exercise the commission's rulemaking authority and designate products and advertisement that may be subject to a self-certification process without the need for prior approval by the commission.

(6) To adopt operating procedures under section 8 of this chapter, which shall have the force and effect of law and are binding in the compacting states to the extent and in the
manner provided in this compact.

(7) To bring and prosecute legal proceedings or actions in the commission's name as the commission, provided that the standing of any state insurance department to sue or be sued under applicable law shall not be affected.

(8) To issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence.

(9) To establish and maintain offices.

(10) To purchase and maintain insurance and bonds.

(11) To borrow, accept, or contract for services of personnel, including employees of a compacting state.

(12) To hire employees, professionals, or specialists, elect or appoint officers, and fix their compensation, define their duties, give them appropriate authority to carry out the purposes of the compact, determine their qualifications, and establish the commission's personnel policies and programs relating to, among other things, conflicts of interest, rates of compensation, and qualifications of personnel.

(13) To accept any and all appropriate donations and grants of money, equipment, supplies, materials, and services, and to receive, use, and dispose of the same. At all times the commission shall strive to avoid any appearance of impropriety.

(14) To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold, improve, or use any property, real, personal, or mixed. At all times the commission shall strive to avoid any appearance of impropriety.

(15) To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed.

(16) To remit filing fees to compacting states as may be set forth in the bylaws, rules, or operating procedures.

(17) To enforce compliance by compacting states with rules, uniform standards, operating procedures, and bylaws.

(18) To provide for dispute resolution among compacting states.

(19) To advise compacting states on issues relating to insurers domiciled or doing business in noncompacting jurisdictions, consistent with the purposes of this compact.
(20) To provide advice and training to those personnel in state insurance departments responsible for product review, and to be a resource for state insurance departments.

(21) To establish a budget and make expenditures.

(22) To borrow money.

(23) To appoint committees, including advisory committees, comprising members, state insurance regulators, state legislators or their representatives, insurance industry and consumer representatives, and any other interested persons as may be designated in the bylaws.

(24) To provide and receive information from and to cooperate with law enforcement agencies.

(25) To adopt and use a corporate seal.

(26) To perform any other functions as may be necessary or appropriate to achieve the purposes of this compact consistent with the state regulation of the business of insurance.

Sec. 5. (a) Each compacting state shall have and be limited to one (1) member. Each member shall be qualified to serve in that capacity under applicable law of the compacting state. Any member may be removed or suspended from office as provided by the law of the state from which the member is appointed. Any vacancy occurring in the commission shall be filled in accordance with the laws of the compacting state where the vacancy exists. Nothing in this section shall be construed to affect the manner in which a compacting state determines the election or appointment and qualification of the compacting state’s commissioner.

(b) Each member is entitled to one (1) vote and is entitled to an opportunity to participate in the governance of the commission in accordance with the bylaws. Notwithstanding any provision in this chapter to the contrary, no action of the commission with respect to the promulgation of a uniform standard is effective unless two-thirds (2/3) of the members vote in favor of adoption.

(c) The commission shall, by a majority of the members, prescribe bylaws to govern the commission’s conduct as may be necessary or appropriate to carry out the purposes and exercise the powers of the compact, including the following:

(1) Establishing the fiscal year of the commission.

(2) Providing reasonable procedures for appointing and electing members and holding meetings of the management
committee.

(3) Providing reasonable standards and procedures:
   (A) for the establishment and meetings of other committees; and
   (B) governing any general or specific delegation of any authority or function of the commission.

(4) Providing reasonable procedures for calling and conducting meetings of the commission and ensuring reasonable advance notice of each meeting, including:
   (A) requiring a majority of commission members to attend a meeting;
   (B) providing for the right of citizens to attend the meetings with enumerated exceptions designed to:
      (i) protect the public interest;
      (ii) protect the privacy of individuals; and
      (iii) insure proprietary information, including trade secrets;
   (C) allowing a meeting in camera only after a majority of the members of the commission votes to close a meeting en toto or in part, with no proxy voting; and
   (D) providing for the commission, as soon as practicable after a vote to close a meeting as described in clause (C), to make public:
      (i) a copy of the vote to close the meeting revealing the vote of each member; and
      (ii) votes taken during the meeting.

(5) Establishing the titles, duties, authority, and reasonable procedures for the election of the officers of the commission.

(6) Providing reasonable standards and procedures for the establishment of the personnel policies and programs of the commission. Notwithstanding any civil service or other similar laws of any compacting state, the bylaws shall exclusively govern the personnel policies and programs of the commission.

(7) Promulgating a code of ethics to address permissible and prohibited activities of commission members and employees.

(8) Providing a mechanism for winding up the operations of the commission and the equitable disposition of any surplus funds that may exist after the termination of the compact
after the payment and reserving of all the commission's debts and obligations.

(d) The commission shall publish bylaws in a convenient form and file a copy of the bylaws and amendments to the bylaws with the appropriate agency or officer in each compacting state.

Sec. 6. (a) A management committee comprising not more than fourteen (14) members shall be established as follows:

(1) One (1) member from each of the six (6) compacting states with the largest premium volume for individual and group annuities, life, disability income, and long term care insurance products, determined from the records of the NAIC for the prior year.

(2) Four (4) members from those compacting states with at least two percent (2%) of the market based on the premium volume described in subdivision (1), other than the six (6) compacting states with the largest premium volume, selected on a rotating basis as provided in the bylaws.

(3) Four (4) members from those compacting states with less than two percent (2%) of the market, based on the premium volume described in subdivision (1), with one (1) selected from each of the four (4) zone regions of the NAIC as provided in the bylaws.

(b) The management committee has the authority and duties as may be set forth in the bylaws, including the following:

(1) Managing the affairs of the commission in a manner consistent with the bylaws and purposes of the commission.

(2) Establishing and overseeing an organizational structure within, and appropriate procedures for, the commission to provide for the creation of uniform standards and other rules, receipt and review of product filings, administrative and technical support functions, review of decisions regarding the disapproval of a product filing, and the review of elections made by a compacting state to opt out of a uniform standard. However, a uniform standard shall not be submitted to the compacting states for adoption unless approved by two-thirds (2/3) of the members of the management committee.

(3) Overseeing the offices of the commission.

(4) Planning, implementing, and coordinating communications and activities with other state, federal, and
local government organizations to advance the goals of the commission.

(c) The commission shall annually elect officers from the management committee, with each having the authority and duties as may be specified in the bylaws.

(d) The management committee may, subject to the approval of the commission, appoint or retain an executive director for the period, upon the terms and conditions and for the compensation as the commission considers appropriate. The executive director shall serve as secretary to the commission but may not be a member of the commission. The executive director shall hire and supervise any other staff as may be authorized by the commission.

(e) A legislative committee comprised of state legislators or state legislators’ designees shall be established to monitor the operations of and make recommendations to the commission, including the management committee. However, the manner of selection and term of any legislative committee member shall be as set forth in the bylaws. Before the commission adopts any uniform standard, revision to the bylaws, annual budget, or other significant matter as may be provided in the bylaws, the management committee shall consult with and report to the legislative committee. The commission shall establish two (2) advisory committees, one (1) of which shall comprise consumer representatives independent of the insurance industry and the other of which shall comprise insurance industry representatives. The commission may establish additional advisory committees as the commission’s bylaws may provide for the carrying out of the commission’s functions.

(f) The commission shall maintain its corporate books and records in accordance with the bylaws.

(g) The members, officers, executive director, employees, and representatives of the commission are immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred, within the scope of commission employment, duties, or responsibilities. However, nothing in this subsection shall be construed to protect any person from suit or liability for any
damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of the person.

(h) The commission shall defend any member, officer, executive director, employee, or representative of the commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities. However:

1. nothing in this subsection shall be construed to prohibit that person from retaining the person's own counsel; and
2. this subsection applies only if the actual or alleged act, error, or omission did not result from the person's intentional or willful and wanton misconduct.

(i) The commission shall indemnify and hold harmless any member, officer, executive director, employee, or representative of the commission for the amount of any settlement or judgment obtained against the person arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that the person had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities. However, this subsection applies only if the actual or alleged act, error, or omission did not result from the intentional or willful and wanton misconduct of that person.

Sec. 7. (a) The commission shall meet and take any actions that are consistent with this compact and the bylaws.

(b) Each member of the commission is entitled to cast a vote to which that compacting state is entitled and to participate in the business and affairs of the commission. A member shall vote in person or by other means as provided in the bylaws. The bylaws may provide for members' participation in meetings by telephone or other means of communication.

(c) The commission shall meet at least one (1) time during each calendar year. Additional meetings shall be held as set forth in the bylaws.

Sec. 8. (a) The commission shall adopt reasonable rules, including uniform standards, and operating procedures in order to
effectively and efficiently achieve the purposes of this compact. However, if the commission exercises the commission's rulemaking authority in a manner that is beyond the scope of the purposes of this chapter or the powers granted in this chapter, the action by the commission is invalid and has no force and effect.

(b) Rules and operating procedures shall be made according to a rulemaking process that substantially conforms to the principles of the model state administrative procedure act of 1981, as amended, as may be appropriate to the operations of the commission. Before the commission adopts a uniform standard, the commission shall give written notice to the relevant state legislative committees in each compacting state responsible for insurance issues of the commission's intention to adopt the uniform standard. The commission, in adopting a uniform standard, shall fully consider all submitted materials and issue a concise explanation of the commission's decision.

(c) A uniform standard becomes effective ninety (90) days after the uniform standard's adoption by the commission or on a later date as the commission may determine. However, a compacting state may opt out of a uniform standard as provided in subsection (d). All other rules and operating procedures and amendments to the other rules and operating procedures become effective as of the date specified in each rule, operating procedure, or amendment.

(d) A compacting state may opt out of a uniform standard, either by legislation or by rule adopted by the insurance department under the compacting state's administrative procedure act. If a compacting state elects to opt out of a uniform standard by rule, the compacting state must:

(1) give written notice to the commission not later than ten (10) business days after the uniform standard is adopted or at the time the state becomes a compacting state; and
(2) find that the uniform standard does not provide reasonable protections to the citizens of the state, given the conditions in the state. The commissioner shall make specific findings of fact and conclusions of law, based on a preponderance of the evidence, detailing the conditions in the state that warrant a departure from the uniform standard and determining that the uniform standard would not reasonably protect the citizens of the state. The commissioner
must balance, consider, and find that the conditions in the state and needs of the citizens of the state outweigh the following factors:

(A) The intent of the legislature to participate in, and the benefits of, an interstate agreement to establish national uniform consumer protections for the products subject to this chapter.

(B) The presumption that a uniform standard adopted by the commission provides reasonable protections to consumers of the relevant product.

However, a compacting state may, at the time of the compacting state's enactment of this compact, prospectively opt out of all uniform standards involving long term care insurance products by expressly providing for an opt out in the enacted compact, and the opt out shall not be treated as a material variance in the offer or acceptance of any state to participate in this compact. The opt out is effective at the time of enactment of this compact by the compacting state and shall apply to all existing uniform standards involving long term care insurance products and those subsequently adopted.

(e) If a compacting state elects to opt out of a uniform standard, the uniform standard remains applicable in the compacting state electing to opt out until the time the opt out legislation is enacted or the regulation opting out becomes effective. Once the opt out of a uniform standard by a compacting state becomes effective as provided under the laws of the state, the uniform standard shall have no further force and effect in the state unless and until the legislation or regulation implementing the opt out is repealed or otherwise becomes ineffective under the laws of the state. If a compacting state opts out of a uniform standard after the uniform standard has been made effective in the state, the opt out shall have the same prospective effect as provided under section 15 of this chapter for withdrawals.

(f) If a compacting state has formally initiated the process of opting out of a uniform standard by rule while the regulatory opt out is pending, the compacting state may petition the commission, not less than fifteen (15) days before the effective date of the uniform standard, to stay the effectiveness of the uniform standard in the compacting state. The commission may grant a stay if the
commission determines the regulatory opt out is being pursued in a reasonable manner and there is a likelihood of success. If a stay is granted or extended by the commission, the stay or extension may postpone the effective date by not more than ninety (90) days, unless the stay is extended by the commission. However, a stay may not be permitted to remain in effect for more than one (1) year unless the compacting state can show extraordinary circumstances that warrant a continuance of the stay, including the existence of a legal challenge that prevents the compacting state from opting out. A stay may be terminated by the commission on notice that the rulemaking process has been terminated.

(g) Not later than thirty (30) days after a rule or operating procedure is adopted, any person may file a petition for judicial review of the rule or operating procedure. However, the filing of a petition shall not stay or otherwise prevent the rule or operating procedure from becoming effective unless the court finds that the petitioner has a substantial likelihood of success. The court shall give deference to the actions of the commission consistent with applicable law and shall not find the rule or operating procedure to be unlawful if the rule or operating procedure represents a reasonable exercise of the commission’s authority.

Sec. 9. (a) The commission shall adopt rules establishing conditions and procedures for public inspection and copying of the commission’s information and official records, except information and records involving the privacy of individuals and trade secrets of insurers. The commission may adopt additional rules under which the commission may make available to federal and state agencies, including law enforcement agencies, records and information otherwise exempt from disclosure, and may enter into agreements with these agencies to receive or exchange information or records subject to nondisclosure and confidentiality provisions.

(b) Except as to privileged records, data, and information, the laws of any compacting state pertaining to confidentiality or nondisclosure shall not relieve any compacting state commissioner of the duty to disclose any relevant records, data, or information to the commission. However, disclosure to the commission shall not be considered to waive or otherwise affect any confidentiality requirement, and, except as otherwise expressly provided in this chapter, the commission shall not be subject to the compacting
state’s laws pertaining to confidentiality and nondisclosure with respect to records, data, and information in the commission’s possession. Confidential information of the commission remains confidential after the information is provided to any commissioner.

(c) The commission shall monitor compacting states for compliance with duly adopted bylaws, rules, including uniform standards, and operating procedures. The commission shall notify any noncomplying compacting state in writing of the noncomplying compacting state’s noncompliance with commission bylaws, rules, or operating procedures. If a noncomplying compacting state fails to remedy the noncomplying compacting state’s noncompliance within the time specified in the notice of noncompliance, the compacting state is considered to be in default as set forth in section 16 of this chapter.

(d) The commissioner of any state in which an insurer is authorized to do business or is conducting the business of insurance shall continue to exercise the commissioner's authority to oversee the market regulation of the activities of the insurer in accordance with the provisions of the state's law. The commissioner's enforcement of compliance with the compact is governed by the following:

(1) With respect to the commissioner's market regulation of a product or an advertisement that is approved or certified to the commission, the content of the product or advertisement does not constitute a violation of the provisions, standards, or requirements of the compact except upon a final order of the commission, issued at the request of a commissioner after prior notice to the insurer and an opportunity for hearing before the commission.

(2) Before a commissioner may bring an action for violation of a provision, standard, or requirement of the compact related to the content of an advertisement not approved or certified to the commission, the commission or an authorized commission officer or employee must authorize the action. However, authorization under this subdivision does not require:

(A) notice to the insurer;
(B) opportunity for hearing; or
(C) disclosure of:
(i) requests for authorization; or
(ii) records of the commission’s action on a request described in item (i).

Sec. 10. The commission shall attempt, upon the request of a member, to resolve any disputes or other issues that are subject to this compact and that may arise between two (2) or more compacting states, or between compacting states and noncompacting states, and the commission shall adopt an operating procedure providing for resolution of any disputes.

Sec. 11. (a) Insurers and third party filers seeking to have a product approved by the commission shall file the product with and pay applicable filing fees to the commission. Nothing in this chapter restricts or otherwise prevents an insurer from filing the insurer’s product with the insurance department in any state where the insurer is licensed to conduct the business of insurance, and the filing is subject to the laws of the states where filed.

(b) The commission shall establish appropriate filing and review processes and procedures under commission rules and operating procedures. Notwithstanding any provision in this chapter to the contrary, the commission shall adopt rules to establish conditions and procedures under which the commission will provide public access to product filing information. In establishing any rules, the commission shall consider the interests of the public in having access to the information as well as protection of personal medical and financial information and trade secrets that may be contained in a product filing or supporting information.

(c) Any product approved by the commission may be sold or otherwise issued in the compacting states in which the insurer is legally authorized to do business.

Sec. 12. (a) Not later than thirty (30) days after the commission has given notice of a disapproved product or advertisement filed with the commission, the insurer or third party filer whose filing was disapproved may appeal the determination to a review panel appointed by the commission. The commission shall adopt rules to establish procedures for appointing the review panels and provide for notice and hearing. An allegation that the commission, in disapproving a product or an advertisement filed with the commission, acted arbitrarily, capriciously, or in a manner that is an abuse of discretion or otherwise not in accordance with the law,
is subject to judicial review in accordance with section 3(e) of this chapter.

(b) The commission shall monitor, review, and reconsider products and advertisement subsequent to their filing or approval upon a finding that the product does not meet the relevant uniform standard. If appropriate, the commission may withdraw or modify the commission's approval after proper notice and hearing, subject to the appeal process in subsection (a).

Sec. 13. (a) The commission shall pay or provide for the payment of the reasonable expenses of the commission's establishment and organization. To fund the cost of the commission's initial operations, the commission may accept contributions and other forms of funding from the NAIC, compacting states, and other sources. Contributions and other forms of funding from other sources shall be of such a nature that the independence of the commission concerning the performance of the commission's duties is not compromised.

(b) The commission shall collect a filing fee from each insurer and third party filer filing a product with the commission to cover the cost of the operations and activities of the commission and the commission's staff in an amount sufficient to cover the commission's annual budget.

(c) The commission's budget for a fiscal year may not be approved until the commission's budget has been subject to notice and comment as set forth in section 8(b) of this chapter.

(d) The commission is exempt from all taxation in and by the compacting states.

(e) The commission shall not pledge the credit of any compacting state, except by and with the appropriate legal authority of that compacting state.

(f) The commission shall keep complete and accurate accounts of all the commission's internal receipts, including grants and donations, and disbursements of all funds under the commission's control. The internal financial accounts of the commission are subject to the accounting procedures established under the commission's bylaws. The financial accounts and reports, including the system of internal controls and procedures of the commission, shall be audited annually by an independent certified public accountant. Upon the determination of the commission, but not less
frequently than every three (3) years, the review of the independent auditor shall include a management and performance audit of the commission. The commission shall make an annual report, to the governor and legislature of the compacting states, including a report of the independent audit. The commission's internal accounts are not confidential and such internal account materials may be shared with the commissioner of any compacting state upon request. However, work papers related to internal or independent audit and information regarding the privacy of individuals and proprietary information of insurers, including trade secrets, is confidential.

(g) No compacting state shall have any claim to or ownership of any property held by or vested in the commission or to any commission funds held under the provisions of this compact.

Sec. 14. (a) Any state is eligible to become a compacting state. The compact becomes effective and binding upon legislative enactment of the compact into law by two (2) compacting states. However, the commission shall become effective for purposes of adopting uniform standards for, reviewing, and giving approval or disapproval of products filed with the commission that satisfy applicable uniform standards only after twenty-six (26) states are compacting states or, alternatively, by states representing greater than forty percent (40%) of the premium volume for life insurance, annuity, disability income, and long term care insurance products, based on records of the NAIC for the prior year. Thereafter, it becomes effective and binding as to any other compacting state upon enactment of the compact into law by that state.

(b) Amendments to the compact may be proposed by the commission for enactment by the compacting states. An amendment does not become effective and binding upon the commission and the compacting states unless and until all compacting states enact the amendment into law.

Sec. 15. (a) Once effective, the compact continues in force and remains binding upon each compacting state. However, a compacting state may withdraw from the compact by enacting a statute specifically repealing the statute that enacted the compact into law.

(b) The effective date of withdrawal is the effective date of the repealing statute. However, the withdrawal does not apply to any
product filings approved or self-certified, or any advertisement of products, on the date the repealing statute becomes effective, except by mutual agreement of the commission and the withdrawing state, unless the approval is rescinded by the withdrawing state as provided in subsection (e).

(c) The commissioner of the withdrawing state shall immediately notify the management committee in writing upon the introduction of legislation repealing this compact in the withdrawing state.

(d) The commission shall notify the other compacting states of the introduction of the legislation within ten (10) days after the commission's receipt of notice of the introduction of the legislation.

(e) The withdrawing state is responsible for all obligations, duties, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal, except to the extent those obligations may have been released or relinquished by mutual agreement of the commission and the withdrawing state. The commission's approval of products and advertisement before the effective date of withdrawal shall continue to be effective and be given full force and effect in the withdrawing state, unless formally rescinded by the withdrawing state in the same manner as provided by the laws of the withdrawing state for the prospective disapproval of products or advertisement previously approved under state law.

(f) Reinstatement following withdrawal of any compacting state occurs on the effective date of the withdrawing state reenacting the compact.

Sec. 16. (a) If the commission determines that any compacting state has at any time defaulted in the performance of any of the compacting state's obligations or responsibilities under this compact, the bylaws, or adopted rules or operating procedures, after notice and hearing as set forth in the bylaws, all rights, privileges, and benefits conferred by this compact on the defaulting state shall be suspended from the effective date of default as fixed by the commission. The grounds for default include:

(1) failure of a compacting state to perform its obligations or responsibilities; or
(2) any other grounds designated in commission rules.
The commission shall immediately notify the defaulting state in writing of the defaulting state’s suspension pending a cure of the default. The commission shall stipulate the conditions and the period within which the defaulting state must cure the defaulting state’s default. If the defaulting state fails to cure the default within the period specified by the commission, the defaulting state shall be terminated and the compact and all rights, privileges, and benefits conferred by this compact shall be terminated on the effective date of termination.

(b) Product approvals by the commission, product self-certifications, or any advertisement in connection with the product that is in force on the effective date of termination shall remain in force in the defaulting state in the same manner as if the defaulting state had withdrawn voluntarily under section 15 of this chapter.

(c) Reinstatement following termination of any compacting state requires a reenactment of the compact.

Sec. 17. The compact dissolves effective on the date of the withdrawal or default of the compacting state that reduces membership in the compact to one (1) compacting state. Upon the dissolution of this compact, the compact is null and void and is of no further force or effect, and the business and affairs of the commission shall be wound up and any surplus funds shall be distributed in accordance with the bylaws.

Sec. 18. The provisions of this compact are severable and if any phrase, clause, sentence, or provision is considered unenforceable, the remaining provisions of the compact are enforceable. The provisions of this compact shall be liberally construed to effectuate the compact's purposes.

Sec. 19. (a) Nothing in this chapter prevents the enforcement of any other law of a compacting state, except as provided in subsection (b).

(b) For a product approved or certified to the commission, the rules, uniform standards, and any other requirements of the commission constitute the exclusive provisions applicable to the content, approval, and certification of the products. For an advertisement that is subject to the commission's authority, any rule, uniform standard, or other requirement of the commission that governs the content of the advertisement constitutes the
exclusive provision that a commissioner may apply to the content of the advertisement. However, no action taken by the commission shall abrogate or restrict:

(1) the access of any person to state courts;
(2) remedies available under state law related to breach of contract, tort, or other laws not specifically directed to the content of the product;
(3) state law relating to the construction of insurance contracts; or
(4) the authority of the attorney general of the state, including maintaining actions or proceedings, as authorized by law.
(c) All insurance products filed with individual states are subject to the laws of those states.

Sec. 20. (a) All lawful actions of the commission, including all rules and operating procedures adopted by the commission, are binding upon the compacting states.
(b) All agreements between the commission and the compacting states are binding in accordance with the terms of the agreements.
(c) Upon the request of a party to a conflict over the meaning or interpretation of commission actions and upon a majority vote of the compacting states, the commission may issue advisory opinions regarding the meaning or interpretation in dispute.
(d) Any provision of this compact that violates the Constitution of the State of Indiana is ineffective in Indiana.

SECTION 4. IC 34-30-2-116.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 116.9. IC 27-8-31-6(g) (Concerning the interstate insurance product regulation commission).
AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-42-5.2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 2. (a) Except as provided in subsection (b), this chapter does not apply to a food establishment when the food establishment's food handling activities are limited solely to one (1) or more of the following:

1. Heating or serving precooked hot dog or sausage products, popcorn, nachos, pretzels, or frozen pizza foods.
2. Preparing or serving a continental breakfast such as rolls, coffee, juice, milk, and cold cereal.
3. Preparing or serving nonalcoholic or alcoholic beverages that are not potentially hazardous beverages or ice.
5. Packaging foods that are not potentially hazardous foods, in accordance with rules adopted by the executive board, including elephant ears, funnel cakes, cotton candy, confectionaries, baked goods, popcorn, and chips and grinding coffee beans;
6. Heating when it is the only preparation step for a bakery product;
7. Providing prepackaged food in its original package.

(b) This subsection does not apply to a pharmacy that is a food establishment that provides only prepackaged food products for sale. A food establishment that has more than ten thousand (10,000) square feet in total retail sales space at the food establishment location must comply with this chapter.

SECTION 2. IC 16-42-5.2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 3. This chapter does not apply to the following:
(1) Hospitals licensed under IC 16-21.
(2) Health facilities licensed under IC 16-28.
(3) Housing with services establishments that are required to file disclosure statements under IC 12-10-15.
(4) Continuing care retirement communities required to file disclosure statements under IC 23-2-4.
(5) Community mental health centers (as defined in IC 12-7-2-38).
(6) Private mental health institutions licensed under IC 12-25.
(7) An area agency on aging designated under IC 12-10-1 that provides food under a nutrition service program. However, the premises where the food is prepared is not exempt from the requirements under this chapter.
(8) A food pantry that:
   (A) is operated or affiliated with a nonprofit organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and
   (B) distributes food, which may include food from the United States Department of Agriculture, to needy persons. However, a food bank or other facility that distributes donated food to other organizations is not exempt from the requirements of this chapter.

SECTION 3. IC 16-42-5.2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 3.5. (a) An organization that is exempt from the state gross retail tax under IC 6-2.5-5-21(b)(1)(B), IC 6-2.5-5-21(b)(1)(C), or IC 6-2.5-5-21(b)(1)(D) is exempt from complying with the requirements of this chapter.

(b) This section does not prohibit an exempted organization from waiving the exemption and using a certified food handler.

SECTION 4. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning public safety.

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

SECTION 1. IC 12-7-2-131.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 131.3. "Missing endangered adult", for purposes of IC 12-10-18, means an individual at least eighteen (18) years of age who is reported missing to a law enforcement agency and is, or is believed to be:

(1) a temporary or permanent resident of Indiana;
(2) at a location that cannot be determined by an individual familiar with the missing individual; and
(3) incapable of returning to the missing individual's residence without assistance by reason of:
   (A) mental illness;
   (B) mental retardation;
   (C) dementia; or
   (D) another physical or mental incapacity of managing or directing the management of the individual's property or providing or directing the provision of self-care.

SECTION 2. IC 12-7-2-174.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 174.8. "Endangered adult medical alert" means an alert indicating that law enforcement officials are searching for a missing endangered adult.

SECTION 3. IC 12-10-18 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 18. Reports of Missing Endangered Adults

Sec. 1. (a) A law enforcement agency that receives a notification concerning a missing endangered adult from:

(1) the missing endangered adult's:
(A) guardian;
(B) custodian; or
(C) guardian ad litem; or

(2) an individual who:

(A) provides the missing endangered adult with home health aid services;
(B) possesses a health care power of attorney for the missing endangered adult; or
(C) has evidence that the missing endangered adult has a condition that may prevent the missing endangered adult from returning home without assistance;

shall prepare an investigative report on the missing endangered adult, if based on the notification, the law enforcement agency has reason to believe that an endangered adult is missing.

(b) The investigative report described in subsection (a) may include the following:

(1) Relevant information obtained from the notification concerning the missing endangered adult, including the following:

(A) A physical description of the missing endangered adult.
(B) The date, time, and place that the missing endangered adult was last seen.
(C) The missing endangered adult's address.

(2) Information gathered by a preliminary investigation, if one was made.

(3) A statement by the law enforcement officer in charge setting forth that officer's assessment of the case based upon the evidence and information received.

Sec. 2. The law enforcement agency shall prepare the investigative report described by section 1 of this chapter as soon as practicable, and if possible not later than five (5) hours after the law enforcement agency receives notification of a missing endangered adult.

Sec. 3. (a) Upon completion of the report described by section 1 of this chapter, if the law enforcement agency has reason to believe that public notification may assist in locating the missing endangered adult, the law enforcement agency may immediately forward the contents of the report to:

(1) all law enforcement agencies that have jurisdiction in the
location where the missing endangered adult lives and all law enforcement agencies that have jurisdiction in the location where the missing endangered adult was last seen;
(2) all law enforcement agencies to which the person who made the notification concerning the missing endangered adult requests the report be sent, if the law enforcement agency determines that the request is reasonable in light of the information received;
(3) all law enforcement agencies that request a copy of the report;
(4) one (1) or more broadcasters that broadcast in an area where the missing endangered adult may be located;
(5) the Indiana data and communication system (IDACS); and
(6) the National Crime Information Center's Missing Person File, if appropriate.

(b) Upon completion of the report described by section 1 of this chapter, a law enforcement agency may forward a copy of the contents of the report to one (1) or more newspapers distributed in an area where the missing endangered adult may be located.

(c) After forwarding the contents of the report to a broadcaster or newspaper under this section, the law enforcement agency may request that the broadcaster or newspaper:
   (1) notify the public that there is an endangered adult medical alert; and
   (2) broadcast or publish:
       (A) a description of the missing endangered adult; and
       (B) any other relevant information that would assist in locating the missing endangered adult.

(d) A broadcaster or newspaper that receives a request concerning a missing endangered adult under subsection (c) may, at the discretion of the broadcaster or newspaper:
   (1) notify the public that there is an endangered adult medical alert; and
   (2) broadcast or publish:
       (A) a description of the missing endangered adult; and
       (B) any other relevant information that would assist in locating the missing endangered adult.

Sec. 4. A law enforcement agency may begin an investigation concerning a missing endangered adult as soon as possible after
receiving notification of the missing endangered adult.

Sec. 5. An individual described in section 1(a)(1) or 1(a)(2) of this chapter who notifies a law enforcement agency concerning a missing endangered adult shall notify the law enforcement agency when the missing endangered adult is found.

Sec. 6. (a) A broadcaster or newspaper that receives a report of a missing endangered adult from a law enforcement agency under section 3 of this chapter is immune from civil liability for an act or omission related to:

(1) the broadcast or publication of information contained in the report, including:
   (A) a description of the missing endangered adult; and
   (B) any other relevant information that would assist in locating the missing endangered adult; or
(2) the decision of the broadcaster or newspaper not to broadcast or publish information contained in the report.

(b) The civil immunity described in subsection (a) does not apply to an act or omission that constitutes gross negligence or willful, wanton, or intentional misconduct.

SECTION 4. IC 22-14-2-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. Whenever a member of the arson division of the office retires after at least twenty (20) years of service, the office shall, in recognition of the member's service to the office, do the following:

(1) Allow the member to retain the service weapon issued to the member by the office.
(2) Issue the member a badge that indicates the member is a retired member of the arson division of the office.
(3) Issue the member an identification card that contains the following information:
   (A) The name of the office and the arson division.
   (B) The name of the member.
   (C) The member's position title before the member's retirement.
   (D) A statement that the member is retired.
   (E) A statement that the member is authorized to retain the service weapon issued to the member by the office.

SECTION 5. IC 34-30-2-43.3 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 43.3. IC 12-10-18-6 (Concerning a broadcaster or newspaper that receives a report concerning an endangered adult medical alert).

SECTION 6. IC 34-30-2-152.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 152.2. IC 35-47-13-6 (Concerning the state or a law enforcement agency for issuing evidence that a retired law enforcement officer meets the training and qualification standards to carry certain firearms).

SECTION 7. IC 35-44-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) As used in this section, "consumer product" has the meaning set forth in IC 35-45-8-1.

(b) As used in this section, "misconduct" means a violation of a departmental rule or procedure of a law enforcement agency.

(c) A person who reports, by telephone, telegraph, mail, or other written or oral communication, that:

(1) the person or another person has placed or intends to place an explosive, a destructive device, or other destructive substance in a building or transportation facility;
(2) there has been or there will be tampering with a consumer product introduced into commerce; or
(3) there has been or will be placed or introduced a weapon of mass destruction in a building or a place of assembly;

knowing the report to be false commits false reporting, a Class D felony.

(d) A person who:

(1) gives a false report of the commission of a crime or gives false information in the official investigation of the commission of a crime, knowing the report or information to be false;
(2) gives a false alarm of fire to the fire department of a governmental entity, knowing the alarm to be false;
(3) makes a false request for ambulance service to an ambulance service provider, knowing the request to be false;
(4) gives a false report concerning a missing child (as defined in IC 10-13-5-4) or missing endangered adult (as defined in IC 12-7-2-131.3) or gives false information in the official investigation of a missing child or missing endangered adult
knowing the report or information to be false; or
(5) makes a complaint against a law enforcement officer to the state or municipality (as defined in IC 8-1-13-3) that employs the officer:
   (A) alleging the officer engaged in misconduct while performing the officer's duties; and
   (B) knowing the complaint to be false;
commits false informing, a Class B misdemeanor. However, the offense is a Class A misdemeanor if it substantially hinders any law enforcement process or if it results in harm to an innocent person.

SECTION 8. IC 35-45-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 17. Panhandling

Sec. 1. (a) As used in this chapter, "panhandling" means to solicit an individual:
(1) on a street or in another public place; and
(2) by requesting an immediate donation of money or something else of value.

(b) The term includes soliciting an individual:
(1) by making an oral request;
(2) in exchange for:
   (A) performing music;
   (B) singing; or
   (C) engaging in another type of performance; or
(3) by offering the individual an item of little or no monetary value in exchange for money or another gratuity under circumstances that would cause a reasonable individual to understand that the transaction is only a donation.

(c) The term does not include an act of passively standing, sitting, performing music, singing, or engaging in another type of performance:
(1) while displaying a sign or other indication that a donation is being sought; and
(2) without making an oral request other than in response to an inquiry by another person.

Sec. 2. A person who knowingly or intentionally does any of the following commits panhandling, a Class C misdemeanor:
(1) Panhandling after sunset and before sunrise.
(2) Panhandling when the individual being solicited is:
   (A) at a bus stop;
   (B) in a:
      (i) vehicle; or
      (ii) facility;
   used for public transportation;
   (C) in a motor vehicle that is parked or stopped on a public
      street or alley, unless the person soliciting the individual
      has the approval to do so by a unit of local government
      that has jurisdiction over the public street or alley;
   (D) in the sidewalk dining area of a restaurant; or
   (E) within twenty (20) feet of:
      (i) an automated teller machine; or
      (ii) the entrance to a bank.
(3) Panhandling while touching the individual being solicited
    without the solicited individual's consent.
(4) Panhandling while the individual being solicited is
    standing in line and waiting to be admitted to a commercial
    establishment.
(5) Panhandling while blocking:
    (A) the path of the individual being solicited; or
    (B) the entrance to a building or motor vehicle.
(6) Panhandling while using profane or abusive language:
    (A) during a solicitation; or
    (B) after the individual being solicited has declined to
        donate money or something else of value.
(7) Panhandling while making a statement, a gesture, or
    another communication to the individual being solicited that
    would cause a reasonable individual to:
    (A) fear for the individual's safety; or
    (B) feel compelled to donate.
(8) Panhandling with at least one (1) other individual.
(9) Panhandling and then following or accompanying the
    solicited individual without the solicited individual's consent
    after the solicited individual has declined to donate money or
    something else of value.

SECTION 9. IC 35-47-13 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]:

Chapter 13. Retired Law Enforcement Officers Identification for Carrying Firearms

Sec. 1. As used in this chapter, "firearm" has the meaning set forth in 18 U.S.C. 926C(e).

Sec. 2. As used in this chapter, "law enforcement agency" means an agency or a department of:

(1) the state; or

(2) a political subdivision of the state;

whose principal function is the apprehension of criminal offenders.

Sec. 3. As used in this chapter, "law enforcement officer" has the meaning set forth in IC 35-41-1-17(a). The term includes an arson investigator employed by the office of the state fire marshal.

Sec. 4. After June 30, 2005, all law enforcement agencies shall issue annually to each person who has retired from that agency as a law enforcement officer a photographic identification.

Sec. 5. (a) In addition to the photographic identification issued under section 4 of this chapter, after June 30, 2005, a retired law enforcement officer who carries a concealed firearm under 18 U.S.C. 926C must obtain annually, for each type of firearm that the retired officer intends to carry as a concealed firearm, evidence that the retired officer meets the training and qualification standards to carry that type of firearm established:

(1) by the retired officer's law enforcement agency, for active officers of the agency; or

(2) by the state, for active law enforcement officers in the state.

A retired law enforcement officer bears any expense associated with obtaining the evidence required under this subsection.

(b) The evidence required under subsection (a) is one (1) of the following:

(1) For compliance with the standards described in subsection (a)(1), an endorsement issued by the retired officer's law enforcement agency with or as part of the photographic identification issued under section 4 of this chapter.

(2) For compliance with the standards described in subsection (a)(2), a certification issued by the state.

Sec. 6. An entity that provides evidence required under section 5 of this chapter is immune from civil or criminal liability for
providing the evidence.

SECTION 10. [EFFECTIVE JULY 1, 2005] IC 35-44-2-2, as amended by this act, and IC 35-45-17-2, as added by this act, apply only to crimes committed after June 30, 2005.

SECTION 11. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning financial institutions.

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

SECTION 1. IC 24-4.5-1-102 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 102. Purposes; Rules of Construction)

(1) This article shall be liberally construed and applied to promote its underlying purposes and policies.

(2) The underlying purposes and policies of this article are:

(a) to simplify, clarify, and modernize the law governing retail installment sales, consumer credit, small loans, and usury;
(b) to provide rate ceilings to assure an adequate supply of credit to consumers;
(c) to further consumer understanding of the terms of credit transactions and to foster competition among suppliers of consumer credit so that consumers may obtain credit at reasonable cost;
(d) to protect consumer buyers, lessees, and borrowers against unfair practices by some suppliers of consumer credit, having due regard for the interests of legitimate and scrupulous creditors;
(e) to permit and encourage the development of fair and economically sound consumer credit practices;
(f) to conform the regulation of consumer credit transactions to the policies of the Federal Consumer Credit Protection Act; and
(g) to make uniform the law including administrative rules among
the various jurisdictions.

(3) A reference to a requirement imposed by this article includes reference to a related rule of the department adopted pursuant to this article.

(4) A reference to a federal law in IC 24-4.5 is a reference to the law in effect December 31, 2003-2004.

SECTION 2. IC 24-4.5-4-107 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 107. Maximum Charge by Creditor for Insurance - (1) Except as provided in subsection (2), if a creditor contracts for or receives a separate charge for insurance, the amount charged to the debtor for the insurance may not exceed the premium to be charged by the insurer, as computed at the time the charge to the debtor is determined, conforming to any rate filings required by law and made by the insurer with the Insurance Commissioner.

(2) A creditor who provides consumer credit insurance in relation to a revolving charge account (IC 24-4.5-2-108) or revolving loan account (IC 24-4.5-3-108) may calculate the charge to the debtor in each billing cycle by applying the current premium rate to:

(a) the average daily unpaid balance of the debt in the cycle;
(b) the unpaid balance of the debt or a median amount within a specified range of unpaid balances of debt on approximately the same day of the cycle. The day of the cycle need not be the day used in calculating the credit service charge (IC 24-4.5-2-207) or loan finance charge (IC 24-4.5-3-201 and IC 24-4.5-3-508), but the specified range shall be the range used for that purpose; or

c) the unpaid balances of principal calculated according to the actuarial method; or

(d) the amount of the insurance benefit for the cycle.

SECTION 3. IC 24-4.5-7-201 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 201. (1) Finance charges on the first two hundred fifty dollars ($250) of a small loan are limited to fifteen percent (15%) of the principal.

(2) Finance charges on the amount of a small loan greater than two hundred fifty dollars ($250) and less than or equal to four hundred dollars ($400) are limited to thirteen percent (13%) of the amount over two hundred fifty dollars ($250) and less than or equal to four hundred dollars ($400).
(3) Finance charges on the amount of the small loan greater than four hundred dollars ($400) and less than or equal to five hundred dollars ($500) are limited to ten percent (10%) of the amount over four hundred dollars ($400) and less than or equal to five hundred dollars ($500).

SECTION 4. IC 24-9-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. "Home loan" means a loan, other than an open end credit plan, or a reverse mortgage transaction, or a loan described in IC 24-9-1-1, that is secured by a mortgage or deed of trust on real estate in Indiana on which there is located or will be located a structure or structures:

(1) designed primarily for occupancy of one (1) to four (4) families; and
(2) that is or will be occupied by a borrower as the borrower's principal dwelling.

SECTION 5. IC 24-9-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A person may not:
(1) divide a loan transaction into separate parts with the intent of evading a provision of this article;
(2) structure a home loan transaction as an open-end loan with the intent of evading the provisions of this article if the loan would be a high cost home loan if the home loan had been structured as a closed-end loan; or
(3) engage in a deceptive act in connection with a:
   (A) home loan; or
   (B) loan described in IC 24-9-1-1.

SECTION 6. IC 24-9-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who purchases or is otherwise assigned a high cost home loan is subject to all affirmative claims and any defenses, except for an affirmative claim or defense pursuant to IC 24-9-3-7, with respect to the high cost home loan that the borrower could assert against a creditor or broker of the high cost home loan. However, this section does not apply if the purchaser or assignee demonstrates by a preponderance of the evidence that a reasonable person exercising ordinary due diligence could not determine that the loan was a high cost home loan. A purchaser or an assignee is presumed to have exercised reasonable due diligence if the purchaser or assignee:
(1) has in place at the time of the purchase or assignment of the subject loans, policies that expressly prohibit the purchase or acceptance of the assignment of any high cost home loans;

(2) requires by contract that a seller or an assignor of home loans to the purchaser or assignee represents and warrants to the purchaser or assignee that either:

(A) the seller or assignor will not sell or reassign any high cost home loans to the purchaser or assignee; or

(B) the seller or assignor is a beneficiary of a representation and warranty from a previous seller or assignor to that effect;

(3) exercises reasonable due diligence:

(A) at the time of purchase or assignment of home loans; or

(B) within a reasonable period after the purchase or assignment of home loans;

intended by the purchaser or assignee to prevent the purchaser or assignee from purchasing or taking assignment of any high cost home loans; or

(4) satisfies the requirements of subdivisions (1) and (2) and establishes that a reasonable person exercising ordinary due diligence could not determine that the loan was a high cost home loan based on the:

(A) documentation required by the federal Truth in Lending Act (15 U.S.C. 1601 et seq.); and

(B) itemization of the amount financed and other disbursement disclosures.

(b) A borrower acting only in an individual capacity may assert against the creditor or any subsequent holder or assignee of a high cost home loan:

(1) a violation of IC 24-9-4-2 as a defense, claim, or counterclaim, after:

(A) an action to enjoin foreclosure or to preserve or obtain possession of the dwelling that secures the loan is initiated;

(B) an action to collect on the loan or foreclose on the collateral securing the loan is initiated; or

(C) the loan is more than sixty (60) days in default; within three (3) years after the closing of a home loan;

(2) a violation of this article in connection to the high cost home loan as a defense, claim, or counterclaim in an original action
within five (5) years after the closing of a high cost home loan; and

(3) any defense, claim, counterclaim, or action to enjoin foreclosure or preserve or obtain possession of the home that secures the loan, including a violation of this article after:
   (A) an action to collect on the loan or foreclose on the collateral securing the loan is initiated;
   (B) the debt arising from the loan is accelerated; or
   (C) the loan is more than sixty (60) days in default;
   at any time during the term of a high cost home loan.

(c) In an action, a claim, or a counterclaim brought under subsection (b), the borrower may recover only amounts required to reduce or extinguish the borrower's liability under a home loan plus amounts required to recover costs, including reasonable attorney's fees.

(d) The provisions of this section are effective notwithstanding any other provision of law. This section shall not be construed to limit the substantive rights, remedies, or procedural rights available to a borrower against any creditor, assignee, or holder under any other law. The rights conferred on borrowers by subsections (a) and (b) are independent of each other and do not limit each other.

SECTION 7. IC 28-1-13-1.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.8. (a) Loans and extensions of credit secured by shipping documents or instruments transferring or securing title covering livestock or giving a lien on livestock when the market value of the livestock securing the obligation is not at any time less than one hundred fifteen percent (115%) of the face amount of the note covered are subject under this section, notwithstanding the collateral requirements set forth in section 1.5(b) of this chapter, to a maximum limitation equal to twenty-five percent (25%) of the capital and surplus.

(b) Loans and extensions of credit that arise from the discount by dealers in dairy cattle of paper given in payment for dairy cattle, which paper carries a full recourse endorsement or unconditional guarantee of the seller and that are secured by the cattle being sold, are subject under this section, notwithstanding the collateral requirements set forth in section 1.5(b) of this chapter, to a limitation of twenty-five percent (25%) of the capital and surplus.

SECTION 8. IC 28-1-18.2-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) For purposes of this section, a bank or trust company that is not a member of the Federal Reserve System is subject to Sections 23A and 23B of the Federal Reserve Act (12 U.S.C. 371c or 371c-1) and Federal Reserve Regulation W (12 CFR 223) to the same extent and in the same manner as though it were a member of the Federal Reserve System.

(b) A violation of Section 23A or 23B of the Federal Reserve Act (12 U.S.C. 371c or 371c-1) or Federal Reserve Regulation W (12 CFR 223) by a bank or trust company or a subsidiary of either constitutes a violation of this section.

SECTION 9. IC 28-5-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this section:

"Automated teller facility" means electronic or mechanical equipment that performs routine transactions for the public at locations off premises of the principal office or branch office of a company that holds a certificate to engage in business under this chapter and that is authorized to issue, negotiate, and sell certificates of investment or indebtedness.

"Branch" means any office, agency, mobile unit, messenger service, or other place of business at which:

(1) payments into certificates of investment or indebtedness are received;
(2) checks, negotiable or transferable instruments or orders, or similar instruments are paid; or
(3) money is lent.

However, the term does not include the principal office of a company or an automated teller facility.

"Financial institution" has the same meaning as in IC 28-1-1-3.

(b) Any domestic corporation organized under the general corporation laws of Indiana may engage in business as an industrial loan and investment company subject to the limitations and restrictions set forth in this chapter. The department may issue a certificate authorizing a corporation to engage in business under this chapter if after the department determines after a hearing that a public necessity exists in the particular city for the type of industrial loan and investment company for which application is made. However, no certificate may be issued to engage in business under this chapter in a city having a population of less than thirty thousand (30,000)
inhabitants; and with respect to cities having a population of thirty thousand (30,000) or more inhabitants; not more than one (1) certificate may be issued for each thirty thousand (30,000) inhabitants of the city; considers and investigates all the following:

1. The financial standing and character of the incorporators, organizers, directors, principal shareholders, or controlling corporations.
2. The character, qualifications, and experience of the officers and directors of the corporation.
3. The future earnings prospects for the proposed corporation in the community in which the corporation will be located.
4. The adequacy of the corporation's capital.

If the department determines any of the factors described in subdivisions (1) through (4) unfavorably, the department may not issue a certificate authorizing the corporation to engage in business under this chapter. Certificates issued under this section must state whether the corporation is authorized to issue, negotiate, and sell certificates of investment or indebtedness, and, if not, must provide that the corporation may do business under this article only as restricted by section 21 of this chapter.

(c) Any company that is authorized to issue, negotiate, and sell certificates of investment or indebtedness and that holds a certificate to engage in business under this chapter is entitled to establish one (1) or more branches de novo and one (1) or more branches by acquisition in any location or locations within Indiana, at which any business of the company may be transacted to the same extent as at the principal office of the company.

(d) As a condition to the establishment and operation of a branch or branches under this section, the company must:
1. obtain prior written approval of the department;
2. operate each branch under the correct name of the company and its name must contain in addition the word "branch"; and
3. demonstrate that the applicant company will have adequate capital, sound management, and adequate future earnings prospects after the establishment of the branch.

(e) The location of the principal office or any branch established under this section may be changed at any time when authorized by the
board of directors of the company and approved by the department.

(f) Any company desiring to open or establish one (1) or more branches or change location of an existing branch or the principal office must file a written application therefor, in such form and containing such information as may be prescribed by the department. If the department determines that the requirements of subsection (d) have been satisfied, the department may in its discretion approve the application.

(g) A company is entitled to open or establish an automated teller facility in any location within Indiana or as permitted by the laws of the state in which the automated teller machine is to be located. An automated teller facility may be owned or operated individually by any company or jointly on a cost sharing or fee basis.

(h) A branch by acquisition may be established under this section only if done in compliance with applicable provisions of IC 28-1-7 or IC 28-1-8.

(i) A company that is authorized to issue, negotiate, and sell certificates of investment or indebtedness and that holds a certificate to engage in business under this chapter is entitled to establish one (1) or more branches de novo and one (1) or more branches by acquisition in any location outside Indiana. Any business of the company may be transacted at a branch established under this subsection to the same extent as at the principal office of the company, subject to IC 28-2-18-19.

SECTION 10. IC 28-6.1-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Loans and extensions of credit secured by shipping documents or instruments transferring or securing title covering livestock or giving a lien on livestock when the market value of the livestock securing the obligation is not at any time less than one hundred fifteen percent (115%) of the face amount of the note covered are subject to a maximum limitation equal to twenty-five percent (25%) of the capital and surplus, notwithstanding the collateral requirements of section 2 5(b) of this chapter.

(b) Loans and extensions of credit that arise from the discount by dealers in dairy cattle of paper given in payment for dairy cattle, which paper carries a full recourse endorsement or unconditional guarantee of the seller and that are secured by the cattle being sold, are subject to
a limitation of twenty-five percent (25%) of the capital and surplus, notwithstanding the collateral requirements of section 25(b) of this chapter.

SECTION 11. IC 28-7-1-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.5. The following definitions apply throughout this chapter:

1. "Automated teller machine" (ATM) means a piece of unmanned electronic or mechanical equipment that performs routine financial transactions for authorized individuals.
2. "Branch office" means an office, agency, or other place of business at which deposits are received, share drafts are paid, or money is lent to members of a credit union. The term does not include:
   - (A) the principal office of a credit union;
   - (B) the principal office of a credit union affiliate;
   - (C) a branch office of a credit union affiliate;
   - (D) an automated teller machine; or
   - (E) a night depository.
3. "Credit union" is a cooperative, nonprofit association, incorporated under this chapter, for the purposes of educating its members in the concepts of thrift and to encourage savings among its members. A credit union should provide a source of credit at a fair and reasonable rate of interest and provide an opportunity for its members to use and control their own money in order to improve their economic and social condition.
4. "Department" refers to the department of financial institutions.
5. "Surplus" means the credit balance of undivided earnings after losses. The term does not include statutory reserves.
6. "Unimpaired shares" means paid in shares less any losses for which no reserve exists and for which there is no charge against undivided earnings.
7. "Related credit union service organization" means, in reference to a credit union, a credit union service organization in which the credit union has invested under section 9(4)(J) of this chapter.
8. "Premises" means any office, branch office, suboffice, service center, parking lot, real estate, or other facility where the credit union transacts or will transact business.
(9) "Furniture, fixtures, and equipment" means office furnishings, office machines, computer hardware, computer software, automated terminals, and heating and cooling equipment.

(10) "Fixed assets" means:
   (A) premises; and
   (B) furniture, fixtures, and equipment.

(11) "Audit period" means a twelve (12) month period designated by the board of directors of a credit union.

(12) "Community" means:
   (A) a second class city;
   (B) a third class city;
   (C) a town;
   (D) a county other than a county containing a consolidated city;
   (E) a census tract;
   (F) a township; or
   (G) any other municipal corporation (as defined in IC 36-1-2-10).

(13) "Control of a related interest" refers to a situation in which an individual directly or indirectly, or through or in concert with one (1) or more other individuals, possesses any of the following:
   (A) The ownership of, control of, or power to vote at least twenty-five percent (25%) of any class of voting securities of the related interest.
   (B) The control in any manner of the election of a majority of the directors of the related interest.
   (C) The power to exercise a controlling influence over the management or policies of the related interest. For purposes of this clause, an individual is presumed to have control, including the power to exercise a controlling influence over the management or policies of a related interest, if the individual:
      (i) is an executive officer or a director of the related interest and directly or indirectly owns, controls, or has the power to vote more than ten percent (10%) of any class of voting securities of the related interest; or
      (ii) directly or indirectly owns, controls, or has the power
to vote more than ten percent (10%) of any class of voting securities of the related interest and no other person owns, controls, or has the power to vote a greater percentage of that class of voting securities.

(14) "Executive officer" includes any of the following officers of a credit union:
   (A) The chairman of the board of directors.
   (B) The president.
   (C) A vice president.
   (D) The cashier.
   (E) The secretary.
   (F) The treasurer.

(15) "Immediate family" means the spouse of an individual, the individual's minor children, and any of the individual's children, including adults, residing in the individual's home.

(16) "Officer" means any individual who participates or has the authority to participate in major policymaking functions of a credit union, regardless of whether:
   (A) the individual has an official title;
   (B) the individual's title designates the individual as an assistant; or
   (C) the individual is serving without salary or other compensation.

(17) "Related interest", with respect to an individual, means:
   (A) a partnership, a corporation, or another business organization that is controlled by the individual; or
   (B) a political campaign committee:
      (i) controlled by the individual; or
      (ii) the funds or services of which benefit the individual.

(18) "Unimpaired capital and unimpaired surplus" means the sum of:
   (A) undivided profits;
   (B) reserve for contingencies;
   (C) regular reserve; and
   (D) allowance for loan and lease losses.

SECTION 12. IC 28-7-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The use of any name or title which that contains the words "credit union", or that means "credit union" in any language, is unlawful unless the name
is used by:

(1) a corporation authorized to use the words "credit union" under Indiana or United States law; or

(2) the Indiana Credit Union League, Inc., and its affiliates.

(b) The department is authorized to exercise the powers under IC 28-11-4 against a person, firm, limited liability company, or corporation that improperly holds itself out as a credit union.

(c) A person, firm, limited liability company, or corporation that violates this section is subject to a penalty of five hundred dollars ($500) per day for each day during which the violation continues. The penalty imposed shall be recovered in the name of the state on relation of the department and, when recovered, shall be paid into the financial institutions fund established by IC 28-11-2-9.

SECTION 13. IC 28-7-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A credit union has the following powers:

(1) To issue shares of its capital stock to its members. No commission or compensation shall be paid for securing members or for the sale of shares.

(2) To make loans to members or other credit unions: A loan to another credit union may not exceed twenty percent (20%) of the paid-in capital and surplus of the credit union making the loan.

(3) To make loans to officers, directors, or committee members but only if:

(A) the loan complies with all requirements under this chapter with respect to loans to other borrowers and is not on terms more favorable than those extended to other borrowers;

(B) upon the making of the loan, the aggregate amount of loans outstanding under this subdivision will not exceed twenty percent (20%) of the unimpaired capital and surplus of the credit union;

(C) the loan is approved by the credit committee or loan officer; and

(D) the borrower takes no part in the consideration of or vote on the application under section 17.1 of this chapter.

(4) To invest in any of the following:

(A) Bonds, notes, or certificates that are the direct or indirect obligations of the United States, or of the state, or the direct
obligations of a county, township, city, town, or other taxing
district or municipality or instrumentality of Indiana and that
are not in default.

(B) Bonds or debentures issued by the Federal Home Loan
Bank Act (12 U.S.C. 1421 through 1449) or the Home Owners'

(C) Interest-bearing obligations of the FSLIC Resolution Fund
and obligations of national mortgage associations issued under
the authority of the National Housing Act.

(D) Mortgages on real estate situated in Indiana which are
fully insured under Title 2 of the National Housing Act (12

(E) Obligations issued by farm credit banks and banks for
cooperatives under the Farm Credit Act of 1971 (12 U.S.C.
2001 through 2279aa-14).

(F) In savings and loan associations, other credit unions that
are insured under IC 28-7-1-31.5, and certificates of
indebtedness or investment of an industrial loan and
investment company if the association or company is federally
insured. Not more than twenty percent (20%) of the assets of
a credit union may be invested in the shares or certificates of
an association or company; nor more than forty percent (40%)
in all such associations and companies.

(G) Corporate credit unions.

(H) Federal funds or similar types of daily funds transactions
with other financial institutions.

(I) Mutual funds created and controlled by credit unions, credit
union associations, or their subsidiaries. Mutual funds referred
to in this clause may invest only in instruments that are
approved for credit union purchase under this chapter.

(J) Shares, stocks, or obligations of any credit union service
organization (as defined in Section 712 of the Rules and
Regulations of the National Credit Union Administration) with
the approval of the department. Not more than five percent
(5%) of the total paid in and unimpaired capital of the credit
union may be invested under this clause.

(5) (4) To deposit its funds into:

(A) depository institutions that are federally insured; or
(B) state chartered credit unions that are privately insured by an insurer approved by the department.

(6) To purchase, hold, own, or convey real estate as may be conveyed to the credit union in satisfaction of debts previously contracted or in exchange for real estate conveyed to the credit union.

(7) To own, hold, or convey real estate as may be purchased by the credit union upon judgment in its favor or decrees of foreclosure upon mortgages.

(8) To issue shares of stock and upon the terms, conditions, limitations, and restrictions and with the relative rights as may be stated in the bylaws of the credit union, but no stock may have preference or priority over the other to share in the assets of the credit union upon liquidation or dissolution or for the payment of dividends except as to the amount of the dividends and the time for the payment of the dividends as provided in the bylaws.

(9) To charge the member's share account for the actual cost of necessary locator service when the member has failed to keep the credit union informed about the member's current address. The charge shall be made only for amounts paid to a person or concern normally engaged in providing such service, and shall be made against the account or accounts of any one (1) member not more than once in any twelve (12) month period.

(10) To transfer to an accounts payable, a dormant account, or a special account share accounts which have been inactive, except for dividend credits, for a period of two (2) years. The credit union shall not consider the payment of dividends on the transferred account.

(11) To invest in fixed assets with the funds of the credit union. An investment in fixed assets in excess of five percent (5%) of its assets is subject to the approval of the department.

(12) To establish branch offices, upon approval of the department, provided that all books of account shall be maintained at the principal office.

(13) To pay an interest refund on loans proportionate to the interest paid during the dividend period by borrowers who are members at the end of the dividend period.

(14) To purchase life savings and loan protection insurance
for the benefit of the credit union and its members, if:
   (A) the coverage is placed with an insurance company licensed
to do business in Indiana; and
   (B) no officer, director, or employee of the credit union
personally benefits, directly or indirectly, from the sale or
purchase of the coverage.
(14) (15) To sell and cash negotiable checks, travelers checks,
and money orders for members.
(15) (16) To purchase members' notes from any liquidating credit
union, with written approval from the department, at prices agreed
upon by the boards of directors of both the liquidating and the
purchasing credit unions. However, the aggregate of the unpaid
balances of all notes of liquidating credit unions purchased by any
one (1) credit union shall not exceed ten percent (10%) of its
unimpaired capital and surplus unless special written
authorization has been granted by the department.
(16) (17) To exercise such incidental powers necessary or
requisite to enable it to carry on effectively the business for which
it is incorporated.
(17) (18) To act as a custodian or trustee of any trust created or
organized in the United States and forming part of a stock bonus,
pension, or profit sharing tax advantaged savings plan which
qualifies or qualified for specific tax treatment under Section
401(d) or 223, Section 408(a), 408, 408A, or 530 of the Internal
Revenue Code, if the funds of the trust are invested only in share
accounts or insured certificates of the credit union.
(18) (19) To issue shares of its capital stock or insured certificates
to a trustee or custodian of a pension plan, profit sharing plan, or
stock bonus plan which qualifies for specific tax treatment under
Sections 401(d) or 408(a) of the Internal Revenue Code.
(19) (20) A credit union may exercise any rights and privileges
that are:
   (A) granted to federal credit unions; but
   (B) not authorized for credit unions under the Indiana Code
(except for this section) or any rule adopted under the Indiana
Code;
if the credit union complies with section 9.2 of this chapter.
(20) (21) To sell, pledge, or discount any of its assets. However,
a credit union may not pledge any of its assets as security for the
safekeeping and prompt payment of any money deposited, except
that a credit union may, for the safekeeping and prompt payment
of money deposited, give security as authorized by federal law.

(21) To purchase assets of another credit union and to
assume the liabilities of the selling credit union.

(22) To act as a fiscal agent of the United States and to
receive deposits from nonmember units of the federal, state, or
county governments, from political subdivisions, and from other
credit unions upon which the credit union may pay varying
interest rates at varying maturities subject to terms, rates, and
conditions that are established by the board of directors. However,
the total amount of public funds received from units of state and
county governments and political subdivisions that a credit union
may have on deposit may not exceed twenty percent (20%) of the
total assets of that credit union, excluding those public funds.

(23) To join the National Credit Union Administration
Central Liquidity Facility.

(24) To participate in community investment initiatives
under the administration of organizations:

(A) exempt from taxation under Section 501(c)(3) of the
    Internal Revenue Code; and

(B) located or conducting activities in communities in which
    the credit union does business.

Participation may be in the form of either charitable contributions
or participation loans. In either case, disbursement of funds
through the administering organization is not required to be
limited to members of the credit union. Total contributions or
participation loans may not exceed one tenth of one percent
(0.001) of total assets of the credit union. A recipient of a
contribution or loan is not considered qualified for credit union
membership. A contribution or participation loan made under this
subdivision must be approved by the board of directors.

(25) To establish and operate an automated teller machine
(ATM):

(A) at any location within Indiana; or

(B) as permitted by the laws of the state in which the
automated teller machine is to be located.
To demand and receive, for the faithful performance and discharge of services performed under the powers vested in the credit union by this article:

(A) reasonable compensation, or compensation as fixed by agreement of the parties;
(B) all advances necessarily paid out and expended in the discharge and performance of its duties; and
(C) unless otherwise agreed upon, interest at the legal rate on the advances referred to in clause (B).

Subject to any restrictions the department may impose, to become the owner or lessor of personal property acquired upon the request and for the use of a member and to incur additional obligations as may be incident to becoming an owner or lessor of such property.

SECTION 14. IC 28-7-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. Each credit union shall make a call report of its condition to the department, at least semiannually; on or before January 31 and July 31 of each year; quarterly on forms approved by the director. Reports in addition to the regular reports may be required. A credit union that fails to comply with this section may be required by the department to pay a civil penalty of one hundred dollars ($100) for each day of noncompliance. Money paid under this section as determined by the department shall be deposited into the financial institutions fund established by IC 28-11-2-9. Except as specified in IC 28-11-3-3 concerning individual depositors, any information contained in call reports made by credit unions to the department must be made available to any person upon request.

SECTION 15. IC 28-7-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) Not more than thirty (30) business days after the conclusion of the annual meeting, the board of directors shall elect from its own members:

1. a chairperson;
2. a vice chairperson or vice chairpersons;
3. a secretary; and
4. a treasurer.

(b) The board may appoint officers of the credit union.
(c) The office of secretary and treasurer may be held by the same
person. The board may appoint:
   (1) an assistant secretary;
   (2) an assistant treasurer; or
   (3) both an assistant secretary and an assistant treasurer.

(d) The board of directors shall have the general management of the
   affairs, funds, and records of the credit union and shall meet at least
   monthly.

(e) The board may appoint an executive committee to exercise
   authority delegated to it by the board. All actions taken by the
   executive committee shall be subject to ratification by the board.

(f) Unless the bylaws provide otherwise, it is the duty of the
   directors to do the following:
   (1) To act upon all applications for membership unless the board
       has appointed a membership officer. The board shall receive the
       report of the membership officer monthly and shall act upon all
       those applications for membership not approved by the
       membership officer.
   (2) To determine rates of interest on loans.
   (3) To determine:
       (A) the maximum number of shares which may be held by a
           member; and
       (B) the maximum amount which may be loaned to a member.
   (4) To declare dividends.
   (5) To amend the bylaws, provided that the qualifications for
       membership in the credit union are principally defined in the
       articles of incorporation.
   (6) To fill vacancies on the board and the credit committee until
       the next election.
   (7) To invest the funds of the credit union or to delegate the
       authority for investments to an executive committee or manager.
       However, the board of directors shall review all investments made
       by the executive committee or manager at least monthly.
   (8) To set the compensation of members of the board, credit
       committee, or supervisory committee.

   (9) To establish and annually review written lending policies
       and maintain the policies on file in the credit union.

(g) The board may appoint loan officers. Each loan officer shall
    furnish to the credit committee or to the board a record of each loan
approved or denied at its next meeting. A loan officer, including the
treasurer or assistant treasurer, shall not have authority to disburse
funds of the credit union for any loan which has been approved by the
loan officer. Not more than one (1) member of the credit committee
may be appointed as loan officer.

SECTION 16. IC 28-7-1-17 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Every loan
application shall be submitted on a form approved by the board of
directors. When making an application, a member shall state the
security offered. Loans may be dispersed upon written approval by a
majority of the credit committee or a loan officer. If the credit
committee or loan officer fails to approve an application for a loan, the
applicant may appeal to the board of directors, providing such appeal
is authorized by the bylaws.

(b) Loans to members may be made only under the following terms
and conditions:

1. All loans shall be evidenced by notes signed by the borrowing
member. A loan shall not be made to a member if it would cause
the member to become indebted to the credit union in an
aggregate amount in excess of ten percent (10%) of the total
unimpaired shares and surplus.

2. Unsecured loans shall not exceed five percent (5%) of the
current assets of the credit union. The board of directors shall
establish written lending policies and maintain such policies on
file in the credit union. For the purposes of this section; an
assignment of shares or the endorsement of a note is considered
security.

3. Except as otherwise provided in this section, the terms of
any loan to a member with a maturity of more than six (6) months
shall provide for principal and interest payments that will
amortize the obligation in full within the terms of the loan
contract. If the income of the borrowing member is seasonal, the
terms of the loan contract may provide for seasonal amortization.

4. Loans may be made upon the security of improved or
unimproved real estate. Except as otherwise specified in this
section, such loans must be secured by a first lien upon real estate
prior to all other liens, except for taxes and assessments not
delinquent, and may be made with repayment terms other than as
provided in subdivision (3). When the amount of a loan is at least two hundred fifty thousand dollars ($250,000), the fair cash value of real estate security shall be determined by a written appraisal made by one (1) or more qualified state licensed or certified appraisers designated by the board of directors. The credit union loan folder for real estate mortgage loans shall include, when applicable:

(A) the loan application;
(B) the mortgage instrument;
(C) the note;
(D) the disclosure statement;
(E) the documentations of property insurance;
(F) an appraisal on the real estate for which the loan is made; and
(G) the attorney's opinion of titles or a certificate of title insurance on the real estate upon which the mortgage loan is made.

The total unpaid balance of all loans authorized by this subdivision shall, at no time, exceed thirty-three and one-third percent (33 1/3%) of the total assets of the credit union at the time the loans are granted. This section does not limit unpaid balances secured by adjustable rate mortgages or loans with a remaining maturity of five (5) years or less. Loans made upon security of real estate are subject to the following restrictions:

(A) Real estate loans in which no principal amortization is required shall provide for the payment of interest at least annually and shall mature within five (5) years of the date of the loan unless extended and shall not exceed fifty percent (50%) of the fair cash value of the real estate used as security.
(B) Real estate loans on improved real estate, except for variable rate mortgage loans and rollover mortgage loans provided for in subdivision (6); (5), shall require substantially equal payments at successive intervals of not more than one (1) year, shall mature within thirty (30) years, and shall not exceed ninety percent (90%) of the fair cash value of the real estate used as security, unless the excess of any loan over the authorized percentage of fair cash value is guaranteed or insured by a government agency or a private insurer authorized
to engage in such business in Indiana.

(C) Real estate loans on unimproved real estate may be made. The terms of the loan shall:

(i) require substantially equal payments of interest and principal at successive intervals of one (1) year or less;
(ii) mature within ten (10) years; and
(iii) not exceed eighty-five percent (85%) of the fair cash value of the real estate used as security.

(D) Loans primarily secured by a mortgage which constitutes a second lien on improved real estate may be made only if the aggregate amount of all loans on the real estate does not exceed one hundred percent (100%) of the fair cash value of the real estate after such loan is made. Repayment terms shall be in accordance with subdivision (3); (2).

(E) Real estate loans may be made for the construction of improvements to real property. Funds borrowed may be advanced as work on the improvements progresses.

Repayment terms must comply with subdivision (3); (2).

(6) Subject to the limitations of subdivision (4); (3), variable rate mortgage loans and rollover mortgage loans may be made under the same limitations and rights provided state chartered savings associations under IC 28-1-21.5 (before its repeal) or IC 28-15 or federal credit unions.

(7) A credit union may participate with other financial institutions in making loans to credit union members and may sell a participating interest in any of its loans. However, the credit union may not sell more than ninety percent (90%) of the principal of participating loans outstanding at the time of sale.

(7) Notwithstanding subdivisions (1) through (6), a credit union may make any of the following:

(A) Any loan that may be made by a federal credit union. However, IC 24-4.5 applies to any loan that is:

(i) made under this clause; and
(ii) within the scope of IC 24-4.5.

Any provision of federal law that is in conflict with IC 24-4.5 does not apply to a loan made under this clause.

(B) Subject to subdivision (3), any alternative mortgage loan (as defined in IC 28-15-11-2) that may be made by a
savings association (as defined in IC 28-15-1-11) under IC 28-15-11. A loan made under this clause by a credit union is subject to the same terms, conditions, exceptions, and limitations that apply to an alternative mortgage loan made by a savings association under IC 28-15-11.

(8) A credit union may make a loan under either:
   (i) subdivisions (2) through (6); or
   (ii) subdivision (7);
but not both. A credit union shall make an initial determination as to whether to make a loan under subdivisions (2) through (6) or under subdivision (7). If the credit union determines that a loan or category of loans is to be made under subdivision (7), the written loan policies of the credit union must include that determination. A credit union may not combine the terms and conditions that apply to a loan made under subdivisions (2) through (6) with the terms and conditions that apply to a loan made under subdivision (7) to make a loan not expressly described and authorized either under subdivisions (2) through (6) or under subdivision (7).

(c) Nothing in this section prevents any credit union from taking an indemnifying or second mortgage on real estate as additional security.

SECTION 17. IC 28-7-1-17.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 17.1. (a) Subject to subsection (b), a credit union may make a loan to the credit union's individual officers, directors, and committee members under the following terms and conditions:

(1) The loan must comply with all requirements under this chapter that apply to loans made to other borrowers.
(2) The loan may not be on terms more favorable than those extended to other borrowers.
(3) The borrower may not:
   (A) take part in the consideration of; or
   (B) vote on;
the borrower's loan application.
(4) Except as provided in subsection (b), a credit union may not make a loan under this section to an individual, the individual's immediate family, or the individual’s related
interests if the amount of the loan, either by itself or when added to the amounts of all other loans made under this section to the individual, the individual's immediate family, or the individual's related interests, exceeds the greater of:

(A) five percent (5%) of the credit union's unimpaired capital and surplus; or

(B) twenty-five thousand dollars ($25,000);

unless the loan is first approved by the credit union's board of directors.

(5) A credit union may not make a loan under this section to an individual, the individual's immediate family, or the individual's related interests if the amount of the loan, either by itself or when added to the amounts of all other loans made under this section to the individual, the individual's immediate family, or the individual's related interests, exceeds the lending limits set forth in IC 28-7-1-39.

(6) Subject to subsection (b), the total amount of all loans made under this section may not exceed the credit union's unimpaired capital and surplus.

(b) The limits set forth in subsections (a)(4) and (a)(6) do not apply to any of the following:

(1) An extension of credit made under a line of credit approved under subsection (a)(4) if the extension of credit is made not later than fourteen (14) months after the line of credit was approved.

(2) A loan, in any amount, to finance the education of an individual's child.

(3) A loan, in any amount, to finance or refinance the purchase, construction, maintenance, or improvement of a residence of the individual, if:

(A) the loan is secured by a first lien on the residence and the residence is owned, or will be owned after the loan is made, by the individual; and

(B) in the case of a refinancing, the loan includes only the amount used to repay the original loan, plus any closing costs and any additional amount used for any purpose described in this subdivision.

(4) A loan, in any amount, secured by a perfected security interest in bonds, notes, certificates of indebtedness, or
treasury bills of the United States or in other obligations fully
guaranteed as to principal and interest by the United States.
(5) A loan, in any amount, secured by a perfected security
interest in a segregated deposit account in the lending credit
union.
(6) A loan made to an individual, the individual's immediate
family, or the individual's related interests, for any other
purpose, if the total amount of loans to the individual, the
individual's immediate family, or the individual's related
interests under this section does not exceed, at any given time,
the greater of:
   (A) two and one-half percent (2.5%) of the credit union's
       unimpaired capital and unimpaired surplus; or
   (B) twenty-five thousand dollars ($25,000);
       but in no event more than one hundred thousand dollars
       ($100,000).
(c) At least quarterly, the president or manager shall prepare
and deliver to the board of directors a report listing the
outstanding indebtedness of all officers, directors, and committee
members. A report prepared under this subsection must be
retained at the credit union for three (3) years and shall not be filed
with the department unless specifically requested. A report
required by this subsection must include:
(1) the amount of each indebtedness; and
(2) a description of the terms and conditions of each loan,
including:
   (A) the interest rate;
   (B) the original amount and date of the loan;
   (C) the maturity date;
   (D) payment terms;
   (E) security, if any; and
   (F) any unusual term or condition of a particular extension
      of credit.
(d) The department may apply the provisions of 12 CFR 215
(Regulation O) in applying and administering this section.

SECTION 18. IC 28-7-1-39 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 39. (a) As used in this section, "loans and extensions
of credit" includes all direct or indirect advances of funds made to
a member on the basis of:

(1) an obligation of the member to repay the funds; or

(2) a pledge of specific property by or on behalf of the member and from which the funds advanced are repayable.

The term includes any contractual liability of a credit union to advance funds to or on behalf of a member, to the extent specified by the department.

(b) As used in this section, "member" includes an individual, a sole proprietorship, a partnership, a joint venture, an association, a trust, an estate, a business trust, a limited liability company, a corporation, a sovereign government, or an agency, instrumentality, or political subdivision of a sovereign government, or any similar entity or organization.

(c) Except as provided in subsection (e), the total loans and extensions of credit by a credit union to a member outstanding at any given time and not fully secured, as determined in a manner consistent with subsection (d), by collateral with a market value at least equal to the amount of the loan or extension of credit may not exceed fifteen percent (15%) of the unimpaired capital and unimpaired surplus of the credit union.

(d) Except as provided in subsection (e), the total loans and extensions of credit by a credit union to a member outstanding at any given time and fully secured by readily marketable collateral having a market value, as determined by reliable and continuously available price quotations, at least equal to the amount of funds outstanding may not exceed ten percent (10%) of the unimpaired capital and unimpaired surplus of the credit union. The limitation in this subsection is separate from and in addition to the limitation set forth in subsection (c).

(e) The limitations set forth in subsections (c) and (d) are subject to the following exceptions:

(1) Loans or extensions of credit arising from the discount of commercial or business paper evidencing an obligation to the member negotiating it with recourse are not subject to any limitation based on capital and surplus.

(2) The purchase of bankers' acceptances of the kind described in 12 U.S.C. 372 and issued by a financial institution organized or reorganized under the laws of Indiana or any other state or the United States are not subject to any
limitation based on capital and surplus.

(3) Loans or extensions of credit secured by bills of lading, warehouse receipts, or similar documents transferring or securing title to readily marketable staples are subject to a limitation of thirty-five percent (35%) of capital and surplus in addition to the general limitations if the market value of the staples securing each additional loan or extension of credit at all times equals or exceeds one hundred fifteen percent (115%) of the outstanding amount of the loan or extension of credit. The staples shall be fully covered by insurance whenever it is customary to insure such staples.

(4) Loans or extensions of credit secured by bonds, notes, certificates of indebtedness, or Treasury bills of the United States or by any other obligation fully guaranteed as to principal and interest by the United States are not subject to any limitation based on capital and surplus.

(5) Loans or extensions of credit to or secured by unconditional takeout commitment or guarantees of any department, agency, bureau, board, commission, or establishment of the United States or any corporation wholly owned directly or indirectly by the United States are not subject to any limitation based on capital and surplus.

(6) Loans or extensions of credit secured by a segregated deposit account in the lending credit union are not subject to any limitation based on capital and surplus.

(7) Loans or extensions of credit to any credit union, when the loans or extensions of credit are approved by the director of the department, are not subject to any limitation based on capital and surplus.

(8) Loans or extensions of credit to the Student Loan Marketing Association are not subject to any limitation based on capital and surplus.

(f) Loans or extensions of credit arising from the discount of negotiable or nonnegotiable installment consumer paper that carries a full recourse endorsement or unconditional guarantee by the member transferring the paper is subject under this section to a maximum limitation equal to twenty-five percent (25%) of the capital and surplus, notwithstanding the collateral requirements set forth in subsection (d).
(g) If the credit union's files or the knowledge of the credit union's officers of the financial condition of each maker of consumer paper described in subsection (f) is reasonably adequate, and an officer of the credit union designated for that purpose by the board of directors of the credit union certifies in writing that the credit union is relying primarily upon the responsibility of each maker for payment of the loans or extensions of credit and not upon any full or partial recourse endorsement or guarantee by the transferor, the limitations of this section as to the loans or extensions of credit of each maker shall be the sole applicable loan limitations.

(h) Loans or extensions of credit secured by shipping documents or instruments transferring or securing title covering livestock or giving a lien on livestock when the market value of the livestock securing the obligation is not at any time less than one hundred fifteen percent (115%) of the face amount of the note covered are subject under this section, notwithstanding the collateral requirements set forth in subsection (d), to a maximum limitation equal to twenty-five percent (25%) of the capital and surplus.

(i) Loans or extensions of credit that arise from the discount by dealers in dairy cattle of paper given in payment for dairy cattle, which paper carries a full recourse endorsement or unconditional guarantee of the seller and that are secured by the cattle being sold, are subject under this section, notwithstanding the collateral requirements set forth in subsection (d), to a limitation of twenty-five percent (25%) of the capital and surplus.

(j) Except as otherwise provided, an officer, director, employee, or attorney of a credit union who stipulates for, receives, or consents or agrees to receive, any fee, commission, gift, or thing of value, from any person, for the purpose of procuring or endeavoring to procure for any member any loan from or the purchase or discount of any paper, note, draft, check, or bill of exchange by the credit union, commits a Class A misdemeanor.

(k) Except as otherwise provided in this chapter, any credit union that holds obligations of indebtedness in violation of the limitations prescribed in this section shall, not later than July 1, 2006, cause the amount of the obligations to conform to the limitations prescribed by this chapter and by the provisions of this section. The department may, in its discretion, extend the time for
effecting this conformity, in individual instances, if the interests of
the depositors will be protected and served by an extension. Upon
the failure of a credit union to comply with the limitations, in
accordance with this section or in accordance with any order of the
department concerning the limitations, the department may
declare that the credit union is conducting its business in an
unauthorized or unsafe manner and proceed in accordance with
IC 28-1-3.1-2.

(l) The department may apply the provisions of 12 CFR 32 in
the application and administration of this chapter.

SECTION 19. IC 28-10-1-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. A reference to
a federal law or federal regulation in IC 28 is a reference to the law or

SECTION 20. IC 28-11-2-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The director, on
behalf of the department, shall employ qualified individuals as
assistants, deputies, supervisors, and other necessary employees. The
technical or professional qualification of an applicant shall be
determined by examination, by professional rating, or as the director
determines. The director may retain the services of a qualified
independent contractor to assist the department in the examination
process under this article. Contracts executed under this section
must comply with state contracting laws and the contracting
policies and procedures of the Indiana department of
administration.

SECTION 21. IC 28-11-3-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) As used in this
section:

(1) "federally chartered" means an entity organized or reorganized
under the law of the United States; and

(2) "state chartered" means an entity organized or reorganized
under the law of Indiana or another state.

(b) If the department determines that federal law has preempted a
provision of IC 24, IC 26, IC 28, IC 29, or IC 30, the provision of
IC 24, IC 26, IC 28, IC 29, or IC 30 applies to a state chartered entity
only to the same extent that the department determines the provision is
applicable to the:
(1) same; or
(2) functionally equivalent;
type of federally chartered entity.

(c) A state chartered entity seeking an exemption from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 based on the preemption of the provision as applied to a federally chartered entity shall submit a letter to the department:

(1) describing in detail; and
(2) documenting the federal preemption of;
the provisions from which it seeks exemption. If available, copies of relevant federal law, regulations, and interpretive letters must be attached to the letter submitted by the requesting entity.

(d) The department shall notify the requesting entity within of the department’s receipt of the request not later than ten (10) business days after the department’s receipt of a letter described in subsection (c). Except as provided in subsection (e), upon receipt of the notification, the requesting entity may operate as if it is exempt from the provision of IC 24, IC 26, IC 28, IC 29, or IC 30 for ninety (90) days after the date on which the department receives the letter, unless otherwise notified by the department. This period may be extended for an additional ninety (90) days if the department determines that the requesting entity’s letter raises issues requiring additional information or additional time for analysis. If the department extends the period for the department's review of the request, the requesting entity may operate as if the requesting entity is exempt from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 during the extended period of review only if the requesting entity receives prior written approval from the department. However:

(1) the department must:
   (A) approve or deny the requested exemption; or
   (B) convene a hearing;
   not later than ninety (90) days after the department receives the requesting entity's letter, unless the department has extended the period for the department's review under this subsection; and
(2) if a hearing is convened, the department must approve or deny the requested exemption not later than ninety (90) days after the hearing is concluded.
(e) The department may refuse to exempt a requesting entity from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 if the department finds that any of the following conditions apply:

1. The department determines that a described provision of IC 24, IC 26, IC 28, IC 29, or IC 30 is not preempted for a federally chartered entity of the:
   - (A) same; or
   - (B) functionally equivalent; type.

2. The extension of the federal preemption in the form of an exemption from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 to the requesting entity would:
   - (A) adversely affect the safety and soundness of the requesting entity; or
   - (B) result in an unacceptable curtailment of consumer protection provisions.

3. The failure of the department to provide for the exemption from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 will not result in a competitive disadvantage to the requesting entity.

(f) The operation of a financial institution in a manner consistent with exemption from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 under this section is not a violation of any provision of the Indiana Code or rules adopted under IC 4-22-2.

(g) If a financial institution is exempted from the provisions of IC 24, IC 26, IC 28, IC 29, or IC 30 in compliance with this section, the department shall do the following:

1. Determine whether the exemption shall apply to all financial institutions that, in the opinion of the department, possess a charter that is:
   - (A) the same as; or
   - (B) functionally the equivalent of;
the charter of the exempt institution.

2. For purposes of the determination required under subdivision (1), ensure that applying the exemption to the financial institutions described in subdivision (1) will not:
   - (A) adversely affect the safety and soundness of the financial institutions; or
   - (B) unduly constrain Indiana consumer protection provisions.
(3) Issue an order published in the Indiana Register that specifies whether the exemption applies to the financial institutions described in subdivision (1).

(h) If the department denies the request of a financial institution under this section for exemption from Indiana Code provisions that are preempted for federally chartered institutions, the requesting institution may appeal the decision of the department to the circuit court of the county in which the principal office of the requesting institution is located.

(i) If the department determines that federal law has preempted a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 as the provision applies to an operating subsidiary of a federally chartered entity, the provision of IC 24, IC 26, IC 28, IC 29, or IC 30 applies to a qualifying subsidiary (as defined in IC 28-13-16-1) of a state chartered entity only to the same extent that the department determines the provision applies to the operating subsidiary of:

(1) the same; or

(2) the functionally equivalent type of federally chartered entity. In determining whether to extend the exemption from a provision of IC 24, IC 26, IC 28, IC 29, or IC 30 to a qualifying subsidiary (as defined in IC 28-13-16-1) of a state chartered entity under this subsection, the department shall use the procedures and undertake the considerations described in this section for a preemption determination with respect to a state chartered entity.

SECTION 22. IC 28-11-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. If the director has reasonable cause to believe that a financial institution:

(1) has engaged, is engaging, or will engage in an unsafe or unsound practice in conducting the business of the financial institution; or

(2) has violated, is violating, or will violate a:

(A) statute;

(B) rule;

(C) condition imposed in writing by the director in connection with the granting of an application or other request by the financial institution; or

(D) written agreement entered into with the department;
the director may issue and serve upon the financial institution a notice of charges of the practice or violation. The department may, when appropriate, exercise enforcement powers under this chapter jointly with a financial institution's primary federal regulator.

SECTION 23. IC 28-11-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. If the director of the department enters into a consent to a final order under section 7 of this chapter with a financial institution, director, officer, or employee, the director is not required to issue and serve a notice of charges upon the financial institution, director, or officer under section 2 or 3 of this chapter. A consent agreement may be negotiated and entered into before or after the issuance of a notice of charges.

SECTION 24. IC 28-12-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The articles of incorporation must set forth the following:

(1) A corporate name for the corporation that satisfies the requirements of IC 28-12-3.
(2) The number of shares the corporation is authorized to issue.
(3) The street address of the corporation's principal office in Indiana.
(4) The name and address of each incorporator, unless the articles of incorporation are articles of conversion or articles of restatement under IC 28-13-14-14.
(5) The amount of capital with which the corporation will begin business.
(6) The names and addresses of the individuals who are to serve as the initial directors.
(7) The maximum number of directors.
(8) The purpose or purposes for which the corporation is organized.
(9) The effective date of the articles of incorporation.

SECTION 25. IC 28-13-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Unless the articles of incorporation provide otherwise, if a vacancy occurs on a board of directors, including a vacancy resulting from an increase in the number of directors:

(1) the board of directors may fill the vacancy; or
(2) if the directors remaining in office constitute fewer than a
quorum of the board, the directors may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

(b) If the vacant office was held by a director elected by a voting group of shareholders, only the holders of shares of that voting group are entitled to vote to fill the vacancy if it is filled by the shareholders.

(c) A vacancy that will occur at a specific later date by reason of a resignation effective at a later date under section 7(b) of this chapter or otherwise may be filled before the vacancy occurs. However, the new director may not take office until the vacancy occurs.

(d) If a vacancy is not filled through a corporation's normal process for filing vacancies within a time considered reasonable by the department, the director of the department may make a temporary appointment to the board of directors to fill the vacancy. The director of the department shall appoint a person whom the director considers capable of providing competent leadership and decision making ability. A person appointed to a board of directors under this subsection shall serve on the board until the corporation fills the position through the corporation's normal process for filing vacancies on the board. However, a person appointed to a board of directors by the director of the department under this subsection may not serve on the board for more than two (2) years, unless the person is selected to fill the vacancy through the corporation's normal process for filling vacancies. For purposes of this subsection, in determining whether a corporation has had a reasonable period in which to fill a vacancy, the department shall consider the following:

(1) The financial condition of the corporation.
(2) The number of remaining board members.
(3) The likelihood the board of directors will be able to establish a quorum for the transaction of business.
(4) The potential harm to the corporation that could result without an appointment under this subsection.

SECTION 26. IC 28-13-14-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) A corporation's board of directors or, if the board of directors has not been selected, the incorporators may restate the corporation's articles of incorporation at any time with or without shareholder action.
(b) The restatement may include at least one (1) amendment to the articles. If the restatement includes an amendment requiring shareholder approval, the amendment must be adopted as provided in sections 3 through 7 of this chapter.

(c) If the board of directors submits a restatement for shareholder action, the corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders’ meeting in accordance with IC 28-13-5-8. The notice must also do the following:

(1) State that the purpose or one (1) of the purposes of the meeting is to consider the proposed restatement.

(2) Contain or be accompanied by a copy of the restatement that identifies any amendment or other change the corporation would make in the articles.

(d) A corporation restating the corporation's articles of incorporation shall prepare articles of restatement setting forth the name of the corporation and the text of the restated articles of incorporation together with a certificate setting forth:

(1) whether the restatement contains an amendment to the articles requiring shareholder approval and, if the restatement does not, that the board of directors adopted the restatement; or

(2) if the restatement contains an amendment to the articles requiring shareholder approval, the information required by section 10 of this chapter.

Notwithstanding IC 28-12-2-1(4), the corporation is not required to include in the articles of restatement the name and address of each incorporator.

(e) The following do not constitute an amendment to a corporation's articles of incorporation:

(1) A reordering or renumbering of the articles or sections of the articles.

(2) The correction of grammatical or spelling errors.

SECTION 27. IC 30-2-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 16. Payroll Savings Plan Administration

Sec. 1. As used in this chapter, "participant" means an individual who has accumulated a balance of funds with a payroll savings plan administrator through a payroll savings plan.
Sec. 2. As used in this chapter, "payroll savings plan" means a method provided by an employer to the employer's employees for the voluntary purchase of United States savings bonds on a regular schedule through the designation of an amount to be deducted each pay period until a sufficient amount accumulates to pay the purchase price of at least one (1) United States savings bond.

Sec. 3. As used in this chapter, "payroll savings plan administrator" means an organization that:

(1) has been qualified by the Federal Reserve Bank or the Bureau of the Public Debt under 31 CFR Part 317 to sell United States savings bonds; and

(2) operates payroll savings plans on behalf of employers for the purchase of United States savings bonds.

Sec. 4. As used in this chapter, "static balance" means an amount held by a payroll savings plan administrator for a participant who:

(1) is not making allotments of payroll deductions to the payroll savings plan administrator; but

(2) has not terminated the individual's directions to the participant's employer or the employer's payroll savings plan administrator to purchase United States savings bonds for the individual when a sufficient balance accumulates to pay the purchase price.

Sec. 5. Subject to this chapter, a payroll savings plan administrator is entitled to reimbursement from a static balance for reasonable expenses incurred in the performance of static balance administration services beginning with the year after the participant ceases to make allotments of payroll deductions to the payroll savings plan administrator.

Sec. 6. Section 5 of this chapter applies only to an account in which the static balance does not exceed fifty dollars ($50).

Sec. 7. Section 5 of this chapter does not apply to accounts containing a static balance that would otherwise be reported to the state under IC 32-34-1-26 as Indiana property.

Sec. 8. The maximum charge that may be imposed on an account with a static balance is one dollar ($1) per month.

SECTION 28. IC 32-17-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. As used in this chapter, "security account" means:
(1) a reinvestment account associated with a security, a securities account with a broker, a cash balance in a brokerage account, cash, interest, earnings, or dividends earned or declared on a security in an account, a reinvestment account, or a brokerage account, whether or not credited to the account before the owner's death; or

(2) an investment management account or custody account with a corporate fiduciary or with a bank, savings bank, or savings association with trust powers, including securities in the account, a cash balance in the account, and cash, cash equivalents, interest, earnings, or dividends earned or declared on a security in the account, whether or not credited to the account before the owner's death; or

(3) a cash balance or other property held for or due to the owner of a security as a replacement for or product of an account security, regardless of whether the cash was credited to the account before the owner's death.

SECTION 29. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the department of financial institutions established by IC 28-11-1-1.

(b) The department shall, in consultation with appropriate industry associations and other interested parties, consider appropriate language for proposed legislation intended to modernize IC 28 to incorporate provisions concerning emerging technology and electronic banking.

(c) Not later than November 1, 2005, the department shall submit to the general assembly a report that:

(1) includes recommendations for proposed legislation concerning electronic banking in Indiana; and

(2) is based on the department's consultations under subsection (b).

A report submitted under this subsection must be in an electronic format under IC 5-14-6.

(d) This SECTION expires January 1, 2006.

SECTION 30. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 10-13-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The superintendent may establish a data base of DNA identification records of:

1. convicted criminals;
2. crime scene specimens;
3. unidentified missing persons; and
4. close biological relatives of missing persons.

(b) The superintendent shall maintain the Indiana DNA data base.

(c) The superintendent may contract for services to perform DNA analysis of convicted offenders under section 10 of this chapter to assist federal, state, and local criminal justice and law enforcement agencies in the putative identification, detection, or exclusion of individuals who are subjects of an investigation or prosecution of a sex offense, a violent crime, or another crime in which biological evidence is recovered from the crime scene.

(d) The superintendent:

1. may perform or contract for performance of testing, typing, or analysis of a DNA sample collected from a person described in section 10 of this chapter at any time; and
2. shall perform or contract for the performance of testing, typing, or analysis of a DNA sample collected from a person described in section 10 of this chapter if federal funds become available for the performance of DNA testing, typing, or analysis.

(e) The superintendent shall adopt rules under IC 4-22-2 necessary to administer and enforce the provisions and intent of this chapter.
(f) The detention, arrest, or conviction of a person based on a data base match or data base information is not invalidated if a court determines that the DNA sample was obtained or placed in the Indiana DNA data base by mistake.

SECTION 2. IC 10-13-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. (a) This section applies to the following:

(1) A person convicted of a felony under IC 35-42 (offenses against the person) or IC 35-43-2-1 (burglary); or IC 35-42-4-6 (child solicitation):
   (A) after June 30, 1996, whether or not the person is sentenced to a term of imprisonment; and or
   (B) before July 1, 1996, if the person is held in jail or prison on or after July 1, 1996.

(2) A person convicted of a criminal law in effect before October 1, 1977, that penalized an act substantially similar to a felony described in IC 35-42 or IC 35-43-2-1 or that would have been an included offense of a felony described in IC 35-42 or IC 35-43-2-1 if the felony had been in effect:
   (A) after June 30, 1998, whether or not the person is sentenced to a term of imprisonment; and or
   (B) before July 1, 1998, if the person is held in jail or prison on or after July 1, 1998.

(3) A person convicted of a felony, conspiracy to commit a felony, or attempt to commit a felony:
   (A) after June 30, 2005, whether or not the person is sentenced to a term of imprisonment; or
   (B) before July 1, 2005, if the person is held in jail or prison on or after July 1, 2005.

(b) A person described in subsection (a) shall provide a DNA sample to the:

(1) department of correction or the designee of the department of correction if the offender is committed to the department of correction; or
(2) county sheriff or the designee of the county sheriff if the offender is held in a county jail or other county penal facility, placed in a community corrections program (as defined in IC 35-38-2.6-2), or placed on probation.
A convicted person is not required to submit a blood sample if doing so would present a substantial and an unreasonable risk to the person’s health.

(c) The detention, arrest, or conviction of a person based on a data base match or data base information is not invalidated if a court determines that the DNA sample was obtained or placed in the Indiana DNA data base by mistake.
(1) enters a motor vehicle knowing that the person does not have the permission of an owner, a lessee, or an authorized operator of the motor vehicle to enter the motor vehicle; and (2) does not have a contractual interest in the motor vehicle; commits unauthorized entry of a motor vehicle, a Class B misdemeanor.

(e) The offense under subsection (d) is:

(1) a Class A misdemeanor if the motor vehicle has visible steering column damage or ignition switch alteration as a result of an act described in subsection (d)(1); or
(2) a Class D felony if a person occupies the motor vehicle while the motor vehicle is used to further the commission of a crime, if the person knew or should have known that a person intended to use the motor vehicle in the commission of a crime.

(f) It is a defense to a prosecution under this section that the accused person reasonably believed that the person's entry into the vehicle was necessary to prevent bodily injury or property damage.

(g) There is a rebuttable presumption that the person did not have the permission of an owner, a lessee, or an authorized operator of the motor vehicle to enter the motor vehicle if the motor vehicle has visible steering column damage or ignition switch alteration.

SECTION 2. IC 35-43-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person who knowingly or intentionally exerts unauthorized control over property of another person commits criminal conversion, a Class A misdemeanor.

(b) The offense under subsection (a) is a Class D felony if committed by a person who exerts unauthorized control over the motor vehicle of another person with the intent to use the motor vehicle to assist the person in the commission of a crime.

(c) The offense under subsection (a) is a Class C felony if:

(1) committed by a person who exerts unauthorized control over the motor vehicle of another person; and
(2) the person uses the motor vehicle to assist the person in the commission of a felony.

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 35-43-4-2.7, as added by this act, and IC 35-43-4-3, as amended by this act, apply to offenses committed after June 30, 2005.
AN ACT to amend the Indiana Code concerning state offices and administration.

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

SECTION 1. IC 4-13-2-14.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.8. (a) Notwithstanding any other law, rule, or custom, but subject to subsections (c) and (d), a person who has a contract with the state or submits invoices to the state for payment shall authorize in writing the direct deposit by electronic funds transfer of all payments by the state to the person. The person's written authorization must designate a financial institution and an account number to which all payments are to be credited.

(b) After obtaining the authorization required by subsection (a), the auditor of state shall deposit a payment to the person in the financial institution and account designated by the person each time a payment is made to the person.

(c) A person who does not wish to have payments to the person deposited by electronic funds transfer may request the auditor of state to grant a waiver of the requirement of subsection (a). The person must:

(1) state the reason for requesting the waiver; and
(2) sign and verify the waiver form.

(d) The auditor of state may grant a person's request for a waiver for any of the following reasons:

(1) The person does not currently have a savings or checking account and is unable to establish such an account within the geographic area of the person's primary business location without payment of a service fee. The person must submit with the waiver request a written statement by the person's financial institution of the person's inability to establish an account without the payment of a fee.
(2) The person's primary business location is too remote to have access to a financial institution where a direct deposit can be made.

(3) The person's financial institution is unable to accept an electronic deposit or withdrawal. The person must submit with the waiver request a written statement by the person's financial institution that the financial institution is unable to accept an electronic deposit or withdrawal.

(4) The auditor of state determines that the facts of the particular case warrant a waiver of the requirement of subsection (a).

The auditor of state shall establish a waiver form consistent with this subsection.

(e) A contract entered into by the state must contain a provision under which the person contracting with the state specifically authorizes the auditor of state to make all payments to the person by direct deposit by electronic funds transfer, subject to the waiver provisions of subsection (d).

(f) Notwithstanding any other law, rule, or custom, a payment to a person by the state under this section discharges only the state's obligation to that person to the extent of the amount of the payment tendered, and does not constitute a settlement, reduction, release, or compromise of the state's obligation to the person.

SECTION 2. [EFFECTIVE JULY 1, 2005] (a) This SECTION applies to a person who entered into a contract with the state before July 1, 2005.

(b) Notwithstanding IC 4-13-2-14.8, as added by this act, a person must do either of the following not later than June 30, 2006:

(1) Authorize in writing the direct deposit by electronic funds transfer of all payments from the state to the person as required by IC 4-13-2-14.8, as added by this act.

(2) Request the auditor of state to grant a waiver of the requirement for direct deposit by electronic funds transfer of all payments to the person, as provided in IC 4-13-2-14.8, as added by this act.

(c) This SECTION expires January 1, 2007.
AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 12-15-11.5-3.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE DECEMBER 30, 2004 (RETROACTIVE)]: Sec. 3.1. (a) The office or the office's managed care contractor may not provide incentives or mandates to the primary medical provider to direct individuals described in section 2 of this chapter to contracted hospitals other than a hospital in a city where the patient resides.

(b) The prohibition in subsection (a) includes methodologies that operate to lessen a primary medical provider's payment due to the provider's referral of an individual described in section 2 of this chapter to the hospital in the city where the individual resides.

(c) If a hospital's reimbursement for nonemergency services that are provided to an individual described in section 2 of this chapter is established by:

(1) statute; or

(2) an agreement between the hospital and the individual's managed care contractor;

the hospital may not decline to provide nonemergency services to the individual on the basis that the individual is enrolled in the Medicaid risk based program.

(d) A hospital that provides services to individuals described in section 2 of this chapter shall comply with eligibility verification and medical management programs negotiated under the hospital's most recent contract or agreement with the office's managed care contractor.

(e) Notwithstanding subsection (a), this section does not prohibit the office or the office's managed care contractor from directing individuals described in section 2 of this chapter to a hospital other than a hospital in a city where the patient resides if both of the
following conditions exist:

(1) The patient is directed to a hospital other than a hospital in a city where the patient resides for the purpose of receiving medically necessary services.

(2) The type of medically necessary services to be received by the patient cannot be obtained in a hospital in a city where the patient resides.

(f) Actions taken after December 31, 2004, and before April 1, 2006, in accordance with this section are hereby declared legal and valid, as if IC 12-15-11.5-3 had not expired.

(g) This section expires April 1, 2006.

SECTION 2. IC 12-15-11.5-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE DECEMBER 30, 2004 (RETROACTIVE)]: Sec. 4.2. (a) A hospital that:

(1) does not have a contract in effect with the office's managed care contractor; but

(2) previously contracted or entered into an agreement with the office's managed care contractor for the provision of services under the office's managed care program;

shall be reimbursed for services provided to individuals described in section 2 of this chapter at rates equivalent to the rates negotiated under the hospital's most recent contract or agreement with the office's managed care contractor, as adjusted for inflation by the inflation adjustment factor described in subsection (b). However, the adjusted rates may not exceed the established Medicaid rates paid to Medicaid providers who are not contracted providers in the office's managed health care services program.

(b) For each state fiscal year beginning after June 30, 2001, an inflation adjustment factor shall be applied under subsection (a) that is the average of the percentage increase in the medical care component of the Consumer Price Index for all Urban Consumers and the percentage increase in the Consumer Price Index for all Urban Consumers, as published by the United States Bureau of Labor Statistics, for the twelve (12) month period ending in March preceding the beginning of the state fiscal year.

(c) Actions taken after December 31, 2004, and before April 1, 2006, in accordance with this section are hereby declared legalized and valid, as if IC 12-15-11.5-4.1 had not expired.
(d) This section expires April 1, 2006.

SECTION 3. IC 12-16-2.5-6.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 6.3. For purposes of this article, the following definitions apply to the hospital care for the indigent program:

(1) "Assistance" means the satisfaction of a person's financial obligation under IC 12-16-7.5-1.2 for hospital items or services, physician services, or transportation services provided to the person.
(2) "Claim" means a statement filed with the division by a hospital, physician, or transportation provider that identifies the health care items or services the hospital, physician, or transportation provider rendered to a person for whom an application under IC 12-16-4.5 has been filed with the division.
(3) "Eligible" or "eligibility", when used in regard to a person for whom an application under IC 12-16-4.5 has been filed with the division, means the extent to which:
   (A) the person, for purposes of the application, satisfies the income and resource standards established under IC 12-16-3.5; and
   (B) the person's medical condition, for purposes of the application, satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3).

SECTION 4. IC 12-16-2.5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) Notwithstanding IC 12-16-4.5, IC 12-16-5.5, and IC 12-16-6.5, except for the functions provided for under IC 12-16-4.5-3, IC 12-16-4.5-4, IC 12-16-6.5-3, IC 12-16-6.5-4, IC 12-16-6.5-7 and the payment of funds, the division may enter into a written agreement with a hospital licensed under IC 16-21 for the hospital's performance of one (1) or more of the functions of the division or a county office under IC 12-16-4.5, IC 12-16-5.5, and IC 12-16-6.5. Under an agreement between the division and a hospital:
   (1) if the hospital is authorized to determine:
(A) if a person meets the income and resource requirements established under IC 12-16-3.5;
(B) if the person’s medical condition satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
(C) if the health care items or services received by the person were necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or were a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);
the determinations must be limited to persons receiving care at the hospital;
(2) the agreement must state whether the hospital is authorized to make determinations regarding physician services or transportation services provided to a person;
(3) the agreement must state the extent to which the functions performed by the hospital include the provision of the notices required under IC 12-16-5.5 and IC 12-16-6.5;
(4) the agreement may not limit the hearing and appeal process available to persons, physicians, transportation providers, or other hospitals under IC 12-16-6.5;
(5) the agreement must state how determinations made by the hospital will be communicated to the division for purposes of the attributions and calculations under IC 12-15-15-9, IC 12-15-15-9.5, IC 12-16-7.5, and IC 12-16-14; and
(6) the agreement must state how the accuracy of the hospital’s determinations will be reviewed.

(b) A hospital, its employees, and its agents are immune from civil or criminal liability arising from their good faith implementation and administration of the agreement between the division and the hospital under this section.

SECTION 5. IC 12-16-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 1. (a) An Indiana resident who meets the income and resource standards established by the division under section 3 of this chapter is eligible for assistance to pay for any part of the cost of satisfy the resident’s
financial obligation for care provided to the resident in a hospital in Indiana that was necessitated after the onset of a medical condition that was manifested by symptoms of sufficient severity that the absence of immediate medical attention would probably result in any of the following:

1. Placing the individual's life in jeopardy.
2. Serious impairment to bodily functions.
3. Serious dysfunction of a bodily organ or part.

(b) A qualified resident is also eligible for assistance to pay satisfy the resident's financial obligation for the part of the cost of care that is a direct consequence of the medical condition that necessitated the emergency care.

SECTION 6. IC 12-16-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 2.

(a) An individual who is not an Indiana resident is eligible for assistance to pay satisfy the individual's financial obligation for the part of the cost of care provided to the individual in a hospital in Indiana that was necessitated after the onset of a medical condition that was manifested by symptoms of sufficient severity that the absence of immediate medical attention would probably result in any of the following:

1. Placing the individual's life in jeopardy.
2. Serious impairment to bodily functions.
3. Serious dysfunction of any bodily organ or part.

(b) An individual is eligible for assistance under subsection (a) only if the following qualifications exist:

1. The individual meets the income and resource standards established by the division under section 3 of this chapter.
2. The onset of the medical condition that necessitated medical attention occurred in Indiana.

SECTION 7. IC 12-16-3.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.

(a) The division shall adopt rules under IC 4-22-2 to establish income and resource eligibility standards for patients whose care is to be paid under the hospital care for the indigent program.

(b) To the extent possible and subject to this article, rules adopted under this section must meet the following conditions:

(2) Be adjusted at least one (1) time every two (2) years.

(c) The income and eligibility standards established under this section do not include any spend down provisions available under IC 12-15-21-2 or IC 12-15-21-3.

(d) In addition to the conditions imposed under subsection (b), rules adopted under this section must exclude a Holocaust victim's settlement payment received by an eligible individual from the income and eligibility standards for patients whose care is to be paid for under the hospital care for the indigent program.

SECTION 8. IC 12-16-4.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) To receive payment from the division for the care provided to an assistance under the hospital care for the indigent person program under this article, a hospital, a physician, a transportation provider, the person, or the person's representative must file an application regarding the person with the division.

(b) Upon receipt of an application under subsection (a), the division shall determine whether the person is a resident of Indiana and, if so, the person's county of residence. If the person is a resident of Indiana, the division shall provide a copy of the application to the county office of the person's county of residence. If the person is not a resident of Indiana, the division shall provide a copy of the application to the county office of the county where the onset of the medical condition that necessitated the care occurred. If the division cannot determine whether the person is a resident of Indiana or, if the person is a resident of Indiana, the person's county of residence, the division shall provide a copy of the application to the county office of the county where the onset of the medical condition that necessitated the care occurred.

(c) A county office that receives a request from the division shall cooperate with the division in determining whether a person is a resident of Indiana and, if the person is a resident of Indiana, the person's county of residence.

SECTION 9. IC 12-16-4.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. A hospital, physician, or transportation provider must file the application with the division not more than thirty (30) forty-five (45) days after the person has been admitted to, or otherwise provided care by, released or discharged from the hospital, unless the person is medically unable
and the next of kin or legal representative is unavailable.

SECTION 10. IC 12-16-4.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Subject to this article, the division shall adopt rules under IC 4-22-2 prescribing the following:

(1) The form of an application.

(2) The establishment of procedures for applications.

(3) The time for submitting and processing claims.

SECTION 11. IC 12-16-4.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person or a person's representative may file an application directly with the division if the application is filed not more than thirty (30) forty-five (45) days after the person was admitted to, or provided care by, has been released or discharged from the hospital.

(b) Reimbursement for the costs incurred in providing care to an eligible person may only be made to the providers of the care.

SECTION 12. IC 12-16-4.5-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. A claim for hospital items or services, physician services, or transportation services must be filed with the division not more than one hundred eighty (180) days after the person who received the care has been released or discharged from the hospital. For good cause as determined by the division, this one hundred eighty (180) day limit may be extended or waived for a claim.

SECTION 13. IC 12-16-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The division shall, upon receipt of an application of or for a person who was admitted to, or who was otherwise provided care by a hospital, promptly investigate to determine the person's eligibility under the hospital care for the indigent program. The division shall consider the following information obtained by the hospital regarding the person:

(1) Income.

(2) Resources.

(3) Place of residence.

(4) Medical condition.

(5) Hospital care.
(6) Physician care.

(7) Transportation to and from the hospital.
The division may rely on the hospital's information in determining
the person's eligibility under the program.

(b) The division may choose not to interview the person if, based
on the information provided to the division, the division determines
that it appears that the person is eligible for the program. If the
division determines that an interview of the person is necessary,
the division shall allow the interview to occur by telephone with the
person or with the person's representative if the person is not able
to participate in the interview.

(c) The county office located in:
   (1) the county where the person is a resident; or
   (2) the county where the onset of the medical condition that
       necessitated the care occurred if the person's Indiana residency or
       Indiana county of residence cannot be determined;
shall cooperate with the division in determining the person's eligibility
under the program.

SECTION 14. IC 12-16-5.5-1.2 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) The division shall,
upon receipt of a claim pertaining to a person:
   (1) who was admitted to, or who was otherwise provided care
       by, a hospital; and
   (2) whose medical condition satisfies one (1) or more of the
       medical conditions identified in IC 12-16-3.5-1(a)(1) through
       IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through
       IC 12-16-3.5-2(a)(3);
promptly review the claim to determine if the health care items or
services identified in the claim were necessitated by the person's
medical condition or, if applicable, if the items or services were a
direct consequence of the person's medical condition.

(b) In conducting the review of a claim referenced in subsection
(a), the division shall calculate the amount of the claim. For
purposes of this section, IC 12-15-15-9, IC 12-15-15-9.5,
IC 12-16-6.5, and IC 12-16-7.5, the amount of a claim shall be
calculated in a manner described in IC 12-16-7.5-2.5(c).

SECTION 15. IC 12-16-5.5-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Subject to subsection (b) and IC 12-16-6.5-1.5, if the division is unable after prompt and diligent efforts to verify information contained in the application that is reasonably necessary to determine eligibility, the division may deny assistance under the hospital care for the indigent program. The pending expiration of the period specified in IC 12-16-6.5-1.5 is not a valid reason for denying a person's eligibility for the hospital care for the indigent program.

(b) Before denying assistance under the hospital care for the indigent program, the division must provide the person, and the hospital, and any other provider who submitted a claim under IC 12-16-4.5-8.5 written notice of:

1. the specific information or verification needed to determine eligibility;

2. the date on which the application will be denied if the information or verification is not provided within ten (10) days after the date of the notice;

3. the specific efforts undertaken to obtain the information or verification;

4. the statute or rule requiring the information or verification identified under subdivision (1).

(c) The division must provide the hospital and any other provider who submitted a claim under IC 12-16-4.5-8.5 a period of time, not less than ten (10) days beyond the deadline established under IC 12-16-6.5-1.5, to submit to the division information concerning the person's eligibility. If the division does not make a determination of the person's eligibility within ten (10) days after receiving the information under this subsection, the person is eligible without the division's determination of the person's eligibility for the hospital care for the indigent care program under this article.

SECTION 16. IC 12-16-5.5-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.2. (a) Subject to subsection (b) and IC 12-16-6.5-1.7, if the division is unable after prompt and diligent efforts to determine that a health care item or service identified in a claim:

1. was necessitated by one (1) or more of the medical
conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
(2) was a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);
the division may deny assistance to the person under the hospital care for the indigent program for that item or service. The pending expiration of the period specified in IC 12-16-6.5-1.7 is not a valid reason for determining that an item or a service was not necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or was not a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) Before denying assistance under the hospital care for the indigent program for an item or a service described in subsection (a), the division must provide the provider of the item or service written notice of:

(1) the specific item or service in question; and
(2) an explanation of the basis for the division's inability to determine that the health care item or service was:
   (A) necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
   (B) a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);
including, if applicable, an explanation of the basis for a conclusion by the division that an item or service, in fact, was not necessitated by, or, as applicable, not a direct consequence of, one (1) or more of such medical conditions.

(c) The division must grant the provider of the item or service a period of time, not less than ten (10) days beyond the deadline under IC 12-16-6.5-1.7, to submit to the division information or materials bearing on whether the item or service was necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or
IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or was a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3). If the division does not make its determination regarding the item or service within ten (10) days after receiving information or materials provided for in this section, the item or service is considered, without the division's determination, to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or to have been a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

SECTION 17. IC 12-16-6.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. If the division determines that a person is not eligible for payment of assistance for medical care, hospital care, or transportation services, an affected person, physician, hospital, or transportation provider may appeal to the division not later than ninety (90) days after the mailing of notice of that determination to the affected person, physician, hospital, or transportation provider at the last known address of the person, physician, hospital, or transportation provider.

SECTION 18. IC 12-16-6.5-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) If the division determines that an item or service identified in a claim:

(1) was not necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(2) was not a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

the affected person, physician, hospital, and transportation provider may appeal to the division not later than ninety (90) days after the mailing of the notice of that determination to the affected person, physician, hospital, or transportation provider to the last known address of the person, physician, hospital, or transportation provider.
(b) If the division determines that an item or service identified in a claim:

(1) was necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(2) was a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

but the affected physician, hospital, or transportation provider disagrees with the amount of the claim calculated by the division under IC 12-16-5.5-1.2(b), the affected physician, hospital, or transportation provider may appeal the calculation to the division not later than ninety (90) days after the mailing of the notice of that calculation to the affected physician, hospital, or transportation provider to the last known address of the physician, hospital, or transportation provider.

SECTION 19. IC 12-16-6.5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. Subject to IC 12-16-5.5-3(c), if the division fails to complete an investigation and determination of a person's eligibility for the hospital care for the indigent program not later than forty-five (45) days after receipt of the application filed under IC 12-16-4.5, the person is considered to be eligible without the division's determination of assistance under the program.

SECTION 20. IC 12-16-6.5-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.7. Subject to IC 12-16-5.5-3.2(c), if the division fails to complete an investigation and determination of one (1) or more health care items or services identified in a claim within forty-five (45) days after receipt of the claim filed under IC 12-16-4.5, the item or service is considered to have been:

(1) necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(2) a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through
IC 12-16-3.5-1(a)(3).

SECTION 21. IC 12-16-6.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) If the division receives an application that was filed on behalf of a person under IC 12-16-4.5, the division shall determine:

(1) the eligibility of the person for payment of the cost of medical or hospital care assistance under the hospital care for the indigent program; and

(2) if the health care items or services provided to the person and identified in a claim filed with the division under IC 12-16-4.5 were:

(A) necessitated by at least one (1) medical condition listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(B) the direct consequence of at least one (1) of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) If:

(1) the person, initially or upon appeal, is found eligible the division shall pay the reasonable cost of the care covered under IC 12-16-3.5-1 or IC 12-16-3.5-2 to the physicians furnishing the covered medical care and the transportation providers furnishing the covered transportation services; subject to the limitations in IC 12-16-7.5: for assistance; and

(2) at least one (1) of the items or services identified in the claim is determined initially or upon appeal:

(A) to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(B) to be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

the person is entitled to assistance for those items and services.

(c) If the person is found eligible, the payment for the hospital services and items covered under IC 12-16-3.5-1 or IC 12-16-3.5-2 shall be calculated using the office’s applicable Medicaid
fee-for-service reimbursement principles. Payment to the hospital shall be made:

(1) under IC 12-15-15-9; and
(2) if the hospital is eligible, under IC 12-15-15-9.5.

SECTION 22. IC 12-16-6.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A person, hospital, physician, or transportation provider aggrieved by a determination of an appeal taken under section 5(a) section 1 or 1.2 of this chapter may appeal the determination under IC 4-21.5.

SECTION 23. IC 12-16-7.5-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 1.2. (a) A person determined to be eligible under the hospital care for the indigent program is not financially obligated for hospital items or services, physician services, or transportation services provided to the person during the person's eligibility under the program, if the items or services were:

(1) identified in a claim filed with the division under IC 12-16-4.5; and
(2) determined:
   (A) to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
   (B) to be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) Based on a hospital’s items or services identified in a claim under subsection (a), the hospital may receive a payment from the office calculated and made under IC 12-15-15-9 and, if applicable, IC 12-15-15-9.5.

(c) Based on a physician’s services identified in a claim under subsection (a), the physician may receive a payment from the division calculated and made under section 5 of this chapter.

(d) Based on the transportation services identified in a claim under subsection (a), the transportation provider may receive a payment from the division calculated and made under section 5 of this chapter.
SECTION 24. IC 12-16-7.5-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 2.5.

(a) Payable claims shall be segregated by state fiscal year.

(b) For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5, and IC 12-16-14, (1) "payable claim" refers to the following:

(1) Subject to subdivision (2), is a claim for payment for physician care, hospital care, or transportation services under this chapter:
   (A) that includes, on forms prescribed by the division, all the information required for timely payment;
   (B) that is for a period during which the person is determined to be financially and medically eligible for the hospital care for the indigent program; and
   (C) for which the payment amounts for the care and services are determined by the division.

This subdivision applies for the state fiscal year ending June 30, 2004.

(2) For state fiscal years ending after June 30, 2004, is a claim for payment for physician care, hospital care, or transportation services under this chapter:
   (A) provided to a person under the hospital care for the indigent program under this article during the person's eligibility under the program;
   (B) identified in a claim filed with the division; and
   (C) determined to:
      (i) have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
      (ii) be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(c) For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5, and IC 12-16-14, "amount" when used in regard to a claim or payable claim means an amount calculated under STEP THREE of the following formula:

   STEP ONE: Identify the items and services identified in a
claim or payable claim.
STEP TWO: Using the applicable Medicaid fee for service reimbursement rates, calculate the reimbursement amounts for each of the items and services identified in STEP ONE.
STEP THREE: Calculate the sum of the amounts identified in STEP TWO.

(2) (d) For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5, and IC 12-16-14, a physician, hospital, or transportation provider that submits a payable claim to the division is considered to have submitted the payable claim during the state fiscal year during which the division determined, initially or upon appeal, the amount to pay for the care and services comprising the payable claim. The amount of the claim was determined under IC 12-16-5.5-1.2(b) or, if successfully appealed by a physician, hospital, or transportation provider, the state fiscal year in which the appeal was decided.

(e) (e) The division shall promptly determine the amount to pay for the care and services comprising a payable claim of a claim under IC 12-16-5.5-1.2(b).

SECTION 25. IC 12-16-7.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. All providers receiving payment under section 1.2 of this chapter agree to accept, as payment in full, the amount paid for the hospital care for the indigent program payment referred to in section 1.2 of this chapter for those claims submitted for payment under the program, with the exception of authorized deductibles, co-insurance, co-payment, or similar cost-sharing charges, the health care items or services identified in payable claims submitted to the division.

SECTION 26. IC 12-16-12.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division is responsible for the emergency medical care given in a hospital to an individual who qualifies for assistance under this chapter, subject to the limitations in IC 12-16-7.5.

SECTION 27. IC 12-16-12.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) If a hospital owned by the health and hospital corporation is:
(1) unable to care for a patient; or
(2) unable to treat a patient at the time a transfer is requested by
the hospital initiating treatment;
the hospital may continue to treat the patient until the patient's discharge.

(b) Subject to the limitations in IC 12-16-7.5, the division treatment shall pay the costs of care be covered under the hospital care for the indigent program under this article.

SECTION 28. IC 12-16-12.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The division is not responsible hospital care for the indigent program under this article does not apply to the following:

(1) The payment of Nonemergency medical costs, care, except as provided under the hospital care for the indigent program: this article.

(2) The payment of medical costs accrued Care provided at a hospital owned or operated by a health and hospital corporation, except for hospital care provided under this chapter to a person not residing in Marion County.

SECTION 29. IC 34-30-2-45.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45.2. IC 12-16-2.5-6.5 (Concerning administering agreements between the hospital and the division of family and children under the hospital care for the indigent program).


SECTION 31. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 12-16-2.5-3; IC 12-16-6.5-2; IC 12-16-7.5-1; IC 12-16-11.5-1; IC 12-16-11.5-2.

SECTION 32. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 36-8-16.5-24 is amended to read as follows [effective July 1, 2005]:

Sec. 24. (a) The board shall select a third party to audit the fund every two (2) years to determine whether the fund is being managed in accordance with this chapter. The board shall pay for an audit by the third party auditor as an administrative cost of the board.

(b) Every two (2) years, the board shall review wireless 911 service in Indiana, including the collection, disbursement, and use of the wireless emergency enhanced 911 fee assessed under section 25.5 of this chapter. The purpose of the review is to ensure that the 911 fees:

1. do not exceed the amount reasonably necessary to provide adequate and efficient wireless 911 service; and
2. are used only for the purposes set forth in this chapter.

The board shall adopt a review conducted under this subsection.

SECTION 2. IC 36-8-16.5-26 is amended to read as follows [effective July 1, 2005]:

Sec. 26. (a) The board may adjust the wireless emergency enhanced 911 fee that is assessed under section 25.5 of this chapter. The board shall assess the fees at rates that ensure full recovery over a reasonable period of time of:

1. costs incurred by CMRS providers before July 1, 2005; and
2. the amount needed for the board to make distributions to PSAPs consistent with this chapter;

to develop and maintain an enhanced wireless 911 system.

(b) The fees assessed under section 25.5 of this chapter may not:

1. be raised or lowered more than one (1) time in a calendar year;
2. be raised more than seven cents ($0.07) by an adjustment; or
3. exceed one dollar ($1) per month for each telephone number.
(c) If:

(1) all CMRS providers have been reimbursed for their costs as provided in section 39(c) of this chapter; and
(2) the fee assessed under section 25.5 of this chapter is greater than fifty cents ($0.50);

the board shall reduce the fee so that the fee is not more than fifty cents ($0.50). A reduction of the fee under this subsection is not to be considered an adjustment under subsection (a).

SECTION 3. IC 36-8-16.5-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. A CMRS provider may keep two percent (2%) seven tenths of a cent ($0.007) of the wireless emergency enhanced 911 fee collected each month from each subscriber for the purpose of defraying the administrative costs of collecting the fee.

SECTION 4. IC 36-8-16.5-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37. Except as provided in section 35 of this chapter, a CMRS provider may recover from the fund all of its cost of implementing costs incurred before July 1, 2005, to implement enhanced wireless 911 service. To be recovered from the fund, the costs must be invoiced to the board as required by section 42 of this chapter.

SECTION 5. IC 36-8-16.5-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) Except as provided by section 26 of this chapter and subsections (b) and (c), the fund must be managed in the following manner:

(1) Three cents ($0.03) of the wireless emergency 911 fee collected from each subscriber must be deposited in an escrow account to be used to reimburse:

(A) CMRS providers, and PSAPs, and the board for costs associated with implementation of phase two (2) of the FCC order; and

(B) the board for costs associated with other wireless enhanced 911 services mandated by the FCC and specified in the FCC order but not incurred by CMRS providers or PSAPs.

A CMRS provider or a PSAP may recover costs under this chapter if the costs are incurred before July 1, 2005, and invoiced to the board not later than December 31, 2005. The
board may invest money in the account in the manner prescribed by section 23 of this chapter and may use the proceeds of the investments to reimburse CMRS providers and PSAPs under this subdivision. The board shall reevaluate the fees placed into escrow not later than May 1, 2000. The board shall determine if the fee should be reduced, remain the same, or be increased based on the latest information available concerning the costs associated with phase two (2) of the FCC order.

(2) At least twenty-five cents ($0.25) of the wireless emergency 911 fee collected from each subscriber must be deposited in an escrow account and used to reimburse CMRS providers for the actual costs incurred by the CMRS providers before July 1, 2005, in complying with the wireless 911 requirements established by the FCC order and rules that are adopted by the FCC under the FCC order, including costs and expenses incurred in designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining all necessary data, hardware, and software required to provide service as well as the costs of operating the service. The board may invest money in the account in the manner prescribed by section 23 of this chapter and may use the proceeds of the investments to reimburse CMRS providers under this subdivision. Except as provided by section 26 of this chapter, The CMRS provider may only request funds for true cost recovery. The board may increase the amount held in escrow under this subdivision not more than one (1) time a calendar year. If the board adjusts the wireless emergency 911 fee under section 26(a) of this chapter within a calendar year, an adjustment to the amount held in escrow under this subdivision for the calendar year must be made at that time.

(3) Two percent (2%) of the wireless emergency 911 fee collected from each subscriber may be used by the board to recover the board's expenses in administering this chapter. However, the board may increase this percentage at the time the board may adjust the monthly fee assessed against each subscriber to allow for full recovery of administration expenses.

(4) The remainder of the wireless emergency 911 fee collected from each subscriber must be distributed in the following manner:

(A) The board shall distribute on a monthly basis to each
county containing one (1) or more eligible PSAPs, as identified by the county in the notice required under section 40 of this chapter, a part of the remainder based upon the county's percentage of the state's population (as reported in the most recent official United States census). A county must use a distribution received under this clause to reimburse distributions to PSAPs that:

(i) are identified by the county under section 40 of this chapter as eligible for distributions; and
(ii) accept wireless enhanced 911 service;
for actual costs incurred by the PSAPs in complying with the wireless enhanced 911 requirements established by the FCC order and rules.

(B) The amount of the fee remaining, if any, after the distributions required under clause (A) must be distributed in equal shares between the escrow accounts established under subdivisions (1) and (2).

(b) Notwithstanding the requirements described in subsection (a), the board may transfer money between and among the accounts in subsection (a) in accordance with the following procedures:

(1) For purposes of acting under this subsection, the board must have a quorum consisting of at least one (1) member appointed under section 18(c)(2) of this chapter and at least one (1) member appointed under section 18(c)(3) of this chapter.

(2) A transfer under this subsection must be approved by the affirmative vote of:

(A) at least fifty percent (50%) of the members present at a duly called meeting of the board who are appointed under section 18(c)(2) of this chapter; and
(B) at least fifty percent (50%) of the members present at a duly called meeting of the board who are appointed under section 18(c)(3) of this chapter.

(3) The board may make transfers only one (1) time during a calendar year.

(4) The board may not make a transfer that:

(A) impairs cost recovery by CMRS providers or PSAPs; or
(B) impairs the ability of the board to fulfill its management and administrative obligations described in this chapter.
(c) If all CMRS providers have been reimbursed for their costs under this chapter, and the fee has been reduced under section 26(c) of this chapter, the board shall manage the fund in the following manner:

1. One cent ($0.01) of the wireless emergency 911 fee collected from each subscriber may be used by the board to recover the board's expenses in administering this chapter. However, the board may increase this amount at the time the board may adjust the monthly fee assessed against each subscriber to allow for full recovery of administration expenses.

2. Thirty-eight and three tenths cents ($0.383) of the wireless emergency 911 fee collected from each subscriber must be distributed to each county containing at least one (1) PSAP, as identified in the county notice required by section 40 of this chapter. The board shall make these distributions in the following manner:

   A. The board shall distribute on a monthly basis to each eligible county thirty-four and four tenths cents ($0.344) of the wireless emergency 911 fee based upon the county's percentage of the state's population.

   B. The board shall distribute on a monthly basis to each eligible county three and nine tenths cents ($0.039) of the wireless emergency 911 fee equally among the eligible counties. A county must use a distribution received under this clause to reimburse PSAPs that:

      i. are identified by the county under section 40 of this chapter as eligible for distributions; and
      ii. accept wireless enhanced 911 service;

      for actual costs incurred by the PSAPs in complying with the wireless enhanced 911 requirements established by the FCC order and rules.

   C. The board shall deposit the remainder of the wireless emergency 911 fee collected from each subscriber into an escrow account to be used for costs associated with other wireless enhanced 911 services mandated by the FCC and specified in the FCC order but not incurred by PSAPs. The board may invest money in the account in the manner prescribed by section 23 of this chapter and may use the
proceeds of the investments for costs associated with other wireless enhanced 911 services mandated by the FCC but not specified in the FCC order or to make distributions to PSAPs under this section.

(3) If the fee has been reduced under section 26(c) of this chapter, the board shall determine how money remaining in the accounts or money for uses described in subsection (a) is to be allocated into the accounts described in this subsection or used for distributions under this subsection.

This subsection does not affect the transfer provisions set forth in subsection (b).

SECTION 6. IC 36-8-16.5-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 42. (a) A CMRS provider shall submit to the board sworn invoices related to a request for reimbursement under section 39 of this chapter. An invoice submitted under this section must contain language swearing or affirming, under the penalty of perjury, that the representations made in the invoice are accurate to the best of the signer's knowledge. The signer must be:

(1) an employee or officer of the CMRS provider submitting the invoice; and
(2) designated by the CMRS provider to sign on its behalf and bind the CMRS provider to the representations made.

The board may not approve an invoice submitted under this section if reimbursement of a cost described in the invoice is not related to compliance with the requirements of the FCC order and the rules adopted by the FCC under the FCC order. The board may not approve an invoice submitted under this section after December 31, 2005.

(b) If:

(1) the board receives a written complaint alleging that a CMRS provider has used money received under this chapter in a manner that is inconsistent with this chapter; and
(2) a majority of the board votes to conduct an audit of the CMRS provider;

the board may contract with a third party auditor to audit the CMRS provider to determine whether the CMRS provider has used money received under this chapter in a manner consistent with this chapter.
SECTION 7. IC 36-8-16.5-50 IS ADDED TO THE INDIANA CODE AS A NEW SECTION AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 50. The utility regulatory commission may not exercise jurisdiction over the:
   (1) rates;
   (2) terms; or
   (3) conditions;
   of CMRS service, including a CMRS mobile phone.
SECTION 8. IC 36-8-16.5-15 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 9. [EFFECTIVE JULY 1, 2005] (a) The wireless enhanced 911 advisory board established by IC 36-8-16.5-18 shall conduct:
   (1) an initial review under IC 36-8-16.5-24(b), as amended by this act, not later than June 30, 2006; and
   (2) subsequent reviews under IC 36-8-16.5-24(b), as amended by this act, every two (2) years thereafter.
   (b) This SECTION expires January 1, 2007.

AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 9-18-2-7, AS AMENDED BY HEA 1288-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A person who owns a vehicle subject to registration shall register each vehicle owned by the person as follows:
   (1) A vehicle subject to section 8 of this chapter shall be registered under section 8.
   (2) Subject to subsection (g), a vehicle not subject to section 8 of this chapter or to the International Registration Plan shall be registered before:
(A) March 1 of each year; or
(B) an earlier date subsequent to January 1 of each year as set
by the bureau.

(3) School buses owned by a school corporation are exempt from
annual registration but are subject to registration under

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

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

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

(1) the calendar year for which the vehicle is registered; and
(2) the period of time:
   (A) subsequent to the calendar year; and
   (B) before the date that the vehicle must be re-registered.

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

(1) is required to be registered under this chapter; and
(2) has expired license plates.

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

(1) been operated on the highways; and
(2) not been properly registered under this chapter;
the bureau shall, before the vehicle is re-registered, collect the
registration fee that the owner of the vehicle would have paid if the
vehicle had been properly registered.

(f) The department of state revenue may adopt rules under IC 4-22-2
to issue staggered registration to motor vehicles subject to the
International Registration Plan.

(g) The bureau may adopt rules under IC 4-22-2 to issue
staggered registration to motor vehicles described in subsection
(a)(2).
AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 9-19-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) This section does not apply to:

(1) an implement of husbandry; or
(2) a farm tractor;
manufactured after June 30, 2006.

(b) A farm tractor and a self-propelled farm equipment unit or an implement of husbandry not equipped with an electric lighting system must at all times required by IC 9-21-7-2 be equipped with the following:

(1) At least one (1) lamp displaying a white light visible from a distance of not less than five hundred (500) feet to the front of the vehicle.
(2) At least one (1) lamp displaying a red light visible from a distance of not less than five hundred (500) feet to the rear of the vehicle.
(3) Two (2) red reflectors visible from a distance of one hundred (100) feet to six hundred (600) feet to the rear when illuminated by the upper beams of head lamps.

The lights required by this subsection must be positioned so that one (1) lamp showing to the front and one (1) lamp or reflector showing to the rear will indicate the furthest projection of the tractor, unit, or implement on the side of the road used in passing the vehicle.

(c) A combination of farm tractor and towed unit of farm equipment or implement of husbandry not equipped with an electric lighting system must at all times required by IC 9-21-7-2 be equipped with two (2) red reflectors that meet the following requirements:

(1) Are visible from a distance of one hundred (100) feet to six hundred (600) feet to the rear when illuminated by the upper
beams of head lamps.
(2) Are mounted in a manner so as to indicate as nearly as practicable the extreme left and right rear projections of the towed unit or implement on the highway.

(e) (d) A farm tractor and a self-propelled unit of farm equipment or an implement of husbandry equipped with an electric lighting system must at all times required by IC 9-21-7-2 be equipped with the following:

(1) Two (2) single-beam or multiple-beam head lamps meeting the requirements of section 20 or 21 of this chapter or IC 9-21-7-9.
(2) Two (2) red lamps visible from a distance of not less than five hundred (500) feet to the rear, or in the alternative one (1) red lamp visible from a distance of not less than five hundred (500) feet to the rear and two (2) red reflectors visible from a distance of one hundred (100) feet to six hundred (600) feet to the rear when illuminated by the upper beams of head lamps.

The red lamps or reflectors must be mounted in the rear of the farm tractor or self-propelled implement of husbandry so as to indicate as nearly as practicable the extreme left and right projections of the vehicle on the highways.

(e) (e) A combination of farm tractor and towed farm equipment or towed implement of husbandry equipped with an electric lighting system must at all times required by IC 9-21-7-2 be equipped as follows:

(1) The farm tractor element of each combination must be equipped with two (2) single-beam or multiple-beam head lamps meeting the requirements of section 20 or 21 of this chapter or IC 9-21-7-9.

(2) The towed unit of farm equipment or implement of husbandry element of each combination must be equipped with the following:

(A) Two (2) red lamps visible from a distance of not less than five hundred (500) feet to the rear, or as an alternative one (1) red lamp visible from a distance of not less than five hundred (500) feet to the rear.

(B) Two (2) red reflectors visible from a distance of one hundred (100) feet to six hundred (600) feet to the rear when
illuminated by the upper beams of head lamps.

The red lamps or reflectors must be located so as to indicate as nearly as practicable the extreme left and right rear projections of the towed unit or implement on the highway.

(3) A combination of farm tractor and towed farm equipment or towed implement of husbandry equipped with an electric lighting system must be equipped with the following:

(A) A lamp displaying a white or an amber light, or any shade of color between white and amber visible from a distance of not less than five hundred (500) feet to the front.

(B) A lamp displaying a red light visible from a distance of not less than five hundred (500) feet to the rear.

The lamps must be installed or capable of being positioned so as to indicate to the front and rear the furthest projection of that combination on the side of the road used by other vehicles in passing that combination.

(e) (f) A farm tractor, a self-propelled farm equipment unit, or an implement of husbandry must not display blinding field or flood lights when operated on a highway.

(f) (g) All rear lighting requirements may be satisfied by having a vehicle with flashing lights immediately trail farm equipment in accordance with IC 9-21-7-11.

SECTION 2. IC 9-19-6-11.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11.3. (a) This section applies to the following items manufactured after June 30, 2006, when operated on a highway:

(1) An implement of husbandry.

(2) A farm tractor.

(b) An implement of husbandry or a farm tractor listed in subsection (a) must be equipped with:

(1) head lamps;
(2) tail lamps;
(3) work lamps;
(4) warning lamps;
(5) extremity lamps;
(6) turn indicators;
(7) rear reflectors;
(8) front and rear conspicuity material; and
(9) front, rear, and side retroreflective material; that comply with the standards contained in the American Society of Agricultural Engineers (ASAE) Standard S279.11 DEC01 or any subsequent standards developed by ASAE at the time the vehicle was manufactured.

SECTION 3. IC 9-19-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) This section does not apply to:

(1) an implement of husbandry; or

(2) a farm tractor; manufactured after June 30, 2006.

(b) A vehicle, including an animal-drawn vehicle and a vehicle referred to in IC 9-19-1-1 not specifically required by this article to be equipped with lamps or other lighting devices, must at all times required by IC 9-21-7-2 be equipped with at least two (2) red reflectors visible from distances of one hundred (100) feet to six hundred (600) feet to the rear when illuminated by the upper beams of head lamps.

SECTION 4. IC 9-21-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The Indiana criminal justice institute may adopt rules under IC 4-22-2 establishing standards and specifications for the design, materials, and mounting of a standard slow moving vehicle emblem for the uniform identification of slow moving vehicles.

(b) In adopting rules under subsection (a), the Indiana criminal justice institute shall consider the standard markings used in other states and substantially adhere to the current recommendations of the American Society of Agricultural Engineers, the American National Standards Institute, and the Society of Automotive Engineers so that the slow moving vehicle emblem may be more universally recognizable and of adequate quality.

(c) The Indiana criminal justice institute shall adopt revisions to the standards and specifications adopted as required under subsection (a) as amendments are made to the recommendations of the American Society of Agricultural Engineers, the American National Standards Institute, and the Society of Automotive Engineers regarding the slow moving vehicle emblem.

SECTION 5. [EFFECTIVE JULY 1, 2005] (a) To implement this act, the Indiana criminal justice institute may adopt temporary
rules in the manner provided in IC 4-22-2-37.1 for the adoption of emergency rules.

(b) A temporary rule adopted under this SECTION expires on the earliest of the following:

(1) The date rules are adopted under IC 9-21-9-5, as amended by this act.
(2) The date another temporary rule is adopted under this SECTION to replace an earlier rule adopted under this SECTION.
(3) December 31, 2006.

P.L.149-2005
[S.132. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning civil procedure.

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

SECTION 1. IC 34-6-2-88.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 88.3. "Nonprofit religious organization", for purposes of IC 34-31-7, means an organization, a church, a body of communicants, or a group organized primarily for religious purposes and not for pecuniary profit that:

(1) operates:

(A) under Section 501 of the Internal Revenue Code or the Section 501 nonprofit status of the parent organization of the organization, church, body of communicants, or group; and

(B) has a constitution, a charter, an article, or a bylaw containing a clause that provides that upon dissolution, all remaining assets must:

(i) be used for nonprofit religious purposes; or

(ii) revert to the parent organization for nonprofit religious purposes; or
(2) operates as a place of worship and is recognized as a
nonprofit organization by the Internal Revenue Service.
SECTION 2. IC 34-31-7 IS ADDED TO THE INDIANA CODE AS
A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]:

Chapter 7. Premises Liability of Religious Organizations
Sec. 1. This chapter applies to premises liability only.

Sec. 2. Except as provided in section 3 of this chapter, a
nonprofit religious organization has only the following duties
concerning persons who enter premises owned, operated, or
controlled by the nonprofit religious organization and used
primarily for worship services:

(1) If a person enters the premises with the actual or implied
permission of the nonprofit religious organization, the
nonprofit religious organization has a duty to:

(A) warn the person of a hidden danger on the premises if
a representative of the nonprofit religious organization has
actual knowledge of the hidden danger; and

(B) refrain from intentionally harming the person.

(2) If a person enters the premises without the actual or
implied permission of the nonprofit religious organization,
the nonprofit religious organization has the duty to refrain from
intentionally harming the person.

Sec. 3. (a) As used in this section, "premises" means a part of a
building that is:

(1) used primarily for worship services;

(2) owned, operated, or controlled by a nonprofit religious
organization; and

(3) used for purposes of providing childcare services for
which a fee is charged.

(b) If a customer who purchases childcare services or the
customer's child enters the premises for the purpose of receiving
fee based childcare services, with the actual or implied consent of
the childcare provider or nonprofit religious organization, the
childcare provider and nonprofit religious institution have the duty
do:

(1) warn the customer or the customer's child of a hidden
danger on the premises if a representative of the childcare
provider or the nonprofit religious institution has actual
knowledge of the hidden danger;
(2) refrain from intentionally harming the customer or the customer's child; and
(3) inspect the premises for dangerous hazards and defects, and correct any dangerous hazard or defect within a reasonable period of time after becoming aware of the existence of the dangerous hazard or defect.

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 34-31-7, as added by this act, applies only to a cause of action that accrues after June 30, 2005.

P.L.150-2005
[S.140. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning gaming.

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

SECTION 1. IC 4-32-6-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 4.5. "Bona fide business organization" means a local organization that is not for pecuniary profit and is exempt from federal income taxation under Section 501(c)(6) of the Internal Revenue Code.

SECTION 2. IC 4-32-6-16.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 16.4. "Licensed supply" refers to any of the following:

(1) Bingo cards.
(2) Bingo boards.
(3) Bingo sheets.
(4) Bingo pads.
(5) Any other supplies, devices, or equipment designed to be used in playing bingo designated by rule of the department.
(6) Pull tabs.
(7) Punchboards.
(8) Tip boards.

SECTION 3. IC 4-32-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) "Qualified organization" means:

(1) a bona fide religious, educational, senior citizens, veterans, or civic organization operating in Indiana that:
   (A) operates without profit to the organization's members;
   (B) is exempt from taxation under Section 501 of the Internal Revenue Code; and
   (C) has been continuously in existence in Indiana for at least five (5) years or is affiliated with a parent organization that has been in existence in Indiana for at least five (5) years; or

(2) a bona fide political organization operating in Indiana that produces exempt function income (as defined in Section 527 of the Internal Revenue Code).

(b) For the purpose of IC 4-32-9-3, a "qualified organization" includes the following:

   (1) A hospital licensed under IC 16-21.
   (2) A health facility licensed under IC 16-28.
   (3) A psychiatric facility licensed under IC 12-25.
   (4) An organization defined in subsection (a).

(c) For the purpose of IC 4-32-9-9.5, a "qualified organization" includes a bona fide business organization.

SECTION 4. IC 4-32-6-20.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20.2. "Qualified personal property" means personal property leased by a qualified organization that is:

(1) designed to be used on a body of water; and

(2) used to conduct a raffle associated with the qualified organization's allowable event in the following manner:
   (A) Each item of the personal property is marked with a number corresponding to the number of a chance purchased in a raffle.
   (B) The winner of the raffle is determined by the number of the item of personal property that crosses a designated finish line on the body of water first.

SECTION 5. IC 4-32-7-3 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), the department may adopt rules under IC 4-22-2 for the establishment, implementation, and operation of allowable events or to ensure that the allowable events are consistently operated in a fair and honest manner.

(b) The department may not adopt a rule under IC 4-22-2 requiring a qualified organization to use a minimum percentage of the qualified organization's gross receipts from allowable events and related activities for the lawful purposes of the qualified organization.

(c) The department may not adopt a rule under IC 4-22-2 to limit the rent that may be charged to a qualified organization to lease qualified personal property.

SECTION 6. IC 4-32-9-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) The commissioner may issue an annual door prize license to a qualified organization if:

1. the provisions of this section are satisfied; and
2. the qualified organization:
   (A) submits an application; and
   (B) pays a fee set by the department under IC 4-32-11.

(b) Each officer of a qualified organization that signs an application for an annual door prize license under this section must live in the county where the proposed door prize events will be held.

(c) The application for an annual door prize license must contain the following:

1. The name of the qualified organization.
2. The location where the door prize events will be held.
3. The names of the operator and officers of the qualified organization.

(d) A license issued under this section:

1. may authorize the qualified organization to conduct door prize events on more than one (1) occasion during a period of one (1) year;
2. must state the locations of the permitted door prize events;
3. must state the expiration date of the license; and
4. may be reissued annually upon the submission of an
application for reissuance on the form established by the department and upon the licensee's payment of a fee set by the department.

e) The commissioner may reject an application for an annual door prize license if, after a public hearing, the commissioner determines that the applicant:

(1) has violated a local ordinance; or

(2) has engaged in fraud, deceit, or misrepresentation.

SECTION 7. IC 4-32-9-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. The department may, by rule, set the allowable expenditures of a qualified organization with respect to an allowable event. (a) All net proceeds from an allowable event and related activities may only be used for the lawful purposes of the qualified organization.

(b) To determine the net proceeds from an allowable event, a qualified organization shall subtract the following from the gross receipts received from the allowable event:

(1) An amount equal to the total value of the prizes, including door prizes, awarded at the allowable event.

(2) The sum of the purchase prices paid for licensed supplies dispensed at the allowable event.

(3) An amount equal to the qualified organization’s license fees attributable to the allowable event.

SECTION 8. IC 4-32-9-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) Except as provided in subsection (d), if facilities are leased for an allowable event, the rent may not:

(1) be based in whole or in part on the revenue generated from the event; or

(2) exceed two hundred dollars ($200) per day.

(b) A facility may not be rented for more than three (3) days during a calendar week for an allowable event.

(c) If personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

(d) If a qualified organization conducts an allowable event in conjunction with or at the same facility where the qualified organization or its affiliate is having a convention or other meeting of
its membership, facility rent for the allowable event may exceed two hundred dollars ($200) per day. A qualified organization may conduct only one (1) allowable event under this subsection in a calendar year.

(e) If qualified personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event. However, the department may not limit the amount of the rent charged to the qualified organization for the qualified personal property.

SECTION 9. IC 4-32-9-37 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37. A person that leases qualified personal property to a qualified organization is not considered to be an operator or a worker for the allowable event in which the qualified personal property will be used.

SECTION 10. IC 4-32-9-38 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 38. The department may not deny a qualified organization's application for a license under this article on the basis of the amount of rent charged to the qualified organization to lease qualified personal property.

SECTION 11. IC 4-32-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The license fee that is charged to a qualified organization that renews the license must be based on the total gross revenue of the qualified organization from allowable events and related activities in the preceding year or, if the qualified organization held a license under IC 4-32-9-6, through IC 4-32-9-7, IC 4-32-9-8, IC 4-32-9-9, or IC 4-32-9-10, the fee must be based on the total gross revenue of the qualified organization from the preceding event and related activities, according to the following schedule:

<table>
<thead>
<tr>
<th>Class</th>
<th>Gross Revenues</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$0</td>
<td>$25</td>
</tr>
<tr>
<td>B</td>
<td>$15,000</td>
<td>$75</td>
</tr>
<tr>
<td>C</td>
<td>$25,000</td>
<td>$200</td>
</tr>
<tr>
<td>D</td>
<td>$50,000</td>
<td>$350</td>
</tr>
<tr>
<td>E</td>
<td>$75,000</td>
<td>$600</td>
</tr>
<tr>
<td>F</td>
<td>$100,000</td>
<td>$900</td>
</tr>
</tbody>
</table>
SECTION 12. [EFFECTIVE UPON PASSAGE] 45 IAC 18-3-2(f), 45 IAC 18-3-7, and 45 IAC 18-3-8 are void. The publisher of the Indiana Administrative Code shall remove these provisions from the Indiana Administrative Code.

SECTION 13. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning motor vehicles.

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

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

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

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

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

(i) The administrative cost of issuing the permit.
(ii) The potential damage the vehicle represents to the project.
(iii) The potential safety hazard the vehicle represents.

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

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

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

(5) Determining the regulation of U-turns, of crossing or entering medians, of stopping, parking, or standing, and of passing motor vehicles on a toll road project.

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

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

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

(9) Regulating commercial activity on a toll road project, including but not limited to:
(A) the offering or display of goods or services for sale;  
(B) the posting, distributing, or displaying of signs, advertisements, or other printed or written material; and  
(C) the operation of a mobile or stationary public address system.

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

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

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

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

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

SECTION 2. IC 9-21-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Except when a special hazard exists that requires lower speed for compliance with section 1 of this chapter, the slower speed limit specified in this section or established as authorized by section 3 of this chapter is the maximum lawful speed. A person may not drive a vehicle on a highway at a speed in excess of the following maximum limits:

(1) Thirty (30) miles per hour in an urban district.  
(2) Fifty-five (55) miles per hour, except as provided in subdivisions (1), (3), and (4), (5), (6), and (7).  
(3) Sixty-five (65) Seventy (70) miles per hour on a highway on the national system of interstate and defense highways located outside of an urbanized area (as defined in 23 U.S.C. 101) with a population of at least fifty thousand (50,000), except as provided
in subdivision (4).

(4) Sixty (60) Sixty-five (65) miles per hour for a vehicle (other than a bus) having a declared gross weight greater than twenty-six thousand (26,000) pounds on a highway on the national system of interstate and defense highways located outside an urbanized area (as defined in 23 U.S.C. 101) with a population of at least fifty thousand (50,000).

(5) Sixty-five (65) miles per hour on:
   (A) U.S. 20 from the intersection of U.S. 20 and County Road 17 in Elkhart County to the intersection of U.S. 20 and U.S. 31 in St. Joseph County;
   (B) U.S. 31 from the intersection of U.S. 31 and U.S. 20 in St. Joseph County to the boundary line between Indiana and Michigan; and
   (C) a highway classified by the Indiana department of transportation as an INDOT Freeway.

(6) On a highway that is the responsibility of the Indiana transportation finance authority established by IC 8-9.5-8-2:
   (A) seventy (70) miles per hour for:
       (i) a motor vehicle having a declared gross weight of not more than twenty-six thousand (26,000) pounds; or
       (ii) a bus; or
   (B) sixty-five (65) miles per hour for a motor vehicle having a declared gross weight greater than twenty-six thousand (26,000) pounds.

(7) Sixty (60) miles per hour on a highway that:
   (A) is not designated as a part of the national system of interstate and defense highways;
   (B) has four (4) or more lanes;
   (C) is divided into two (2) or more roadways by:
       (i) an intervening space that is unimproved and not intended for vehicular travel;
       (ii) a physical barrier; or
       (iii) a dividing section constructed to impede vehicular traffic; and
   (D) is located outside an urbanized area (as defined in 23 U.S.C. 101) with a population of at least fifty thousand (50,000).

(8) Fifteen (15) miles per hour in an alley.
SECTION 3. IC 9-21-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The maximum speed limits set forth in section 2 of this chapter may be altered as follows:

(1) By local jurisdictions under section 6 of this chapter.
(2) By the Indiana department of transportation under section 12 of this chapter.

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

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

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

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

(1) the total number of accidents;
(2) the total number of fatalities resulting from traffic accidents;
(3) the total number of accidents and fatalities involving a person less than nineteen (19) years of age; and
(4) if possible, whether the accident or fatality occurred on a highway that:

(A) is part of the national system of interstate and defense highways;
(B) has four (4) or more lanes; or
(C) is divided into two (2) or more roadways.

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

(c) Beginning April 30, 2006, and on April 30 of each year thereafter, the state police department shall submit a report describing:

(1) the total number of accidents and fatalities involving a person less than nineteen (19) years of age; and
(2) if possible, whether the accident or fatality described in subdivision (1) occurred on a highway that:
   (A) is part of the national system of interstate and defense highways;
   (B) has four (4) or more lanes; or
   (C) is divided into two (2) or more roadways;

to the legislative council and to the chairpersons of the committees of the house of representatives and the senate that consider transportation issues. The reports required under this subsection must be in an electronic format under IC 5-14-6.

AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 16-18-2-150 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 150. (a) "Governing body", for purposes of IC 16-22-7, has the meaning set forth in IC 16-22-7-2.

(b) "Governing body", for purposes of IC 16-27-0.5, has the meaning set forth in IC 16-27-0.5-0.5.

(b) (c) "Governing body", for purposes of IC 16-41-22, has the meaning set forth in IC 16-41-22-3.

SECTION 2. IC 16-27-0.5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 0.5. As used in this chapter, "governing body" means the board of trustees, governing board, board of directors, or other body responsible for governing a home health agency or a hospice.

SECTION 3. IC 16-27-0.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The home health care services and hospice services council is established.

(b) The council consists of sixteen (16) members as follows:

1. One (1) licensed physician experienced in home health care.
2. One (1) licensed physician with certification in hospice and palliative medicine.
3. Four (4) individuals as follows:
   (A) One (1) individual engaged in the administration of a nonhospital based home health agency.
   (B) One (1) individual engaged in the administration of a hospital based home health agency.
   (C) One (1) individual engaged in the administration of:
       (i) a nonhospital based hospice; or
       (ii) a hospice licensed under IC 16-25-3 that provides in-patient care.
   (D) One (1) individual engaged in the administration of a hospital based hospice.
4. One (1) registered nurse who is licensed under IC 25-23 and experienced in home health care.
5. One (1) registered nurse who is licensed under IC 25-23 with certification in hospice and palliative medicine.
6. One (1):
   (A) physical therapist licensed under IC 25-27;
   (B) occupational therapist certified under IC 25-23.5; or
   (C) speech-language pathologist licensed under IC 25-35.6; experienced in home health care.
7. One (1) citizen having knowledge of or experience in hospice care.
8. One (1) citizen having knowledge of or experience in home health agency care.
9. One (1) registered pharmacist who is licensed under IC 25-26 with experience in hospice and palliative medicine.
10. One (1) respiratory care practitioner who is licensed under
IC 25-34.5 and experienced in home care.
(11) One (1) individual who is a bereavement counselor with experience in hospice care.
(12) The commissioner or the commissioner's designee.
(13) The secretary of family and social services or the secretary's designee.
(c) The governor shall appoint the members of the council designated by subsection (b)(1) through (b)(11).
(d) Except for the members of the council designated by subsection (b)(12) through (b)(13), all appointments are for four (4) years. If a vacancy occurs, the appointee serves for the remainder of the unexpired term. A vacancy shall be filled from the same group that was represented by the outgoing member.
(e) Except for the members of the council designated by subsection (b)(3), a member of the council may not:
(1) have a pecuniary ownership interest in the operation of; or provide professional services through employment or under contract to
(2) serve as a voting member on the governing body of; a home health agency licensed under this article or a hospice licensed under IC 16-25.

P.L.153-2005
[S.242. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 9-29-10-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person who is indigent may file a petition for waiver of a fee for reinstatement of the person's driver's license in a criminal court of record in the person's county of residence.
(b) The clerk of the court shall forward a copy of the petition to
the prosecuting attorney of the county and to the bureau. The prosecuting attorney may appear and be heard on the petition.

(c) The bureau is not a party in a proceeding under this chapter.

SECTION 2. IC 9-29-10-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Upon its own motion, or upon a petition filed by a person under section 2 of this chapter, a court may waive a fee for reinstatement of a driver's license described in section 1 of this chapter if the court finds that:

(1) the person who owes the fee for reinstatement of the driver's license:
   (A) is indigent; and
   (B) has presented proof of future financial responsibility; and

(2) waiver of the fee for reinstatement of the driver's license is appropriate in light of the person's character and the nature and circumstances surrounding the person's license suspension.

(b) If a court waives a fee for reinstatement of a driver's license under this section, the court may impose other reasonable conditions on the person.

(c) If a court waives a fee for reinstatement of a driver's license under this section, the clerk shall forward a copy of the court's order to the bureau.

SECTION 3. IC 9-30-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If a court grants a person probationary driving privileges under section 12 of this chapter, the person may operate a vehicle only as follows:

(1) To and from the person's place of employment.

(2) For specific purposes in exceptional circumstances.

(3) To and from a court-ordered treatment program.

(b) If the court grants the person probationary driving privileges under section 12(a) of this chapter, that part of the court's order granting probationary driving privileges does not take effect until the person's driving privileges have been suspended for at least thirty (30) days under IC 9-30-6-9.

(c) The court shall notify a person who is granted probationary driving privileges of the following:
(1) That the probationary driving period commences when the bureau issues the probationary license.
(2) That the bureau may not issue a probationary license until the bureau receives a reinstatement fee from the person, if applicable, and the person otherwise qualifies for a license.

SECTION 4. IC 9-30-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section does not apply if an ignition interlock device order is issued under section 8(d) of this chapter.

(b) If the affidavit under section 8(b) of this chapter states that a person refused to submit to a chemical test, the bureau shall suspend the driving privileges of the person:
   (1) for one (1) year; or
   (2) until the suspension is ordered terminated under IC 9-30-5.

(c) If the affidavit under section 8(b) of this chapter states that a chemical test resulted in prima facie evidence that a person was intoxicated, the bureau shall suspend the driving privileges of the person:
   (1) for one hundred eighty (180) days; or
   (2) until the bureau is notified by a court that the charges have been disposed of;
whichever occurs first.

(d) Whenever the bureau is required to suspend a person's driving privileges under this section, the bureau shall immediately do the following:
   (1) Mail a notice to the person's last known address that must state that the person's driving privileges will be suspended for a specified period, commencing:
      (A) five (5) days after the date of the notice; or
      (B) on the date the court enters an order recommending suspension of the person's driving privileges under section 8(c) of this chapter;
whichever occurs first.
   (2) Notify the person of the right to a judicial review under section 10 of this chapter.

(e) Notwithstanding IC 4-21.5, an action that the bureau is required to take under this article is not subject to any administrative adjudication under IC 4-21.5.
(f) If a person is granted probationary driving privileges under IC 9-30-5 and the bureau has not received the probable cause affidavit described in section 8(b) of this chapter, the bureau shall suspend the person's driving privileges for a period of thirty (30) days. After the thirty (30) day period has elapsed, the bureau shall, upon receiving a reinstatement fee, if applicable, from the person who was granted probationary driving privileges, issue the probationary license if the person otherwise qualifies for a license.

(g) If the bureau receives an order granting probationary driving privileges to a person who has a prior conviction for operating while intoxicated, the bureau shall do the following:

(1) Issue the person a probationary license and notify the prosecuting attorney of the county from which the order was received that the person is not eligible for a probationary license.

(2) Send a certified copy of the person's driving record to the prosecuting attorney.

The prosecuting attorney shall, in accordance with IC 35-38-1-15, petition the court to correct the court's order. If the bureau does not receive a corrected order within sixty (60) days, the bureau shall notify the attorney general, who shall, in accordance with IC 35-38-1-15, petition the court to correct the court's order.

SECTION 5. IC 9-30-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The bureau shall reinstate motor vehicle registration that is suspended under this chapter if the following occur:

(1) Any person presents the bureau or a bureau license branch with adequate proof that all unpaid judgments with respect to the motor vehicle have been paid.

(2) A reinstatement fee under IC 9-29 is paid to the bureau, if applicable.

SECTION 6. IC 9-30-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The bureau may:

(1) reinstate a license or permit revoked or suspended under section 1 of this chapter; or

(2) revalidate a title or registration that has been invalidated under section 3 of this chapter;

if the obligation has been satisfied, including the payment of service, collection, and reinstatement fees, if applicable.
AN ACT to amend the Indiana Code concerning environmental law.

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

SECTION 1. IC 13-11-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) "Applicant", for purposes of IC 13-19-4, means an individual, a corporation, a limited liability company, a partnership, or a business association that:

(1) receives, for commercial purposes, solid or hazardous waste generated offsite for storage, treatment, processing, or disposal; and

(2) applies for the issuance, renewal, transfer, or major modification of a permit described in IC 13-15-1-3 other than a post-closure permit or an emergency permit.

For purposes of this subsection, an application for the issuance of a permit does not include an application for renewal of a permit.

(b) "Applicant", for purposes of IC 13-20-2, means an individual, a corporation, a limited liability company, a partnership, or a business association that applies for an original permit for the construction or operation of a landfill.

(c) For purposes of subsection (a), "applicant" does not include an individual, a corporation, a limited liability company, a partnership, or a business association that:

(1) generates solid or hazardous waste; and

(2) stores, treats, processes, or disposes of the solid or hazardous waste at a site that is:

(A) owned by the individual, corporation, partnership, or business association; and

(B) limited to the storage, treatment, processing, or disposal of solid or hazardous waste generated by that individual, corporation, limited liability company, partnership, or business association.

SECTION 2. IC 13-11-2-206 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 206. "Solid waste disposal facility", for purposes of IC 13-19-3-8.2, IC 13-20-4, and IC 13-20-6, means a facility at which solid waste is:

1. deposited on or beneath the surface of the ground as an intended place of final location; or
2. incinerated.

SECTION 3. IC 13-11-2-212 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 212. (a) "Solid waste processing facility", for purposes of IC 13-19-3-8.2, IC 13-19-4, IC 13-20-1, IC 13-20-4, and IC 13-20-6, means a facility at which at least one (1) of the following is located:

1. A solid waste incinerator.
2. A transfer station.
3. A solid waste baler.
4. A solid waste shredder.
5. A resource recovery system.
6. A composting facility.
7. A garbage grinding system.
8. A medical or an infectious waste treatment facility.
9. A solid waste solidification facility that is not located on an operating, permitted landfill.
10. A facility that uses plasma arc or another source of heat to treat solid waste.

(b) The term does not include a facility or operation that generates solid waste.

SECTION 4. IC 13-19-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in section 8(e) of this chapter, this chapter does not apply to:

1. an applicant for a transfer station permit that holds a permit for and continuously operates; or
2. the transfer of a permit for a transfer station to an applicant that holds a permit for and is operating a transfer station, solid waste disposal facility, or hazardous waste facility in Indiana after December 31, 2004.

(b) Except as provided in section 8(e) of this chapter, this chapter does not apply to the transfer of a permit for a solid waste disposal facility to an applicant that holds a permit for and is
operating a solid waste disposal facility or hazardous waste facility in Indiana after December 31, 2004.

SECTION 5. IC 13-19-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Before an application for the issuance, renewal, transfer, or major modification of a permit described in IC 13-15-1-3 for a solid waste processing facility, solid waste disposal facility, or hazardous waste facility may be granted, the applicant and each person who is a responsible party with respect to the applicant must submit to the department:

(1) a disclosure statement that:

(A) meets the requirements set forth in section 3(a) of this chapter; and

(B) is executed under section 3(b) of this chapter; or

(2) all of the following information:

(A) The information concerning legal proceedings that:

(i) is required under Section 13 or 15(d) of the federal Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.); and

(ii) the applicant or responsible party has reported under form 10-K.

(B) A description of all judgments that:

(i) have been entered against the applicant or responsible party in a proceeding described in section 3(a)(3) of this chapter; and

(ii) have imposed upon the applicant or responsible party a fine or penalty described in section 3(a)(3)(A) of this chapter.

(C) A description of all judgments of conviction entered against the applicant or responsible party within five (5) years before the date of submission of the application for the violation of any state or federal environmental protection law.

SECTION 6. IC 13-19-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Subject to subsection (b), the commissioner may deny an application for the issuance, renewal, transfer, or major modification of a permit described in IC 13-15-1-3 for a solid waste processing facility, solid waste disposal facility, or hazardous waste facility if the commissioner finds that: 
(1) the applicant or a responsible party has intentionally misrepresented or concealed any material fact in a statement required by section 2 or 3 of this chapter;
(2) a civil or administrative complaint described in section 3(a)(3) of this chapter has been filed against the applicant or a responsible party within five (5) years before the date of submission of the application;
(3) a criminal complaint described in section 3(a)(4) of this chapter has been filed against the applicant or a responsible party within five (5) years before the date of submission of the application;
(4) a judgment of criminal conviction described in section 3(a)(5) or 3(a)(6) of this chapter has been entered against the applicant or a responsible party within five (5) years before the date of submission of the application; or
(5) the applicant or a responsible party has knowingly and repeatedly violated any state or federal environmental protection laws.

(b) The commissioner may not deny a permit under this section based solely upon pending complaints disclosed under section 3(a)(3)(B) or 3(a)(4) of this chapter.

SECTION 7. IC 13-19-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 6. Before making a determination to deny an application for the issuance, renewal, transfer, or major modification of a permit under section 5 of this chapter, the commissioner shall consider the following mitigating factors:

(1) The nature and details of the acts attributed to the applicant or responsible party.
(2) With respect to:
   (A) a civil or an administrative complaint referred to in section 5(a)(2) of this chapter or IC 13-7-10.2-4(a)(2) (before its repeal); or
   (B) a criminal complaint referred to in section 5(a)(3) of this chapter or IC 13-7-10.2-4(a)(3) (before its repeal); whether the matter has been resolved.
(3) With respect to:
   (A) a civil or an administrative complaint referred to in section 5(a)(2) of this chapter or IC 13-7-10.2-4(a)(2) (before its
(B) a criminal complaint referred to in section 5(a)(3) of this chapter or IC 13-7-10.2-4(a)(3) (before its repeal); or
(C) a judgment of conviction referred to in section 5(a)(4) of this chapter or IC 13-7-10.2-4(a)(4); whether any appeal is pending.

(4) The degree of culpability of the applicant or responsible party.

(5) The applicant's or responsible party's cooperation with the state or federal agencies involved in the investigation of the activities involved in complaints and convictions referred to in section 5(a)(2) through 5(a)(5) of this chapter or IC 13-7-10.2-4(a)(2) through IC 13-7-10.2-4(a)(5) (before their repeal).

(6) The applicant's or responsible party's dissociation from any other persons or entities convicted of acts referred to in section 5(a)(2) through 5(a)(5) of this chapter or IC 13-7-10.2-4(a)(2) through IC 13-7-10.2-4(a)(5) (before their repeal).

(7) Prior or subsequent self-policing or internal education programs established by the applicant to prevent activities referred to in section 5(a) of this chapter or IC 13-7-10.2-4(a) (before its repeal).

(8) Whether the best interests of the public will be served by denial of the permit.

(9) Any demonstration of good citizenship by the applicant or responsible party.

SECTION 8. IC 13-19-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) In taking action under this chapter on an application for the issuance, renewal, transfer, or major modification of a permit described in IC 13-15-1-3, for a solid waste processing facility, solid waste disposal facility, or hazardous waste facility, the commissioner shall make separately stated findings of fact to support the action taken.

(b) The findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. However, when the commissioner denies an application, the commissioner is not required to explain the extent to which any of the mitigating factors set forth in section 6 of this chapter influenced the commissioner's determination to deny the application.
SECTION 9. IC 13-19-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section does not apply to the transfer of ownership of a facility from a permittee whose business derives less than fifty percent (50%) of its gross revenue from the management of solid waste to a prospective owner whose business derives less than fifty percent (50%) of its gross revenue from the management of solid waste.

(b) If there is a prospective change of the entire ownership interest in a facility for which a permit described in IC 13-15-1-3 is required, the prospective owner, at least one hundred eighty (180) days before the proposed change in ownership, may shall submit to the commissioner a disclosure statement that:

1. includes the information required by section 3(a) of this chapter; and
2. was executed under section 3(b) of this chapter.

(c) The commissioner:
1. shall review the disclosure statement submitted under subsection (b); and
2. may investigate and verify the information set forth in the disclosure statement.

(d) If the commissioner determines that:
1. the information disclosed by the disclosure statement submitted under subsection (b); and
2. any investigation by the commissioner;
would require the commissioner to deny the prospective owner's permit application if the prospective owner were applying for a permit under section 2 of this chapter, the commissioner shall disapprove the transfer of ownership of the facility to the prospective owner.

(e) If:
1. subsection (b) does not apply; and
2. there is a change of at least fifty percent (50%) ownership control of an entity that holds a permit described in IC 13-15-1-3, including an entity referred to in section 1 of this chapter (other than an entity referred to in subsection (a));
the entity must, not later than thirty (30) days after the change of ownership control is completed, submit to the department the disclosure statement referred to in subsection (b).
(f) The commissioner:
   (1) shall review the disclosure statement submitted under subsection (e); and
   (2) may investigate and verify the information set forth in the disclosure statement.
(g) If the commissioner determines:
   (1) that:
      (A) the information disclosed by the disclosure statement submitted under subsection (e); and
      (B) any investigation by the commissioner;
      would require the commissioner to deny an application for a permit described in IC 13-15-1-3 if the entity that submits the disclosure statement were applying for a permit under section 2 of this chapter; or
   (2) that an entity failed to submit to the department a timely disclosure statement under subsection (e);
   the commissioner shall revoke any permit described in IC 13-15-1-3 held by the entity.

SECTION 10. IC 13-20-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter does not apply to an individual, a corporation, a partnership, a limited liability company, or a business association that in its regular business activity:
   (1) produces solid waste as a byproduct of or incidental to its regular business activity; and
   (2) disposes of the solid waste at a site that is:
      (A) owned by the individual, corporation, partnership, limited liability company, or business association; and
      (B) limited to use by that individual, corporation, partnership, limited liability company, or business association for the disposal of solid waste produced by:
         (i) that individual, corporation, partnership, limited liability company, or business association; or
         (ii) a subsidiary of an entity referred to in item (i).

SECTION 11. IC 13-20-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A person that applies for a permit described in IC 13-15-1-3 that concerns a solid waste management facility for a solid waste disposal facility or a solid waste processing facility, except for a transfer station, must
demonstrate that there is a local or regional need in Indiana for the facility.

SECTION 12. IC 13-20-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A person that applies for a permit referred to in section 2 of this chapter must submit the following information to the department along with the permit application:

(1) A description of the area that would be served by the solid waste management disposal or processing facility.

(2) A description of existing solid waste management facilities in the area that would be served by the solid waste management disposal facility.

(3) A description of the need that would be fulfilled by constructing the solid waste management disposal facility.

SECTION 13. IC 13-20-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If the department determines that there is not a local or regional need in Indiana for the solid waste management disposal facility, the person referred to in section 2 of this chapter may not receive a permit described under IC 13-15-1-3 of this chapter. If a permit is denied under this subsection, the department must provide the person referred to in section 2 of this chapter with a statement describing the reasons the department denied the permit.

SECTION 14. IC 13-20-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section applies to the transportation of municipal waste from solid waste processing facilities.

(b) A shipment of municipal waste in a municipal waste collection and transportation vehicle must be accompanied by a municipal waste transportation manifest.

(c) A manifest required under subsection (b) must include the following information:

(1) The amount in tons of municipal waste transported in the vehicle.

(2) The name and address of the solid waste processing facility from which the municipal waste is transported.

(3) The destination of the municipal waste.

(4) The name of the person transporting the municipal waste.
(5) If the municipal waste is transported from a transfer station that receives municipal waste; the identity of and acknowledgement number issued by the department under IC 13-20-6-5 or IC 13-7-10.5-14 (before its repeal) to the following:

(A) The transporter of the municipal waste:
(B) The transfer station from which the municipal waste is transported:
(C) A broker involved in the transportation of the municipal waste:

(d) The owner or operator of the solid waste processing facility from which municipal waste is to be transported shall:

(1) prepare the manifest required by subsection (b); and
(2) deliver the manifest to the operator of the vehicle.

(e) The operator of the vehicle shall:

(1) carry the manifest while transporting the municipal waste; and
(2) present the manifest to the owner or operator of the facility to which the municipal waste is transported.

(f) The owner or operator of the facility to which the municipal waste is transported shall:

(1) retain each manifest for one (1) year; and
(2) send one (1) copy of each manifest to the department not later than three (3) months after receiving a manifest for at least one (1) year.

SECTION 15. IC 13-20-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The commissioner may, by order, do the following:

(1) Suspend the waste transfer activities of an operator who is not a resident of Indiana if the operator is not properly licensed, certified, or permitted to conduct waste transfer activities in another state in which the operator does business.

(2) Suspend the waste transfer activities of a transfer station that does not meet the requirements of the inspection program established under section 7 of this chapter.

(b) An order issued by the commissioner under this section requiring an operator or transfer station to suspend operations must contain the date by which waste transfer activities must be suspended.

(c) After issuing an order requiring an operator or transfer station to
suspend waste transfer activities but before the date by which the activities must be suspended, the department must provide notice by certified mail, return receipt requested, to the following:

(1) Each regulated solid waste processing facility in Indiana.
(2) Each regulated solid waste disposal facility in Indiana.
(3) Each broker and transporter that has submitted a disclosure statement under section 2 of this chapter.

(d) The notice described under subsection (c) must contain the following:

(1) The name of the operator or transfer station subject to the order.
(2) The date on which waste transfer activities are suspended under the order.
(3) The acknowledgement number issued to the operator under section 5 of this chapter.
(4) If the order applies to a transfer station, the location of the transfer station.

(e) Upon a determination by the commissioner that an operator previously ordered to suspend waste transfer activities may engage again in waste transfer activities, the department shall immediately provide notice by certified mail, return receipt requested, to each:

(1) regulated solid waste processing facility in Indiana; and
(2) regulated solid waste disposal facility in Indiana; and
(3) broker and transporter that submitted a disclosure statement under section 2 of this chapter;

that the operator or transfer station will be allowed to resume waste transfer activities. The notice required under this subsection must contain the date on which the operator or transfer station will be allowed to resume waste transfer activities.

SECTION 16. IC 13-20-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) An operator who is not a resident of Indiana or a transfer station may not engage in waste transfer activities while the operator or transfer station is suspended from engaging in waste transfer activities under section 3 or 4 of this chapter.

(b) On or after the effective date established under a rule adopted by the board, a solid waste disposal facility or a solid waste processing facility located inside Indiana may not knowingly accept municipal
waste from a transfer station located inside of or outside of Indiana that receives municipal waste if:

(1) the municipal waste is not accompanied by a manifest that contains the information required under IC 13-20-4-7; or

(2) the person who manages the solid waste disposal facility or solid waste processing facility has received notice under section 4(c) of this chapter that:

(A) the transfer station that shipped the municipal waste; or

(B) an operator listed on the manifest;

has been suspended from engaging in waste transfer activities under this chapter.

SECTION 17. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 13-11-2-210; IC 13-20-6-2; IC 13-20-6-3; IC 13-20-6-5; IC 13-20-6-6.

SECTION 18. [EFFECTIVE JULY 1, 2005] (a) For purposes of this SECTION, "transfer station" has the meaning set forth in IC 13-11-2-235(a).

(b) 329 IAC 11-9-5 is void to the extent that the rule applies to transfer stations.

(c) The solid waste management board shall amend 329 IAC 11-9-5 so that the rule is consistent with subsection (b).
beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant facility in the passenger terminal complex of a publicly owned airport which is served by a scheduled commercial passenger airline certified to enplane and deplane passengers on a scheduled basis by a federal aviation agency. A permit issued under this subsection shall not be transferred to a location off the airport premises.

(c) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a redevelopment project consisting of a building or group of buildings that:

(1) was formerly used as part of a union railway station;
(2) has been listed in or is within a district that has been listed in the federal National Register of Historic Places maintained pursuant to the National Historic Preservation Act of 1966, as amended; and
(3) has been redeveloped or renovated, with the redevelopment or renovation being funded in part with grants from the federal, state, or local government.

A permit issued under this subsection shall not be transferred to a location outside of the redevelopment project.

(d) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant:

(1) on land; or
(2) in a historic river vessel;
within a municipal riverfront development project funded in part with state and city money. A permit issued under this subsection may not be transferred.

(e) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a renovation project consisting of a building that:

(1) was formerly used as part of a passenger and freight railway station; and
(2) was built before 1900.
The permit authorized by this subsection may be issued without regard to the proximity provisions of IC 7.1-3-21-11.

(f) The commission may issue a three-way permit for the sale of alcoholic beverages for on-premises consumption at a cultural center for the visual and performing arts to a town that:

(1) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and
(2) has a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(g) After June 30, 2005, the commission may issue not more than ten (10) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than five hundred (500) feet from a district, that meets the following requirements:

(1) The district has been listed in the National Register of Historic Places maintained under the National Historic Preservation Act of 1966, as amended.
(2) A county courthouse is located within the district.
(3) A historic opera house listed on the National Register of Historic Places is located within the district.
(4) A historic jail and sheriff's house listed on the National Register of Historic Places is located within the district.

The legislative body of the municipality in which the district is located shall recommend to the commission sites that are eligible to be permit premises. The commission shall consider, but is not required to follow, the municipal legislative body’s recommendation in issuing a permit under this subsection. An applicant is not eligible for a permit if, less than two (2) years before the date of the application, the applicant sold a retailer’s permit that was subject to IC 7.1-3-22 and that was for premises located within the district described in this section or within five hundred (500) feet of the district. A permit issued under this subsection shall not be transferred.

SECTION 2. IC 7.1-3-20-16.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16.1. (a) This
section applies to a municipal riverfront development project authorized under section 16(d) of this chapter.

(b) In order to qualify for a permit, an applicant must demonstrate that the municipal riverfront development project area where the permit is to be located meets the following criteria:

(1) The project boundaries must border on at least one (1) side of a river.

(2) The proposed permit premises may not be located more than:
   (A) one thousand five hundred (1,500) feet; or
   (B) three (3) city blocks;
   from the river, whichever is greater. However, if the area adjacent to the river is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river that are capable of being developed.

(3) The permit premises are located within:
   (A) an economic development area, a blighted area, an urban renewal area, or a redevelopment area established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1; or
   (B) an economic development project district under IC 36-7-15.2 or IC 36-7-26; or
   (C) a community revitalization enhancement district designated under IC 36-7-13-12.1.

(4) The project must be funded in part with state and city money.

(5) The boundaries of the municipal riverfront development project must be designated by ordinance or resolution by the legislative body (as defined in IC 36-1-2-9(3) or IC 36-1-2-9(4)) of the city in which the project is located.

(c) Proof of compliance with subsection (b) must consist of the following documentation, which is required at the time the permit application is filed with the commission:

(1) A detailed map showing:
   (A) definite boundaries of the entire municipal riverfront development project; and
   (B) the location of the proposed permit within the project.

(2) A copy of the local ordinance or resolution of the local governing body authorizing the municipal riverfront development
project.
(3) Detailed information concerning the expenditures of state and city funds on the municipal riverfront development project.
(d) Notwithstanding subsection (b), the commission may issue a permit for premises, the location of which does not meet the criteria of subsection (b)(2), if all the following requirements are met:
   (1) All other requirements of this section and section 16(d) of this chapter are satisfied.
   (2) The proposed premises is located not more than:
       (A) three thousand (3,000) feet; or
       (B) six (6) blocks;
       from the river, whichever is greater. However, if the area adjacent to the river is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river that are capable of being developed.
   (3) The permit applicant satisfies the criteria established by the commission by rule adopted under IC 4-22-2. The criteria established by the commission may require that the proposed premises be located in an area or district set forth in subsection (b)(3).
   (4) The permit premises may not be located less than two hundred (200) feet from facilities owned by a state educational institution (as defined in IC 20-12-0.5-1).
(e) A permit may not be issued if the proposed permit premises is the location of an existing three-way permit subject to IC 7.1-3-22-3.

SECTION 3. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning property.

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

SECTION 1. IC 32-21-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section applies when a deed:

(1) purports to contain an absolute conveyance of any estate in land; and

(2) is made or intended to be made defeasible by:

(A) a deed of defeasance;
(B) a bond; or
(C) another instrument.

(b) The original conveyance is not defeated or affected against any person other than:

(1) the maker of the defeasance, or
(2) persons having actual notice of the defeasance unless the instrument of defeasance is:

(1) a deed of defeasance or bond that is recorded in the manner provided by law within ninety (90) days after the date of the deed; or

(2) another instrument that:

(A) is in a form required by the deed;
(B) contains an accurate legal description of the estate in land;
(C) is dated;
(D) has been acknowledged before a notary public;
(E) has been made for consideration; and
(F) is recorded in the manner provided by law within ninety (90) days after the date of the deed.
AN ACT to amend the Indiana Code concerning military and veterans' affairs.

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

SECTION 1. IC 20-12-19.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 19.7. Tuition Exemption for Children and Spouses of National Guard Members

Sec. 1. As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

Sec. 2. (a) An individual:

(1) whose father, mother, or spouse:

(A) was a member of the Indiana National Guard; and

(B) suffered a service connected death while serving on state active duty (as described in IC 10-16-7-7);

(2) who is eligible to pay the resident tuition rate (as determined by the institution) at the state educational institution in which the individual is enrolled or will enroll;

and

(3) who possesses the requisite academic qualifications;

is exempt from the payment of tuition and mandatory fees for instruction at the state educational institution in which the individual is enrolled or will enroll.

(b) An individual may receive the tuition exemption described in subsection (a) for all semester credit hours in which the individual enrolls up to a maximum of one hundred twenty-four (124) semester credit hours.

(c) An individual qualifying for or receiving the tuition exemption described in subsection (a) is entitled to enter, remain, and receive instruction at a state educational institution under the same conditions, qualifications, and regulations that apply to:
(1) applicants for admission to; or
(2) students enrolled in;
the state educational institution who do not qualify for or receive
the tuition exemption.
(d) For purposes of this section, the commission for higher
education established by IC 20-12-0.5-2 shall define the mandatory
fees in consultation with the state student assistance commission
established by IC 20-12-21-4.
Sec. 3. If an individual who:
(1) qualifies for or is receiving the tuition exemption under
section 2 of this chapter; and
(2) receives other financial assistance specifically designated
for tuition and mandatory fees at the state educational
institution in which the individual is enrolled or will enroll;
the state educational institution shall deduct the amount of the
financial assistance specifically designated for tuition and
mandatory fees from the amount of the tuition exemption under
section 2 of this chapter.
Sec. 4. If an individual who:
(1) qualifies for or is receiving the tuition exemption under
section 2 of this chapter; and
(2) earns or is awarded a cash scholarship from any source
that is paid or payable to the state education institution in
which the individual is enrolled or will enroll;
the state educational institution shall credit the amount of the cash
scholarship to the individual for the payment of incidental expenses
incurred by the individual in attending the state educational
institution, with the balance, if any, of the award, if the terms of the
scholarship permit, paid to the individual.
Sec. 5. (a) The determination as to whether an individual is
eligible for the tuition exemption authorized by this chapter is
vested exclusively with the military department established by
IC 10-16-2-1.
(b) An applicant for the tuition exemption shall make a written
request to the adjutant general for a determination of the
individual’s eligibility.
(c) In response to each request described in subsection (b), the
adjutant general shall make a written determination of the
applicant’s eligibility.
(d) An applicant may appeal an adverse determination in writing to the military department not more than fifteen (15) business days after the date the applicant receives the determination under subsection (c).

(e) The military department shall issue a final order not more than fifteen (15) business days after the department receives a written appeal under subsection (d).

Sec. 6. A person who knowingly or intentionally:
   (1) submits a false or misleading application or another document; or
   (2) makes a false or misleading statement;
to obtain a benefit under this chapter commits a Class A misdemeanor.

SECTION 2. IC 20-12-21-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.1. (a) In addition to the duties described in section 5(a) of this chapter, the commission shall do the following:
   (1) Prepare and supervise the issuance of public information concerning all of the commission's programs.
   (2) Prescribe the form and regulate the submission of applications for all of the commission's programs.
   (3) Determine the amounts of grants and scholarships.
   (4) Determine eligibility for grants and scholarships.
   (5) Receive federal funds made available to the commission for awards, grants, and scholarships, and disburse these funds in the manner prescribed by federal law.

(b) In addition to the powers described in section 5(b) of this chapter, the commission may do the following:
   (1) Accept gifts, grants, devises, or bequests for the purpose of providing grants, awards, scholarships, loans, or other forms of financial aid to students attending approved institutions of higher learning.
   (2) Enter into contracts, subject to IC 4-13-2, that the commission determines are necessary to carry out the commission's functions.
   (3) Provide administrative or technical assistance to other governmental or nongovernmental entities if the provision of this assistance will increase the number and value of grants, awards, scholarships, or loans available to students attending approved
institutions of higher learning.

(c) When the commission receives an offer of a gift, grant, devise, or bequest under subsection (b)(1), the commission may accept stipulations on the use of the donated funds. In this case, sections 7(d) and 17 of this chapter do not apply. Before accepting a gift, grant, devise, or bequest, the commission shall determine that the purposes for which a donor proposes to provide funds are:

(1) lawful;
(2) in the state's best interests; and
(3) generally consistent with the commission's programs and purposes.

Whenever the commission agrees to stipulations on the use of donated funds under this subsection, the commission and the donor shall, subject to approval by the state budget agency and the governor or the governor's designee, execute an agreement.

(d) Whenever the commission agrees to provide administrative or technical assistance under subsection (b)(3), the commission and the party to whom the assistance is to be provided shall execute an agreement specifying:

(1) the assistance that is to be provided; and
(2) the charges, if any, that are to be assessed by the commission for providing this assistance.

The commission may waive charges for administrative or technical assistance under this subsection if the commission determines that a waiver is in the best interest of the state. Agreements to provide assistance under this subsection must be approved by the budget agency and the governor or the governor's designee.

(e) The commission shall exercise its functions without regard to an applicant's race, creed, sex, color, national origin, or ancestry.

(f) This subsection applies to a person called to active duty after September 11, 2001. As used in this subsection, "active duty" means full-time service in:

(1) the National Guard (as defined in IC 10-16-1-13); or
(2) any reserve component of the:
   (A) Indiana national guard; or
   (B) armed forces;

that exceeds thirty (30) consecutive days in a calendar year. When determining financial eligibility under subsection (a)(4) for a Frank
O’Bannon grant, which includes grants formerly designated as the higher education award and the freedom of choice award, the commission may exclude any salary for service on active duty.

SECTION 3. [EFFECTIVE JULY 1, 2005] IC 20-12-19.7, as added by this act, applies to all individuals whose father, mother, or spouse:

1) was a member of the Indiana National Guard; and
2) suffered a service connected death while serving on state active duty (as described in IC 10-16-7-7);

whether the father's, mother's, or spouse's service connected death occurred before, on, or after July 1, 2005.

SECTION 4. An emergency is declared for this act.

— — — — —


AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-9-25-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 31, 2004 (RETROACTIVE)]: Sec. 1. (a) This chapter applies to a county having a population of more than forty-seven thousand (47,000) but less than fifty thousand (50,000).

(b) The county described in subsection (a) is unique because:

1) governmental entities and nonprofit organizations in the county have successfully undertaken cooperative efforts to promote tourism and economic development; and
2) several unique tourist attractions are located in the county, including:

(A) the Indiana basketball hall of fame;
(B) the Wilbur Wright birthplace memorial; and
(C) a historic gymnasium.

(c) The presence of these unique attractions in the county has:

1) increased the number of visitors to the county;
(2) generated increased sales at restaurants and other retail establishments selling food in the county; and

(3) placed increased demands on all local governments for services needed to support tourism and economic development in the county.

(d) The use of food and beverage tax revenues arising in part from the presence of the attractions identified in subsection (b)(2) to support tourism and economic development in the county permits governmental units in the county to diversify the revenue sources for which local government improvements and services are funded.

SECTION 2. IC 6-9-25-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 31, 2004 (RETROACTIVE)]:

Sec. 9.5. (a) This section applies to revenues from the county food and beverage tax received by the county after June 30, 1994.

(b) Money in the fund established under section 8 of this chapter shall be used by the county for the financing, construction, renovation, improvement, equipping, operation, or maintenance of the following capital expenditures: improvements:

(1) Sanitary sewers or wastewater treatment facilities that serve economic development purposes.

(2) Drainage or flood control facilities that serve economic development purposes.

(3) Road improvements used on an access road for an industrial park that serve economic development purposes.

(4) A covered horse show arena.

(5) A historic birthplace memorial.

(6) A historic gymnasium and community center in a town in the county with a population greater than two thousand (2,000) but less than two thousand four hundred (2,400).

(7) Main street renovation and picnic and park areas in a town in the county with a population greater than two thousand (2,000) but less than two thousand four hundred (2,400).

(8) A community park and cultural center.

(9) Projects for which the county decides after July 1, 1994, to:

(A) expend money in the fund established under section 8 of this chapter; or

(B) issue bonds or other obligations or enter into leases under
section 11.5 of this chapter;
after the projects described in subdivisions (1) through (8) have
been funded.
(10) An ambulance.

Money in the fund may not be used for the operating costs of any of the
permissible projects listed in this section. In addition, the county may
not initiate a project issue bonds or enter into leases or other obligations
under this chapter after December 31, 2004. 2015.

(c) The county capital improvements committee is established to
make recommendations to the county fiscal body concerning the use of
money in the fund established under section 8 of this chapter. The
capital improvements committee consists of the following members:

(1) One (1) resident of the county representing each of the three
(3) commissioner districts, appointed by the county executive.
Not more than two (2) of the members appointed under this
subdivision may be from the same political party.
(2) Two (2) residents of the county, appointed by the county fiscal
body. The two (2) appointees may not be from the same political
party. One (1) appointee under this subdivision must be a resident
of a town in the county with a population greater than two
thousand (2,000) but less than two thousand four hundred (2,400).
One (1) appointee under this subdivision must be a resident of a
town in the county with a population greater than two thousand
four hundred (2,400).
(3) Two (2) residents of the largest city in the county, appointed
by the municipal executive. The two (2) appointees under this
subdivision may not be from the same political party. One (1)
appointee must be interested in economic development.
(4) Two (2) residents of the largest city in the county, appointed
by the municipal fiscal body. The two (2) appointees under this
subdivision may not be from the same political party. One (1)
appointee must be interested in tourism.

(d) Except as provided in subsection (e), the term of a member
appointed to the capital improvements committee under subsection (c)
is four (4) years.

(e) The initial terms of office for the members appointed to the
county capital improvements committee under subsection (c) are as
follows:
(1) Of the members appointed under subsection (c)(1), one (1) member shall be appointed for a term of two (2) years, one (1) member shall be appointed for three (3) years, and one (1) member shall be appointed for four (4) years.

(2) Of the members appointed under subsection (c)(2), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.

(3) Of the members appointed under subsection (c)(3), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.

(4) Of the members appointed under subsection (c)(4), one (1) member shall be appointed for three (3) years and one (1) member shall be appointed for four (4) years.

(f) At the expiration of a term under subsection (e), the member whose term expired shall may be reappointed to the county capital improvements committee to fill the vacancy caused by the expiration.

(g) The capital improvements committee is abolished on January 1, 2005. 2016.

SECTION 3. IC 6-9-25-10.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 31, 2004 (RETROACTIVE)]: Sec. 10.5. (a) The county food and beverage tax council is established in the county. The membership of the county food and beverage tax council consists of the fiscal body of the county and the fiscal body of each municipality that lies either partly or entirely within the county.

(b) The county food and beverage tax council has a total of one hundred (100) votes. Every member of the county food and beverage tax council is allocated a percentage of the total one hundred (100) votes that may be cast. The percentage that a municipality in the county is allocated for a year equals the same percentage that the population of the municipality bears to the population of the county. The percentage that the county is allocated for a year equals the same percentage that the population of all areas of the county not located in a municipality bears to the population of the county. In the case of a municipality that lies partly within the county, the allocation shall be based on the population of that portion of the municipality that lies within the county.

(c) Before January 2 of each year, the county auditor shall certify to each member of the food and beverage tax council the number of votes,
rounded to the nearest one-hundredth (0.01), the member has for that year.

(d) The food and beverage tax imposed under this chapter remains in effect until the county food and beverage tax council adopts an ordinance to rescind the tax.

(e) An ordinance to rescind the food and beverage tax takes effect December 31 of the year in which the ordinance is adopted.

(f) The county food and beverage tax council may not rescind the food and beverage tax if there are bonds outstanding or leases or other obligations payable under this chapter.

(g) The county food and beverage tax council is abolished on January 1, 2005.

SECTION 4. IC 6-9-25-11.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 31, 2004 (RETROACTIVE)]:

Sec. 11.5. (a) Until January 1, 2005, the county may:

(1) use money in the fund established under section 8 of this chapter to pay all or part of the costs associated with the facilities described in section 9.5 of this chapter;

(2) issue bonds, enter into leases, or incur other obligations to pay any costs associated with the facilities described in section 9.5 of this chapter;

(2) reimburse the county or any nonprofit corporation for any money advanced to pay those costs; or

(3) refund bonds issued or other obligations incurred under this chapter.

(b) Bonds or other obligations issued under this section:

(1) are payable solely from money provided in this chapter, any other revenues available to the county, or any combination of these sources, in accordance with a pledge made under IC 5-1-14-4;

(2) must be issued in the manner prescribed by IC 36-2-6-18 through IC 36-2-6-20; and

(3) may, in the discretion of the county, be sold at a negotiated sale at a price to be determined by the county or in accordance with IC 5-1-11 and IC 5-3-1; and

(4) may be issued for a term not to exceed twenty (20) years, such term to include any refunding bonds issued to refund bonds originally issued under this section.
(c) Leases entered into under this section:
   (1) may be for a term not to exceed fifty (50) years;
   (2) may provide for payments from revenues under this chapter, any other revenues available to the county, or any combination of these sources;
   (3) may provide that payments by the county to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;
   (4) must be based upon the value of the facilities leased; and
   (5) may not create a debt of the county for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the county executive only after a public hearing at which all interested parties are provided the opportunity to be heard. After the public hearing, the executive may approve the execution of the lease on behalf of the county only if the executive finds that the service to be provided throughout the life of the lease will serve the public purpose of the county and is in the best interests of its residents. A lease approved by the executive must also be approved by an ordinance of the county fiscal body.

(e) Upon execution of a lease under this section, and after approval of the lease by the county fiscal body, the county executive shall publish notice of the execution of the lease and the approval of the lease in accordance with IC 5-3-1.

(f) An action to contest the validity of bonds issued or leases entered into under this section must be brought within thirty (30) days after the adoption of a bond ordinance or notice of the execution and approval of the lease, as the case may be.

SECTION 5. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning courts and court officers.

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

SECTION 1. IC 33-38-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The total annual salary of each full-time judge of a circuit, superior, municipal, county, or probate court is (1) ninety-one hundred ten thousand five hundred dollars ($90,000), ($110,500), as adjusted after June 30, 2006, under section 8.1 of this chapter, paid by the state. In addition, a judge under this section may receive and (2) any additional salary provided by the county under IC 36-2-5-14 or IC 36-3-6-3(c). The state shall deposit quarterly the money received from the counties under subsection (c) for additional salary in the state general fund.

(b) Before November 2 of each year, the county auditor of each county shall certify to the division of state court administration the amounts, if any, to be provided by the county during the ensuing calendar year for judges' salaries under IC 36-2-5-14 or IC 36-3-6-3(c). The state shall determine for each judge whether the total of:

(1) the payment made on behalf of that judge;
(2) previous payments made on behalf of that judge in the same calendar year; and
(3) the state share of the judge's salary under subsection (a);

exceeds the Social Security wage base established by the federal government for that year. If the total does not exceed the Social Security wage base, the payment on behalf of that judge must also be accompanied by an amount equal to the employer's share of Social Security taxes and Medicare taxes. If the total exceeds the Social Security wage base, the part of the payment on behalf of the judge that is below the Social Security wage base must be accompanied by an amount equal to the employer's share of Social Security taxes and
Medicare taxes, and the part of the payment on behalf of the judge that exceeds the Social Security wage base must be accompanied by an amount equal to the employer’s share of Medicare taxes. Payments made under this subsection shall be deposited in the state general fund under subsection (a).

(d) For purposes of determining the amount of life insurance premiums to be paid by a judge who participates in a life insurance program that:

(1) is established by the state;
(2) applies to a judge who is covered by this section; and
(3) bases the amount of premiums to be paid by the judge on the amount of the judge's salary;

the judge's salary does not include any amounts paid to the state by a county under subsection (a).

SECTION 2. IC 33-38-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The total annual salary for each justice of the supreme court is one hundred fifteen thousand six hundred dollars ($115,600), as adjusted after June 30, 2006, under section 8.1 of this chapter.

(b) The total annual salary for each judge of the court of appeals is one hundred twenty-nine thousand eight hundred dollars ($129,800), as adjusted after June 30, 2006, under section 8.1 of this chapter.

(c) The state shall pay the annual salaries prescribed in subsections (a) through (b) from the state general fund.

(d) In addition to salary, the state shall pay to a justice or judge, in equal monthly payments on the first day of each month from money in the state general fund not otherwise appropriated, the following annual subsistence allowances to assist in defraying expenses relating to or resulting from the discharge of the justice's or judge's official duties:

(1) Five thousand five hundred dollars ($5,500) to the chief justice of the supreme court.
(2) Five thousand five hundred dollars ($5,500) to the chief judge of the court of appeals.
(3) Three thousand dollars ($3,000) to each justice of the supreme court who is not the chief justice.
(4) Three thousand dollars ($3,000) to each judge of the court of appeals who is not the chief judge.
A justice or judge is not required to make an accounting for an allowance received under this subsection.

(e) The state may not furnish automobiles for the use of justices or judges compensated under this section.

SECTION 3. IC 33-38-5-8.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.1. (a) Beginning July 1, 2006, the part of the total salary of an official:

(1) paid by the state; and

(2) set under section 6 or 8 of this chapter;
is increased in each state fiscal year in which the general assembly does not amend the section of law under which the salary is determined to provide a salary increase for the state fiscal year.

(b) The percentage by which salaries are increased in a state fiscal year under this section is equal to the statewide average percentage, as determined by the budget director, by which the salaries of state employees in the executive branch who are in the same or a similar salary bracket exceed, for the state fiscal year, the salaries of executive branch state employees in the same or a similar salary bracket that were in effect on July 1 of the immediately preceding state fiscal year.

(c) The amount of a salary increase under this section is equal to the amount determined by applying the percentage increase for the particular state fiscal year to the salary payable by the state, as previously adjusted under this section, that is in effect on June 30 of the immediately preceding state fiscal year.

(d) An official is not entitled to receive a salary increase under this section in a state fiscal year in which state employees described in subsection (b) do not receive a statewide average salary increase.

(e) If a salary increase is required under this section, the budget director shall augment judicial appropriations, including the line items for personal services for the supreme court, local judges' salaries, and county prosecutors' salaries, in the state biennial budget in an amount sufficient to pay for the salary increase from the sources of funds determined by the budget director.

SECTION 4. [EFFECTIVE JULY 1, 2005] IC 33-38-5-6 and IC 33-38-5-8, both as amended by this act, apply only to increase the part of an annual salary payable after June 30, 2005.
AN ACT to amend the Indiana Code concerning trade regulation.

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

SECTION 1. IC 24-3-5-0.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.1. As used in this chapter, "cigarette" has the meaning set forth in IC 6-7-1-2.

SECTION 2. IC 24-3-5-0.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.2. As used in this chapter, "cigarette manufacturer" means a person or an entity that does the following:

(1) Manufactures cigarettes.

(2) Does one (1) of the following:
   (A) Participates in the Master Settlement Agreement (as defined in IC 24-3-3-6) and performs the person's or entity's financial obligations under the Master Settlement Agreement.
   (B) Places the applicable amount into a qualified escrow fund (as defined in IC 24-3-3-7).

(3) Pays all applicable taxes under IC 6-7-1.

SECTION 3. IC 24-3-5-0.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.3. As used in this chapter, "commission" refers to the alcohol and tobacco commission created by IC 7.1-2-1-1.

SECTION 4. IC 24-3-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "delivery sale" means a transaction for the purchase of tobacco products in which an offer to purchase tobacco products is made:

(1) electronically using a computer network (as defined in IC 35-43-2-3);

(2) by mail; or
(3) by telephone;
and acceptance of the offer results in delivery of the tobacco products
to a named individual or entity at a designated address.

SECTION 5. IC 24-3-5-1.5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 1.5. As used in this chapter, "distributor" includes
the following:

(1) A distributor as defined in IC 6-7-1-6.
(2) A distributor as defined in IC 6-7-2-2.

SECTION 6. IC 24-3-5-3 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "tobacco
product" has the meaning set forth in IC 7.1-6-1-3. However, the term
does not include a cigar or pipe tobacco.

SECTION 7. IC 24-3-5-4 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 4. Subject to section 4.5 of this
chapter, a merchant may not mail or ship tobacco products cigarettes
as part of a delivery sale unless, before mailing or shipping the tobacco
products cigarettes, the merchant:

(1) obtains from the prospective customer a written statement
signed by the prospective customer under penalty of perjury:
(A) providing the prospective customer's address and date of
birth;
(B) advising the prospective customer that:
(i) signing another person's name to the statement required
under this subdivision may subject the person to a civil
monetary penalty of not more than one thousand dollars
($1,000); and
(ii) purchasing tobacco products cigarettes by a person less
than eighteen (18) years of age is a Class C infraction under
IC 35-46-1-10.5;
(C) confirming that the tobacco product cigarette order was
placed by the prospective customer;
(D) providing a warning under 15 U.S.C. 1333(a)(1); and
(E) stating the sale of tobacco products cigarettes by delivery
sale is a taxable event for purposes of IC 6-7-1; and IC 6-7-2;
(2) makes a good faith effort to verify the information in the
written statement obtained under subdivision (1) by using a
federal or commercially available data base; and
(3) receives payment for the delivery sale by a credit or debit card issued in the name of the prospective purchaser.

SECTION 8. IC 24-3-5-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) This section applies to a merchant that is not a cigarette manufacturer.

(b) Except as provided in subsection (d), a merchant may not mail or ship cigarettes as part of a delivery sale to an Indiana resident or retailer (as defined in IC 24-3-2-2(d)) that is not a distributor.

(c) If the commission determines that a merchant has violated subsection (b):

(1) a distributor may not accept a shipment of cigarettes from the merchant for a period, not to exceed one (1) year, determined by the commission; and

(2) the commission may impose a civil penalty, not to exceed five thousand dollars ($5,000), on the merchant for each violation of subsection (b), as determined by the commission.

(d) A merchant may make a drop shipment of tobacco products to an Indiana resident or retailer that is billed through a distributor.

SECTION 9. IC 24-3-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A merchant who mails or ships tobacco products cigarettes as part of a delivery sale shall:

(1) use a mailing or shipping service that requires the customer or a person at least eighteen (18) years of age who is designated by the customer to:

(A) sign to accept delivery of the tobacco products; cigarettes; and

(B) present a valid operator's license issued under IC 9-24-3 or an identification card issued under IC 9-24-16 if the customer or the customer's designee, in the opinion of the delivery agent or employee of the mailing or shipping service, appears to be less than twenty-seven (27) years of age;

(2) provide to the mailing or shipping service used under subdivision (1) proof of compliance with section 6(a) of this chapter; and

(3) include the following statement in bold type or capital letters
on an invoice or shipping document:

INDIANA LAW PROHIBITS THE MAILING OR SHIPPING OF TOBACCO PRODUCTS CIGARETTES TO A PERSON LESS THAN EIGHTEEN (18) YEARS OF AGE AND REQUIRES PAYMENT OF ALL APPLICABLE TAXES.

(b) The alcohol and tobacco commission may impose a civil penalty of not more than one thousand dollars ($1,000) if a mailing or shipping service:

(1) delivers tobacco products cigarettes as part of a delivery sale without first receiving proof from the merchant of compliance with section 6(a) of this chapter; or
(2) fails to obtain a signature and proof of identification of the customer or the customer's designee under subsection (a)(1).

The alcohol and tobacco commission shall deposit amounts collected under this subsection into the youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

(c) The following apply to a merchant that mails or ships tobacco products cigarettes as part of a delivery sale without using a third party service as required by subsection (a)(1):

(1) The merchant shall require the customer or a person at least eighteen (18) years of age who is designated by the customer to:

(A) sign to accept delivery of the tobacco products; cigarettes;
and

(B) present a valid operator's license issued under IC 9-24-3 or identification card issued under IC 9-24-16 if the customer or the customer's designee, in the opinion of the merchant or the merchant's employee making the delivery, appears to be less than twenty-seven (27) years of age.

(2) The alcohol and tobacco commission may impose a civil penalty of not more than one thousand dollars ($1,000) if the merchant:

(A) delivers the tobacco products cigarettes without first complying with section 6(a) of this chapter; or
(B) fails to obtain a signature and proof of identification of the customer or the customer's designee under subdivision (1).

The alcohol and tobacco commission shall deposit amounts collected under this subdivision into the youth tobacco education and enforcement fund established by IC 7.1-6-2-6.
SECTION 10. IC 24-3-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A merchant shall, before mailing or shipping tobacco products cigarettes as part of a delivery sale, provide the department of state revenue with a written statement containing the merchant's name, address, principal place of business, and each place of business in Indiana.

(b) A merchant who mails or ships tobacco products cigarettes as part of a delivery sale shall, not later than the tenth day of the calendar month immediately following the month in which the delivery sale occurred, file with the department of state revenue a copy of the invoice for each delivery sale to a customer in Indiana. The invoice must include the following information:

1. The name and address of the customer to whom the tobacco products cigarettes were delivered.
2. The brand name of the tobacco products cigarettes that were delivered to the customer.
3. The quantity of tobacco products cigarettes that were delivered to the customer.

(c) A merchant who complies with 15 U.S.C. 376 for the delivery sale of cigarettes is considered to satisfy the requirements of this section.

SECTION 11. IC 24-3-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A merchant who delivers tobacco products cigarettes to a customer as part of a delivery sale shall:

1. collect and pay all applicable taxes under IC 6-7-1; and IC 6-7-2; or
2. place a legible and conspicuous notice on the outside of the container in which the tobacco products cigarettes are shipped.

The notice shall be placed on the same side of the container as the address to which the container is shipped and must state the following:

"If these tobacco products cigarettes have been shipped to you from a merchant located outside the state in which you reside, the merchant has under federal law reported information about the sale of these tobacco products cigarettes, including your name and address, to your state tax collection agency. You are legally responsible for all applicable unpaid state taxes on
these tobacco products: cigarettes.’.

(b) For a violation of this section the alcohol and tobacco commission may impose, in addition to any other remedies, civil penalties as follows:

(1) If the person has one (1) judgment for a violation of this section committed during a five (5) year period, a civil penalty of at least one thousand dollars ($1,000) but not more than two thousand dollars ($2,000).

(2) If the person has two (2) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of at least two thousand five hundred dollars ($2,500) but not more than three thousand five hundred dollars ($3,500).

(3) If the person has three (3) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of at least four thousand dollars ($4,000) but not more than five thousand dollars ($5,000).

(4) If the person has four (4) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of at least five thousand five hundred dollars ($5,500) but not more than six thousand five hundred dollars ($6,500).

(5) If the person has at least five (5) unrelated judgments for violations of this section committed during a five (5) year period, a civil penalty of ten thousand dollars ($10,000).

SECTION 12. IC 24-3-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The alcohol and tobacco commission may impose a civil penalty of not more one thousand dollars ($1,000) on a:

(1) customer who signs another person's name to a statement required under section 4(1) of this chapter; or

(2) merchant who sells tobacco products cigarettes by delivery sale to a person less than eighteen (18) years of age.

The alcohol and tobacco commission shall deposit amounts collected under this section into the youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

SECTION 13. IC 24-3-5.4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. A person may not:

(1) affix a stamp to a package or other container of cigarettes; or

(2) sell, offer or possess for sale, or import for personal
consumption in Indiana cigarettes; of a tobacco product manufacturer or brand family that is not listed in a directory under section 14 of this chapter.

SECTION 14. IC 24-3-5.4-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) This section applies after July 31, 2003.

(b) Not later than January 20, April 20, July 20, and October 20 of a calendar year, or more frequently if ordered by the department, the commission, or the attorney general, a distributor or stamping agent shall submit the following information to the department, the commission, and the attorney general:

(1) A list by brand family of the total number of cigarettes for which the distributor or stamping agent affixed stamps or otherwise paid taxes during the immediately preceding three (3) months.

(2) Any other information required by the department or the attorney general.

The distributor or stamping agent shall maintain and make available to the department, the commission, and the attorney general for a period of five (5) years all invoices and documentation of sales of all nonparticipating manufacturer cigarettes and any other information that the distributor or stamping agent relied on in reporting to the department, the commission, and the attorney general.

(c) The attorney general may require a distributor or a tobacco product manufacturer to submit additional information to determine whether a tobacco product manufacturer is in compliance with this chapter. The additional information may include samples of the packaging or labeling of each of the tobacco product manufacturer's brand families.

SECTION 15. IC 24-3-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 6. Contraband Cigarettes

Sec. 1. As used in this chapter, "commission" refers to the alcohol and tobacco commission created by IC 7.1-2-1-1.

Sec. 2. As used in this chapter, "distributor" means a distributor (as defined in IC 6-7-1-6) that holds a registration certificate issued under IC 6-7-1-16.
Sec. 3. As used in this chapter, "importer" means a person that brings cigarettes into the United States for sale or distribution.

Sec. 4. As used in this chapter, "licensed" means holding a license issued under section 9 of this chapter.

Sec. 5. As used in this chapter, "manufacturer" means a person that manufactures or otherwise produces cigarettes to be sold in the United States.

Sec. 6. As used in this chapter, "person" has the meaning set forth in IC 6-7-1-4.

Sec. 7. As used in this chapter, "retailer" means a person that sells cigarettes to a consumer. The term includes a distributor.

Sec. 8. As used in this chapter, "stamp" has the meaning set forth in IC 6-7-1-9.

Sec. 9. (a) The commission may issue or renew a license to the following applicants:

(1) An importer.
(2) A manufacturer.

The commission shall prescribe the form of an application.

(b) An importer or manufacturer that conducts business in Indiana must apply under this section for a license for the importer's or manufacturer's principal place of business. An importer or manufacturer that is issued a license shall display the license at the importer's or manufacturer's principal place of business.

(c) The commission shall prescribe the form and duration of a license issued under this section. However, a license may not be valid for more than three (3) years from the date of issuance.

(d) A license issued under this section is nontransferable.

(e) The commission shall not issue or renew a license under this section if:

(1) the applicant owes at least five hundred dollars ($500) in taxes imposed under IC 6-7-1-12;
(2) the commission revoked the applicant's license within two years before the application;
(3) the applicant commits an offense under IC 6-7-1-21;
(4) the applicant does not comply with IC 24-3-3-12; or
(5) the applicant violates IC 24-3-4.

(f) The commission may revoke or suspend a license issued under this section if the applicant:
(1) is not eligible to receive or renew a license under subsection (e); or
(2) violates this chapter.

Sec. 10. (a) A distributor may apply a stamp only to cigarettes that are received from a licensed importer or licensed manufacturer.

(b) A distributor shall store stamped and unstamped cigarettes separately.

(c) A distributor may transfer unstamped cigarettes only as provided in IC 6-7-1-18.

Sec. 11. (a) A manufacturer or an importer may sell cigarettes in Indiana only to a distributor or a licensed importer.

(b) A manufacturer that sells cigarettes to a licensed importer under subsection (a) must be a licensed manufacturer.

(c) A distributor may sell cigarettes only to a distributor or a retailer.

(d) A distributor may obtain cigarettes only from another distributor, a licensed importer, or a licensed manufacturer.

(e) Except as provided in subsection (f), a retailer may obtain cigarettes only from a distributor.

(f) A retailer that is a holder of a certificate issued under IC 7.1-3-18.5 may purchase up to one thousand dollars ($1,000) of cigarettes per week from another retailer that holds a certificate issued under IC 7.1-3-18.5.

Sec. 12. (a) This section does not apply to a distributor who:
(1) is a licensed manufacturer; and
(2) complies with section 13 of this chapter.

(b) A distributor shall report the following information for each place of business belonging to the distributor to the office of the attorney general not later than the fifteenth day of each month:
(1) The number and brand of cigarettes:
   (A) distributed;
   (B) shipped into Indiana; or
   (C) shipped within Indiana;
   during the immediately preceding month.
(2) The name and address of each person to which cigarettes described in subdivision (1) were distributed or shipped.

Sec. 13. (a) An importer or a manufacturer shall maintain documentation for each place of business belonging to the importer
or manufacturer for each transaction other than a retail transaction with a consumer involving the sale, purchase, transfer, consignment, or receipt of cigarettes. The documentation must include:

(1) the name and address of the parties to the transaction; and
(2) the quantity by brand style of cigarettes involved in the transaction.

(b) Subject to subsection (c), an importer or a manufacturer shall preserve documentation described in subsection (a) at the place of business at which each transaction occurs.

(c) The commission may allow an importer or a manufacturer with multiple places of business to preserve documentation described in subsection (a) at a centralized location. However, the importer or manufacturer shall provide duplicate documentation at each place of business upon request by the commission.

(d) An importer or a manufacturer shall maintain documentation under this section for five (5) years from the date of the transaction.

(e) The commission may:

(1) obtain access to; and
(2) inspect at reasonable times;

the documentation maintained under this section. The commission may share the documentation with other law enforcement officials.

Sec. 14. (a) The commission may enter and inspect, without a warrant during normal business hours or with a warrant during nonbusiness hours, the facilities and records of an importer or a manufacturer.

(b) If the commission or a law enforcement officer has knowledge or reasonable grounds to believe that a vehicle is transporting cigarettes in violation of this chapter, the commission or the law enforcement officer may stop and inspect the vehicle for cigarettes being transported in violation of this chapter.

Sec. 15. (a) A person who violates this chapter is liable for a civil penalty equal to the greater of:

(1) five (5) times the value of the cigarettes involved in the violation; or
(2) one thousand dollars ($1,000).

(b) A civil penalty under this section is in addition to any other penalty imposed.
Sec. 16. (a) Either or both of the following may bring an action to prevent or restrain violations of this chapter:

(1) The attorney general or the attorney general's designee.

(2) A person that holds a valid permit under 26 U.S.C. 5712.

(b) A person that brings an action under subsection (a) shall provide notice to the attorney general of the commencement of the action.

SECTION 16. IC 24-4-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section does not apply to a person who keeps available for public inspection a written authorization identifying that person as an authorized representative of the manufacturer or distributor of a product listed in subsection (b), if the authorization is not false, fraudulent, or fraudulently obtained.

(b) An unused property merchant may not offer at an unused property market for sale, or knowingly permit the sale of, baby food, infant formula, cosmetics, personal care products, nonprescription drugs, or medical devices, or cigarettes or other tobacco products.

SECTION 17. IC 34-24-1-1, AS AMENDED BY SEA 47-2005, SEC. 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The following may be seized:

(1) All vehicles (as defined by IC 35-41-1), if they are used or are intended for use by the person or persons in possession of them to transport or in any manner to facilitate the transportation of the following:

(A) A controlled substance for the purpose of committing, attempting to commit, or conspiring to commit any of the following:

(i) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).

(ii) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).

(iii) Dealing in a schedule IV controlled substance (IC 35-48-4-3).

(iv) Dealing in a schedule V controlled substance (IC 35-48-4-4).

(v) Dealing in a counterfeit substance (IC 35-48-4-5).

(vi) Possession of cocaine, a narcotic drug, or
methamphetamine (IC 35-48-4-6).
(vii) Dealing in paraphernalia (IC 35-48-4-8.5).
(viii) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10).

(B) Any stolen (IC 35-43-4-2) or converted property (IC 35-43-4-3) if the retail or repurchase value of that property is one hundred dollars ($100) or more.
(C) Any hazardous waste in violation of IC 13-30-6-6.
(D) A bomb (as defined in IC 35-41-1-4.3) or weapon of mass destruction (as defined in IC 35-41-1-29.4) used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism (as defined by IC 35-41-1-26.5).

(2) All money, negotiable instruments, securities, weapons, communications devices, or any property used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism or commonly used as consideration for a violation of IC 35-48-4 (other than items subject to forfeiture under IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):
   (A) furnished or intended to be furnished by any person in exchange for an act that is in violation of a criminal statute;
   (B) used to facilitate any violation of a criminal statute; or
   (C) traceable as proceeds of the violation of a criminal statute.

(3) Any portion of real or personal property purchased with money that is traceable as a proceed of a violation of a criminal statute.

(4) A vehicle that is used by a person to:
   (A) commit, attempt to commit, or conspire to commit;
   (B) facilitate the commission of; or
   (C) escape from the commission of;
   murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense under IC 35-47 as part of or in furtherance of an act of terrorism.

(5) Real property owned by a person who uses it to commit any of the following as a Class A felony, a Class B felony, or a Class C felony:
(A) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
(B) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
(C) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(D) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10).
(6) Equipment and recordings used by a person to commit fraud under IC 35-43-5-4(11).
(7) Recordings sold, rented, transported, or possessed by a person in violation of IC 24-4-10.
(8) Property (as defined by IC 35-41-1-23) or an enterprise (as defined by IC 35-45-6-1) that is the object of a corrupt business influence violation (IC 35-45-6-2).
(9) Unlawful telecommunications devices (as defined in IC 35-45-13-6) and plans, instructions, or publications used to commit an offense under IC 35-45-13.
(10) Any equipment used or intended for use in preparing, photographing, recording, videotaping, digitizing, printing, copying, or disseminating matter in violation of IC 35-42-4-4.
(11) Destructive devices used, possessed, transported, or sold in violation of IC 35-47.5.
(12) Cigarettes that are sold in violation of IC 24-3-5.2, cigarettes that a person attempts to sell in violation of IC 24-3-5.2, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.2.
(13) Tobacco products that are sold in violation of IC 24-3-5, tobacco products that a person attempts to sell in violation of IC 24-3-5, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.
(14) Property used by a person to commit counterfeiting or forgery in violation of IC 35-43-5-2.

(b) A vehicle used by any person as a common or contract carrier in the transaction of business as a common or contract carrier is not subject to seizure under this section, unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a).
(c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the equipment knowingly permitted the equipment to be used to engage in conduct that subjects it to seizure under subsection (a)(10).

(d) Money, negotiable instruments, securities, weapons, communications devices, or any property commonly used as consideration for a violation of IC 35-48-4 found near or on a person who is committing, attempting to commit, or conspiring to commit any of the following offenses shall be admitted into evidence in an action under this chapter as prima facie evidence that the money, negotiable instrument, security, or other thing of value is property that has been used or was to have been used to facilitate the violation of a criminal statute or is the proceeds of the violation of a criminal statute:

1. IC 35-48-4-1 (dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine).
2. IC 35-48-4-2 (dealing in a schedule I, II, or III controlled substance).
3. IC 35-48-4-3 (dealing in a schedule IV controlled substance).
4. IC 35-48-4-4 (dealing in a schedule V controlled substance) as a Class B felony.
5. IC 35-48-4-6 (possession of cocaine, a narcotic drug, or methamphetamine) as a Class A felony, Class B felony, or Class C felony.
6. IC 35-48-4-10 (dealing in marijuana, hash oil, or hashish) as a Class C felony.

SECTION 18. IC 24-3-5.2 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 19. [EFFECTIVE JULY 1, 2005] Notwithstanding IC 24-3-6-12(b)(2), as added by this act, a distributor (as defined in IC 24-3-6-2, as added by this act) is not required to report the information required in IC 24-3-6-12(b)(2), as added by this act, until the later of the following:

1. When the attorney general becomes capable of receiving the information reported in an electronic format.
AN ACT to amend the Indiana Code concerning alcohol and tobacco.

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

SECTION 1. IC 7.1-3-1.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 1.5. Certification of Alcohol Server Training Programs

Sec. 1. As used in this chapter, "alcohol server" means the following:

(1) A person who works on the licensed premises of a retailer permittee as a:
   (A) manager;
   (B) bartender; or
   (C) waiter or a waitress.

(2) A person who works on the licensed premises of a dealer permittee as a:
   (A) manager; or
   (B) sales clerk.

Sec. 2. As used in this chapter, "dealer permittee" means a person who holds a liquor dealer permit under IC 7.1-3-10 for a package liquor store.

Sec. 3. As used in this chapter, "program" refers to a program designed to educate an alcohol server on the:

(1) selling;
(2) serving; and
(3) consumption;

of alcoholic beverages.

Sec. 4. As used in this chapter, "retailer permittee" means a person who holds a:

(1) beer retailer's permit under IC 7.1-3-4;
(2) liquor retailer's permit under IC 7.1-3-9; or
(3) wine retailer's permit under IC 7.1-3-14.

Sec. 5. (a) The commission shall adopt rules under IC 4-22-2 to establish:
   (1) an application form;
   (2) standards; and
   (3) fees;
for certification of a program under this chapter.
(b) The commission shall adopt rules under IC 4-22-2 to otherwise carry out this chapter.

Sec. 6. The commission shall require the following standards for certification of a program under this chapter:
(1) Training by an instructor who has knowledge in the subject areas described in this section.
(2) Information on specific subject areas as required by the commission.
(3) A minimum of at least two (2) hours of training to complete the program.
(4) Information on:
   (A) state laws and rules regarding the sale and service of alcoholic beverages;
   (B) the classification of alcohol as a depressant and the effect of alcohol on the human body, particularly on the ability to drive a motor vehicle;
   (C) the effects of alcohol:
      (i) when taken with commonly used prescription and nonprescription drugs; and
      (ii) on human behavior;
   (D) methods of:
      (i) identifying and refusing to serve or sell alcoholic beverages to an underage or intoxicated person; and
      (ii) handling situations involving an underage or intoxicated person;
   (E) methods for properly and effectively:
      (i) checking the identification of an individual;
      (ii) identifying an illegal identification of an individual; and
      (iii) handling situations involving individuals who have provided illegal identification;
   (F) security and law enforcement issues regarding the sale
and service of alcoholic beverages; and
(G) recognizing certain behavior to assess the amount of alcohol an individual:
   (i) has consumed; and
   (ii) may safely consume.
(5) One (1) or both of the following:
   (A) A written test.
   (B) An oral test.

Sec. 7. The commission shall issue a certificate to an applicant who:
(1) files the application and pays the fees established by the commission under section 5 of this chapter;
(2) meets the:
   (A) requirements under this chapter; and
   (B) rules adopted by the commission;
(3) is a:
   (A) nonprofit corporation or organization; or
   (B) for-profit corporation or organization that does not have an interest in a permit issued to a primary source of supply, a wholesaler, a retailer permittee, or a dealer permittee under this chapter; and
(4) does not hold a permit under this article.
Sec. 8. (a) A certificate issued under this chapter expires at a time and date designated by the commission.
(b) The commission shall adopt rules to establish:
   (1) an application form; and
   (2) fees;
for the renewal of a certificate under this chapter.
(c) The commission shall send written notice of the upcoming expiration of a certificate to each certificate holder at least sixty (60) days before the expiration of the certificate. The notice must inform the certificate holder of the need to renew and the requirement of payment of the renewal fee. If notice of expiration is not sent by the commission, the certificate holder is not subject to a sanction for failure to renew if, once notice is received from the commission, the certificate is renewed within forty-five (45) days after the receipt of the notice.
Sec. 9. To renew a certificate under this chapter, the certificate holder must:
(1) file the renewal application established and provided by the commission; and
(2) pay the renewal fee in the amount established by the commission;
not later than the expiration date of the certificate.

Sec. 10. (a) The commission may:
(1) refuse to issue, renew, or restore a certificate issued under this chapter; or
(2) suspend or revoke a certificate issued under this chapter; if the board determines that the applicant or certificate holder has not complied with this chapter.

(b) The commission may fine a certificate holder for the violation of a:
(1) provision of this chapter; or
(2) rule adopted by the commission under this chapter.
The commission may fine a certificate holder for each day the violation continues if the violation is of a continuing nature.

Sec. 11. (a) If a person violates this chapter, the attorney general, the commission, or the prosecuting attorney of the county in which the person violates this chapter may maintain an action in the name of the state to enjoin the person from continuing in violation of this chapter.

(b) A person who is enjoined and who violates the injunction shall be punished for contempt of court.

Sec. 12. A person who operates a program without a certificate under this chapter commits a Class B infraction.

Sec. 13. (a) A retailer permittee or dealer permittee who operates an establishment where alcoholic beverages are served or sold must:
(1) ensure that each alcohol server completes a program certified under this chapter not later than ninety (90) days after the date the alcohol server begins employment at the establishment;
(2) require each alcohol server to attend a refresher course that includes the dissemination of new information concerning the program subject areas described in section 6 of this chapter, as required by the commission; and
(3) maintain training verification records of each alcohol server.
(b) A retailer permittee or dealer permittee must complete a program certified under this chapter not later than ninety (90) days after the date:

(1) the dealer permittee is issued a permit described in section 2 of this chapter; or

(2) the retailer permittee is issued a permit described in section 4 of this chapter.

(c) The commission may suspend or revoke a retailer permittee's or dealer permittee's permit or fine a retailer permittee or dealer permittee for noncompliance with this section in accordance with IC 7.1-3-23.

SECTION 2. IC 7.1-3-23-26.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. 1. (a) A retailer permittee or dealer permittee who violates IC 7.1-3-1.5-13, IC 7.1-5-7-4, or IC 7.1-5-7-8 through IC 7.1-5-7-13 may be fined, have his the permittee's permit suspended, or be fined and have his the permittee's permit suspended, as determined by the commission; however, if the penalty imposed by the commission exceeds a fine and three (3) day suspension, the commission must issue written findings of fact and conclusions which show the necessity of the penalty. If the retailer or dealer permittee commits a subsequent violation of the provisions listed in this subsection within twelve (12) months of the first violation, the commission may fine the permittee, fine him the permittee and suspend his the permittee's permit, or revoke his the permittee's permit; however, if the penalty exceeds a fine and suspension of more than fifteen (15) days, the commission must issue written findings of fact and conclusions which show the necessity of the penalty.

(b) The holder of an employee permit who violates IC 7.1-5-7-4 or IC 7.1-5-7-8 through IC 7.1-5-7-13 may be fined, have his the permittee's permit suspended, be both fined and have his the permittee's permit suspended, or have his the permittee's permit revoked, as determined by the commission.

SECTION 3. IC 7.1-5-7-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. 1) The employment of a person at least eighteen (18) years of age but less than twenty-one (21) years of age on or about licensed
premises where alcoholic beverages are sold, furnished, or given away for consumption either on or off the licensed premises, for a purpose other than:
   (A) selling;
   (B) furnishing, other than serving;
   (C) consuming; or
   (D) otherwise dealing in;
alcoholic beverages.
(2) A person at least eighteen (18) years of age but less than twenty-one (21) years of age from ringing up a sale of alcoholic beverages in the course of the person's employment.
(3) A person at least nineteen (19) years of age but less than twenty-one (21) years of age who:
   (A) has successfully completed an alcohol server training program approved by the commission before applying for an employee permit; certified under IC 7.1-3-1.5; and
   (B) serves alcoholic beverages in a dining area or family room of a restaurant or hotel:
      (i) in the course of a person's employment as a waiter, waitress, or server; and
      (ii) under the supervision of a person who is at least twenty-one (21) years of age, is present at the restaurant or hotel, and has successfully completed an alcohol server training program approved certified under IC 7.1-3-1.5 by the commission.
   This subdivision does not allow a person at least nineteen (19) years of age but less than twenty-one (21) years of age to be a bartender.

(b) The commission may adopt rules under IC 4-22-2 to:
   (1) create a server training program;
   (2) outsource the server training program and licensing; and
   (3) establish fees under this section.

SECTION 4. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "commission" refers to the alcohol and tobacco commission established by IC 7.1-2-1-1.
   (b) As used in this SECTION, "dealer permittee" has the meaning set forth in IC 7.1-3-1.5-2, as added by this act.
   (c) As used in this SECTION, "program" has the meaning set
forth in IC 7.1-3-1.5-3, as added by this act.

(d) As used in this SECTION, "retailer permittee" has the meaning set forth in IC 7.1-3-1.5-4, as added by this act.

(e) Notwithstanding IC 7.1-3-1.5-12, as added by this act, a person who is operating a program before July 1, 2005, may continue to operate the program without a certificate issued under IC 7.1-3-1.5, as added by this act, pending the processing of an application for a certificate under this SECTION.

(f) The person described in subsection (e) may submit to the commission an application for a certificate to operate a program under IC 7.1-3-1.5, as added by this act. To be entitled to continue operating without a certificate under subsection (e), the person must submit the application before March 1, 2006.

(g) The person described in subsection (e) shall cease operating a program if:

(1) the person fails to submit an application within the time allowed under subsection (f); or
(2) the commission notifies the person that the commission has rejected the application submitted by the person under this SECTION.

(h) Notwithstanding IC 7.1-3-1.5-13, as added by this act:

(1) a retailer permittee or dealer permittee who is operating an establishment where alcoholic beverages are served or sold must ensure that each alcohol server completes a program certified under IC 7.1-3-1.5, as added by this act, not later than:

(A) January 1, 2008; or
(B) ninety (90) days after the date the alcohol server begins employment at the establishment; whichever is later; and

(2) a retailer permittee or dealer permittee must complete a program certified under IC 7.1-3-1.5, as added by this act, not later than:

(A) January 1, 2008; or
(B) ninety (90) days after the date the retailer permittee or dealer permittee is issued a retailer permit or dealer permit under IC 7.1-3; whichever is later.

(i) This SECTION expires December 31, 2009.
SECTION 5. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 7.1-3-1.5, as added by this act, the alcohol and tobacco commission may initiate rulemaking to implement IC 7.1-3-1.5, as added by this act.

(b) This SECTION expires January 1, 2006.

SECTION 6. An emergency is declared for this act.
of this chapter in the child care fund.

(8) Require each child care center or child care home to record proof of a child's date of birth before accepting the child. A child's date of birth may be proven by the child's original birth certificate or other reliable proof of the child's date of birth, including a duly attested transcript of a birth certificate.

(9) Provide not later than January 1, 2004, an Internet site through which members of the public may obtain the following information:

(A) Information concerning violations of this article by a licensed child care provider, including:
   (i) the identity of the child care provider;
   (ii) the date of the violation; and
   (iii) action taken by the division in response to the violation.

(B) Current status of a child care provider's license.

(C) Other relevant information.

The Internet site may not contain the address of a child care home. However, the site may include the county and ZIP code in which a child care home is located.

(10) Provide or approve training concerning safe sleeping practices for children to:

(A) a provider who operates a child care program in the provider's home as described in IC 12-17.2-3.5-5(b); and

(B) a child care home licensed under IC 12-17.2-5; including practices to reduce the risk of sudden infant death syndrome.

SECTION 2. IC 12-17.2-3.5-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) A provider shall ensure that a child in the provider's care is continually supervised by a caregiver.

(b) A provider who operates a child care program in the provider's home (including a child care home licensed under IC 12-17.2-5) and who receives a voucher payment under this chapter shall complete the training course provided or approved by the division under IC 12-17.2-2-1(10) concerning safe sleeping practices.

SECTION 3. IC 12-17.2-5-6.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.3. (a) To qualify for
a license to operate a class I child care home under this chapter, a person must do the following:

1. Provide documentation to the division that the licensee has received a high school diploma or a high school equivalency certificate as described in IC 12-14-5-2.
2. Provide documentation to the division that the licensee:
   (A) has completed;
   (B) is enrolled in; or
   (C) agrees to complete within the next three (3) years;
   a child development associate credential program or a similar program approved by the division.
3. Complete the training course taught or approved by the division concerning safe sleeping practices for a child within the person's care as described in IC 12-17.2-2-1(10).

The division may grant a waiver or variance of the requirement under subdivision (2).

(b) A class I child care home may serve a school age child during a break in the school year that exceeds four (4) weeks if the following conditions are met:

1. The school age child:
   (A) was in the home part time during the four (4) months preceding the break; or
   (B) has a sibling attending the child care home.
2. The child care home meets the following requirements:
   (A) Provides at least thirty-five (35) square feet for each child.
   (B) Maintains the child to staff ratio required under rules adopted by the division for each age group of children in attendance.
   (C) Provides age appropriate toys, games, equipment, and activities for each age group of children enrolled.
   (D) If the licensee does not reside in the child care home, the child care home has:
      (i) at least two (2) exits that comply with the exit requirements for an E-3 building occupancy classification under the Indiana building code adopted by the fire prevention and building safety commission; and
      (ii) an illuminated exit sign over each required exit and or
      (iii) emergency lighting for each required exit.
(3) The licensee for the child care home has maintained a class I child care home license for at least twelve (12) children:
   (A) for at least one (1) year; and
   (B) without any citations for noncompliance.

SECTION 4. IC 12-17.2-5-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) To qualify for a license to operate a class II child care home under this chapter, a person must do the following:
   (1) Provide all child care services on the first story of the child care home unless the class II child care home meets the exceptions to the first story requirements contained in the Indiana building code adopted by the fire prevention and building safety commission in effect at the time the class II child care home provider applies for licensure.
   (2) Provide a smoke detection system that is:
      (A) hard wired to the building's electrical system; and
      (B) wired in a manner that activates all of the detector devices in the building when one (1) detector device is activated.
   (3) Provide a fire extinguisher in each room that is used to provide child care services.
   (4) Meet:
      (A) the exit requirements for an E-3 building occupancy classification under the Indiana building code adopted by the fire prevention and building safety commission, except for any illumination requirements, in effect at the time the class II child care home provider initially applies for licensure; and
      (B) the illumination requirements established in section 6.3(b)(2)(D) of this chapter.
   (5) Provide a minimum of thirty-five (35) square feet for each child.
   (6) Conduct fire drills required under article 37 of the Indiana fire prevention code adopted by the fire prevention and building safety commission in effect at the time the class II child care home provider applies for licensure.
   (7) Apply for a license before July 1, 1996, or after June 30, 2001.
   (8) Comply with rules adopted by the division of family and children for class II child care homes.
   (9) Complete the training course taught or approved by the
division concerning safe sleeping practices for a child within the person's care as described in IC 12-17.2-2-1(10).

(b) To qualify for a license to operate a class II child care home under this chapter, a person, before applying for the license, must have:
(1) a class I child care home license; or
(2) at least one (1) year of experience as a caregiver in a child care home or child care center.

SECTION 5. [EFFECTIVE UPON PASSAGE] 470 IAC 3-18-1(23) is void. The publisher of the Indiana Administrative Code and the Indiana Register shall remove this provision from the Indiana Administrative Code.

SECTION 6. An emergency is declared for this act.

P.L.163-2005
[S.432. Approved May 6, 2005.]

AN ACT concerning health.

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

SECTION 1. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "comprehensive care bed" means a bed that:
(1) is licensed or is to be licensed under IC 16-28-2;
(2) functions as a bed licensed under IC 16-28-2; or
(3) is subject to IC 16-28.

The term does not include a comprehensive care bed that will be used solely to provide specialized services and is subject to IC 16-29.

(b) The office of the secretary of family and social services established by IC 12-8-1-1 shall develop a long term care plan that does the following:
(1) Determines the number of comprehensive care beds that the state:
   (A) currently needs; and
   (B) will need in the future.
(2) Makes recommendations, after studying the successful programs used in other states, in addressing the cost of the Medicaid program concerning long term care.
(3) Recommends methods to encourage individuals to plan for the family's long term care needs.
(4) Recommends ways to limit individuals from using loopholes to acquire or maintain Medicaid eligibility for long term care.
(5) Recommends alternative payment systems and provider systems for long term care under the state's Medicaid program, including the feasibility of competitive bidding, vouchers, and other systems.
(6) Makes recommendations concerning reducing Medicaid oversight costs in long term care.
(7) Develops and sets forth a long term care budget for the state.
(8) Recommends other savings sources in long term care for the Medicaid program.
(9) Sets forth other long term care needs for the state.
The office shall submit the plan in electronic format under IC 5-14-6 to the legislative council not later than December 1, 2005.
(c) This SECTION expires June 30, 2006.

P.L.164-2005
[S.433. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning the arts.

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

SECTION 1. IC 1-2-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 12. State Poet Laureate
Sec. 1. As used in this chapter, "commission" refers to the
Indiana arts commission established by IC 4-23-2-1.

Sec. 2. As used in this chapter, "selection committee" refers to the committee described in section 4 of this chapter.

Sec. 3. The poet laureate of Indiana shall be selected under this chapter.

Sec. 4. (a) The selection committee consists of the following eight members:

(1) Seven (7) members selected by the commission who represent state supported and private institutions of higher education.

(2) The executive director of the commission.

(b) The president of each of the institutions selected under subsection (a)(1) shall name a faculty member to serve on the selection committee. The faculty member must:

(1) be a member of the fine arts or English department of the institution; and

(2) teach writing.

(c) The executive director of the commission:

(1) is the chair of; and

(2) shall establish the meeting times and dates for; the selection committee.

Sec. 5. The selection committee shall do the following:

(1) Meet on a biennial basis to select the poet laureate.

(2) Determine a method of selecting the poet laureate.

(3) Select a poet laureate not later than December 1 of each odd-numbered year.

(4) Permit a person to be selected as poet laureate even if the person has previously served as poet laureate.

Sec. 6. A person selected as poet laureate serves a two (2) year term that begins January 1 following the poet laureate's selection.

Sec. 7. (a) The poet laureate shall do the following:

(1) Make a formal appearance at schools, libraries, and other educational facilities.

(2) Offer advice to the commission concerning ways to further the art of poetry in Indiana.

(3) Represent Indiana and the art of poetry to the education community and the public.

(b) The department of education shall assist the poet laureate in scheduling the poet laureate's appearances in educational facilities.
and at other appropriate events.

Sec. 8. (a) The commission may pay an annual honorarium of two thousand five hundred dollars ($2,500) to the poet laureate.

(b) The commission may pay a per diem to the poet laureate for each day that the poet laureate makes an appearance under this chapter.

(c) The commission may pay travel expenses to a member of the selection committee unless the member's institution reimburses the member for the expenses.

Sec. 9. All expenses and other payments permitted under this chapter shall be paid from appropriations to or other funds of the commission.

SECTION 2. [EFFECTIVE JULY 1, 2005] (a) The person honored as poet laureate of Indiana by the house of representatives in House Resolution 73-2002 is entitled to serve as the initial poet laureate of Indiana under IC 1-2-12, as added by this act, until December 31, 2005.

(b) This SECTION expires January 1, 2006.

P.L.165—2005

AN ACT to amend the Indiana Code concerning trade regulation.

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

SECTION 1. IC 5-22-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), this article does not apply to the following types of activities:

(1) A contract between governmental bodies except for a contract authorized under this article.

(2) A public works project.

(3) A collective bargaining agreement between a governmental body and its employees.
(4) The employment relationship between a governmental body and an employee of the governmental body.
(5) An investment of public funds.
(6) A contract between a governmental body and a body corporate and politic.
(7) A contract for social services.
(8) A contract with a body corporate and politic.

(b) IC 5-22-3-7 applies to any:
   (1) contract;
   (2) project;
   (3) agreement;
   (4) employment relationship; or
   (5) investment;

described in subsection (a).

SECTION 2. IC 5-22-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as otherwise provided, the definitions in this chapter apply throughout this article.

SECTION 3. IC 5-22-2-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.3. "Affiliate" means a business entity that effectively controls or is controlled by a contractor or associated with a contractor under common ownership or control, whether by shareholdings or other means, including a subsidiary, parent, or sibling of a contractor.

SECTION 4. IC 5-22-3-7 IS ADDED TO THE INDIANA CODE AS A NEW REFERENCE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) This section applies to every use of funds by a governmental body. However, this section does not apply to a contract in which one (1) party is a political subdivision, including a body corporate and politic created by or authorized by a political subdivision.

(b) A prospective contractor may not contract with a governmental body unless the prospective contractor includes the following certifications as terms of the contract with the governmental body:

   (1) The contractor and any principals of the contractor certify that:

   (A) the contractor, except for de minimis and
nonsystematic violations, has not violated the terms of:
(i) IC 24-4.7;
(ii) IC 24-5-12; or
(iii) IC 24-5-14;
in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and
(B) the contractor will not violate the terms of IC 24-4.7 for the duration of the contract, even if IC 24-4.7 is preempted by federal law.

(2) The contractor and any principals of the contractor certify that an affiliate or principal of the contractor and any agent acting on behalf of the contractor or on behalf of an affiliate or principal of the contractor:
(A) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and
(B) will not violate the terms of IC 24-4.7 for the duration of the contract, even if IC 24-4.7 is preempted by federal law.

(c) If a certification in subsection (b) concerning compliance with IC 24-4.7, IC 24-5-12, or IC 24-5-14 is materially false or if the contractor, an affiliate or a principal of the contractor, or an agent acting on behalf of the contractor or an affiliate or a principal of the contractor violates the terms of IC 24-4.7, IC 24-5-12, or IC 24-5-14, even if IC 24-4.7 is preempted by federal law, the attorney general may bring a civil action in the circuit or superior court of Marion County to:
(1) void a contract under this section, subject to subsection (d); and
(2) obtain other proper relief.

However, a contractor is not liable under this section if the contractor or an affiliate of the contractor acquires another business entity that violated the terms of IC 24-4.7, IC 24-5-12, or IC 24-5-14 within the preceding three hundred sixty-five (365) days before the date of the acquisition if the acquired business entity ceases violating IC 24-4.7, IC 24-5-12, or IC 24-5-14, even if IC 24-4.7 is preempted by federal law, as of the date of the acquisition.
(d) If:

1. the attorney general notifies the contractor, department of administration, and budget agency in writing of the intention of the attorney general to void a contract; and
2. the attorney general does not receive a written objection from the department of administration or budget agency, sent to both the attorney general and the contractor, within thirty (30) days of the notice;

a contract between a contractor and a governmental body is voidable at the election of the attorney general in a civil action brought under subsection (c). If an objection of the department of administration or the budget agency is submitted under subdivision (2), the contract that is the subject of the objection is not voidable at the election of the attorney general unless the objection is rescinded or withdrawn by the department of administration or the budget agency.

(e) If the attorney general establishes in a civil action that a contractor is knowingly, intentionally, or recklessly liable under subsection (c), the contractor is prohibited from entering into a contract with a governmental body for three hundred sixty-five (365) days after the date on which the contractor exhausts appellate remedies.

(f) In addition to any remedy obtained in a civil action brought under this section, the attorney general may obtain the following:

1. All money the contractor obtained through each telephone call made in violation of the terms of IC 24-4.7, IC 24-5-12, or IC 24-5-14, even if IC 24-4.7 is preempted by federal law.
2. The attorney general's reasonable expenses incurred in:
   A. investigation; and
   B. maintaining the civil action.

SECTION 5. IC 24-4.7-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A telephone solicitor who fails to comply with any provision of IC 24-4.7-4 commits a deceptive act that is actionable by the attorney general under this chapter. In addition, a contractor who contracts or seeks to contract with the state:

1. may be prohibited from contracting with the state; or
2. may have an existing contract with the state voided;

if the contractor, an affiliate or principal of the contractor, or any
agent acting on behalf of the contractor or an affiliate or principal of the contractor does not or has not complied with the terms of this article, even if this article is preempted by federal law.

SECTION 6. IC 24-5-0.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) As used in this chapter:

(1) "Consumer transaction" means a sale, lease, assignment, award by chance, or other disposition of an item of personal property, real property, a service, or an intangible, except securities and policies or contracts of insurance issued by corporations authorized to transact an insurance business under the laws of the state of Indiana, with or without an extension of credit, to a person for purposes that are primarily personal, familial, charitable, agricultural, or household, or a solicitation to supply any of these things. However, the term includes a transfer of structured settlement payment rights under IC 34-50-2.

(2) "Person" means an individual, corporation, the state of Indiana or its subdivisions or agencies, business trust, estate, trust, partnership, association, nonprofit corporation or organization, or cooperative or any other legal entity.

(3) "Supplier" means:

(A) a seller, lessor, assignor, or other person who regularly engages in or solicits consumer transactions, including a manufacturer, wholesaler, or retailer, whether or not he the person deals directly with the consumer; or

(B) a person who contrives, prepares, sets up, operates, publicizes by means of advertisements, or promotes a pyramid promotional scheme.

(4) "Subject of a consumer transaction" means the personal property, real property services, or intangibles furnished in a consumer transaction.

(5) "Cure" as applied to a deceptive act, means either:

(A) to offer in writing to adjust or modify the consumer transaction to which the act relates to conform to the reasonable expectations of the consumer generated by such deceptive act and to perform such offer if accepted by the consumer; or

(B) to offer in writing to rescind such consumer transaction
and to perform such offer if accepted by the consumer. The term includes an offer in writing of one (1) or more items of value, including monetary compensation, that the supplier delivers to a consumer or a representative of the consumer if accepted by the consumer.

(6) "Offer to cure" as applied to a deceptive act is a cure that:

(A) is reasonably calculated to remedy a loss claimed by the consumer; and

(B) includes a minimum additional amount that is the greater of:

(i) ten percent (10%) of the value of the remedy under clause (A), but not more than four thousand dollars ($4,000); or

(ii) five hundred dollars ($500);

as compensation for attorney’s fees, expenses, and other costs that a consumer may incur in relation to the deceptive act.

(7) "Uncured deceptive act" means a deceptive act:

(A) with respect to which a consumer who has been damaged by such act has given notice to the supplier under section 5(a) of this chapter; and

(B) either:

(i) no offer to cure has been made to such consumer within thirty (30) days after such notice; or

(ii) the act has not been cured as to such consumer within a reasonable time after his acceptance of the offer to cure.

(8) "Incurable deceptive act" means a deceptive act done by a supplier as part of a scheme, artifice, or device with intent to defraud or mislead. The term includes a failure of a transferee of structured settlement payment rights to timely provide a true and complete disclosure statement to a payee as provided under IC 34-50-2 in connection with a direct or indirect transfer of structured settlement payment rights.

(9) "Pyramid promotional scheme" means any program utilizing a pyramid or chain process by which a participant in the program gives a valuable consideration exceeding one hundred dollars ($100) for the opportunity or right to receive
compensation or other things of value in return for inducing other persons to become participants for the purpose of gaining new participants in the program. The term does not include ordinary sales of goods or services to persons who are not purchasing in order to participate in such a scheme.

(9) (10) "Promoting a pyramid promotional scheme" means:
   (A) inducing or attempting to induce one (1) or more other persons to become participants in a pyramid promotional scheme; or
   (B) assisting another in promoting a pyramid promotional scheme.

(9) (11) "Elderly person" means an individual who is at least sixty-five (65) years of age.

(b) As used in section 3(a)(15) of this chapter:
   (1) "Directory assistance" means the disclosure of telephone number information in connection with an identified telephone service subscriber by means of a live operator or automated service.
   (2) "Local telephone directory" refers to a telephone classified advertising directory or the business section of a telephone directory that is distributed by a telephone company or directory publisher to subscribers located in the local exchanges contained in the directory. The term includes a directory that includes listings of more than one (1) telephone company.
   (3) "Local telephone number" refers to a telephone number that has the three (3) number prefix used by the provider of telephone service for telephones physically located within the area covered by the local telephone directory in which the number is listed. The term does not include long distance numbers or 800-, 888-, or 900- exchange numbers listed in a local telephone directory.

SECTION 7. IC 24-5-0.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person relying upon an uncured or incurable deceptive act may bring an action for the damages actually suffered as a consumer as a result of the deceptive act or five hundred dollars ($500), whichever is greater. The court may increase damages for a willful deceptive act in an amount that does not exceed the greater of:

   (1) three (3) times the actual damages of the consumer
(2) one thousand dollars ($1,000).

Except as provided in subsection (j), the court may award reasonable attorney fees to the party that prevails in an action under this subsection. This subsection does not apply to a consumer transaction in real property, including a claim or action involving a construction defect (as defined in IC 32-27-3-1(5)) brought against a construction professional (as defined in IC 32-27-3-1(4)), except for purchases of time shares and camping club memberships. This subsection also does not apply to a violation of IC 24-4.7, IC 24-5-12, or IC 24-5-14. Actual damages awarded to a person under this section have priority over any civil penalty imposed under this chapter.

(b) Any person who is entitled to bring an action under subsection (a) on the person's own behalf against a supplier for damages for a deceptive act may bring a class action against such supplier on behalf of any class of persons of which that person is a member and which has been damaged by such deceptive act, subject to and under the Indiana Rules of Trial Procedure governing class actions, except as herein expressly provided. Except as provided in subsection (j), the court may award reasonable attorney fees to the party that prevails in a class action under this subsection, provided that such fee shall be determined by the amount of time reasonably expended by the attorney and not by the amount of the judgment, although the contingency of the fee may be considered. Any money or other property recovered in a class action under this subsection which cannot, with due diligence, be restored to consumers within one (1) year after the judgment becomes final shall be returned to the party depositing the same. This subsection does not apply to a consumer transaction in real property, except for purchases of time shares and camping club memberships. Actual damages awarded to a class have priority over any civil penalty imposed under this chapter.

(c) The attorney general may bring an action to enjoin a deceptive act. However, the attorney general may seek to enjoin patterns of incurable deceptive acts with respect to consumer transactions in real property. In addition, the court may:

(1) issue an injunction;
(2) order the supplier to make payment of the money unlawfully
received from the aggrieved consumers to be held in escrow for
distribution to aggrieved consumers; and
(3) order the supplier to pay to the state the reasonable costs of
the attorney general's investigation and prosecution related to the
action.

(d) In an action under subsection (a), (b), or (c), the court may void
or limit the application of contracts or clauses resulting from deceptive
acts and order restitution to be paid to aggrieved consumers.

(e) In any action under subsection (a) or (b), upon the filing of the
complaint or on the appearance of any defendant, claimant, or any
other party, or at any later time, the trial court, the supreme court, or the
court of appeals may require the plaintiff, defendant, claimant, or any
other party or parties to give security, or additional security, in such
sum as the court shall direct to pay all costs, expenses, and
disbursements that shall be awarded against that party or which that
party may be directed to pay by any interlocutory order by the final
judgment or on appeal.

(f) Any person who violates the terms of an injunction issued under
subsection (c) shall forfeit and pay to the state a civil penalty of not
more than fifteen thousand dollars ($15,000) per violation. For the
purposes of this section, the court issuing an injunction shall retain
jurisdiction, the cause shall be continued, and the attorney general
acting in the name of the state may petition for recovery of civil
penalties. Whenever the court determines that an injunction issued
under subsection (c) has been violated, the court shall award
reasonable costs to the state.

(g) If a court finds any person has knowingly violated section 3 or
10 of this chapter, the attorney general, in an action pursuant to
subsection (c), may recover from the person on behalf of the state a
civil penalty of a fine not exceeding five hundred dollars ($500) per
violation.

(h) An elderly person relying upon an uncured or incurable
deceptive act, including an act related to hypnotism, may bring an
action to recover treble damages, if appropriate.

(i) An offer to cure is:

(1) not admissible as evidence in a proceeding initiated under
this section unless the offer to cure is delivered by a supplier
to the consumer or a representative of the consumer before
the supplier files the supplier's initial response to a complaint; and

(2) only admissible as evidence in a proceeding initiated under this section to prove that a supplier is not liable for attorney's fees under subsection (j).

If the offer to cure is timely delivered by the supplier, the supplier may submit the offer to cure as evidence to prove in the proceeding in accordance with the Indiana Rules of Trial Procedure that the supplier made an offer to cure.

(j) A supplier may not be held liable for the attorney's fees and court costs of the consumer that are incurred following the timely delivery of an offer to cure as described in subsection (i) unless the actual damages awarded, not including attorney's fees and costs, exceed the value of the offer to cure.

SECTION 8. IC 24-5-12-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. A seller who fails to comply with any provision of:

(1) this chapter; or

(2) IC 24-4.7;

commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5-4(c) and is subject to the penalties set forth in IC 24-5-0.5.

An action for a violation of IC 24-4.7 may be brought under IC 24-5-0.5-4(c) or IC 24-4.7-5. An action by the attorney general for a violation of this chapter or IC 24-4.7 may be brought in the circuit or superior court of Marion County.

SECTION 9. IC 32-27-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. As used in this chapter, "warranty date" means the date of the first occupancy of the new home as a residence by the initial home buyer: one (1) of the following:

(1) The builder.

(2) An individual or individuals renting the home from the builder.

(3) An individual or individuals living in the home at the request of the builder.

(4) The initial home buyer.

SECTION 10. IC 32-27-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) In selling a
completed new home, and in contracting to sell a new home to be
completed, the builder may warrant to the initial home buyer the
following:

(1) During the two (2) year period beginning on the warranty date,
the new home will be free from defects caused by faulty
workmanship or defective materials.

(2) During the two (2) year period beginning on the warranty date,
the new home will be free from defects caused by faulty
installation of:
   (A) plumbing;
   (B) electrical;
   (C) heating;
   (D) cooling; or
   (E) ventilating;
systems, exclusive of fixtures, appliances, or items of equipment.

(3) During the four (4) year period beginning on the warranty
date, the new home will be free from defects caused by faulty
workmanship or defective materials in the roof or roof systems of
the new home.

(4) During the ten (10) year period beginning on the warranty
date, the new home will be free from major structural defects.

(b) The warranties provided in this section (or IC 34-4-20.5-8 or
IC 32-15-7 before their repeal) survive the passing of legal or equitable
title in the new home to a home buyer.

(c) An individual identified in section 7(1), 7(2), or 7(3) of this
chapter who is selling a new home shall notify the purchaser of the
home in writing on or before the date of closing or transfer of the
new home of:

(1) the warranty date (as defined in section 7 of this chapter);

and

(2) the amount of time remaining under the warranty.

SECTION 11. [EFFECTIVE UPON PASSAGE] IC 5-22-1-3,
IC 5-22-2-1, IC 24-4.7-5-1, and IC 24-5-12-23, all as amended by
this act, and IC 5-22-3-7, as added by this act, apply only to a
contract entered into or renewed after the effective date of this act.

SECTION 12. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning public safety.

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

SECTION 1. IC 22-12-1-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 3.5. (a) "Bull ride simulator" means a device designed to simulate:
(1) a rodeo bull ride; or
(2) a similarly challenging ride upon another type of animal; by subjecting the rider to a wide range of abrupt motion produced by mechanical, electrical, or hydraulic means. The term includes a multiride electric unit with a bull ride attachment.

(b) The term does not include devices that:
(1) resemble animals; and
(2) are designed:
   (A) as an entertainment device;
   (B) to operate rhythmically within a restricted range of motion; and
   (C) for use by children.

SECTION 2. IC 22-15-7-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 2.5. (a) Except as provided in subsection (g) or (h), the office may not issue a permit under this chapter until the applicant has filed with the office a certificate of insurance indicating that the applicant has liability insurance:
(1) in effect with an insurer that is authorized to write insurance in Indiana on the operation of regulated amusement devices; and
(2) except for an applicant that is subject to the provisions of IC 34-13-3, that provides coverage to a limit of at least:
   (A) one million dollars ($1,000,000) per occurrence and five million dollars ($5,000,000) in the annual aggregate;
   (B) five hundred thousand dollars ($500,000) per occurrence and two million dollars ($2,000,000) in the annual aggregate.
if the applicant operates only:
   (i) a ski lift;
   (ii) a surface lift or tow; or
   (iii) both items (i) and (ii); or
(C) one million dollars ($1,000,000) per occurrence and two million dollars ($2,000,000) in the annual aggregate if the applicant operates only regulated amusement devices that are designed to be used and are ridden by persons who are not more than forty-two (42) inches in height.

(b) An insurance policy required under this section may include a deductible clause if the clause provides that any settlement made by the insurance company with an injured person or a personal representative must be paid as though the deductible clause did not apply.

(c) An insurance policy required under this section must provide by the policy's original terms or an endorsement that the insurer may not cancel the policy without:
   (1) thirty (30) days written notice; and
   (2) a complete report of the reasons for the cancellation to the office.

(d) An insurance policy required under this section must provide by the policy's original terms or an endorsement that the insurer shall report to the office within twenty-four (24) hours after the insurer pays a claim or reserves any amount to pay an anticipated claim that reduces the liability coverage to a limit of less than one million dollars ($1,000,000) because of bodily injury or death in an occurrence.

(e) If an insurance policy required under this section:
   (1) is canceled during the policy's term;
   (2) lapses for any reason; or
   (3) has the policy's coverage fall below the required amount;
the permittee shall replace the policy with another policy that complies with this section.

(f) If a permittee fails to file a certificate of insurance for new or replacement insurance, the permittee:
   (1) must cease all operations under the permit immediately; and
   (2) may not conduct further operations until the permittee receives the approval of the office to resume operations after the permittee complies with the requirements of this section.

(g) The office may issue a permit under this chapter to an
applicant that:
(1) is subject to IC 34-13-3; and
(2) has not filed a certificate of insurance under subsection (a);
if the applicant has filed with the office a notification indicating that the applicant is self-insured for liability.
(h) The office may reduce the annual aggregate liability insurance coverage required under subsection (a)(2)(A) to one million dollars ($1,000,000) in the annual aggregate for an applicant that:
(1) operates only regulated amusement devices that are bull ride simulators that are multiride electric units with bull ride attachments; and
(2) otherwise complies with the requirements of this chapter.
SECTION 3. An emergency is declared for this act.

P.L.167—2005
[S.564. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning property.

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

SECTION 1. IC 32-29-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A sheriff shall offer to sell and sell property on foreclosure in a manner that is reasonably likely to bring the highest net proceeds from the sale after deducting the expenses of the offer and sale.
(b) Upon prior petition of the debtor or any creditor involved in the foreclosure proceedings, the court in its order of foreclosure shall order the property sold by the sheriff through the services of an auctioneer requested by the petitioner and approved by the court if:
(1) the court determines that a sale is economically feasible; or
(2) all the creditors in the proceedings agree to both that method of sale and the compensation to be paid the auctioneer.
(c) The sheriff shall engage the auctioneer engaged by a sheriff under this section not later than fourteen (14) calendar days after the date of the order entered by the court under subsection (b). The auctioneer shall schedule the auction and conduct the auctioneer's activities as appropriate to bring the highest bid for the property on foreclosure. The advertising conducted by the auctioneer is in addition to any other notice required by law.

(d) The auctioneer's fee must be a reasonable amount stated in the court's order. However, if the sale by use of an auctioneer has not been agreed to by the creditors in the proceedings and the sale price is less than the amount of the judgment and the costs and expenses necessary to the satisfaction of the judgment, the auctioneer is entitled only to the auctioneer's advertising expenses plus one hundred dollars ($100). The amount due the auctioneer on account of the auctioneer's expenses and fee, if any, shall be paid as a cost of the sale from its proceeds before the payment of any other payment from the sale.

SECTION 2. IC 32-30-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) A sheriff shall sell property on foreclosure in a manner that is reasonably likely to bring the highest net proceeds from the sale after deducting the expenses of the offer and sale.

(b) Upon prior petition of the debtor or a creditor involved in the foreclosure proceedings, the court in its order of foreclosure shall order the property sold by the sheriff through the services of an auctioneer requested by the petitioner and approved by the court if:

(1) the court determines that a sale is economically feasible; or
(2) all the creditors in the proceedings agree to both that method of sale and the compensation to be paid the auctioneer.

(c) The sheriff shall engage the auctioneer engaged by a sheriff under this section not later than fourteen (14) calendar days after the date of the order entered by the court under subsection (b). The auctioneer shall schedule the auction and conduct the auctioneer's activities as appropriate to bring the highest bid for the property on foreclosure. The advertising conducted by the auctioneer is in addition to any other notice required by law.

(d) The auctioneer's fee must be a reasonable amount stated in the court's order. However, if the sale by use of an auctioneer has not been
agreed to by the creditors in the proceedings and the sale price is less than the amount of the judgment and the costs and expenses necessary to the satisfaction of the judgment, the auctioneer is entitled only to the auctioneer's advertising expenses plus one hundred dollars ($100). The amount due to the auctioneer on account of the auctioneer's expenses and fee, if any, must be paid as a cost of the sale from the proceeds before the payment of any other payment.

P.L.168-2005

[S.574. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-9-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The revenue received by the county treasurer under this chapter shall be allocated to the Lake County convention and visitor bureau, Indiana University-Northwest, Purdue University-Calumet, municipal public safety departments, municipal physical and economic development divisions, and the cities and towns in the county as provided in this section. Subsections (b) through (g) do not apply to the distribution of revenue received under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the largest city of the county.

(b) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion fund (referred to in this chapter as the "promotion fund"). The county treasurer shall transfer to the Lake County convention and visitor bureau for deposit in this the promotion fund thirty-five percent (35%) of the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. The promotion fund consists of:

(1) money in the promotion fund on June 30, 2005;
(2) revenue deposited in the promotion fund under this subsection after June 30, 2005; and

(3) investment income earned on the promotion fund’s assets.

Money in this the promotion fund may be expended only to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county. Money may be paid from the promotion fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer to Indiana University-Northwest forty-four and thirty-three hundredths percent (44.33%) of the revenue received under this chapter for that year to be used as follows:

1. Seventy-five percent (75%) of the revenue received under this subsection may be used only for the university's medical education programs.

2. Twenty-five percent (25%) of the revenue received under this subsection may be used only for the university's allied health education programs.

The amount for each year shall be transferred in four (4) approximately equal quarterly installments.

(d) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall allocate among the cities and towns throughout the county nine percent (9%) of the revenue received under this chapter for that year. The amount of each city's or town's allocation is as follows:

1. Ten percent (10%) of the revenue covered by this subsection shall be transferred to cities having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

2. Ten percent (10%) of the revenue covered by this subsection shall be transferred to cities having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

3. Ten percent (10%) of the revenue covered by this subsection shall be transferred to cities having a population of more than
thirty-two thousand (32,000) but less than thirty-two thousand eight hundred (32,800).

(4) Five percent (5%) of the revenue covered by this subsection shall be transferred to each town and each city not receiving a transfer under subdivisions (1) through (3).

The money transferred under this subsection may be used only for economic development projects. The county treasurer shall make the transfers on or before December 1 of each year.

(e) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer to Purdue University-Calumet nine percent (9%) of the revenue received under this chapter for that year. The money received by Purdue University-Calumet may be used by the university only for nursing education programs.

(f) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer two and sixty-seven hundredths percent (2.67%) of the revenue received under this chapter for that year to the following cities:

1. Fifty percent (50%) of the revenue covered by this subsection shall be transferred to cities having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

2. Fifty percent (50%) of the revenue covered by this subsection shall be transferred to cities having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

Money transferred under this subsection may be used only for convention facilities located within the city. In addition, the money may be used only for facility marketing, sales, and public relations programs. Money transferred under this subsection may not be used for salaries, facility operating costs, or capital expenditures related to the convention facilities. The county treasurer shall make the transfers on or before December 1 of each year.

(g) This subsection applies to the revenue received from the tax imposed under this chapter in each year that exceeds one million two
hundred thousand dollars ($1,200,000). During each year, the county treasurer shall distribute money in the promotion fund as follows:

(1) Eighty-five percent (85%) of the revenue covered by this subsection shall be deposited in the convention, tourism, and visitor promotion fund. The money deposited in the fund under this subdivision may be used only for the purposes for which other money in the fund may be used.

(2) Five percent (5%) of the revenue covered by this subsection shall be transferred to Purdue University-Calumet. The money received by Purdue University-Calumet under this subdivision may be used by the university only for nursing education programs.

(3) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's medical education programs.

(4) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's allied health education programs.

(h) The county treasurer may estimate the amount that will be received under this chapter for the year to determine the amount to be transferred under this section.

(i) This subsection applies only to the distribution of revenue received from the tax imposed under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the largest city of the county. During each year, the county treasurer shall transfer:

(1) seventy-five percent (75%) of the revenues under this subsection to the department of public safety; and

(2) twenty-five percent (25%) of the revenues under this subsection to the division of physical and economic development; of the largest city of the county.

(j) The Lake County convention and visitor bureau shall assist the county treasurer, as needed, with the calculation of the amounts that must be deposited and transferred under this section.
SECTION 2. IC 6-9-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) For purposes of this section, the size of a political subdivision is based on the population determined in the last federal decennial census.

(b) A convention and visitor bureau having fifteen (15) members is created to promote the development and growth of the convention, tourism, and visitor industry in the county.

(c) The executives (as defined by IC 36-1-2-5) of the eight (8) largest municipalities (as defined by IC 36-1-2-11) in the county shall each appoint one (1) member to the bureau. The legislative body (as defined in IC 36-1-2-9) of the two (2) largest municipalities in the county shall each appoint one (1) member to the bureau.

(d) The county council shall appoint two (2) members to the bureau. One (1) of the appointees must be a resident of the largest township in the county, and one (1) of the appointees must be a resident of the second largest township in the county.

(e) The county commissioners shall appoint two (2) members to the bureau. Each appointee must be a resident of the fifth, sixth, seventh, eighth, ninth, tenth, or eleventh largest township in the county. These appointees must be residents of different townships.

(f) The lieutenant governor shall appoint one (1) member to the bureau.

(g) One (1) of the appointees under subsection (d) and one (1) of the appointees under subsection (e) must be members of the political party that received the highest number of votes in the county in the last preceding election for the office of secretary of state. One (1) of the appointees under subsection (d) and one (1) of the appointees under subsection (e) must be members of the political party that received the second highest number of votes in the county in the election for that office. No appointee under this section may hold an elected or appointed political office while he serves on the bureau.

(h) In making appointments under this section, the appointing authority shall give sole consideration to individuals who shall be knowledgeable and interested in at least one (1) of the following businesses in the county:

(1) Hotel.
(2) Motel.
(3) Restaurant.
(4) Travel.
(5) Transportation.
(6) Convention.
(7) Trade show.

(i) All terms of office of bureau members begin on July 1. Initial appointments of the county council are for one (1) year terms; initial appointments of the county commissioners are for two (2) year terms; initial appointments of the municipal executives and legislative bodies are for three (3) year terms; with all subsequent appointments for three (3) year terms. All appointments of the lieutenant governor are for three (3) year terms. Members of the bureau serve terms of three (3) years. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an appointment is not made before July 16 or a vacancy is not filled within thirty (30) days, the member appointed by the lieutenant governor under subsection (f) shall appoint a qualified person.

(j) A member of the bureau may be removed for cause by his the member’s appointing authority.

(k) Members of the bureau may not receive a salary. However, bureau members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(l) Each bureau member, before entering his the member’s duties, shall take an oath of office in the usual form, to be endorsed upon his the member’s certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(m) The bureau shall meet after July 1 each year for the purpose of organization. The bureau shall elect a chairman from its members. The bureau shall also elect from its members a vice chairman, a secretary, and a treasurer. The members serving in those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve until their successors are elected and qualified. A majority of the bureau constitutes a quorum, and the concurrence of a majority of those present is necessary to authorize any action.

(n) If the county and one (1) or more adjoining counties desire to establish a joint bureau, the counties shall enter into an agreement under IC 36-1-7. In the absence of such an agreement, the bureau may not expend funds to promote activities in any other county.
SECTION 3. IC 6-9-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The bureau may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the bureau considers necessary and desirable;
(2) sue and be sued;
(3) enter into contracts and agreements;
(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;
(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);
(6) after its approval of a proposal, transfer money from the promotion fund established under section 2 of this chapter or from the alternate revenue fund to any Indiana not-for-profit nonprofit corporation to promote and encourage conventions, trade shows, visitors, or special events in the county;
(7) require financial or other reports from any corporation that receives funds under this chapter;
(8) enter into leases under IC 36-1-10 for the construction, acquisition, and equipping of a visitor center; and
(9) exercise the power of eminent domain to acquire property to promote and encourage conventions, recreation, and visitors within the county.

(b) All expenses of the bureau shall be paid from the promotion fund. Before September 1 of each year, the bureau shall annually prepare a budget for expenditures from the promotion fund during the following year, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6). and submit it to the county council for its review and approval. After its approval of the budget, the county council shall make an appropriation from the fund in accordance with that budget.

(c) All money coming into possession of the bureau in the promotion fund shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the bureau in the promotion fund is subject to audit and supervision by the state board of accounts.
SECTION 4. IC 6-9-2-4.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.3. (a) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion alternate revenue fund (referred to in this chapter as the "alternate revenue fund"). The bureau may deposit in the alternate revenue fund all money received by the bureau after June 30, 2005, that is not required to be deposited in the promotion fund under section 2 of this chapter, including appropriations, gifts, grants, membership dues, and contributions from any public or private source.

(b) The bureau may, without appropriation by the county council, expend money from the alternate revenue fund to promote and encourage conventions, trade shows, visitors, special events, sporting events, and exhibitions in the county. Money may be paid from the alternate revenue fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) All money in the alternate revenue fund shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the alternate revenue fund is subject to audit and supervision by the state board of accounts.

(d) Money derived from the taxes imposed under IC 4-33-12 and IC 4-33-13 may not be transferred to the alternate revenue fund.

SECTION 5. IC 6-9-2-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. The bureau may enter into an agreement under which amounts deposited in, or to be deposited in, the convention, tourism, and visitor promotion fund under section 2 of this chapter or the alternate revenue fund, or both, are pledged to payment of obligations, including leases entered into under IC 36-1-10, issued to finance the construction, acquisition, and equipping of a visitor center to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county.

SECTION 6. IC 6-9-2-4.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.9. With respect to:

(1) bonds, leases, or other obligations to which the bureau has pledged revenues under this chapter; and

(2) bonds issued by a lessor that are payable from lease rentals;
the general assembly covenants with the bureau and the purchasers or owners of the bonds or other obligations described in this section that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter or the money deposited in the convention, tourism, and visitor promotion fund or the alternate revenue fund as long as the principal of or interest on any bonds, or the lease rentals due under any lease, are unpaid.

SECTION 7. IC 6-9-2-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Employees of the convention and visitor bureau created by section 3 of this chapter may participate in the group health insurance, disability insurance, and life insurance programs established:

(1) by the county government of the county described in section 1 of this chapter; and
(2) for the employees of the convention and visitor bureau.

SECTION 8. IC 6-9-2.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 31, 2005]: Sec. 7. (a) The county treasurer shall establish a convention and visitor promotion fund.

(b) The county treasurer shall deposit the following in the convention and visitor promotion fund

(1) Before January 1, 2000:
   (A) All of the money received under section 6 of this chapter; if the rate set under section 6 of this chapter is not greater than two percent (2%):
   (B) The amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate; if the rate set under section 6 of this chapter is at least two percent (2%).
(2) After December 31, 1999; and before January 1, 2003; the amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate:
(3) After December 31, 2002; the amount of money received under section 6 of this chapter that is generated by a two and one-half percent (2.5%) rate.

(c) Money in this fund shall be expended only as provided in this chapter.
(d) The commission may transfer money in the convention and visitor promotion fund to any Indiana nonprofit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

SECTION 9. IC 6-9-2.5-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 7.5. (a) The county treasurer shall establish a tourism capital improvement fund.

(b) The county treasurer shall deposit money in the tourism capital improvement fund as follows:

(1) Before January 1, 2000, if the rate set under section 6 of this chapter is greater than two percent (2%), the county treasurer shall deposit in the tourism capital improvement fund an amount equal to the money received under section 6 of this chapter minus the amount generated by a two percent (2%) rate.

(2) After December 31, 1999, and before January 1, 2003, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate.

(3) After December 31, 2002, and before January 1, 2006, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a one and one-half percent (1.5%) rate.

(4) After December 31, 2005, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a three percent (3%) rate.

(c) The commission may transfer money in the tourism capital improvement fund to:

(1) the county government, a city government, or a separate body corporate and politic in a county described in section 1 of this chapter; or

(2) any Indiana nonprofit corporation;

for the purpose of making capital improvements in the county that promote conventions, tourism, or recreation. The commission may transfer money under this section only after approving the transfer.
Transfers shall be made quarterly or less frequently under this section.

SECTION 10. IC 6-9-2.5-7.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.7. (a) The county treasurer shall establish a convention center operating fund.

(b) Before January 1, 2010, the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate. Money in the fund must be expended for the operating expenses of a convention center.

(c) This section expires January 1, 2006.

(c) After December 31, 2009, the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate. Money in the fund must be expended for the operating expenses of a convention center with the unused balance transferred on January 1 of each year to the tourism capital improvement fund.

SECTION 11. [EFFECTIVE UPON PASSAGE] Actions taken before the effective date of this act that would have been valid under IC 6-9-2-10, as added by this act, are legalized and validated.

SECTION 12. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-1-21-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Not earlier than January 15 or later than January 31 of each year, the governing body of a school corporation shall publish an annual performance report of the school corporation, in compliance with the procedures identified in section 8 of this chapter. The report must be published one (1) time annually under IC 5-3-1.
(b) The department shall make each school corporation's annual performance report available on the department's Internet web site. The annual performance report published on the Internet for a school corporation, including a charter school, must include any additional information submitted by the school corporation under section 7(3)(A) of this chapter. The governing body of a school corporation may make the school corporation's annual performance report available on the school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the annual performance report to any person who requests a copy. The governing body may not charge a fee for providing the copy.

SECTION 2. IC 20-1-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. A report must contain the following:

1) The information listed in section 9 of this chapter for each of the preceding three (3) years.
2) Additional components determined under section 8(4) of this chapter.
3) Additional information or explanation that the governing body wishes to include, including the following:
   (A) Results of nationally recognized assessments of students under programs other than the ISTEP program that a school corporation, including a charter school, uses to determine if students are meeting or exceeding academic standards in grades that are tested under the ISTEP program.
   (B) Results of assessments of students under programs other than the ISTEP program that a school corporation uses to determine if students are meeting or exceeding academic standards in grades that are not tested under the ISTEP program.
   (C) The number and types of staff professional development programs.
   (D) The number and types of partnerships with the community, business, or higher education.
   (E) Levels of parental participation.

SECTION 3. IC 20-1-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The state
superintendent and the Indiana state board of education, in consultation with school corporations, educational organizations, appropriate state agencies, and other organizations and individuals having an interest in education, shall develop and periodically revise the following for the benchmarks and indicators of performance under section 9 of this chapter and the additional components of the performance report:

(1) Reporting procedures, including the following:
   (A) A determination of the information that a school corporation must compile and the information that the department must compile.
   (B) A determination of the information required on a school by school basis and the information required on a school corporation basis.
   (C) A common format suitable for publication, including tables, graphics, and explanatory text. The common format must allow the inclusion of additional information described in section 7(3)(A) of this chapter that is submitted by a school corporation, including a charter school.
   (2) Operational definitions.
   (3) Standards for implementation.
   (4) Additional components for the report that may be benchmarks, indicators of performance, or other information.

SECTION 4. IC 20-5.5-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. A sponsor must notify an organizer who submits a proposal under section 3.2 of this chapter of:

(1) the acceptance of the proposal; or
(2) the rejection of the proposal;
not later than sixty (60) seventy-five (75) days after the organizer submits the proposal.

SECTION 5. IC 20-5.5-7-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) The department shall carry out a program to identify all federal funds for which a charter school is eligible.

(b) The department shall apply for all federal funds that are available for charter schools and for which Indiana is eligible.
(c) Upon receiving notice under IC 20-5.5-3-9 from a sponsor that a charter has been approved, the department shall immediately inform the organizer of the organizer's potential eligibility for federal charter school start-up grants.

(d) The department shall distribute federal charter school start-up grants to eligible organizers in a timely manner according to the department's published guidelines for distributing the grants.

(e) The department shall compile a biannual report and submit the report to the state office of federal grants and procurement and to charter school organizers and sponsors. The report submitted under this subsection must contain the following information for grants distributed under this section:

1. Beginning and end dates for each grant cycle.
2. The dates on which:
   A. grant applications and requests for renewal were received; and
   B. grants were awarded.
3. The amount of each grant awarded.

SECTION 6. IC 20-5.5-7-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds for charter school facilities, the department shall pursue this federal funding.

(b) The department shall use the common school fund interest balance to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools.

(c) The department shall develop guidelines and the state board shall adopt rules under IC 4-22-2 necessary to implement this section.

SECTION 7. IC 20-5.5-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A charter school may not do the following:

1. Operate at a site or for grades other than as specified in the charter.
2. Charge tuition to any student residing within the school corporation's geographic boundaries. However, a charter school
may charge tuition for:
   (A) a preschool program, unless charging tuition for the
       preschool program is barred under federal law; or
   (B) a latch key program;
if the charter school provides those programs.
(3) Except for a foreign exchange student who is not a United
    States citizen, enroll a pupil who is not a resident of Indiana.
(4) Be located in a private residence.
(5) Provide solely home based instruction.

(b) A charter school is not prohibited from delivering
    instructional services:
   (1) through the Internet or another online arrangement; or
   (2) in any manner by computer;
if the instructional services are provided to students enrolled in the
charter school in a manner that complies with any procedures
adopted by the department concerning online and computer
instruction in public schools.

SECTION 8. IC 20-5.5-8-7 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 7. A charter school may use any money
distributed by law to the charter school to prepare financial
reports and conduct audits that the charter school determines are
necessary for the conduct of the affairs of the charter school. A
financial report or an audit under this section does not replace a
financial report or an audit required under IC 5-11-1-9.

SECTION 9. IC 20-10.1-4.6-2.9 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 2.9. As used in this chapter,
"school corporation" includes a charter school (as defined in
IC 20-5.5-1-4).

SECTION 10. IC 20-20-8-3, AS ADDED BY HEA 1288-2005,
SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 3. (a) Not earlier than January 15 or later than
January 31 of each year, the governing body of a school corporation
shall publish an annual performance report of the school corporation,
in compliance with the procedures identified in section 7 of this
chapter. The report must be published one (1) time annually under
IC 5-3-1.
(b) The department shall make each school corporation's report available on the department's Internet web site. The annual performance report published on the Internet for a school corporation, including a charter school, must include any additional information submitted by the school corporation under section 6(3)(A) of this chapter. The governing body of a school corporation may make the school corporation's report available on the school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the report to a person who requests a copy. The governing body may not charge a fee for providing the copy.

SECTION 11. IC 20-20-8-6, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. A report must contain the following:

1. The information listed in section 8 of this chapter for each of the preceding three (3) years.
2. Additional components determined under section 7(4) of this chapter.
3. Additional information or explanation that the governing body wishes to include, including the following:
   - (A) Results of nationally recognized assessments of students under programs other than the ISTEP program that a school corporation, including a charter school, uses to determine if students are meeting or exceeding academic standards in grades that are tested under the ISTEP program.
   - (B) Results of assessments of students under programs other than the ISTEP program that a school corporation uses to determine if students are meeting or exceeding academic standards in grades that are not tested under the ISTEP program.
   - (C) The number and types of staff professional development programs.
   - (D) The number and types of partnerships with the community, business, or higher education.
   - (E) Levels of parental participation.

SECTION 12. IC 20-20-8-7, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]; Sec. 7. The state superintendent and the state board, in consultation with school corporations, educational organizations, appropriate state agencies, and other organizations and individuals having an interest in education, shall develop and periodically revise the following for the benchmarks and indicators of performance under section 8 of this chapter and the additional components of the performance report:

(1) Reporting procedures, including the following:
   (A) A determination of the information that a school corporation must compile and the information that the department must compile.
   (B) A determination of the information required on a school by school basis and the information required on a school corporation basis.
   (C) A common format suitable for publication, including tables, graphics, and explanatory text. The common format must allow the inclusion of additional information described in section 6(3)(A) of this chapter that is submitted by a school corporation, including a charter school.

(2) Operational definitions.

(3) Standards for implementation.

(4) Additional components for the report that may be benchmarks, indicators of performance, or other information.

SECTION 13. IC 20-24-3-9, AS ADDED BY HEA 1288-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A sponsor must notify an organizer that submits a proposal under section 4 of this chapter of the:

(1) acceptance of the proposal; or

(2) rejection of the proposal;

not later than sixty (60) seventy-five (75) days after the organizer submits the proposal.

SECTION 14. IC 20-24-7-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The department shall carry out a program to identify all federal funds for which a charter school is eligible.

(b) The department shall apply for all federal funds that are
available for charter schools and for which Indiana is eligible.

(c) Upon receiving notice under IC 20-5.5-3-9 from a sponsor that a charter has been approved, the department shall immediately inform the organizer of the organizer’s potential eligibility for federal charter school start-up grants.

(d) The department shall distribute federal charter school start-up grants to eligible organizers in a timely manner according to the department’s published guidelines for distributing the grants.

(e) The department shall compile a biannual report and submit the report to the state office of federal grants and procurement and to charter school organizers and sponsors. The report submitted under this subsection must contain the following information for grants distributed under this section:

1. Beginning and end dates for each grant cycle.
2. The dates on which:
   A. grant applications and requests for renewal were received; and
   B. grants were awarded.
3. The amount of each grant awarded.

SECTION 15. IC 20-24-7-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds for charter school facilities, the department shall pursue this federal funding.

(b) The department shall use the common school fund interest balance to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools.

(c) The department shall develop guidelines and the state board shall adopt rules under IC 4-22-2 necessary to implement this section.

SECTION 16. IC 20-24-8-2, AS ADDED BY HEA 1288-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) A charter school may not do the following:

1. Operate at a site or for grades other than as specified in the charter.

2. Charge tuition to any student residing within the school
 corporation's geographic boundaries. However, a charter school may charge tuition for:

(A) a preschool program, unless charging tuition for the preschool program is barred under federal law; or
(B) a latch key program;
if the charter school provides those programs.

(3) Except for a foreign exchange student who is not a United States citizen, enroll a student who is not a resident of Indiana.

(4) Be located in a private residence.

(5) Provide solely home based instruction.

(b) A charter school is not prohibited from delivering instructional services:

(1) through the Internet or another online arrangement; or
(2) in any manner by computer;
if the instructional services are provided to students enrolled in the charter school in a manner that complies with any procedures adopted by the department concerning online and computer instruction in public schools.

SECTION 17. IC 20-24-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A charter school may use any money distributed by law to the charter school to prepare financial reports and conduct audits that the charter school determines are necessary for the conduct of the affairs of the charter school. A financial report or an audit under this section does not replace a financial report or an audit required under IC 5-11-1-9.

SECTION 18. IC 20-30-8-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. As used in this chapter, "school corporation" includes a charter school (as defined in IC 20-24-1-4).

SECTION 19. IC 21-3-11-5, AS AMENDED BY HEA 1288-2005, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "qualifying school corporation" means a school corporation, including a charter school (as defined in IC 20-24-1-4), that has been approved under IC 20-30-8-8 to receive a grant under this chapter.

SECTION 20. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning gaming.

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

SECTION 1. IC 4-33-2-11.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11.6. "Law enforcement agency" means any of the following:

1. The gaming agents of the Indiana gaming commission.
2. The state police department.
3. The conservation officers of the department of natural resources.
4. The state excise police of the alcohol and tobacco commission.

SECTION 2. IC 4-33-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The commission consists of seven (7) members appointed by the governor.
(b) Each member of the commission must:
   1. be a resident of Indiana; and
   2. have a reasonable knowledge of the practice, procedures, and principles of gambling operations.
   (c) At least one (1) member of the commission must be experienced in law enforcement and criminal investigation.
   (d) At least one (1) member of the commission must be a certified public accountant experienced in accounting and auditing.
   (e) At least one (1) member of the commission must be an attorney admitted to the practice of law in Indiana.
   (f) Three (3) members One (1) member of the commission must be residents a resident of a county described in IC 4-33-1-1(1).
   (g) Three (3) members One (1) member of the commission must be residents a resident of a county described in IC 4-33-1-1(2).
   (h) One (1) member of the commission must be a resident of a county not described in IC 4-33-1-1(1) or IC 4-33-1-1(2).
(h) Not more than four (4) members may be affiliated with the same political party.

(j) The governor shall appoint each of the initial members of the commission not later than September 1, 1993.

SECTION 3. IC 4-33-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The commission shall do the following:

1. Adopt rules that the commission determines necessary to protect or enhance the following:
   (A) The credibility and integrity of gambling operations authorized by this article.
   (B) The regulatory process provided in this article.
2. Conduct all hearings concerning civil violations of this article.
3. Provide for the establishment and collection of license fees and taxes imposed under this article.
4. Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.
5. Levy and collect penalties for noncriminal violations of this article.
6. Deposit the penalties in the state gaming fund established by IC 4-33-13.
7. Be present through the commission's inspectors and gaming agents during the time gambling operations are conducted on a riverboat to do the following:
   (A) Certify the revenue received by a riverboat.
   (B) Receive complaints from the public.
   (C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.
8. Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:
   (A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and
   (B) an emergency rule is likely to address the need.
9. Adopt rules to establish and implement a voluntary exclusion program that meets the requirements of subsection (c).

(b) The commission shall begin rulemaking procedures under
IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

(c) Rules adopted under subsection (a)(9) must provide the following:

(1) Except as provided by rule of the commission, a person who participates in the voluntary exclusion program agrees to refrain from entering a riverboat or other facility under the jurisdiction of the commission.

(2) That the name of a person participating in the program will be included on a list of persons excluded from all facilities under the jurisdiction of the commission.

(3) Except as provided by rule of the commission, a person who participates in the voluntary exclusion program may not petition the commission for readmittance to a facility under the jurisdiction of the commission.

(4) That the list of patrons entering the voluntary exclusion program and the personal information of the participants are confidential and may only be disseminated by the commission to the owner or operator of a facility under the jurisdiction of the commission for purposes of enforcement and to other entities, upon request by the participant and agreement by the commission.

(5) That an owner of a facility under the jurisdiction of the commission shall make all reasonable attempts as determined by the commission to cease all direct marketing efforts to a person participating in the program.

(6) That an owner of a facility under the jurisdiction of the commission may not cash the check of a person participating in the program or extend credit to the person in any manner. However, the voluntary exclusion program does not preclude an owner from seeking the payment of a debt accrued by a person before entering the program.

SECTION 4. IC 4-33-4-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. The commission shall employ or contract for inspectors and gaming agents required under section 3(7) to perform the duties imposed by this chapter. The licensed owners and operating agents shall, in the manner prescribed by the rules of the commission, reimburse the commission.
for:
(1) the training expenses incurred to train gaming agents;
(2) the salaries and other expenses of staff required to support the gaming agents; and
(3) the salaries and other expenses of the inspectors and gaming agents required to be present during the time gambling operations are conducted on a riverboat.

SECTION 5. IC 4-33-4-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The state police department shall assist the commission in conducting background investigations of applicants. The commission may forward all fingerprints required to be submitted by license applicants under IC 4-33 to the Federal Bureau of Investigation or any other agency for the purpose of screening applicants. The commission shall reimburse the state police department for the costs incurred by the state police department as a result of the assistance. The commission shall make the payment from fees collected from applicants.

(b) The commission through its gaming agents shall conduct background investigations of applicants. Costs incurred conducting the investigations must be paid from fees collected from applicants.

SECTION 6. IC 4-33-4.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 4.5. Gaming Commission Gaming Agents
Sec. 1. (a) A gaming agent is vested with full police powers and duties to enforce this article.

(b) A gaming agent may issue a summons for an infraction or a misdemeanor violation if the defendant promises to appear by signing the summons. A defendant who signs a summons issued under this subsection but fails to appear is subject to the penalties provided by IC 35-44-3-6.5. Upon the defendant's failure to appear, the court shall issue a warrant for the arrest of the defendant.

(c) In addition to the powers and duties vested under subsection (a), a gaming agent may act as an officer for the arrest of offenders who violate the laws of Indiana if the gaming agent reasonably believes that a crime has been, is being, or is about to be committed or attempted in the gaming agent's presence.

Sec. 2. Each gaming agent shall execute a surety bond in the
amount of one thousand dollars ($1,000), with surety approved by
the commission, and an oath of office, both of which must be filed
with the executive director.

Sec. 3. (a) The injury to, injury to the health of, or death of a
gaming agent is compensable under the appropriate provisions of
IC 22-3-2 through IC 22-3-7 if the injury, injury to the health of, or
death arises out of and in the course of the performance of the
agent’s duties as a gaming agent.

(b) For purposes of subsection (a) and IC 22-3-2 through
IC 22-3-7, a gaming agent is conclusively presumed to have
accepted the compensation provisions included in the parts of the
Indiana Code referred to in this subsection.

Sec. 4. An eligible gaming agent who retires with at least twenty
(20) years of service as a gaming agent:

(1) may retain the agent's service weapon;
(2) may receive, in recognition of the agent’s service to the
commission and to the public, a badge that indicates that the
agent is retired; and
(3) shall be issued by the commission an identification card
stating the agent’s name and rank, signifying that the agent is
retired, and noting the agent's authority to retain the service
weapon.

Sec. 5. The commission shall create a matrix for salary ranges
for gaming agents, which must be reviewed and approved by the
budget agency before implementation.

SECTION 7. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A riverboat that operates in
a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

(1) have either:
   (A) a valid certificate of inspection from the United States
   Coast Guard for the carrying of at least five hundred (500)
   passengers; or
   (B) a valid certificate of compliance with marine structural
   and life safety standards determined by the commission;
   and
(2) be at least one hundred fifty (150) feet in length.

(b) This subsection applies only to a riverboat that operates on the
Ohio River. A riverboat must replicate, as nearly as possible, historic
Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.

SECTION 8. IC 5-2-1-9, AS AMENDED BY P.L.62-2004, SECTION 1, AND AS AMENDED BY P.L.85-2004, SECTION 40, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The board shall adopt in accordance with IC 4-22-2 all necessary rules to carry out the provisions of this chapter. Such rules, which shall be adopted only after necessary and proper investigation and inquiry by the board, shall include the establishment of the following:

1. Minimum standards of physical, educational, mental, and moral fitness which shall govern the acceptance of any person for training by any law enforcement training school or academy meeting or exceeding the minimum standards established pursuant to this chapter.

2. Minimum standards for law enforcement training schools administered by towns, cities, counties, the northwest Indiana law enforcement training center, agencies, or departments of the state.

3. Minimum standards for courses of study, attendance requirements, equipment, and facilities for approved town, city, county, and state law enforcement officer, police reserve officer, and conservation reserve officer training schools.

4. Minimum standards for a course of study on cultural diversity awareness that must be required for each person accepted for training at a law enforcement training school or academy.

5. Minimum qualifications for instructors at approved law enforcement training schools.

6. Minimum basic training requirements which law enforcement officers appointed to probationary terms shall complete before being eligible for continued or permanent employment.

7. Minimum basic training requirements which law enforcement officers not appointed for probationary terms but appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent appointment.

8. Minimum basic training requirements which law enforcement officers appointed on a permanent basis shall complete in order to be eligible for continued employment.
(9) Minimum basic training requirements for each person accepted for training at a law enforcement training school or academy that include six (6) hours of training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board.

(b) Except as provided in subsection (l), a law enforcement officer appointed after July 5, 1972, and before July 1, 1993, may not enforce the laws or ordinances of the state or any political subdivision unless the officer has, within one (1) year from the date of appointment, successfully completed the minimum basic training requirements established under this chapter by the board. If a person fails to successfully complete the basic training requirements within one (1) year from the date of employment, the officer may not perform any of the duties of a law enforcement officer involving control or direction of members of the public or exercising the power of arrest until the officer has successfully completed the training requirements. This subsection does not apply to any law enforcement officer appointed before July 6, 1972, or after June 30, 1993.

(c) Military leave or other authorized leave of absence from law enforcement duty during the first year of employment after July 6, 1972, shall toll the running of the first year, which in such cases shall be calculated by the aggregate of the time before and after the leave, for the purposes of this chapter.

(d) Except as provided in subsections (e), and (l), and (n), a law enforcement officer appointed to a law enforcement department or agency after June 30, 1993, may not:

1. make an arrest;
2. conduct a search or a seizure of a person or property; or
3. carry a firearm;

unless the law enforcement officer successfully completes, at a board certified law enforcement academy, at the southwest Indiana law enforcement training academy under section 10.5 of this chapter, or at the northwest Indiana law enforcement training center under section 15.2 of this chapter, the basic training requirements established by the board under this chapter.

(e) This subsection does not apply to a gaming agent employed
as a law enforcement officer by the Indiana gaming commission. Before a law enforcement officer appointed after June 30, 1993, completes the basic training requirements, the law enforcement officer may exercise the police powers described in subsection (d) if the officer successfully completes the pre-basic course established in subsection (f). Successful completion of the pre-basic course authorizes a law enforcement officer to exercise the police powers described in subsection (d) for one (1) year after the date the law enforcement officer is appointed.

(f) The board shall adopt rules under IC 4-22-2 to establish a pre-basic course for the purpose of training:

   (1) law enforcement officers;
   (2) police reserve officers (as described in IC 36-8-3-20); and
   (3) conservation reserve officers (as described in IC 14-9-8-27);

regarding the subjects of arrest, search and seizure, use of force, and firearm qualification. The pre-basic course must be offered on a periodic basis throughout the year at regional sites statewide. The pre-basic course must consist of forty (40) hours of course work. The board may prepare a pre-basic course on videotape that must be used in conjunction with live instruction. The board shall provide the course material, the instructors, and the facilities at the regional sites throughout the state that are used for the pre-basic course. In addition, the board may certify pre-basic courses that may be conducted by other public or private training entities, including colleges and universities.

(g) The board shall adopt rules under IC 4-22-2 to establish a mandatory inservice training program for police officers. After June 30, 1993, a law enforcement officer who has satisfactorily completed the basic training and has been appointed to a law enforcement department or agency on either a full-time or part-time basis is not eligible for continued employment unless the officer satisfactorily completes a minimum of sixteen (16) hours each year of inservice training in any subject area included in the law enforcement academy's basic training course or other job related subjects that are approved by the board as determined by the law enforcement department's or agency's needs. Inservice training must include training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement
training board. In addition, a certified academy staff may develop and make available inservice training programs on a regional or local basis. The board may approve courses offered by other public or private training entities, including colleges and universities, as necessary in order to ensure the availability of an adequate number of inservice training programs. The board may waive an officer's inservice training requirements if the board determines that the officer's reason for lacking the required amount of inservice training hours is due to any of the following:

(1) An emergency situation.
(2) The unavailability of courses.

(h) The board shall also adopt rules establishing a town marshal basic training program, subject to the following:

(1) The program must require fewer hours of instruction and class attendance and fewer courses of study than are required for the mandated basic training program.
(2) Certain parts of the course materials may be studied by a candidate at the candidate's home in order to fulfill requirements of the program.
(3) Law enforcement officers successfully completing the requirements of the program are eligible for appointment only in towns employing the town marshal system (IC 36-5-7) and having not more than one (1) marshal and two (2) deputies.
(4) The limitation imposed by subdivision (3) does not apply to an officer who has successfully completed the mandated basic training program.
(5) The time limitations imposed by subsections (b) and (c) for completing the training are also applicable to the town marshal basic training program.

(i) The board shall adopt rules under IC 4-22-2 to establish a police chief executive training program. The program must include training in the following areas:

(1) Liability.
(2) Media relations.
(3) Accounting and administration.
(4) Discipline.
(5) Department policy making.
(6) Firearm policies.
(7) Department programs.

(j) A police chief shall apply for admission to the police chief executive training program within two (2) months of the date the police chief initially takes office. A police chief must successfully complete the police chief executive training program within six (6) months of the date the police chief initially takes office. However, if space in the program is not available at a time that will allow the police chief to complete the program within six (6) months of the date the police chief initially takes office, the police chief must successfully complete the next available program that is offered to the police chief after the police chief initially takes office.

(k) A police chief who fails to comply with subsection (j) may not serve as the police chief until the police chief has completed the police chief executive training program. For the purposes of this subsection and subsection (j), "police chief" refers to:

(1) the police chief of any city; and

(2) the police chief of any town having a metropolitan police department.

A town marshal is not considered to be a police chief for these purposes, but a town marshal may enroll in the police chief executive training program.

(l) An investigator in the arson division of the office of the state fire marshal appointed:

(1) before January 1, 1994, is not required; or

(2) after December 31, 1993, is required;

to comply with the basic training standards established under this section.

(m) The board shall adopt rules under IC 4-22-2 to establish a program to certify handgun safety courses, including courses offered in the private sector, that meet standards approved by the board for training probation officers in handgun safety as required by IC 11-13-1-3.5(3).

(n) This subsection applies only to a gaming agent employed as a law enforcement officer by the Indiana gaming commission. A gaming agent appointed after June 30, 2005, may exercise the police powers described in subsection (d) if:

(1) the agent successfully completes the pre-basic course established in subsection (f); and
(2) the agent successfully completes any other training courses established by the Indiana gaming commission in conjunction with the board.

SECTION 9. IC 5-10-1.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Each retirement plan for employees of the state or of a political subdivision shall report annually on September 1 to the public employees' retirement fund the information from the preceding fiscal year necessary for the actuary of the fund to perform an actuarial valuation of each plan. Where the director and actuary of the fund consider it appropriate, the actuary may combine one (1) retirement plan with another or with the public employees' retirement fund for the purposes of the actuarial valuation. The retirement plans covered by this chapter are the following:

1. The state excise police, gaming agent, and conservation enforcement officers' retirement plan established under IC 5-10-5.5.
2. The "trust fund" and "pension trust" of the state police department established under IC 10-12-2.
3. Each of the police pension funds established or covered under IC 19-1-18, IC 19-1-30, IC 19-1-25-4, or IC 36-8.
4. Each of the firemen's pension funds established or covered under IC 19-1-37, IC 18-1-12, IC 19-1-44, or IC 36-8.
5. Each of the retirement funds for utility employees authorized under IC 19-3-22 or IC 36-9 or established under IC 19-3-31.
6. Each county police force pension trust and trust fund authorized under IC 17-3-14 or IC 36-8.
7. The Indiana judges' retirement fund established under IC 33-38-6.
8. Each retirement program adopted by a board of a local health department as authorized under IC 16-1-4-25 (before its repeal) or IC 16-20-1-3.
9. Each retirement benefit program of a joint city-county health department under IC 16-1-7-16 (before its repeal).
10. Each pension and retirement plan adopted by the board of trustees or governing body of a county hospital as authorized under IC 16-12.1-3-8 (before its repeal) or IC 16-22-3-11.
11. Each pension or retirement plan and program for hospital personnel in certain city hospitals as authorized under...
(12) Each retirement program of the health and hospital corporation of a county as authorized under IC 16-12-21-27 (before its repeal) or IC 16-22-8-34.
(13) Each pension plan provided by a city, town, or county housing authority as authorized under IC 36-7.
(14) Each pension and retirement program adopted by a public transportation corporation as authorized under IC 36-9.
(15) Each system of pensions and retirement benefits of a regional transportation authority as authorized or required by IC 36-9.
(16) Each employee pension plan adopted by the board of an airport authority under IC 8-22-3.
(17) The pension benefit paid for the national guard by the state as established under IC 10-16-7.
(18) The pension fund allowed employees of the Wabash Valley interstate commission as authorized under IC 13-5-1-3.
(19) Each system of pensions and retirement provided by a unit under IC 36-1-3.

SECTION 10. IC 5-10-1.7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The retirement plans covered by this chapter are:

1. The state excise police, *gaming agent*, and conservation officers' retirement plan, established under IC 5-10-5.5.
2. The public employees' retirement fund, established under IC 5-10.3-2.
3. The trust fund and pension trust of the department of state police, established under IC 10-12-2.
4. The Indiana state teachers' retirement fund, established under IC 21-6.1-2.
5. The Indiana judges' retirement fund, established under IC 33-38-6.
6. The police officers' and firefighters' pension and disability fund established under IC 36-8-8-4.

(b) As used in this chapter:
"Board" means the board of trustees of a retirement plan covered by this chapter.

SECTION 11. IC 5-10-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
chapter and unless the context clearly denotes otherwise:

   (a) "Department" means the Indiana department of natural resources.

   (b) "Commission" means the alcohol and tobacco commission.

   (c) "Officer" means any Indiana state excise police officer, or any Indiana state conservation enforcement officer, or any gaming agent.

   (d) "Participant" means any officer who has elected to participate in the retirement plan created by this chapter.

   (e) "Salary" means the total compensation, exclusive of expense allowances, paid to any officer by the department or the commission, determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code.

   (f) "Average annual salary" means the average annual salary of an officer during the five (5) years of highest annual salary in the ten (10) years immediately preceding an officer's retirement date, determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code.

   (g) "Public employees' retirement act" means IC 5-10.3.

   (h) "Public employees' retirement fund" means the public employees' retirement fund created by IC 5-10.3-2.

   (i) "Interest" means the same rate of interest as is specified under the public employees' retirement law.

   (j) "Americans with Disabilities Act" refers to the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and any amendments and regulations related to the Act.

   (k) Other words and phrases when used in this chapter shall, for the purposes of this chapter, have the meanings respectively ascribed to them as set forth in IC 5-10.3-1.

SECTION 12. IC 5-10-5.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. There is hereby created a state excise police, gaming agent, and conservation enforcement officers' retirement plan to establish a means of providing special retirement, disability and survivor benefits to employees of the department, the Indiana gaming commission, and the commission who are engaged exclusively in the performance of law enforcement duties.

SECTION 13. IC 5-10-5.5-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) As used in this
chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The state excise police, gaming agent, and conservation officers' retirement plan shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the retirement plan. In order to meet those requirements, the retirement plan is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The board shall distribute the corpus and income of the retirement plan to participants and their beneficiaries in accordance with this chapter.

(2) No part of the corpus or income of the retirement plan may be used or diverted to any purpose other than the exclusive benefit of the participants and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits any participant would otherwise receive under this chapter.

(4) If the retirement plan is terminated, or if all contributions to the retirement plan are completely discontinued, the rights of each affected participant to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the retirement plan shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In order to meet those requirements, the retirement plan is subject to the following provisions:

(A) The life expectancy of a participant, the participant's spouse, or the participant's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a participant dies before the distribution of the participant's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year.
immediately following the calendar year in which the participant died.
(C) The amount of an annuity paid to a participant's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The board may not:
   (A) determine eligibility for benefits;
   (B) compute rates of contribution; or
   (C) compute benefits of participants or beneficiaries;
in a manner that discriminates in favor of participants who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

SECTION 14. IC 5-10-5.5-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. The state excise police, gaming agent, and conservation enforcement officers' retirement plan shall be administered in a manner that is consistent with the Americans with Disabilities Act, to the extent required by the Act.

SECTION 15. IC 5-10-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The state police department, conservation officers of the department of natural resources, gaming agents of the Indiana gaming commission, and the state excise police may establish common and unified plans of self-insurance for their employees, including retired employees, as separate entities of state government. These plans may be administered by a private agency, business firm, limited liability company, or corporation.

(b) The state agencies listed in subsection (a) may not pay as the employer portion of benefits for any employee or retiree an amount greater than that paid for other state employees for group insurance.
SECTION 16. IC 5-10-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. As used in this chapter, "public safety officer" means any of the following:

(1) A state police officer.
(2) A county sheriff.
(3) A county police officer.
(4) A correctional officer.
(5) An excise police officer.
(6) A county police reserve officer.
(7) A city police reserve officer.
(8) A conservation enforcement officer.
(9) A town marshal.
(10) A deputy town marshal.
(11) A probation officer.
(12) A state university police officer appointed under IC 20-12-3.5.
(13) An emergency medical services provider (as defined in IC 16-41-10-1) who is:
   (A) employed by a political subdivision (as defined in IC 36-1-2-13); and
   (B) not eligible for a special death benefit under IC 36-8-6-20, IC 36-8-7-26, IC 36-8-7.5-22, or IC 36-8-8-20.
(14) A firefighter who is employed by the fire department of a state university.
(15) A gaming agent of the Indiana gaming commission.

SECTION 17. IC 5-14-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

"Copy" includes transcribing by handwriting, photocopying, xerography, duplicating machine, duplicating electronically stored data onto a disk, tape, drum, or any other medium of electronic data storage, and reproducing by any other means.

"Direct cost" means one hundred five percent (105%) of the sum of the cost of:

(1) the initial development of a program, if any;
(2) the labor required to retrieve electronically stored data; and
(3) any medium used for electronic output;

for providing a duplicate of electronically stored data onto a disk, tape,
drum, or other medium of electronic data retrieval under section 8(g) of this chapter, or for reprogramming a computer system under section 6(c) of this chapter.

"Electronic map" means copyrighted data provided by a public agency from an electronic geographic information system.

"Enhanced access" means the inspection of a public record by a person other than a governmental entity and that:

(1) is by means of an electronic device other than an electronic device provided by a public agency in the office of the public agency; or

(2) requires the compilation or creation of a list or report that does not result in the permanent electronic storage of the information.

"Facsimile machine" means a machine that electronically transmits exact images through connection with a telephone network.

"Inspect" includes the right to do the following:

(1) Manually transcribe and make notes, abstracts, or memoranda.

(2) In the case of tape recordings or other aural public records, to listen and manually transcribe or duplicate, or make notes, abstracts, or other memoranda from them.

(3) In the case of public records available:

(A) by enhanced access under section 3.5 of this chapter; or

(B) to a governmental entity under section 3(c)(2) of this chapter;

to examine and copy the public records by use of an electronic device.

(4) In the case of electronically stored data, to manually transcribe and make notes, abstracts, or memoranda or to duplicate the data onto a disk, tape, drum, or any other medium of electronic storage.

"Investigatory record" means information compiled in the course of the investigation of a crime.

"Patient" has the meaning set out in IC 16-18-2-272(d).

"Person" means an individual, a corporation, a limited liability company, a partnership, an unincorporated association, or a governmental entity.

"Provider" has the meaning set out in IC 16-18-2-295(a) and includes employees of the state department of health or local boards of health who create patient records at the request of another provider or
who are social workers and create records concerning the family
background of children who may need assistance.

"Public agency" means the following:

(1) Any board, commission, department, division, bureau,
committee, agency, office, instrumentality, or authority, by
whatever name designated, exercising any part of the executive,
administrative, judicial, or legislative power of the state.

(2) Any:

(A) county, township, school corporation, city, or town, or any
board, commission, department, division, bureau, committee,
office, instrumentality, or authority of any county, township,
school corporation, city, or town;

(B) political subdivision (as defined by IC 36-1-2-13); or

(C) other entity, or any office thereof, by whatever name
designated, exercising in a limited geographical area the
executive, administrative, judicial, or legislative power of the
state or a delegated local governmental power.

(3) Any entity or office that is subject to:

(A) budget review by either the department of local
government finance or the governing body of a county, city,
town, township, or school corporation; or

(B) an audit by the state board of accounts.

(4) Any building corporation of a political subdivision that issues
bonds for the purpose of constructing public facilities.

(5) Any advisory commission, committee, or body created by
statute, ordinance, or executive order to advise the governing
body of a public agency, except medical staffs or the committees
of any such staff.

(6) Any law enforcement agency, which means an agency or a
department of any level of government that engages in the
investigation, apprehension, arrest, or prosecution of alleged
criminal offenders, such as the state police department, the police
or sheriff's department of a political subdivision, prosecuting
attorneys, members of the excise police division of the alcohol
and tobacco commission, conservation officers of the department
of natural resources, gaming agents of the Indiana gaming
commission, and the security division of the state lottery
commission.
(7) Any license branch staffed by employees of the bureau of motor vehicles commission under IC 9-16.
(8) The state lottery commission, including any department, division, or office of the commission.
(9) The Indiana gaming commission established under IC 4-33, including any department, division, or office of the commission.
(10) The Indiana horse racing commission established by IC 4-31, including any department, division, or office of the commission.

"Public record" means any writing, paper, report, study, map, photograph, book, card, tape recording, or other material that is created, received, retained, maintained, or filed by or with a public agency and which is generated on paper, paper substitutes, photographic media, chemically based media, magnetic or machine readable media, electronically stored data, or any other material, regardless of form or characteristics.

"Standard-sized documents" includes all documents that can be mechanically reproduced (without mechanical reduction) on paper sized eight and one-half (8 1/2) inches by eleven (11) inches or eight and one-half (8 1/2) inches by fourteen (14) inches.

"Trade secret" has the meaning set forth in IC 24-2-3-2.

"Work product of an attorney" means information compiled by an attorney in reasonable anticipation of litigation and includes the attorney's:

(1) notes and statements taken during interviews of prospective witnesses; and
(2) legal research or records, correspondence, reports, or memoranda to the extent that each contains the attorney's opinions, theories, or conclusions.

This definition does not restrict the application of any exception under section 4 of this chapter.

SECTION 18. IC 35-47-4.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "public safety officer" means:

(1) a state police officer;
(2) a county sheriff;
(3) a county police officer;
(4) a correctional officer;
(5) an excise police officer;
(6) a county police reserve officer;
(7) a city police officer;
(8) a city police reserve officer;
(9) a conservation enforcement officer;
(10) a gaming agent;

(11) a town marshal;
(12) a deputy town marshal;
(13) a state university police officer appointed under IC 20-12-3.5;
(14) a probation officer;
(15) a firefighter (as defined in IC 9-18-34-1);
(16) an emergency medical technician; or
(17) a paramedic.

SECTION 19. [EFFECTIVE UPON PASSAGE] (a)
Notwithstanding IC 4-33-3-2, as amended by this act, a member of the Indiana gaming commission who was appointed before the effective date of this act may continue to serve until the member’s term expires.

(b) This SECTION expires July 1, 2008.

SECTION 20. An emergency is declared for this act.
or other benefit under an insurance policy, or other evidence of expense, injury, or loss. The term includes statements made orally, in writing, or as a computer generated document, including the following:

1. An account.
2. A bill for services.
3. A bill of lading.
4. A claim.
5. A diagnosis.
6. An estimate of property damages.
7. A hospital record.
8. An invoice.
10. A proof of loss.
11. A receipt for payment.
13. A prescription.
15. A test result.
16. X-rays.

(c) "Coin machine" means a coin box, vending machine, or other mechanical or electronic device or receptacle designed:
1. to receive a coin, bill, or token made for that purpose; and
2. in return for the insertion or deposit of a coin, bill, or token automatically:
   A. to offer, provide, or assist in providing; or
   B. to permit the acquisition of;
   some property.

(d) "Credit card" means an instrument or device (whether known as a credit card or charge plate, or by any other name) issued by an issuer for use by or on behalf of the credit card holder in obtaining property.

(e) "Credit card holder" means the person to whom or for whose benefit the credit card is issued by an issuer.

(f) "Customer" means a person who receives or has contracted for a utility service.

(g) "Drug or alcohol screening test" means a test that:
1. is used to determine the presence or use of alcohol, a controlled substance, or a drug in a person's bodily substance; and
(2) is administered in the course of monitoring a person who is:

(A) incarcerated in a prison or jail;
(B) placed in a community corrections program;
(C) on probation or parole;
(D) participating in a court ordered alcohol or drug treatment program; or
(E) on court ordered pretrial release.

(h) "Entrusted" means held in a fiduciary capacity or placed in charge of a person engaged in the business of transporting, storing, lending on, or otherwise holding property of others.

(i) "Identifying information" means information that identifies an individual, including an individual's:

(1) name, address, date of birth, place of employment, employer identification number, mother's maiden name, Social Security number, or any identification number issued by a governmental entity;
(2) unique biometric data, including the individual's fingerprint, voice print, or retina or iris image;
(3) unique electronic identification number, address, or routing code;
(4) telecommunication identifying information; or
(5) telecommunication access device, including a card, a plate, a code, a telephone number, an account number, a personal identification number, an electronic serial number, a mobile identification number, or another telecommunications service or device or means of account access that may be used to:

(A) obtain money, goods, services, or any other thing of value; or

(B) initiate a transfer of funds.

(j) "Insurance policy" includes the following:

(1) An insurance policy.
(2) A contract with a health maintenance organization (as defined in IC 27-13-1-19).
(3) A written agreement entered into under IC 27-1-25.

(k) "Insurer" has the meaning set forth in IC 27-1-2-3(x).

(l) "Manufacturer" means a person who manufactures a recording. The term does not include a person who manufactures a
medium upon which sounds or visual images can be recorded or stored.

† (m) "Make" means to draw, prepare, complete, counterfeit, copy or otherwise reproduce, or alter any written instrument in whole or in part.

† (n) "Metering device" means a mechanism or system used by a utility to measure or record the quantity of services received by a customer.

† (o) "Public relief or assistance" means any payment made, service rendered, hospitalization provided, or other benefit extended to a person by a governmental entity from public funds and includes township assistance, food stamps, direct relief, unemployment compensation, and any other form of support or aid.

† (p) "Recording" means a tangible medium upon which sounds or visual images are recorded or stored. The term includes the following:

1. An original:
   - A phonograph record;
   - A compact disc;
   - Wire;
   - Tape;
   - Audio cassette;
   - Video cassette; or
   - Film.

2. Any other medium on which sounds or visual images are or can be recorded or otherwise stored.

3. A copy or reproduction of an item in subdivision (1) or (2) that duplicates an original recording in whole or in part.

† (q) "Slug" means an article or object that is capable of being deposited in a coin machine as an improper substitute for a genuine coin, bill, or token.

† (r) "Utility" means a person who owns or operates, for public use, any plant, equipment, property, franchise, or license for the production, storage, transmission, sale, or delivery of electricity, water, steam, telecommunications, information, or gas.

† (s) "Written instrument" means a paper, a document, or other instrument containing written matter and includes money, coins, tokens, stamps, seals, credit cards, badges, trademarks, medals, retail sales receipts, labels or markings (including a universal product code
(UPC) or another product identification code), or other objects or symbols of value, right, privilege, or identification.

SECTION 2. IC 35-43-5-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A person who knowingly or intentionally possesses a:

1) device; or
2) substance;
designed or intended to be used to interfere with a drug or alcohol screening test commits possession of a device or substance used to interfere with a drug or alcohol screening test, a Class B misdemeanor.

SECTION 3. IC 35-43-5-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. A person who interferes with or attempts to interfere with a drug or alcohol screening test by:

1) using a:
   A) device; or
   B) substance;
2) substituting a human bodily substance that is tested in a drug or alcohol screening test; or
3) adulterating a substance used in a drug or alcohol screening test;
commits interfering with a drug or alcohol screening test, a Class B misdemeanor.

SECTION 4. [EFFECTIVE JULY 1, 2005] IC 35-43-5-18 and IC 35-43-5-19, both as added by this act, apply only to offenses committed after June 30, 2005.
P.L.172—2005

AN ACT to amend the Indiana Code concerning environmental law and to make an appropriation.

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

SECTION 1. IC 13-22-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) In addition to any other requirements, a permit may not be issued under this chapter for the construction or operation of a hazardous waste facility to be used for the destruction or treatment of a chemical munition unless the person applying for the permit has demonstrated that generates or treats a hazardous waste classified as I001 must demonstrate all of the following:

(1) That the destruction or treatment technology to be used at the proposed hazardous waste facility: has been in operation:
   (A) at a facility comparable to the proposed hazardous waste facility; and
   (B) for a time sufficient to demonstrate that (A) will destroy or treat ninety-nine and nine thousand nine hundred ninety-nine ten thousandths percent (99.9999%) of the chemical munition processed; or
   (B) will ensure that the waste has been treated in such a way that designated chemical munition constituents are treated to a specific level as approved by the commissioner.

(2) That monitoring data from a comparable the hazardous waste facility demonstrates that there are no emissions from the comparable facility that alone or in combination with another substance present a risk of any of the following:

   (A) An acute or a chronic human health effect.
   (B) An adverse environmental effect.

(3) That a plan to:

   (A) provide sufficient training, coordination, and equipment
for state and local emergency response personnel needed to
respond to possible releases of harmful substances from the
proposed hazardous waste facility; and
(B) evacuate persons in the geographic area at risk from the
worst possible release of:
   (i) the chemical munition; or
   (ii) a substance related to the destruction or treatment of the
chemical munition;
from the proposed hazardous waste facility;
has been funded and developed.

(b) The department shall implement an inspection and oversight
protocol for each hazardous waste facility described in subsection
(a) to ensure that the requirements of this title are met.

SECTION 2. IC 13-22-7.5 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]:

Chapter 7.5. Transportation of Chemical Munitions
Sec. 1. This chapter applies to a person that transports:
   (1) a chemical munition referred to in 329 IAC 3.1-6-3, as in
effect on January 1, 2005; or
   (2) hazardous waste derived from the bulk neutralization and
destruction of the agent VX referred to in IC 13-11-2-25(6).
Sec. 2. (a) Subject to subsections (b) and (c), before transporting
a substance referred to in section 1 of this chapter, a person must
coordinate the transport with the appropriate state agencies of
each state through which the substance will be transported and file
in Indiana the following with the department, state police
department, and state emergency management agency:
   (1) A written evaluation of potential transportation risks that:
      (A) accounts for the type and quantity of hazardous waste
to be transported;
      (B) identifies the most likely types of incidents that could:
         (i) occur during the transport; and
         (ii) result in harm to the public health or environment;
      (C) assesses the likelihood of the occurrence of each type of
incident referred to in clause (B);
      (D) identifies the magnitude of the potential harm to the
public health or environment associated with each type of
incident referred to in clause (B); and
(E) is written in a manner understandable to:
   (i) the scientific community; and
   (ii) the public.

(2) A written transport safety plan that:
   (A) is tailored to the risks described in subdivision (1);
   (B) demonstrates that the driver of each vehicle to be used
       in the transport:
       (i) has received United States Department of
           Transportation training and licensure; and
       (ii) is familiar with the content of the plan;
   (C) demonstrates for the transport route that appropriate
       procedures and response personnel will be available for:
       (i) medical response;
       (ii) environmental response;
       (iii) local law enforcement response; and
       (iv) evacuation of the area; and
   (D) provides for submitting notice to the department
       before the first shipment of each particular chemical
       munition or hazardous waste described in section 1 of the
       chapter is transported.

   (b) A notice submitted under the transport safety plan provision
       described in subsection (a)(2)(D) must include the estimated
       shipment schedule for each chemical munition or hazardous waste
       for the duration of the transport activity. A person who transports
       a chemical munition or hazardous waste described in subsection (a)
       shall immediately notify the department of any major variations
       from the estimated shipment schedule provided under this
       subsection.

   (c) A person must file an amended:
       (1) evaluation of potential transportation risks; and
       (2) transport safety plan;
       under subsection (a) only if the proposed transport route changes.

Sec. 3. The transport of a substance referred to in section 2 of
this chapter shall occur at times that provide maximum public
safety.

SECTION 3. An emergency is declared for this act.
AN ACT concerning property.

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

SECTION 1. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "committee" refers to the interim study committee on eminent domain established by this SECTION.

(b) For the purposes of this SECTION, "commercial use" includes the following:

1. Private residential development or use of the property.
2. Private development of the property under a lease.
3. Use of the property for retail or industrial purposes.

(c) There is established the interim study committee on eminent domain. The committee shall study the use of eminent domain, especially where the proposed use of the property being acquired by eminent domain does not relate directly to providing a governmental service or fulfilling a governmental responsibility but is, rather, a commercial use.

(d) The committee shall study criteria that could be applied when the acquisition of property by eminent domain for a commercial use is proposed, including the following:

1. Minimum price offers to the owner of the real property.
2. Significance of promoting or retaining gainful employment.
3. Significance of business opportunities.
4. Whether the real property is located within an area in which normal development and occupancy are undesirable or impossible for the following reasons:
   A. Deterioration of improvements.
   B. Obsolescence.
   C. Substandard buildings.
   D. Excessive numbers of vacant, abandoned, or illegally used properties.
(E) Unsanitary or unsafe conditions.
(F) Life or property endangering conditions.
(5) Any other issue assigned by the legislative council.
(e) The committee shall operate under the policies governing study committees adopted by the legislative council.
(f) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.
(g) This SECTION expires January 1, 2006.

P.L.174-2005
[H.1078. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

SECTION 1. IC 4-4-30-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The center for coal technology research is established to perform the following duties:

(1) Develop technologies that can use Indiana coal in an environmentally and economically sound manner.
(2) Investigate the reuse of clean coal technology byproducts, including fly ash and coal bed methane.
(3) Generate innovative research in the field of coal use.
(4) Develop new, efficient, and economical sorbents for effective control of emissions.
(5) Investigate ways to increase coal combustion efficiency.
(6) Develop materials that withstand higher combustion temperatures.
(7) Carry out any other matter concerning coal technology research, including public education, as determined by the center.
(8) Administer the Indiana coal research grant fund under IC 4-23-5.5-16.
(9) Investigate the use of coal bed methane in the production of renewable or alternative fuels and renewable energy sources.

SECTION 2. IC 8-1-8.8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "clean coal and energy projects" means any of the following:

(1) Any of the following projects:
   (A) Projects at new energy generating facilities that employ the use of clean coal technology and that are fueled primarily by coal or gases, derived from coal from the geological formation known as the Illinois Basin.
   (B) Projects to provide advanced technologies that reduce regulated air emissions from existing energy generating plants that are fueled primarily by coal or gases from coal from the geologic formation known as the Illinois Basin, such as flue gas desulfurization and selective catalytic reduction equipment.
   (C) Projects to provide electric transmission facilities to serve a new energy generating facility.

(2) Projects to develop alternative energy sources, including renewable energy projects.

(3) The purchase of fuels produced by a coal gasification facility.

(4) Projects described in subdivisions (1) through (3) that use coal bed methane.

SECTION 3. IC 14-34-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. All operators of surface coal mining operations subject to this article shall pay to the department for deposit in the natural resources reclamation division fund established by IC 14-34-14-2 a reclamation fee of three and a half cents ($0.035) per ton of coal produced.

SECTION 4. IC 14-34-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Beginning July 1, 2003, All operators of underground coal mining operations subject to this article shall pay to the department for deposit in the natural resources reclamation division fund established by IC 14-34-14-2 a reclamation fee of two and three cents ($0.023) per ton of coal produced.
AN ACT to amend the Indiana Code concerning former governors.

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

SECTION 1. IC 4-20.5-6-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) As used in this section, "real property" refers to the real property located in Indianapolis bounded by the following:

(1) The east boundary of West Street on the west.
(2) The south face of the state office building located at 100 N. Senate Avenue on the north.
(3) The west boundary of Square 48 and Square 53 of the Indianapolis Donation on the east.
(4) The north face of the state office building located along Washington Street on the south.
(b) The real property shall be known as "Robert D. Orr Plaza".
(c) The department shall install and maintain the following:

(1) Appropriate public signage on and around the real property that displays the name of the real property.
(2) A plaque located at an appropriate spot on the real property describing the highlights of the life and career of Robert D. Orr.

SECTION 2. IC 14-20-1-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24.5. (a) As used in this section, "Indiana State Museum" refers to the museum located in the White River State Park located in Indianapolis.
(b) The museum's great hall shall be known as the "Governor Frank O'Bannon Great Hall".
(c) The president and chief operating officer of the museum shall install and maintain the following:

(1) Appropriate public signage on and around the museum
that displays the name of the great hall.
(2) A plaque located at an appropriate spot in the museum describing the highlights of the life and career of Governor Frank O'Bannon.

P.L.176-2005
[H.1113. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning courts and court officers.

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

SECTION 1. IC 10-13-6-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.5. (a) The DNA sample processing fund is established for the purpose of funding the collection, shipment, analysis, and preservation of DNA samples and the conduct of a DNA data base program under this chapter. The fund shall be administered by the superintendent.

(b) The expenses of administering the fund shall be paid from money in the fund.

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

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

SECTION 2. IC 33-34-8-1, AS AMENDED BY P.L.85-2004, SECTION 15, AND AS AMENDED BY P.L.95-2004, SECTION 3, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The following fees and costs apply to cases in the small claims court:

(1) A township docket fee of five dollars ($5) plus forty-five percent (45%) of the infraction or ordinance violation costs fee under IC 33-37-4-2.
(2) The bailiff's service of process by registered or certified mail fee of thirteen dollars ($13) for each service.
(3) The cost for the personal service of process by the bailiff or other process server of thirteen dollars ($13) for each service.
(4) Witness fees, if any, in the amount provided by IC 33-37-10-3 to be taxed and charged in the circuit court.
(5) A redocketing fee, if any, of five dollars ($5).
(7) An automated record keeping fee under IC 33-37-5-21.
(8) A late fee, if any, under IC 33-37-5-22.
(9) A judicial public defense administration fee under IC 33-37-5-21.2.
(9)(10) A judicial insurance adjustment fee under IC 33-37-5-25.
(12) A court administration fee under IC 33-37-5-27.

The docket fee and the cost for the initial service of process shall be paid at the institution of a case. The cost of service after the initial service shall be assessed and paid after service has been made. The cost of witness fees shall be paid before the witnesses are called.

(b) If the amount of the township docket fee computed under subsection (a)(1) is not equal to a whole number, the amount shall be rounded to the next highest whole number.

SECTION 3. IC 33-34-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Payment for all costs made as a result of proceedings in a small claims court shall be to the _______ County Small Claims Court ______ Division (with the name of the county and township inserted). The court shall issue a receipt for all money received on a form numbered serially in duplicate. All township docket fees and late fees received by the court shall be paid to the township trustee at the close of each month.

(b) The court shall:

(1) semiannually distribute to the auditor of state:
   (A) all automated record keeping fees (IC 33-37-5-21) received by the court for deposit in the state user fee fund established under IC 33-37-9;
   (B) all public defense administration fees collected by the court under IC 33-37-5-21.2 for deposit in the state general fund;
(C) all court administration fees collected by the court under IC 33-37-5-27 for deposit in the state general fund;
(D) all judicial insurance adjustment fees collected by the court under IC 33-37-5-25 for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2; and
(E) seventy-five percent (75%) of all judicial salaries fees collected by the court under IC 33-37-5-26 for deposit in the state general fund; and

(2) distribute monthly to the county auditor all document storage fees received by the court.

The county auditor shall deposit fees distributed under this subdivision (2) into the clerk's record perpetuation fund under IC 33-37-5-2.

SECTION 4. IC 33-37-4-1, AS AMENDED BY P.L.85-2004, SECTION 16, AND AS AMENDED BY P.L.95-2004, SECTION 4, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) For each action that results in a felony conviction under IC 35-50-2 or a misdemeanor conviction under IC 35-50-3, the clerk shall collect from the defendant a criminal costs fee of one hundred twenty dollars ($120).

(b) In addition to the criminal costs fee collected under this section, the clerk shall collect from the defendant the following fees if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
(2) A marijuana eradication program fee (IC 33-37-5-7).
(3) An alcohol and drug services program user fee (IC 33-37-5-8(b)).
(4) A law enforcement continuing education program fee (IC 33-37-5-8(c)).
(5) A drug abuse, prosecution, interdiction, and correction fee (IC 33-37-5-9).
(6) An alcohol and drug countermeasures fee (IC 33-37-5-10).
(7) A child abuse prevention fee (IC 33-37-5-12).
(8) A domestic violence prevention and treatment fee (IC 33-37-5-13).
(9) A highway work zone fee (IC 33-37-5-14).
(10) A deferred prosecution fee (IC 33-37-5-17).
(12) An automated record keeping fee (IC 33-37-5-21).
(13) A late payment fee (IC 33-37-5-22).
(14) A sexual assault victims assistance fee (IC 33-37-5-23).
(15) A judicial public defense administration fee under (IC 33-37-5-21.2).
(16) A judicial insurance adjustment fee under (IC 33-37-5-25).
(17) A judicial salaries fee (IC 33-37-5-26).
(18) A court administration fee (IC 33-37-5-27).
(19) A DNA sample processing fee (IC 33-37-5-26.2).

c) Instead of the criminal costs fee prescribed by this section, the clerk shall collect a pretrial diversion program fee if an agreement between the prosecuting attorney and the accused person entered into under IC 33-39-1-8 requires payment of those fees by the accused person. The pretrial diversion program fee is:
   (1) an initial user's fee of fifty dollars ($50); and
   (2) a monthly user's fee of ten dollars ($10) for each month that the person remains in the pretrial diversion program.

d) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees, not later than thirty (30) days after the fees are collected:
   (1) The pretrial diversion fee.
   (2) The marijuana eradication program fee.
   (3) The alcohol and drug services program user fee.
   (4) The law enforcement continuing education program fee.

The auditor or fiscal officer shall deposit fees transferred under this subsection in the appropriate user fee fund established under IC 33-37-8.

e) Unless otherwise directed by a court, if a clerk collects only part of a criminal costs fee from a defendant under this section, the clerk shall distribute the partial payment of the criminal costs fee as follows:
   (1) The clerk shall apply the partial payment to general court costs.
   (2) If there is money remaining after the partial payment is applied to general court costs under subdivision (1), the clerk shall distribute the remainder of the partial payment for deposit in the appropriate county user fee fund.
(3) If there is money remaining after distribution under subdivision (2), the clerk shall distribute the remainder of the partial payment for deposit in the state user fee fund.

(4) If there is money remaining after distribution under subdivision (3), the clerk shall distribute the remainder of the partial payment to any other applicable user fee fund.

(5) If there is money remaining after distribution under subdivision (4), the clerk shall apply the remainder of the partial payment to any outstanding fines owed by the defendant.

SECTION 5. IC 33-37-4-2, AS AMENDED BY P.L.85-2004, SECTION 17, AND AS AMENDED BY P.L.95-2004, SECTION 5, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsections (d) and (e), for each action that results in a judgment:

(1) for a violation constituting an infraction; or

(2) for a violation of an ordinance of a municipal corporation (as defined in IC 36-1-2-10);

the clerk shall collect from the defendant an infraction or ordinance violation costs fee of seventy dollars ($70).

(b) In addition to the infraction or ordinance violation costs fee collected under this section, the clerk shall collect from the defendant the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) An alcohol and drug services program user fee (IC 33-37-5-8(b)).

(3) A law enforcement continuing education program fee (IC 33-37-5-8(c)).

(4) An alcohol and drug countermeasures fee (IC 33-37-5-10).

(5) A highway work zone fee (IC 33-37-5-14).

(6) A deferred prosecution fee (IC 33-37-5-17).

(7) A jury fee (IC 33-19-6-17): (IC 33-37-5-19).

(8) A document storage fee (IC 33-37-5-20).

(9) An automated record keeping fee (IC 33-37-5-21).

(10) A late payment fee (IC 33-37-5-22).

(11) A **judicial public defense administration fee** under (IC 33-37-5-21.2).

(12) A **judicial insurance adjustment fee** under...
(IC 33-37-5-25).

(13) A judicial salaries fee (IC 33-37-5-26).

(14) A court administration fee (IC 33-37-5-27).

(15) A DNA sample processing fee (IC 33-37-5-26.2).

(c) The clerk shall transfer to the county auditor or fiscal officer of the municipal corporation the following fees, not later than thirty (30) days after the fees are collected:

(1) The alcohol and drug services program user fee (IC 33-37-5-8(b)).

(2) The law enforcement continuing education program fee (IC 33-37-5-8(c)).

(3) The deferral program fee (subsection e).

The auditor or fiscal officer shall deposit the fees in the user fee fund established under IC 33-37-8.

(d) The defendant is not liable for any ordinance violation costs fee in an action if all the following apply:

(1) The defendant was charged with an ordinance violation subject to IC 33-36.

(2) The defendant denied the violation under IC 33-36-3.

(3) Proceedings in court against the defendant were initiated under IC 34-28-5 (or IC 34-4-32 before its repeal).

(4) The defendant was tried and the court entered judgment for the defendant for the violation.

(e) Instead of the infraction or ordinance violation costs fee prescribed by subsection (a), the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney or an attorney for a municipal corporation and the person charged with a violation entered into under IC 34-28-5-1 (or IC 34-4-32-1 before its repeal) requires payment of those fees by the person charged with the violation. The deferral program fee is:

(1) an initial user's fee not to exceed fifty-two dollars ($52); and

(2) a monthly user's fee not to exceed ten dollars ($10) for each month the person remains in the deferral program.

(f) The fees prescribed by this section are costs for purposes of IC 34-28-5-4 and may be collected from a defendant against whom judgment is entered. Any penalty assessed is in addition to costs.

SECTION 6. IC 33-37-4-3, AS AMENDED BY P.L.85-2004,
SECTION 18, AND AS AMENDED BY P.L.95-2004, SECTION 6, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The clerk shall collect a juvenile costs fee of one hundred twenty dollars ($120) for each action filed under any of the following:
   (1) IC 31-34 (children in need of services).
   (2) IC 31-37 (delinquent children).
   (3) IC 31-14 (paternity).

(b) In addition to the juvenile costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:
   (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
   (2) A marijuana eradication program fee (IC 33-37-5-7).
   (3) An alcohol and drug services program user fee (IC 33-37-5-8(b)).
   (4) A law enforcement continuing education program fee (IC 33-37-5-8(c)).
   (5) An alcohol and drug countermeasures fee (IC 33-37-5-10).
   (6) A document storage fee (IC 33-37-5-20).
   (7) An automated record keeping fee (IC 33-37-5-21).
   (8) A late payment fee (IC 33-37-5-22).
   (9) A judicial public defense administration fee (IC 33-37-5-21.2).
   (10) A judicial insurance adjustment fee (IC 33-37-5-25).
   (11) A judicial salaries fee (IC 33-37-5-26).
   (12) A court administration fee (IC 33-37-5-27).
   (13) A DNA sample processing fee (IC 33-37-5-26.2).

(c) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees not later than thirty (30) days after they are collected:
   (1) The marijuana eradication program fee (IC 33-37-5-7).
   (2) The alcohol and drug services program user fee (IC 33-37-5-8(b)).
   (3) The law enforcement continuing education program fee (IC 33-37-5-8(c)).

The auditor or fiscal officer shall deposit the fees in the appropriate
user fee fund established under IC 33-37-8.

SECTION 7. IC 33-37-4-4, AS AMENDED BY P.L.85-2004, SECTION 19, AND AS AMENDED BY P.L.95-2004, SECTION 7, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The clerk shall collect a civil costs fee of one hundred dollars ($100) from a party filing a civil action. This subsection does not apply to the following civil actions:

1. Proceedings to enforce a statute defining an infraction under IC 34-28-5 (or IC 34-4-32 before its repeal).
2. Proceedings to enforce an ordinance under IC 34-28-5 (or IC 34-4-32 before its repeal).
3. Proceedings in juvenile court under IC 31-34 or IC 31-37.
5. Proceedings in small claims court under IC 33-34.
6. Proceedings in actions described in section 7 of this chapter.

(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

2. A support and maintenance fee (IC 33-37-5-6).
4. An automated record keeping fee (IC 33-37-5-21).
5. A judicial public defense administration fee under (IC 33-37-5-21.2).
6. A judicial insurance adjustment fee under (IC 33-37-5-25).
7. A judicial salaries fee (IC 33-37-5-26).

SECTION 8. IC 33-37-4-6, AS AMENDED BY P.L.85-2004, SECTION 21, AND AS AMENDED BY P.L.95-2004, SECTION 9, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) For each small claims action, the clerk shall collect from the party filing the action both of the following fees:

1. A small claims costs fee of thirty-five dollars ($35);
2. A small claims service fee of five dollars ($5) for each defendant named or added in the small claims action.
(1) From the party filing the action:
   (A) a small claims costs fee of thirty-five dollars ($35); and
   (B) a small claims service fee of ten dollars ($10) for each named defendant.

(2) From any party adding a defendant, a small claims service fee of ten dollars ($10) for each defendant added in the action.

However, a clerk may not collect a small claims costs fee or small claims service fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee and small claims service fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

   (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
   (2) A document storage fee (IC 33-37-5-20).
   (3) An automated record keeping fee (IC 33-37-5-21).
   (4) A judicial public defense administration fee under (IC 33-37-5-21.2).
   (5) A judicial insurance adjustment fee under (IC 33-37-5-25).
   (6) A judicial salaries fee (IC 33-37-5-26).
   (7) A court administration fee (IC 33-37-5-27).

(c) This section applies after June 30, 2005.

SECTION 9. IC 33-37-4-7, AS AMENDED BY P.L.85-2004, SECTION 22, AND AS AMENDED BY P.L.95-2004, SECTION 10, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided under subsection (c), the clerk shall collect from the party filing the action a probate costs fee of one hundred twenty dollars ($120) for each action filed under any of the following:

   (1) IC 6-4.1-5 (determination of inheritance tax).
   (2) IC 29 (probate).
   (3) IC 30 (trusts and fiduciaries).

(b) In addition to the probate costs fee collected under subsection (a), the clerk shall collect from the party filing the action the following fees, if they are required under IC 33-37-5:

   (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
   (2) A document storage fee (IC 33-37-5-20).
(3) An automated record keeping fee (IC 33-37-5-21).
(4) A judicial public defense administration fee under (IC 33-37-5-21.2).
(5) A judicial insurance adjustment fee under (IC 33-37-5-25).
(6) A judicial salaries fee (IC 33-37-5-26).
(7) A court administration fee (IC 33-37-5-27).
(c) A clerk may not collect a court costs fee for the filing of the following exempted actions:
   (1) Petition to open a safety deposit box.
   (2) Filing an inheritance tax return, unless proceedings other than the court's approval of the return become necessary.
   (3) Offering a will for probate under IC 29-1-7, unless proceedings other than admitting the will to probate become necessary.

SECTION 10. IC 33-37-5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) This section applies to actions in which the court defers prosecution under IC 33-39-1-8.
   (b) In each action in which prosecution is deferred, the clerk shall collect from the defendant a deferred prosecution fee of fifty one hundred twenty dollars ($50) ($120) for court costs.

SECTION 11. IC 33-37-5-21.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21.2. (a) This subsection does not apply to the following:
   (1) A criminal proceeding.
   (2) A proceeding for an infraction violation.
   (3) A proceeding for an ordinance violation.
In each action filed in a court described in IC 33-37-1-1 and in each small claims action in a court described in IC 33-34, the clerk shall collect a judicial public defense administration fee of in the period beginning July 1, 2004, and ending June 30, 2005; one dollar ($1) and after June 30, 2005; two three dollars ($2); ($3).
   (b) In each action in which a person is:
      (1) convicted of an offense;
      (2) required to pay a pretrial diversion fee;
      (3) found to have violated an infraction; or
      (4) found to have violated an ordinance;
the clerk shall collect a judicial public defense administration fee of in
the period beginning July 1, 2004, and ending June 30, 2005, one dollar ($1) and after June 30, 2005, two three dollars ($2) ($3).

SECTION 12. IC 33-37-5-26 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) This subsection does not apply to the following:

1. A criminal proceeding.
2. A proceeding for an infraction violation.
3. A proceeding for an ordinance violation.
4. A small claims action.

In each action filed in a court described in IC 33-37-1-1, the clerk shall collect a judicial salaries fee equal to the amount specified in the schedule in subsection (d).

(b) In each small claims action filed in a court described in IC 33-37-1-1 or IC 33-34, the clerk shall collect a judicial salaries fee specified in the schedule in subsection (e).
(c) In each action in which a person is:
1. convicted of an offense;
2. required to pay a pretrial diversion fee;
3. found to have violated an infraction; or
4. found to have violated an ordinance;
the clerk shall collect a judicial salaries fee specified in the schedule in subsection (d).
(d) Beginning:
1. after June 30, 2005, and ending before July 1 of the first state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is fifteen dollars ($15);
2. after June 30 immediately preceding the first state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the second state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is sixteen dollars ($16);
3. after June 30 immediately preceding the second state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the third state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is
seventeen dollars ($17);
(4) after June 30 immediately preceding the third state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the fourth state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is eighteen dollars ($18);
(5) after June 30 immediately preceding the fourth state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the fifth state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is nineteen dollars ($19); and
(6) after June 30 immediately preceding the fifth state fiscal year in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is twenty dollars ($20).
(e) Beginning:
(1) after June 30, 2005, and ending before July 1 of the first state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is ten dollars ($10);
(2) after June 30 immediately preceding the first state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the second state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is eleven dollars ($11);
(3) after June 30 immediately preceding the second state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the third state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is twelve dollars ($12);
(4) after June 30 immediately preceding the third state fiscal year in which salaries are increased under IC 33-38-5-8.1 and ending before July 1 of the fourth state fiscal year after June 30, 2006, in which salaries are increased under IC 33-38-5-8.1, the judicial salaries fee to which this subsection applies is
thirteen dollars ($13); 
(5) after June 30 immediately preceding the fourth state fiscal 
year in which salaries are increased under IC 33-38-5-8.1 and 
ending before July 1 of the fifth state fiscal year after June 30, 
2006, in which salaries are increased under IC 33-38-5-8.1, the 
judicial salaries fee to which this subsection applies is 
fourteen dollars ($14); and 
(6) after June 30 immediately preceding the fifth state fiscal 
year in which salaries are increased under IC 33-38-5-8.1, the 
judicial salaries fee to which this subsection applies is fifteen 
dollars ($15).

SECTION 13. IC 33-37-5-26.2 IS ADDED TO THE INDIANA 
CODE AS A NEW SECTION TO READ AS FOLLOWS 
[EFFECTIVE JULY 1, 2005]: Sec. 26.2. In each action in which a 
person is: 
(1) convicted of an offense; 
(2) required to pay a pretrial diversion fee; 
(3) found to have committed an infraction; or 
(4) found to have violated an ordinance; 
the clerk shall collect a DNA sample processing fee of one dollar 
($1).

SECTION 14. IC 33-37-5-27 IS ADDED TO THE INDIANA 
CODE AS A NEW SECTION TO READ AS FOLLOWS 
[EFFECTIVE JULY 1, 2005]: Sec. 27. (a) This subsection does not 
apply to the following: 
(1) A criminal proceeding. 
(2) A proceeding to enforce a statute defining an infraction. 
(3) A proceeding for an ordinance violation. 
In each action filed in a court described in IC 33-37-1-1 and in each 
small claims action in a court described in IC 33-34, the clerk shall 
collect a court administration fee of two dollars ($2). 
(b) In each action in which a person is: 
(1) convicted of an offense; 
(2) required to pay a pretrial diversion fee; 
(3) found to have committed an infraction; or 
(4) found to have violated an ordinance; 
the clerk shall collect a court administration fee of two dollars ($2). 

SECTION 15. IC 33-37-5-28 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 28. (a) Except as provided in
subsection (c), this section applies to a civil action in which the
clerk is required to collect a civil costs fee under IC 33-37-4-4(a).
(b) The clerk shall collect the following:
   (1) From the party filing the civil action, a service fee of ten
dollars ($10) for each additional defendant named other than
the first named defendant.
   (2) From any party adding a defendant, a service fee of ten
dollars ($10) for each defendant added in the civil action.
(c) This section does not apply to an action in which service is
made by publication in accordance with Indiana Trial Rule 4.13.

SECTION 16. IC 33-37-7-2, AS AMENDED BY P.L.85-2004,
SECTION 25, AND AS AMENDED BY P.L.95-2004, SECTION 13,
IS CORRECTED AND AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The clerk of a circuit court
shall distribute semiannually to the auditor of state as the state share for
deposit in the state general fund seventy percent (70%) of the amount
of fees collected under the following:
   (1) IC 33-37-4-1(a) (criminal costs fees).
   (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
   (3) IC 33-37-4-3(a) (juvenile costs fees).
   (4) IC 33-37-4-4(a) (civil costs fees).
   (5) IC 33-37-4-6(a)(1) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
   (6) IC 33-37-4-7(a) (probate costs fees).
   (7) IC 33-37-5-17 (deferred prosecution fees).
(b) The clerk of a circuit court shall distribute semiannually to the
auditor of state for deposit in the state user fee fund established in
IC 33-37-9-2 the following:
   (1) Twenty-five percent (25%) of the drug abuse, prosecution,
interdiction, and correction fees collected under IC 33-37-4-1(b)(5).
   (2) Twenty-five percent (25%) of the alcohol and drug
countermeasures fees collected under IC 33-37-4-1(b)(6),
IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).
   (3) Fifty percent (50%) of the child abuse prevention fees
collected under IC 33-37-4-1(b)(7).
(4) One hundred percent (100%) of the domestic violence prevention and treatment fees collected under IC 33-37-4-1(b)(8).
(5) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).
(6) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.
(7) One hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21).

c) The clerk of a circuit court shall distribute monthly to the county auditor the following:
   (1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).
   (2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

d) The clerk of a circuit court shall distribute monthly to the county auditor fifty percent (50%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7). The county auditor shall deposit fees distributed by a clerk under this subsection into the county child advocacy fund established under IC 12-17-17.

e) The clerk of a circuit court shall distribute monthly to the county auditor one hundred percent (100%) of the late payment fees collected under IC 33-37-5-22. The county auditor shall deposit fees distributed by a clerk under this subsection as follows:
   (1) If directed to do so by an ordinance adopted by the county fiscal body, the county auditor shall deposit forty percent (40%) of the fees in the clerk's record perpetuation fund established under IC 33-37-5-2 and sixty percent (60%) of the fees in the county general fund.
   (2) If the county fiscal body has not adopted an ordinance described in subdivision (1), the county auditor shall deposit all the fees in the county general fund.

f) The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the sexual assault victims assistance fund
established by IC 16-19-13-6 one hundred percent (100%) of the sexual assault victims assistance fees collected under IC 33-37-5-23.

(g) The clerk of a circuit court shall distribute monthly to the county auditor the following:

1. One hundred percent (100%) of the support and maintenance fees for cases designated as non-Title IV-D child support cases in the Indiana support enforcement tracking system (ISETS) collected under IC 33-37-5-6.

2. The percentage share of the support and maintenance fees for cases designated as IV-D child support cases in ISETS collected under IC 33-37-5-6 that is reimbursable to the county at the federal financial participation rate.

The county clerk shall distribute monthly to the office of the secretary of family and social services the percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS collected under IC 33-37-5-6 that is not reimbursable to the county at the applicable federal financial participation rate.

(h) The clerk of a circuit court shall distribute monthly to the county auditor one hundred percent (100%) of the small claims service fee under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2) for deposit in the county general fund.

(i) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the judicial following:

1. The public defense administration fee collected under IC 33-37-5-21.2.

2. The judicial salaries fees collected under IC 33-37-5-26.

3. The DNA sample processing fees collected under IC 33-37-5-26.2.

4. The court administration fees collected under IC 33-37-5-27.

(j) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(j) This section applies after June 30, 2005.

(k) The proceeds of the service fee collected under IC 33-37-5-28
shall be distributed as follows:

(1) The clerk shall distribute one hundred percent (100%) of the service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.

(2) The clerk shall distribute one hundred percent (100%) of the service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

SECTION 17. IC 33-37-7-8, AS AMENDED BY P.L.85-2004, SECTION 27, AND AS AMENDED BY P.L.95-2004, SECTION 15, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The clerk of a city or town court shall distribute semiannually to the auditor of state as the state share for deposit in the state general fund fifty-five percent (55%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).
(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
(3) IC 33-37-4-4(a) (civil costs fees).
(4) IC 33-37-4-6(a)(1) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
(5) IC 33-37-5-17 (deferred prosecution fees).

(b) The city or town fiscal officer shall distribute monthly to the county auditor as the county share twenty percent (20%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).
(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
(3) IC 33-37-4-4(a) (civil costs fees).
(4) IC 33-37-4-6(a)(1) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
(5) IC 33-37-5-17 (deferred prosecution fees).

(c) The city or town fiscal officer shall retain twenty-five percent (25%) as the city or town share of the fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).
(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
(3) IC 33-37-4-4(a) (civil costs fees).
(4) IC 33-37-4-6(a)(1) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
(5) IC 33-37-5-17 (deferred prosecution fees).

(d) The clerk of a city or town court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9 the following:

(1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-37-4-1(b)(5).

(2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

(3) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).

(4) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.

(5) One hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21).

(e) The clerk of a city or town court shall distribute monthly to the county auditor the following:

(1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-37-4-1(b)(5).

(2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(f) The clerk of a city or town court shall distribute monthly to the city or town fiscal officer (as defined in IC 36-1-2-7) one hundred percent (100%) of the following:

(1) The late payment fees collected under IC 33-37-5-22.

(2) The small claims service fee collected under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2).

The city or town fiscal officer (as defined in IC 36-1-2-7) shall deposit fees distributed by a clerk under this subsection into the city or town general fund.

(g) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred
percent (100%) of the judicial following:

1. The public defense administration fee collected under IC 33-37-5-21.2.
2. The DNA sample processing fees collected under IC 33-37-5-26.2.
3. The court administration fees collected under IC 33-37-5-27.

(h) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(i) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund seventy-five percent (75%) of the judicial salaries fee collected under IC 33-37-5-26. The city or town fiscal officer shall retain twenty-five percent (25%) of the judicial salaries fee collected under IC 33-37-5-26 as the city or town share.

SECTION 18. IC 33-37-7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of state six seven million seven nine hundred four thirty-two thousand two hundred fifty-seven nine dollars ($6,704,257) for distribution under subsection (b).

(b) On June 30 and on December 31 of each year the treasurer of state shall deposit into:

1. the family violence and victim assistance fund established by IC 12-18-5-2 an amount equal to eleven nine and eight-hundredths thirty-seven hundredths percent (11.08%); (9.37%);
2. the Indiana judges' retirement fund established by IC 33-38-6-12 an amount equal to twenty-five thirty-two and twenty-one fifty-three hundredths percent (25.23%); (32.53%);
3. the law enforcement academy building fund established by IC 5-2-1-13 an amount equal to three two and fifty-two ninety-eight hundredths percent (3.52%); (2.98%);
4. the law enforcement training fund established by IC 5-2-1-13
an amount equal to fourteen twelve and nineteen hundredths percent (14.19%); (12%);

(5) the violent crime victims compensation fund established by IC 5-2-6.1-40 an amount equal to sixteen thirteen and fifty-hundredths ninety-five hundredths percent (16.95%); (13.95%);

(6) the motor vehicle highway account an amount equal to twenty-six twenty-two and ninety-five seventy-eight hundredths percent (26.95%); (22.78%);

(7) the fish and wildlife fund established by IC 14-22-3-2 an amount equal to thirty-two hundredths twenty-eight hundredths of one percent (0.32%); (0.28%); and

(8) the Indiana judicial center drug and alcohol programs fund established by IC 12-23-14-17 for the administration, certification, and support of alcohol and drug services programs under IC 12-23-14 an amount equal to two one and twenty-three eighty-nine hundredths percent (2.23%); (1.89%); and

(9) the DNA sample processing fund established under IC 10-13-6-9.5 for the funding of the collection, shipment, analysis, and preservation of DNA samples and the conduct of a DNA data base program under IC 10-13-6 an amount equal to four and twenty-two hundredths percent (4.22%);

(c) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of state for deposit into the public defense fund established under IC 33-40-6-1:

1) after June 30, 2004, and before July 1, 2005, one million seven hundred thousand dollars ($1,700,000); and

2) after June 30, 2005, two million two seven hundred thousand dollars ($2,200,000). ($2,700,000).

SECTION 19. IC 33-37-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Upon receipt of monthly claims submitted on oath to the fiscal body by a program listed in section 3(b) of this chapter, the fiscal body of the city or town shall appropriate from the city or town fund to the program the amount collected for the program fee under IC 33-37-5.

(b) Funds derived from a deferral program or a pretrial diversion program may be used only for the following purposes:
(1) Personnel expenses related to the operation of the program.
(2) Special training for:
   (A) a prosecuting attorney;
   (B) a deputy prosecuting attorney;
   (C) support staff for a prosecuting attorney or deputy prosecuting attorney; or
   (D) a law enforcement officer.
(3) Employment of a deputy prosecutor or prosecutorial support staff.
(4) Victim assistance.
(5) Electronic legal research.
(6) Office equipment, including computers, computer software, communication devices, office machinery, furnishings, and office supplies.
(7) Expenses of a criminal investigation and prosecution.
(8) An activity or program operated by the prosecuting attorney that is intended to reduce or prevent criminal activity, including:
   (A) substance abuse;
   (B) child abuse;
   (C) domestic violence;
   (D) operating while intoxicated; and
   (E) juvenile delinquency.
(9) Any other purpose that benefits the office of the prosecuting attorney or law enforcement and that is agreed upon by the county fiscal body and the prosecuting attorney.

(c) Funds described in subsection (b) may be used only in accordance with guidelines adopted by the prosecuting attorneys council under IC 33-39-8-5.

SECTION 20. IC 33-37-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Upon receipt of monthly claims submitted on oath to the fiscal body by a program listed in section 5(b) of this chapter, the county fiscal body shall appropriate from the county fund to the program or fund the amount collected for the program under IC 33-37-5.

(b) Funds derived from a deferral program or a pretrial diversion program may be used only for the following purposes:
   (1) Personnel expenses related to the operation of the
program.

(2) Special training for:
   (A) a prosecuting attorney;
   (B) a deputy prosecuting attorney;
   (C) support staff for a prosecuting attorney or deputy prosecuting attorney; or
   (D) a law enforcement officer.

(3) Employment of a deputy prosecutor or prosecutorial support staff.

(4) Victim assistance.

(5) Electronic legal research.

(6) Office equipment, including computers, computer software, communication devices, office machinery, furnishings, and office supplies.

(7) Expenses of a criminal investigation and prosecution.

(8) An activity or program operated by the prosecuting attorney that is intended to reduce or prevent criminal activity, including:
   (A) substance abuse;
   (B) child abuse;
   (C) domestic violence;
   (D) operating while intoxicated; and
   (E) juvenile delinquency.

(9) Any other purpose that benefits the office of the prosecuting attorney or law enforcement and that is agreed upon by the county fiscal body and the prosecuting attorney.

(c) Funds described in subsection (b) may be used only in accordance with guidelines adopted by the prosecuting attorneys council under IC 33-39-8-5.

SECTION 21. IC 33-39-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) After June 30, 2005, this section does not apply to a person who:

(1) holds a commercial driver's license; and

(2) has been charged with an offense involving the operation of a motor vehicle in accordance with the federal Motor Carrier Safety Improvement Act of 1999 (MCSIA) (Public Law 106-159.113 Stat. 1748).

(b) This section does not apply to a person arrested for or charged with:
(1) an offense under IC 9-30-5-1 through IC 9-30-5-5; or 
(2) if a person was arrested or charged with an offense under 
IC 9-30-5-1 through IC 9-30-5-5, an offense involving:
   (A) intoxication; or 
   (B) the operation of a motor vehicle;
 if the offense involving intoxication or the operation of a motor 
vehicle was part of the same episode of criminal conduct as the 
offense under IC 9-30-5-1 through IC 9-30-5-5.

(b) (c) A prosecuting attorney may withhold prosecution against an 
accused person if:
   (1) the person is charged with a misdemeanor; 
   (2) the person agrees to conditions of a pretrial diversion program 
       offered by the prosecuting attorney; and 
   (3) the terms of the agreement are recorded in an instrument 
       signed by the person and the prosecuting attorney and filed in the 
       court in which the charge is pending; and 
   (4) the prosecuting attorney electronically transmits 
       information required by the prosecuting attorneys council 
       concerning the withheld prosecution to the prosecuting 
       attorneys council, in a manner and format designated by the 
       prosecuting attorneys council.

(c) (d) An agreement under subsection (b) (c) may include 
conditions that the person:
   (1) pay to the clerk of the court an initial user's fee and monthly 
       user's fees in the amounts specified in IC 33-37-4-1; 
   (2) work faithfully at a suitable employment or faithfully pursue 
       a course of study or vocational training that will equip the person 
       for suitable employment; 
   (3) undergo available medical treatment or counseling and remain 
       in a specified facility required for that purpose; 
   (4) support the person's dependents and meet other family 
       responsibilities; 
   (5) make restitution or reparation to the victim of the crime for the 
       damage or injury that was sustained; 
   (6) refrain from harassing, intimidating, threatening, or having 
       any direct or indirect contact with the victim or a witness; 
   (7) report to the prosecuting attorney at reasonable times; 
   (8) answer all reasonable inquiries by the prosecuting attorney
and promptly notify the prosecuting attorney of any change in address or employment; and
(9) participate in dispute resolution either under IC 34-57-3 or a program established by the prosecuting attorney.

(d) (e) An agreement under subsection (b)(2) (c)(2) may include other provisions reasonably related to the defendant's rehabilitation, if approved by the court.

(e) (f) The prosecuting attorney shall notify the victim when prosecution is withheld under this section.

(f) (g) All money collected by the clerk as user's fees under this section shall be deposited in the appropriate user fee fund under IC 33-37-8.

(g) (h) If a court withholds prosecution under this section and the terms of the agreement contain conditions described in subsection (c)(6) (d)(6):
(1) the clerk of the court shall comply with IC 5-2-9; and
(2) the prosecuting attorney shall file a confidential form prescribed or approved by the division of state court administration with the clerk.

SECTION 22. IC 33-39-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The council shall do the following:
(1) Assist in the coordination of the duties of the prosecuting attorneys of the state and their staffs.
(2) Prepare manuals of procedure.
(3) Give assistance in preparation of the trial briefs, forms, and instructions.
(4) Conduct research and studies that would be of interest and value to all prosecuting attorneys and their staffs.
(5) Maintain liaison contact with study commissions and agencies of all branches of local, state, and federal government that will be of benefit to law enforcement and the fair administration of justice in Indiana.

(6) Adopt guidelines for the expenditure of funds derived from a deferral program or a pretrial diversion program.

SECTION 23. IC 34-26-5-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. Fees for:
(1) filing;
(2) service of process;
(3) witnesses; or
(4) subpoenas;
may not be charged for a proceeding seeking relief or enforcement as provided in this chapter, including a proceeding concerning a foreign protection order as described in section 17 of this chapter. This section may not be construed to prevent the collecting of costs from a party against whom an order for protection is sought if the court finds a claim to be meritorious and issues an order for protection under this chapter.

SECTION 24. IC 34-28-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2005]: Sec. 1. (a) An action to enforce a statute defining an infraction shall be brought in the name of the state of Indiana by the prosecuting attorney for the judicial circuit in which the infraction allegedly took place. However, if the infraction allegedly took place on a public highway (as defined in IC 9-25-2-4) that runs on and along a common boundary shared by two (2) or more judicial circuits, a prosecuting attorney for any judicial circuit sharing the common boundary may bring the action.

(b) An action to enforce an ordinance shall be brought in the name of the municipal corporation. The municipal corporation need not prove that it or the ordinance is valid unless validity is controverted by affidavit.

(c) Actions under this chapter (or IC 34-4-32 before its repeal):
   (1) shall be conducted in accordance with the Indiana Rules of Trial Procedure; and
   (2) must be brought within two (2) years after the alleged conduct or violation occurred.

(d) The plaintiff in an action under this chapter must prove the commission of an infraction or ordinance violation by a preponderance of the evidence.

(e) The complaint and summons described in IC 9-30-3-6 may be used for any infraction or ordinance violation.

(f) This subsection does not apply to an offense or violation under IC 9-24-6 involving the operation of a commercial motor vehicle. The prosecuting attorney or the attorney for a municipal corporation may establish a deferral program for deferring actions brought under this section. Actions may be deferred under this section
if:

(1) the defendant in the action agrees to conditions of a deferral program offered by the prosecuting attorney or the attorney for a municipal corporation;

(2) the defendant in the action agrees to pay to the clerk of the court an initial user's fee and monthly user's fee set by the prosecuting attorney or the attorney for the municipal corporation in accordance with IC 33-37-4-2(e);

(3) the terms of the agreement are recorded in an instrument signed by the defendant and the prosecuting attorney or the attorney for the municipal corporation;

(4) the defendant in the action agrees to pay court costs a fee of twenty-five seventy dollars ($25) ($70) to the clerk of court if the action involves a moving traffic offense (as defined in IC 9-13-2-110); and

(5) the agreement is filed in the court in which the action is brought; and

(6) if the deferral program is offered by the prosecuting attorney, the prosecuting attorney electronically transmits information required by the prosecuting attorneys council concerning the withheld prosecution to the prosecuting attorneys council, in a manner and format designated by the prosecuting attorneys council.

When a defendant complies with the terms of an agreement filed under this subsection (or IC 34-4-32-1(f) before its repeal), the prosecuting attorney or the attorney for the municipal corporation shall request the court to dismiss the action. Upon receipt of a request to dismiss an action under this subsection, the court shall dismiss the action. An action dismissed under this subsection (or IC 34-4-32-1(f) before its repeal) may not be refiled.

SECTION 25. [EFFECTIVE JULY 1, 2005] Notwithstanding IC 33-39-1-8 and IC 34-28-5-1, both as amended by this act, a prosecuting attorney is not required to electronically transmit information to the prosecuting attorneys council under IC 33-39-1-8 when withholding prosecution or under IC 34-28-5-1 when deferring action until January 1, 2006.

SECTION 26. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration.

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

SECTION 1. IC 2-5-1.1-12.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.1. The legislative council may contract with the internet commission established by IC 5-21-2-1 or another public or private person to provide video or audio coverage, or both, over the Internet or another broadcast medium of any of the following:

(1) Sessions of the general assembly.
(2) Other legislative activities authorized by the legislative council.

SECTION 2. IC 4-4-29-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The council shall do the following:

(1) Assist in developing goals and objectives for the tourism division of the department, including the following:
   (A) Development of Indiana's agricultural and horticultural base.
   (B) Job creation and retention in rural Indiana.
   (C) Development of agritourism opportunities to provide additional income for Indiana's agricultural and horticultural workers.
   (D) Product development, including the creation of outlets for the sale of crafts, foods, and other items produced in Indiana.
   (E) Preservation and development of historic rural resources in Indiana.
   (F) Local, national, and international direct marketing to increase revenue and enhance the viability of agricultural, horticultural, and agribusiness operations in Indiana.
(G) Public education about the impact of agriculture and horticulture on a community's quality of life.
(H) Capital and business assistance for agricultural, horticultural, and agribusiness workers to increase the viability, sustainability, and growth of agritourism businesses and services in Indiana.

(2) Establish advisory groups to make recommendations to the department on tourism research, development, and marketing.
(3) Analyze the results and effectiveness of grants made by the department.
(4) Build commitment and unity among tourism industry groups.
(5) Create a forum for sharing talent, resources, and ideas regarding tourism.
(6) Encourage public and private participation necessary for the promotion of tourism.
(7) Promote agritourism in Indiana to national and international visitors.
(8) Sustain the viability and growth of the agritourism industry in Indiana.
(9) Establish and promote an Internet website that is linked to the computer gateway administered by the office of technology established by IC 4-13.1-2-1.
(10) Create regional agritourism development plans for the twelve regional offices of the department.
(11) Coordinate efforts to educate the public about agritourism and Indiana's agricultural heritage and history.
(12) Provide information concerning funding opportunities, including grants, loans, and partnerships, to persons who are interested in starting an agritourism business or who operate an agritourism business.
(13) Make recommendations to the department and the general assembly regarding any matter involving agritourism. Recommendations to the general assembly under this subdivision must be reported in an electronic format under IC 5-14-6.
(14) Generate economic vitality and tourism activity for Indiana.
(15) Position Indiana as the recognized agritourism center of the nation.
(16) Make recommendations to the department regarding any matter involving tourism.

SECTION 3. IC 4-5-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The Intelenet Commission established under IC 5-21-2 or the state enhanced data access review committee under IC 5-21-6, Office of Technology established by IC 4-13.1-2-1 and the secretary of state shall establish policies and procedures for providing electronic and enhanced access under this chapter to create and maintain uniform policies and procedures for electronic and enhanced access by the public.

SECTION 4. IC 4-5-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Electronic and enhanced access to information shall be provided through the computer gateway administered by the Intelenet Commission under IC 5-21-2, Office of Technology established by IC 4-13.1-2-1.

SECTION 5. IC 4-13-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The department shall, subject to this chapter, do the following:

(1) Execute and administer all appropriations as provided by law, and execute and administer all provisions of law that impose duties and functions upon the executive department of government, including executive investigation of state agencies supported by appropriations and the assembly of all required data and information for the use of the executive department and the legislative department.

(2) Supervise and regulate the making of contracts by state agencies.

(3) Perform the property management functions required by IC 4-20.5-6.

(4) Assign office space and storage space for state agencies in the manner provided by IC 4-20.5-5.

(5) Maintain and operate the following for state agencies:

(A) Central duplicating.

(B) Printing.

(C) Machine tabulating.

(D) Mailing services.

(E) Centrally available supplemental personnel and other essential supporting services.
(F) Information services.

(G) Telecommunication services.

The department may require state agencies to use these general services in the interests of economy and efficiency. The general services rotary fund the telephone rotary fund; and the data processing rotary fund are established through which these services may be rendered to state agencies. The budget agency shall determine the amount for each the general services rotary fund.

(6) Control and supervise the acquisition, operation, maintenance, and replacement of state owned vehicles by all state agencies. The department may establish and operate, in the interest of economy and efficiency, a motor vehicle pool, and may finance the pool by a rotary fund. The budget agency shall determine the amount to be deposited in the rotary fund.

(7) Promulgate and enforce rules relative to the travel of officers and employees of all state agencies when engaged in the performance of state business. These rules may allow reimbursement for travel expenses by any of the following methods:

(A) Per diem.

(B) For expenses necessarily and actually incurred.

(C) Any combination of the methods in clauses (A) and (B).

The rules must require the approval of the travel by the commissioner and the head of the officer's or employee's department prior to payment.

(8) Administer IC 4-13.6.

(9) Prescribe the amount and form of certified checks, deposits, or bonds to be submitted in connection with bids and contracts when not otherwise provided for by law.

(10) Rent out, with the approval of the governor, any state property, real or personal:

(A) not needed for public use; or

(B) for the purpose of providing services to the state or employees of the state;

the rental of which is not otherwise provided for or prohibited by law. Property may not be rented out under this subdivision for a term exceeding ten (10) years at a time. However, if property is
rented out for a term of more than four (4) years, the
commissioner must make a written determination stating the
reasons that it is in the best interests of the state to rent property
for the longer term. This subdivision does not include the power
to grant or issue permits or leases to explore for or take coal, sand,
gravel, stone, gas, oil, or other minerals or substances from or
under the bed of any of the navigable waters of the state or other
lands owned by the state.

(11) Have charge of all central storerooms, supply rooms, and
warehouses established and operated by the state and serving
more than one (1) agency.

(12) Enter into contracts and issue orders for printing as provided
by IC 4-13-4.1.

(13) Sell or dispose of surplus property under IC 5-22-22, or if
advantageous, to exchange or trade in the surplus property toward
the purchase of other supplies, materials, or equipment, and to
make proper adjustments in the accounts and inventory pertaining
to the state agencies concerned.

(14) With respect to power, heating, and lighting plants owned,
operated, or maintained by any state agency:

(A) inspect;

(B) regulate their operation; and

(C) recommend improvements to those plants to promote
economical and efficient operation.

(15) Administer, determine salaries, and determine other
personnel matters of the department of correction ombudsman
bureau established by IC 4-13-1.2-3.

SECTION 6. IC 4-13-17-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
chapter, "Internet purchasing site" means an open and interactive
electronic environment that is:

(1) designed to facilitate the purchase and sale of supplies
conducted under IC 5-22;

(2) approved and managed by the department; and

(3) linked to the electronic computer gateway administered by
the intelenet commission established by IC 5-21-2-1: office of
technology established by IC 4-13.1-2-1.

SECTION 7. IC 4-13-17-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The department shall provide authorized users and the public with access to Internet purchasing sites by links to the electronic computer gateway administered by the intelenet commission: office of technology established by IC 4-13.1-2-1.

SECTION 8. IC 4-13-17-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The following shall cooperate with the department to implement this chapter:

(1) The intelenet commission: office of technology established by IC 4-13.1-2-1.
(2) The state board of accounts.
(3) The attorney general.
(4) The auditor of state.

SECTION 9. IC 4-13.1 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 13.1. OFFICE OF TECHNOLOGY
Chapter 1. Definitions
Sec. 1. The definitions in this chapter apply throughout this article.
Sec. 2. "Information technology" includes the resources, technologies, and services associated with the fields of:
(1) information processing;
(2) office automation;
(3) telecommunication facilities and networks;
(4) data input and storage; and
(5) information system applications.
Sec. 3. "Office" means the office of technology established by IC 4-13.1-2-1.
Sec. 4. (a) "State agency" means an authority, a board, a branch, a commission, a committee, a department, a division, or another instrumentality of the executive, including the administrative, department of state government.
(b) The term does not include:
(1) the judicial or legislative departments of state government;
(2) a state educational institution (as defined in IC 20-12-0.5-1); or
(3) the Indiana higher education telecommunications system (IC 20-12-12).

Sec. 5. "Telecommunication" means the transmission of any document, picture, datum, sound, or other symbol by television, radio, microwave, optical, or other electromagnetic signal.

Chapter 2. Office of Technology

Sec. 1. The office of technology is established for the following purposes:

(1) Establish the standards for the technology infrastructure of the state.
(2) Focus state information technology services to improve service levels to citizens and lower the costs of providing information technology services.
(3) Bring the best and most appropriate technology solutions to bear on state technology applications.
(4) Improve and expand government services provided electronically.
(5) Provide for the technology and procedures for the state to do business with the greatest security possible.

Sec. 2. (a) The office shall do the following:

(1) Develop and maintain overall strategy and architecture for the use of information technology in state government.
(2) Review state agency budget requests and proposed contracts relating to information technology at the request of the budget agency.
(3) Coordinate state information technology master planning.
(4) Maintain an inventory of significant information technology resources and expenditures.
(5) Manage a computer gateway to carry out or facilitate public, educational, and governmental functions.
(6) Provide technical staff support services for state agencies.
(7) Provide services that may be requested by the following:
   (A) The judicial department of state government.
   (B) The legislative department of state government.
   (C) A state educational institution (as defined in IC 20-12-0.5-1).
   (D) A political subdivision (as defined in IC 36-1-2-13).
   (E) A body corporate and politic created by statute.
   (F) An entity created by the state.
(8) Monitor trends and advances in information technology.
(9) Review projects, architecture, security, staffing, and expenditures.
(10) Develop and maintain policies, procedures, and guidelines for the effective and secure use of information technology in state government.
(11) Advise the state personnel department on guidelines for information technology staff for state agencies.
(12) Conduct periodic management reviews of information technology activities within state agencies upon request.
(13) Seek funding for technology services from the following:
   (A) Grants.
   (B) Federal sources.
   (C) Gifts, donations, and bequests.
   (D) Partnerships with other governmental entities or the private sector.
   (E) Appropriations.
   (F) Any other source of funds.
(14) Perform other information technology related functions and duties as directed by the governor.

(b) The office may adopt rules under IC 4-22-2 that are necessary or appropriate in carrying out its powers and duties.

Sec. 3. (a) The governor shall appoint a chief information officer of the office, who serves at the pleasure of the governor.
(b) The chief information officer:
   (1) is the executive head of the office;
   (2) is responsible for strategic planning and the architecture for information technology functions of state government; and
   (3) shall provide leadership for information technology issues facing state agencies.

Sec. 4. The chief information officer, in conjunction with:
   (1) the state librarian or the state librarian's designee;
   (2) the director of the state commission on public records or the director's designee; and
   (3) a representative from each of the two (2) state agencies that generate the most revenue under this section;
shall establish reasonable fees for enhanced access to public records and other electronic records, so that the revenues
generated are sufficient to develop, maintain, operate, and expand services that make public records available electronically. A meeting to establish or revise the fees described in this section is subject to the requirements of IC 5-14-1.5.

Sec. 5. State agencies shall use information technology services provided by the office when directed by the governor.

Sec. 6. (a) The office may request the director of information technology services or another knowledgeable individual employed by a state agency to advise and assist the office in carrying out the functions of the office.

(b) State agencies may consult with the office concerning hiring information technology directors and staff.

(c) At the request of the office, a state agency shall submit an inventory of all significant information technology hardware, software, personnel, and information technology contracts.

Sec. 7. The office may establish a rotary fund necessary to perform the functions of the office.

Sec. 8. (a) If requested by a political subdivision, the office may do the following:

(1) Subject to the approval of the budget agency, develop a schedule of fees for agencies using services of the office.

(2) Assist a political subdivision in coordinating information technology systems.

(3) Provide consulting and technical advisory services.

(4) Review information technology project plans and expenditures.

(5) Develop and maintain policies, procedures, and guidelines for the effective use of information technology in interactions between political subdivisions and state agencies.

(b) The office may request a director of information technology services or other knowledgeable individuals employed by a political subdivision to advise and assist the office in exercising the powers granted in this section.

(c) The office may conduct studies and reviews that the office considers necessary to promote the use of high quality, cost effective information technology within local government.

Chapter 3. Accessibility Standards

Sec. 1. (a) The office shall appoint a group to develop standards that are compatible with principles and goals contained in the
electronic and information technology accessibility standards adopted by the architectural and transportation barriers compliance board under Section 508 of the federal Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended. The office shall adopt rules under IC 4-22-2 concerning the standards developed under this section. Those standards must conform with the requirements of Section 508 of the federal Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended.

(b) The group shall consist of at least the following:

(1) A representative of an organization with experience in and knowledge of assistive technology policy.
(2) An individual with a disability.
(3) Representatives of the judicial and legislative branches of state government.
(4) Representatives of the administrative branch of state government.
(5) At least three (3) representatives of local units of government.

(c) If an entity subject to the requirements of this section cannot readily comply with the information technology accessibility standards without undue burden, the entity shall submit a plan to the office with a proposed time for later compliance with the standards. A plan submitted under this subsection must provide alternative means for accessibility during the period of noncompliance.

(d) Notwithstanding any other law, the standards developed under subsection (a) apply to the executive, legislative, judicial, and administrative branches of state and local government.

SECTION 10. IC 4-13.6-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies only to public works contracts bid under section 2 of this chapter.

(b) The division shall solicit sealed bids by public notice inserted once each week for two (2) successive weeks before the final date of submitting bids in:

(1) one (1) newspaper of general circulation in Marion County, Indiana; and
(2) if any part of the project is located in an area outside Marion County, Indiana, one (1) newspaper of general circulation in that
area.
The commissioner shall designate the newspapers for these publications. The commissioner may designate different newspapers according to the nature of the project and may direct that additional notices be published.

(c) The division shall also solicit sealed bids for public works projects by:

(1) sending notices by mail to prospective contractors known to the division;
(2) posting notices on a public bulletin board in its office; and
(3) providing electronic access to notices through the intelenet commission under IC 5-21-2; office of technology established by IC 4-13.1-2-1; at least seven (7) days before the final date for submitting bids for the public works project.

SECTION 11. IC 4-34-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Money in the fund shall be allocated annually to the intelenet commission (IC 5-21-2-1) office of technology established by IC 4-13.1-2-1 to make matching grants to school corporations or to make payments directly to vendors for Internet connections and related equipment for a school corporation. The intelenet commission office of technology shall develop a plan to implement grants under this section. The budget committee shall review the plan. The budget agency must approve of the plan.

SECTION 12. IC 5-2-6-3.5, AS AMENDED BY SEA 230-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) The sex and violent offender directory established under section 3 of this chapter must include the names of each offender who is or has been required to register under IC 5-2-12.

(b) The institute shall do the following:

(1) Update the directory at least one (1) time every six (6) months.
(2) Publish the directory on the Internet through the computer gateway administered by the intelenet commission under IC 5-21-2 and known as Access Indiana: office of technology established by IC 4-13.1-2-1.
(3) Make the directory available on a computer disk and, at least one (1) time every six (6) months, send a copy of the computer
disk to the following:

(A) All school corporations (as defined in IC 20-18-2-16).
(B) All nonpublic schools (as defined in IC 20-18-2-12).
(C) All state agencies that license individuals who work with children.
(D) The state personnel department to screen individuals who may be hired to work with children.
(E) All child care facilities licensed by or registered in the state.
(F) A neighborhood association that:
   (i) registers with the institute;
   (ii) includes a description of the geographic boundaries of the neighborhood association with its registration;
   (iii) requests a copy of the directory; and
   (iv) submits the name and address of a neighborhood association contact person to the institute at least one (1) time each year.
(G) Other entities that:
   (i) provide services to children; and
   (ii) request the directory.

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

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

c) A copy of the directory:
   (1) provided to a child care facility under subsection (b)(3)(E);
   (2) provided to another entity that provides services to children under subsection (b)(3)(F); or
   (3) that is published on the Internet under subsection (b)(2);
must include the home address of an offender whose name appears in the directory.

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

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

SECTION 13. IC 5-3-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) In all cases where notices are required by law to be published in the public newspaper by or under the supervision of any state officer, board, commission, or institution of the state of Indiana, said notices are hereby required to be published in each of two (2) daily newspapers published in the city of Indianapolis and in such other cities as is required by law, said notices to be in all cases published in two (2) newspapers in each city where they are required to be published. In all cases where the officer, board, commission, or institution making said publication is located outside of the city of Indianapolis, said notices shall also be published in newspapers published within the county where said officer, board, commission, or institution maintains its office. The rate charged for all such notices and advertising shall be the same as is set out in section 1 of this chapter.

(b) In addition to the requirements of subsection (a), a state officer, board, commission, or institution of the state of Indiana that is required by law to publish a notice of a public meeting shall also provide electronic access to the notice through the computer gateway administered by the Internet commission under IC 5-21-2. office of technology established by IC 4-13,1-2-1.

SECTION 14. IC 5-14-1.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Public notice of the date, time, and place of any meetings, executive sessions, or of any rescheduled or reconvened meeting, shall be given at least forty-eight (48) hours (excluding Saturdays, Sundays, and legal holidays) before the meeting. This requirement does not apply to reconvened meetings (not including executive sessions) where announcement of the date, time, and place of the reconvened meeting is made at the original meeting and recorded in the memoranda and minutes thereof, and there is no change in the agenda.

(b) Public notice shall be given by the governing body of a public agency by:

(1) posting a copy of the notice at the principal office of the public agency holding the meeting or, if no such office exists, at the building where the meeting is to be held; and

(2) delivering notice to all news media which deliver by January
an annual written request for such notices for the next succeeding calendar year to the governing body of the public agency. The governing body shall give notice by one (1) of the following methods:

(A) Depositing the notice in the United States mail with postage prepaid.
(B) Transmitting the notice by electronic mail.
(C) Transmitting the notice by facsimile (fax).

If a governing body comes into existence after January 1, it shall comply with this subdivision upon receipt of a written request for notice.

In addition, a state agency (as defined in IC 4-13-1-1) shall provide electronic access to the notice through the computer gateway administered by the Internet Commission under IC 5-21-2: Office of Technology established by IC 4-13.1-2-1.

(c) Notice of regular meetings need be given only once each year, except that an additional notice shall be given where the date, time, or place of a regular meeting or meetings is changed. This subsection does not apply to executive sessions.

(d) If a meeting is called to deal with an emergency involving actual or threatened injury to person or property, or actual or threatened disruption of the governmental activity under the jurisdiction of the public agency by any event, then the time requirements of notice under this section shall not apply, but:

(1) news media which have requested notice of meetings must be given the same notice as is given to the members of the governing body; and

(2) the public must be notified by posting a copy of the notice according to this section.

(e) This section shall not apply where notice by publication is required by statute, ordinance, rule, or regulation.

(f) This section shall not apply to:

(1) the department of local government finance, the Indiana board of tax review, or any other governing body which meets in continuous session, except that this section applies to meetings of these governing bodies which are required by or held pursuant to statute, ordinance, rule, or regulation; or

(2) the executive of a county or the legislative body of a town if
the meetings are held solely to receive information or recommendations in order to carry out administrative functions, to carry out administrative functions, or confer with staff members on matters relating to the internal management of the unit. "Administrative functions" do not include the awarding of contracts, the entering into contracts, or any other action creating an obligation or otherwise binding a county or town.

(g) This section does not apply to the general assembly.

(h) Notice has not been given in accordance with this section if a governing body of a public agency convenes a meeting at a time so unreasonably departing from the time stated in its public notice that the public is misled or substantially deprived of the opportunity to attend, observe, and record the meeting.

SECTION 15. IC 5-14-3-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) As used in this section, "state agency" has the meaning set forth in IC 4-13-1-1. The term does not include the office of the following elected state officials:

(1) Secretary of state.
(2) Auditor.
(3) Treasurer.
(4) Attorney general.
(5) Superintendent of public instruction.

However, each state office described in subdivisions (1) through (5) and the judicial department of state government may use the computer gateway administered by the internet commission established under IC 5-21-2, office of technology established by IC 4-13.1-2-1, subject to the requirements of this section.

(b) As an additional means of inspecting and copying public records, a state agency may provide enhanced access to public records maintained by the state agency.

(c) If the state agency has entered into a contract with a third party under which the state agency provides enhanced access to the person through the third party's computer gateway or otherwise, all of the following apply to the contract:

(1) The contract between the state agency and the third party must provide for the protection of public records in accordance with subsection (d).
(2) The contract between the state agency and the third party may
provide for the payment of a reasonable fee to the state agency by either:

(A) the third party; or

(B) the person.

(d) A contract required by this section must provide that the person and the third party will not engage in the following:

(1) Unauthorized enhanced access to public records.

(2) Unauthorized alteration of public records.

(3) Disclosure of confidential public records.

(e) A state agency shall provide enhanced access to public records only through the computer gateway administered by the internet commission established under IC 5-21-2, except as permitted by the data process oversight commission established under IC 4-23-16-1, office of technology.

SECTION 16. IC 5-14-3-3.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.6. (a) As used in this section "public agency" does not include a state agency (as defined in section 3.5(a) of this chapter).

(b) As an additional means of inspecting and copying public records, a public agency may provide enhanced access to public records maintained by the public agency.

(c) A public agency may provide a person with enhanced access to public records if any of the following apply:

(1) The public agency provides enhanced access to the person through its own computer gateway and provides for the protection of public records under subsection (d).

(2) The public agency has entered into a contract with a third party under which the public agency provides enhanced access to the person through the third party's computer gateway or otherwise, and the contract between the public agency and the third party provides for the protection of public records in accordance with subsection (d).

(d) A contract entered into under this section and any other provision of enhanced access must provide that the third party and the person will not engage in the following:

(1) Unauthorized enhanced access to public records.

(2) Unauthorized alteration of public records.

(3) Disclosure of confidential public records.
(e) A contract entered into under this section or any provision of enhanced access may require the payment of a reasonable fee to either the third party to a contract or to the public agency, or both, from the person.

(f) A public agency may provide enhanced access to public records through the computer gateway administered by the \textit{internet commission established under IC 5-21-2: office of technology established by IC 4-13.1-2-1.}

\textbf{SECTION 17. IC 5-15-5.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:} Sec. 5. (a) Subject to approval by the oversight committee on public records created by section 18 of this chapter, the commission shall do the following:

1. Establish a forms management program for state government and approve the design, typography, format, logo, data sequence, form analysis, form number, and agency file specifications of each form.

2. Establish a central state form numbering system and a central cross index filing system of all state forms, and standardize, consolidate, and eliminate, wherever possible, forms used by state government.

3. Approve, provide, and in the manner prescribed by IC 5-22, purchase photo-ready copy for all forms.

4. Establish a statewide records management program, prescribing the standards and procedures for record making and record keeping. However, the investigative and criminal history records of the state police department are exempted from this requirement.

5. Coordinate utilization of all micrographics equipment in state government.

6. Assist the Indiana department of administration in coordinating utilization of all duplicating and printing equipment in the executive and administrative branches.

7. Advise the Indiana department of administration with respect to the purchase of all records storage equipment.

8. Establish and operate a distribution center for the receipt, storage, and distribution of all material printed for an agency.

9. Establish and operate a statewide archival program to be called the Indiana state archives for the permanent government
records of the state, provide consultant services for archival programs, conduct surveys, and provide training for records coordinators.

(10) Establish and operate a statewide record preservation laboratory.

(11) Prepare, develop, and implement record retention schedules.

(12) Establish and operate a central records center to be called the Indiana state records center, which shall accept all records transferred to it, provide secure storage and reference service for the same, and submit written notice to the applicable agency of intended destruction of records in accordance with approved retention schedules.

(13) Demand, from any person or organization or body who has illegal possession of original state or local government records, those records, which shall be delivered to the commission.

(14) Have the authority to examine all forms and records housed or possessed by state agencies for the purpose of fulfilling the provisions of this chapter.

(15) In coordination with the data processing oversight commission created under IC 4-23-16, office of technology established by IC 4-13.1-2-1, establish standards to ensure the preservation of adequate and permanent computerized and auxiliary automated information records of the agencies of state government.

(16) Notwithstanding IC 5-14-3-8, establish a schedule of fees for services provided to patrons of the Indiana state archives. A copying fee established under this subdivision may exceed the copying fee set forth in IC 5-14-3-8(c).

(b) In implementing a forms management program, the commission shall follow procedures and forms prescribed by the federal government.

(c) Fees collected under subsection (a)(16) shall be deposited in the state archives preservation and reproduction account established by section 5.3 of this chapter.

SECTION 18. IC 5-15-5.1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The oversight committee on public records consists ex officio of:

(1) the governor or his the governor's designee;
(2) the secretary of state or his the secretary's designee;
(3) the state examiner of the state board of accounts or his the state examiner's designee;
(4) the director of the state library;
(5) the director of the historical bureau;
(6) the director of the commission on public records;
(7) the commissioner of the department of administration or his the commissioner's designee;
(8) the public access counselor; and
(9) the executive director of the data processing oversight commission chief information officer of the office of technology appointed under IC 4-13.1-2-3 or the executive director's chief information officer's designee.

(b) The oversight committee also consists of two (2) lay members appointed by the governor for a term of four (4) years. One (1) lay member shall be a professional journalist or be a member of an association related to journalism.

(c) The oversight committee shall elect one (1) of its members to be chairman. The director of the commission on public records shall be the secretary of the committee. The ex officio members of the oversight committee shall serve without compensation and shall receive no reimbursement for any expense which they may incur. Each lay member is entitled to reimbursement for traveling and other expenses as provided in the state travel policies and procedures, established by the department of administration and approved by the state budget agency and each lay member is entitled to the minimum salary per diem as provided in IC 4-10-11-2.1(b).

SECTION 19. IC 5-21-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The governor shall appoint an executive director of the commission to serve at the pleasure of the governor.

(b) The commission governor shall set the executive director's compensation with the approval of the state budget agency.

SECTION 20. IC 5-21-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The executive director and the commission's other staff shall: carry out this article in conformity with the policies and directives of the commission.

(1) work with the office of technology established by
IC 4-13.1-2-1 to ensure that there is no disruption in any service provided by the commission as of July 1, 2005;
(2) only carry on business conducted by the commission as of July 1, 2005, including the following:
  (A) Collect the commission’s assets.
  (B) Dispose of the commission's properties.
  (C) Discharge or make provision for discharge of the commission’s liabilities.
  (D) Take any other action necessary to wind up and liquidate the commission’s affairs in accordance with law;
(3) report to the governor when the commission is wound up; and
(4) return any remaining funds to the state general fund.

SECTION 21. IC 5-22-2-13.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.2. "Office of technology" refers to the office of technology established by IC 4-13.1-2-1.

SECTION 22. IC 5-22-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The purchasing agency shall give notice of the invitation for bids in the manner required by IC 5-3-1.
  (b) The purchasing agency for a state agency shall also provide electronic access to the notice through the electronic computer gateway administered by the intelenet commission, office of technology.
  (c) The purchasing agency for a political subdivision may also provide electronic access to the notice through:
    (1) the electronic computer gateway administered by the intelenet commission as determined by the commission, office of technology; or
    (2) any other electronic means available to the political subdivision.

SECTION 23. IC 5-22-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The purchasing agency shall give public notice of the request for proposals in the manner required by IC 5-3-1.
  (b) The purchasing agency for a state agency shall also provide electronic access to the notice through the electronic computer
(c) The purchasing agency for a political subdivision may also provide electronic access to the notice through the electronic gateway administered by the Intelenet Commission: Office of Technology.

SECTION 24. IC 5-27-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This article applies to a governmental body that conducts a transaction through the computer gateway administered by the Intelenet Commission: Office of Technology established by IC 4-13.1-2-1.

SECTION 25. IC 5-27-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A governmental body may accept electronic payment for a service, a tax, a license, a permit, a fee, information, or any other amount due the governmental body for a transaction conducted through the computer gateway administered by the Intelenet Commission: Office of Technology established by IC 4-13.1-2-1.

SECTION 26. IC 5-27-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A governmental body may enter into a contract with a provider company to enable the governmental body to accept an electronic payment.

(b) A governmental body must use the provider company provided or specified by the network manager established by the Intelenet Commission under IC 5-21-2-2(c) Intelenet Commission: Office of Technology established by IC 4-13.1-2-1 to accept an electronic payment submitted to the governmental body as payment for a fee based service, license, or permit or for fee based information obtained through electronic access.

SECTION 27. IC 6-1.1-4-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. (a) Each township assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The township assessor's records shall at all times show the assessed value of real property in accordance with the provisions of this chapter. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.
(b) The township assessor in a county having a consolidated city, or the county assessor in every other county, shall:

(1) maintain an electronic data file of:
   (A) the parcel characteristics and parcel assessments of all parcels; and
   (B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:
   (A) the legislative services agency; and
   (B) the department of local government finance; and

(3) transmit the data in the file with respect to the assessment date of each year before October 1 of the year to:
   (A) the legislative services agency; and
   (B) the department of local government finance;

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 28. IC 6-1.1-31.5-3.5, AS AMENDED BY SEA 308-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) Each county shall maintain a state certified computer system that has the capacity
to:

(1) process and maintain assessment records;
(2) process and maintain standardized property tax forms;
(3) process and maintain standardized property assessment notices;
(4) maintain complete and accurate assessment records for the county; and
(5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county except in a county with an elected township assessor in every township. In a county with an elected township assessor in every township, the elected township assessors shall select a computer system based on a majority vote of the township assessors in the county.

(b) All information on the computer system shall be readily accessible to:

(1) township assessors;
(2) the county assessor;
(3) the department of local government finance; and
(4) members of the county property tax assessment board of appeals.

(c) The certified system used by the counties must be compatible with the data export and transmission requirements in a standard format prescribed by the department of local government finance: office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency. The certified system must be maintained in a manner that ensures prompt and accurate transfer of data to the department of local government finance and the legislative services agency.

(d) All standardized property forms and notices on the certified computer system shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

SECTION 29. IC 6-8.1-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The department shall prepare a list of all outstanding tax warrants for listed taxes each
month. The list shall identify each taxpayer liable for a warrant by name, address, amount of tax, and either Social Security number or employer identification number. Unless the department renews the warrant, the department shall exclude from the list a warrant issued more than ten (10) years before the date of the list. The department shall certify a copy of the list to the bureau of motor vehicles.

(b) The department shall prescribe and furnish tax release forms for use by tax collecting officials. A tax collecting official who collects taxes in satisfaction of an outstanding warrant shall issue to the taxpayers named on the warrant a tax release stating that the tax has been paid. The department may also issue a tax release:

1. to a taxpayer who has made arrangements satisfactory to the department for the payment of the tax; or
2. by action of the commissioner under IC 6-8.1-8-2(k).

(c) The department may not issue or renew:

1. a certificate under IC 6-2.5-8;
2. a license under IC 6-6-1.1 or IC 6-6-2.5; or
3. a permit under IC 6-6-4.1;

to a taxpayer whose name appears on the most recent monthly warrant list, unless that taxpayer pays the tax, makes arrangements satisfactory to the department for the payment of the tax, or a release is issued under IC 6-8.1-8-2(k).

(d) The bureau of motor vehicles shall, before issuing the title to a motor vehicle under IC 9-17, determine whether the purchaser's or assignee's name is on the most recent monthly warrant list. If the purchaser's or assignee's name is on the list, the bureau shall enter as a lien on the title the name of the state as the lienholder unless the bureau has received notice from the commissioner under IC 6-8.1-8-2(k). The tax lien on the title:

1. is subordinate to a perfected security interest (as defined and perfected in accordance with IC 26-1-9.1); and
2. shall otherwise be treated in the same manner as other title liens.

(e) The commissioner is the custodian of all titles for which the state is the sole lienholder under this section. Upon receipt of the title by the department, the commissioner shall notify the owner of the department's receipt of the title.

(f) The department shall reimburse the bureau of motor vehicles for
all costs incurred in carrying out this section.

(g) Notwithstanding IC 6-8.1-8, a person who is authorized to collect taxes, interest, or penalties on behalf of the department under IC 6-3 or IC 6-3.5 may not, except as provided in subsection (h) or (i), receive a fee for collecting the taxes, interest, or penalties if:

(1) the taxpayer pays the taxes, interest, or penalties as consideration for the release of a lien placed under subsection (d) on a motor vehicle title; or

(2) the taxpayer has been denied a certificate or license under subsection (c) within sixty (60) days before the date the taxes, interest, or penalties are collected.

(h) In the case of a sheriff, subsection (g) does not apply if:

(1) the sheriff collects the taxes, interest, or penalties within sixty (60) days after the date the sheriff receives the tax warrant; or

(2) the sheriff collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(i) In the case of a person other than a sheriff:

(1) subsection (g)(2) does not apply if the person collects the taxes, interests, or penalties within sixty (60) days after the date the commissioner employs the person to make the collection; and

(2) subsection (g)(1) does not apply if the person collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(j) IC 5-14-3-4, IC 6-8.1-7-1, and any other law exempting information from disclosure by the department does not apply to this subsection. From the list prepared under subsection (a), the department shall compile each month a list of the taxpayers subject to tax warrants that:

(1) were issued at least twenty-four (24) months before the date of the list; and

(2) are for amounts that exceed one thousand dollars ($1,000).

The list compiled under this subsection must identify each taxpayer liable for a warrant by name, address, and amount of tax. The department shall publish the list compiled under this subsection on accessIndiana (as defined in IC 5-21-1-1.5) operated under IC 4-13.1-2) and make the list available for public inspection and
copying under IC 5-14-3. The department or an agent, employee, or officer of the department is immune from liability for the publication of information under this subsection.

(k) The department may not publish a list under subsection (j) that identifies a particular taxpayer unless at least two (2) weeks before the publication of the list the department sends notice to the taxpayer stating that the taxpayer:

(1) is subject to a tax warrant that:
   (A) was issued at least twenty-four (24) months before the date of the notice; and
   (B) is for an amount that exceeds one thousand dollars ($1,000); and

(2) will be identified on a list to be published on accessIndiana unless a tax release is issued to the taxpayer under subsection (b).

(l) The department may not publish a list under subsection (j) after June 30, 2006.

SECTION 30. IC 10-13-3-36, AS AMENDED BY HEA 1288-2005, SECTION 118, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. (a) The department may not charge a fee for responding to a request for the release of a limited criminal history record if the request is made by a nonprofit organization:

(1) that has been in existence for at least ten (10) years; and

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

(b) Except as provided in subsection (d), the department may not charge a fee for responding to a request for the release of a limited criminal history record made by the division of family and children or a county office of family and children if the request is made as part of a background investigation of an applicant for a license under IC 12-17.2 or IC 12-17.4.

(c) The department may not charge a fee for responding to a request for the release of a limited criminal history if the request is made by a school corporation, special education cooperative, or nonpublic school (as defined in IC 20-18-2-12) as part of a background investigation of an employee or adult volunteer for the school corporation, special education cooperative, or nonpublic school.

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

(1) by a state agency; and

(2) through the computer gateway that is administered by the internet commission under IC 5-21-2 and known as accessIndiana: office of technology established by IC 4-13.1-2-1.

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

(1) made through the computer gateway that is administered by the internet commission under IC 5-21-2 and known as accessIndiana: office of technology; and

(2) part of a background investigation of a practitioner or an individual who has applied for a license issued by a board (as defined in IC 25-1-9-1).
SECTION 31. IC 20-10.1-25-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The educational technology program and fund is established for the purpose of providing and extending educational technologies to elementary and secondary schools for:

(1) the 4R's technology grant program to assist school corporations (on behalf of public schools) in purchasing technology equipment:
   (A) for kindergarten and grade 1 students, to learn reading, writing, and arithmetic using technology;
   (B) for students in all grades, to understand that technology is a tool for learning; and
   (C) for students in kindergarten through grade 3 who have been identified as needing remediation, to offer daily remediation opportunities using technology to prevent those students from failing to make appropriate progress at the particular grade level;

(2) providing educational technologies, including computers in the homes of students;

(3) conducting educational technology training for teachers; and

(4) other innovative educational technology programs.

(b) The department may also utilize money in the fund under contracts entered into with the Indiana department of administration and the state data processing oversight commission office of technology established by IC 4-13.1-2-1 to study the feasibility of establishing an information telecommunications gateway that provides access to information on employment opportunities, career development, and instructional services from data bases operated by the state among the following:

(1) Elementary and secondary schools.

(2) Institutions of higher learning.

(3) Vocational educational institutions.

(4) Libraries.

(5) Any other agencies offering education and training programs.

(c) The fund consists of:

(1) state appropriations;

(2) private donations to the fund;

(3) money directed to the fund from the corporation for
educational technology under IC 20-10.1-25.1; or
(4) any combination of the amounts described in subdivisions (1)
through (3).
(d) The program and fund shall be administered by the department.
(e) Unexpended money appropriated to or otherwise available in the
fund for the department's use in implementing the program under this
chapter at the end of a state fiscal year does not revert to the state
general fund but remains available to the department for use under this
chapter.
(f) Subject to section 1.2 of this chapter, a school corporation may
use money from the school corporation's capital projects fund as
permitted under IC 21-2-15-4 for educational technology equipment.
SECTION 32. IC 20-10.1-25.6-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
chapter, "telecommunications services and equipment" includes all
telecommunication services and equipment eligible for universal
service fund discounts as described:
(1) in the federal Telecommunications Act of 1996 (P.L.104-104,
110 Stat. 56 (1996)) and applicable regulations or orders issued
under that act;
(2) by the Indiana utility regulatory commission as allowed under
the federal act; or
(3) in the internet commission office of technology established
by IC 4-13.1-2-1 or state library technology grant programs.
SECTION 33. IC 20-10.1-25.6-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The internet
commission office of technology established by IC 4-13.1-2-1, with
the department of education and the state library, shall coordinate
available federal and state funds and funding mechanisms to
accomplish full access to telecommunications services and equipment
by all schools, libraries, and rural health care providers as defined in:
(1) the federal Telecommunications Act of 1996 (P.L.104-104,
110 Stat. 56 (1996)) and regulations or orders issued under that
act; or
(2) any regulations or orders issued by the Indiana utility
regulatory commission in fulfillment of the state's obligations
under the act.
SECTION 34. IC 20-12-12-1, AS AMENDED BY SEA 296-2005,
SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this chapter, "electronic format" means a format using the most appropriate technological medium.

(b) As used in this chapter:
   (1) "chief information officer" means the chief information officer of the office of technology appointed under IC 4-13.1-2-3; and
   (2) "office of technology" refers to the office of technology established by IC 4-13.1-2-1.

(c) The trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana board of trustees, Ball State University board of trustees, Indiana State University board of trustees, the board of trustees of Vincennes University, the board of trustees of Ivy Tech Community College of Indiana, and the board of directors of the independent colleges and universities of Indiana (referred to collectively in this chapter as the universities) are authorized, if they find the need exists for a broad dissemination of a wide variety of educational communications for the improvements and the advancement of higher educational opportunity, to jointly arrange from time to time, for a period not exceeding ten (10) years, for internet services under IC 5-21 services provided by the office of technology and for the use of a multipurpose, multimedia, closed circuit, statewide telecommunications system furnished by communications common carriers subject to the jurisdiction of the utility regulatory commission to interconnect the main campuses and the regional campuses of the universities and centers of medical education and service.

(d) In addition to the closed circuit statewide telecommunications system described in subsection (c), the universities shall establish, in accordance with federal copyright law, a videotape program programs in an electronic format to provide for the advancement of higher education opportunity and individualized access to higher education programs. As part of the program, the universities may make available a wide variety of higher education courses in videotape form electronic format. The universities shall make the videotapes information in an electronic format available to the public by any means of public or private distribution that they
determine to be appropriate, including sale or lease. The universities may determine policy and establish procedures in order to administer this program. The universities shall maintain and keep current a listing of all videotapes: information in an electronic format.

(e) The transmission system shall be for the exclusive use of the universities. However, the universities may permit the use of the transmission system, or any portion part of the transmission system, by others under section 4 of this chapter.

SECTION 35. IC 20-12-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The transmission system described in section 1(a) of this chapter must be designed to permit the installation of additional capacity and coverage as accumulating communication needs of higher education may require. The system must be capable of transmitting high fidelity television signals, high fidelity sound signals, data signals for computer communications, and voice traffic, and must include control circuits.

(b) The arrangements for the use of the system may be upon terms and conditions as the universities determine are necessary, proper, or desirable.

(c) No plan or arrangements for the use of the telecommunications system may be adopted or entered into under this chapter without the specific approval of the governor, the state budget committee, and the state budget agency, coordinating unit established under IC 20-12-12-3.

SECTION 36. IC 20-12-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The universities shall establish a coordinating unit or other body composed of persons that the universities select. The chief information officer or the chief information officer's designee shall be a member of any coordinating unit created under this section. This committee or other body has the authority to administer and supervise the use of the transmission system and the videotape program information in electronic format described in section 1 of this chapter as may be from time to time delegated to it by the universities. The universities shall have equal representation on the coordinating unit or body.

(b) There must also be an advisory council of representatives of users of the transmission system.

SECTION 37. IC 20-12-12-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Any arrangements for the use of the telecommunications system or the videotape program information in electronic format described in section 1 of this chapter must provide that the universities, or any committee or other body established under section 3 of this chapter (if the power is so delegated to them), may permit any of the following entities to use the telecommunications system or the videotape program information in electronic format for educational purposes:

1. Institutions of higher education.
2. Governmental or public corporations or bodies.
3. Other corporations.
4. Partnerships.
5. Associations.
6. Trusts.
7. Limited liability companies.
8. Other persons.

(b) Any use permitted under this section is subject to the rules, regulations, fees, and charges as the universities, committee, or other body may prescribe.

(c) Each entity that uses the transmission system is responsible for the origination of the program to be transmitted by that entity and for the reception and utilization of the program at the destination.

(d) The payment of all costs in excess of the cost of the use of the transmission system facilities and the videotape program information in electronic format shall be borne by the parties using the system as agreed upon.

SECTION 38. IC 20-12-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) In connection with the use of the telecommunications system, the videotape program information in electronic format described in section 1 of this chapter, or any other related matter, the universities may accept gifts or contributions from individuals, corporations, limited liability companies, partnerships, associations, trusts, or foundations and may accept funds under terms and conditions that the universities determine are necessary or desirable from any federal agency.

(b) The universities may enter into and carry out contracts and agreements in connection with this chapter. All contracts and agreements entered into must be approved by the coordinating unit.
established by section 3(a) of this chapter.

SECTION 39. IC 20-12-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A special and distinct fund is hereby created to be known as the higher education statewide telecommunications fund. Expenditures from the fund may be made only for the following:

(1) Payments by the universities for the use of a telecommunications system or the lease, purchase, rental, or production of a videotape program information in an electronic format as provided in this chapter.

(2) Studies regarding the possibilities of extending the use of the telecommunications system described in section 1(a) section 1(c) of this chapter to other colleges and universities in Indiana and of extending the use of the system for post-high school and other educational uses.

(3) The expenses of coordinating, planning, and supervising the use of the telecommunications system, and the videotape program information in electronic format.

(4) Equipment for the originating and receiving of instructional communication and educational information by means of the telecommunications system and the videotape program information in electronic format.

(b) The state auditor shall pay, as needed, from the fund amounts to the trustees of Indiana University as agent for the universities. The trustees of Indiana University as the agent shall apply the funds to the payment of items as payment becomes due from the higher education statewide telecommunications fund.

SECTION 40. IC 20-20-13-6, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The educational technology program and fund is established to provide and extend educational technologies to elementary and secondary schools for:

(1) the 4R's technology grant program to assist school corporations (on behalf of public schools) in purchasing technology equipment:

(A) for kindergarten and grade 1 students, to learn reading, writing, and arithmetic using technology;

(B) for students in all grades, to understand that technology is
a tool for learning; and

(C) for students in kindergarten through grade 3 who have been identified as needing remediation, to offer daily remediation opportunities using technology to prevent those students from failing to make appropriate progress at the particular grade level;

(2) providing educational technologies, including computers in the homes of students;

(3) conducting educational technology training for teachers; and

(4) other innovative educational technology programs.

(b) The department may also use money in the fund under contracts entered into with the Indiana department of administration and the state data processing oversight commission office of technology established by IC 4-13.1-2-1 to study the feasibility of establishing an information telecommunications gateway that provides access to information on employment opportunities, career development, and instructional services from data bases operated by the state among the following:

(1) Elementary and secondary schools.

(2) Institutions of higher learning.

(3) Vocational educational institutions.

(4) Libraries.

(5) Any other agencies offering education and training programs.

(c) The fund consists of:

(1) state appropriations;

(2) private donations to the fund;

(3) money directed to the fund from the corporation for educational technology under IC 20-20-15; or

(4) any combination of the amounts described in subdivisions (1) through (3).

(d) The program and fund shall be administered by the department.

(e) Unexpended money appropriated to or otherwise available in the fund for the department's use in implementing the program under this chapter at the end of a state fiscal year does not revert to the state general fund but remains available to the department for use under this chapter.

(f) Subject to section 7 of this chapter, a school corporation may use money from the school corporation's capital projects fund as permitted
under IC 21-2-15-4 for educational technology equipment.

SECTION 41. IC 20-20-16-2, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "telecommunications services and equipment" includes all telecommunication services and equipment eligible for universal service fund discounts as described:

(1) in the federal Telecommunications Act of 1996 (P.L.104-104, 110 Stat. 56 (1996)) and applicable regulations or orders issued under that act;

(2) by the Indiana utility regulatory commission as allowed under the federal act; or

(3) in the intelenet commission office of technology established by IC 4-13.1-2-1 or state library technology grant programs.

SECTION 42. IC 20-20-16-3, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The intelenet commission, office of technology established by IC 4-13.1-2-1, with the department of education and the state library, shall coordinate available federal and state funds and funding mechanisms to accomplish full access to telecommunications services and equipment by all schools, libraries, and rural health care providers as defined in:

(1) the federal Telecommunications Act of 1996 (P.L.104-104, 110 Stat. 56 (1996)) and regulations or orders issued under that act; or

(2) any regulations or orders issued by the Indiana utility regulatory commission in fulfillment of the state's obligations under the act.

SECTION 43. IC 22-4-19-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) The department may make available through the enhanced electronic access system established by the intelenet commission under IC 5-21 office of technology established by IC 4-13.1-2-1 secure electronic access for creditors to employer provided information on the amount of wages paid by an employer to an employee.

(b) The enhanced electronic access system established by the intelenet commission under IC 5-21 office of technology may enter into a contract with one (1) or more private entities to allow private entities to provide secure electronic access to employer provided
information held by the department on the amount of wages paid by an employer to an employee.

(c) A creditor may obtain wage report information from a private entity if the creditor first obtains written consent from the employee whose information the creditor seeks to obtain. A creditor that has entered into a contract with the enhanced electronic access system must retain a written consent received under this section for at least three (3) years or for the length of the loan if the loan is for less than three (3) years.

(d) Written consent from the employee must include the following:

1. A statement that the written consent is the authorization for the creditor to obtain information on the employee's employment and wage history.
2. A statement that the information is obtained solely for the purpose of reviewing a specific application for credit.
3. Notification that state agency files containing employment and wage history will be accessed to provide the information.
4. A listing of all parties that will receive the information obtained.

(e) Information under this section may only be released to a creditor for the purpose of satisfying the standard underwriting requirements of the creditor or a client of the creditor for one (1) credit transaction per employee written consent.

(f) The costs of implementing and administering the release of information must be paid by the private entity or entities that contract with the enhanced electronic access system established by the Internet Commission under IC 5-21 office of technology.

(g) For employee information under this section, a private entity that enters a contract with the enhanced electronic access system established by the Internet Commission under IC 5-21 office of technology for release of employee information must comply with:

1. the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.);
2. all state and federal privacy laws; and
3. the rules regarding the release of information adopted by the United States Department of Labor.

(h) A private entity that has entered into a contract with the enhanced electronic access system under subsection (b) must maintain a consent verification system that audits at least five percent (5%) of
daily transactions and must maintain a file of audit procedures and results.

(i) A person who violates this section commits a Class A infraction.

SECTION 44. IC 24-3-5.4-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) Not later than July 1 of each year, the attorney general shall make available to the public by publishing on accessIndiana (as defined in IC 5-21-1-1.5) operated under IC 4-13.1-2) a directory listing all brand families listed in certifications filed under section 13 of this chapter.

(b) A directory described in subsection (a) shall not include the name or brand families of a nonparticipating manufacturer:

(1) that fails to comply with section 13 of this chapter; or
(2) whose certification fails to comply with section 13(c) or 13(e) of this chapter, unless the attorney general determines that the failure has been remedied.

(c) The directory may not include a tobacco product manufacturer or a brand family if the attorney general concludes that:

(1) in the case of a nonparticipating manufacturer, all escrow payments required under IC 24-3-3-12 for any period for any brand family, whether or not listed by the nonparticipating manufacturer, have not been fully paid into a qualified escrow fund governed by a qualified escrow agreement that has been approved by the attorney general; or
(2) all outstanding final judgments, including interest on the judgments, for violations of IC 24-3-3 have not been fully satisfied for the tobacco product manufacturer or brand family.

(d) The attorney general shall update the directory as necessary to correct mistakes or to add or remove a tobacco product manufacturer or brand family to keep the directory in conformity with the requirements of this chapter.

(e) The attorney general shall post in the directory and transmit by electronic mail or other means to each distributor or stamping agent notice of any removal from the directory of a tobacco product manufacturer or brand family not later than thirty (30) days before the attorney general removes the tobacco product manufacturer or brand family from the directory.

(f) Unless otherwise provided in an agreement between a tobacco product manufacturer and a distributor or stamping agent, a distributor
or stamping agent is entitled to a refund from a tobacco product manufacturer for any money paid by the distributor or stamping agent to the tobacco product manufacturer for any cigarettes of the tobacco product manufacturer or brand family that:

(1) are in the possession of the distributor or stamping agent on; or

(2) the distributor or stamping agent receives from a retailer after; the date on which the tobacco product manufacturer or brand family is removed from the directory.

(g) Unless otherwise provided in an agreement between a retailer and a distributor, stamping agent, or tobacco product manufacturer, a retailer is entitled to a refund from a distributor, stamping agent, or tobacco product manufacturer for any money paid by the retailer to the distributor, stamping agent, or tobacco product manufacturer for any cigarettes of the tobacco product manufacturer or brand family that are in the possession of the retailer on the date on which the tobacco product manufacturer or brand family is removed from the directory.

(h) The attorney general shall not restore a tobacco product manufacturer or brand family to the directory until the tobacco product manufacturer pays a distributor, stamping agent, or retailer any refund due under subsection (f) or (g).

(i) A distributor or stamping agent shall provide and update as necessary an electronic mail address to the attorney general for purposes of receiving a notification required by this chapter.

SECTION 45. IC 25-1-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) As used in this section, "provider" means an individual licensed, certified, registered, or permitted by any of the following:

(1) Board of chiropractic examiners (IC 25-10-1).
(2) State board of dentistry (IC 25-14-1).
(3) Indiana state board of health facility administrators (IC 25-19-1).
(4) Medical licensing board of Indiana (IC 25-22.5-2).
(5) Indiana state board of nursing (IC 25-23-1).
(6) Indiana optometry board (IC 25-24).
(7) Indiana board of pharmacy (IC 25-26).
(8) Board of podiatric medicine (IC 25-29-2-1).
(9) Board of environmental health specialists (IC 25-32-1).
(10) Speech-language pathology and audiology board (IC 25-35.6-2).

(11) State psychology board (IC 25-33).

(12) Indiana board of veterinary medical examiners (IC 15-5-1.1).

(13) Indiana physical therapy committee (IC 25-27).

(14) Respiratory care committee (IC 25-34.5).

(15) Occupational therapy committee (IC 25-23.5).

(16) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).

(17) Physician assistant committee (IC 25-27.5).

(18) Indiana athletic trainers board (IC 25-5.1-2-1).

(19) Indiana dietitians certification board (IC 25-14.5-2-1).

(20) Indiana hypnotist committee (IC 25-20.5-1-7).

(b) The bureau shall create and maintain a provider profile for each provider described in subsection (a).

(c) A provider profile must contain the following information:

(1) The provider's name.

(2) The provider's license, certification, registration, or permit number.

(3) The provider's license, certification, registration, or permit type.

(4) The date the provider's license, certification, registration, or permit was issued.

(5) The date the provider's license, certification, registration, or permit expires.

(6) The current status of the provider's license, certification, registration, or permit.

(7) The provider's city and state of record.

(8) A statement of any disciplinary action taken against the provider within the previous ten (10) years by a board or committee described in subsection (a).

(d) The bureau shall make provider profiles available to the public.

(e) The computer gateway administered by the internet commission under IC 5-21-2 and known as AccessIndiana office of technology established by IC 4-13.1-2-1 shall make the information described in subsection (c)(1), (c)(2), (c)(3), (c)(6), (c)(7), and (c)(8) generally available to the public on the Internet.

(f) The bureau may adopt rules under IC 4-22-2 to implement this.
SECTION 46. IC 36-2-9-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. The county auditor shall:

1) maintain an electronic data file of the information contained on the tax duplicate for all:
   (A) parcels; and
   (B) personal property returns;

for each township in the county as of each assessment date;

2) maintain the electronic data file in the form that formats the information in the file with the standard data, field, and record coding required and approved by:
   (A) the legislative services agency; and
   (B) the department of local government finance; and

3) transmit the data in the file with respect to the assessment date of each year before March 1 of the next year to:
   (A) the legislative services agency in an electronic format under IC 5-14-6; and
   (B) the department of local government finance;

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 47. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 4-23-16; IC 5-21-1-1.5; IC 5-21-1-2; IC 5-21-1-3.5;
IC 5-21-1-4.5; IC 5-21-1-5; IC 5-21-1-6.5; IC 5-21-1-7;
IC 5-21-2-2; IC 5-21-2-2.1; IC 5-21-2-3; IC 5-21-2-4; IC 5-21-2-5;
IC 5-21-2-7; IC 5-21-2-10; IC 5-21-2-11; IC 5-21-2-12; IC 5-21-2-13;
IC 5-21-2-14; IC 5-21-2-15; IC 5-21-3; IC 5-21-4; IC 5-21-5;
IC 5-21-6; IC 5-22-2-7; IC 5-22-2-13.9; IC 34-30-2-16.

SECTION 48. [EFFECTIVE JULY 1, 2005] (a) After June 30,
2005, a reference in any law, rule, contract, or other document or
record to:

(1) the division of information technology of the Indiana
department of administration;
(2) the technology oversight commission; or
(3) the enhanced data access review committee;
shall be treated as a reference to the office of technology
established by IC 4-13.1-2-1, as added by this act.

(b) On July 1, 2005, the property and obligations of:

(1) the division of information technology of the Indiana
department of administration;
(2) the technology oversight commission; or
(3) the enhanced access review committee;
are transferred to the office of technology established by
IC 4-13.1-2-1, as added by this act.

(c) An action taken by:

(1) the division of information technology of the Indiana
department of administration;
(2) the technology oversight commission; or
(3) the enhanced access review committee;
before July 1, 2005, shall be treated after June 30, 2005, as if the
action had been taken originally by the office of technology
established by IC 4-13.1-2-1, as added by this act.

(d) The funds that are in:

(1) the telephone rotary fund;
(2) the data processing rotary fund; and
(3) the enhanced access review committee;
shall be transferred to a rotary fund established by the office of
technology established by IC 4-13.1-2-1, as added by this act, when
the rotary fund is established by the office of technology.

(e) On July 1, 2005, individuals who were employees of:

(1) the division of information technology of the Indiana
department of administration;
(2) the technology oversight commission; or
(3) the enhanced access review committee;
on June 30, 2005, become employees of the office of technology
established by IC 4-13.1-2-1, as added by this act.
(f) This SECTION expires July 1, 2006.
SECTION 49. [EFFECTIVE JULY 1, 2005] (a) It is the intent of
the general assembly that IC 4-13.1 contains the complete law of
the state governing the office of technology. The office of
technology created under executive order 05-17 ceases to exist in
compliance with section 15 of executive order 05-17.
(b) After June 30, 2005, no funds may be expended and no
actions may be taken by the office of technology created under
executive order 05-17.
(c) After June 30, 2005, a reference in any law, rule, contract, or
other document or record to the office of technology established
under executive order 05-17 shall be treated as a reference to the
office of technology established by IC 4-13.1-2-1, as added by this
act.
(d) On July 1, 2005, the property and obligations of the office of
technology established under executive order 05-17 are transferred
to the office of technology established by IC 4-13.1-2-1, as added by
this act.
(e) An action taken by the office of technology established under
executive order 05-17 before July 1, 2005, shall be treated after
June 30, 2005, as if the action had been taken originally by the
office of technology established by IC 4-13.1-2-1, as added by this
act.
(f) Money that is in any fund or account administered by the
office of technology established under executive order 05-17 shall
be transferred to the office of technology established by
IC 4-13.1-2-1, as added by this act.
(g) On July 1, 2005, individuals who were employees of the
office of technology established under executive order 05-17 on
June 30, 2005, become employees of the office of technology
established by IC 4-13.1-2-1, as added by this act.
(h) This SECTION expires July 1, 2006.
AN ACT to amend the Indiana Code concerning business and other associations.

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

SECTION 1. IC 23-1-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A document must satisfy the requirements of this section, and of any other section that adds to or varies these requirements, to be entitled to filing by the secretary of state.

(b) This article must require or permit filing the document in the office of the secretary of state.

(c) The document must contain the information required by this article. It may contain other information as well.

(d) The document must be typewritten or printed, legible, and otherwise suitable for processing.

(e) The document must be in the English language. A corporate name need not be in English if written in English letters or Arabic or Roman numerals, and the certificate of existence required of foreign corporations need not be in English if accompanied by a reasonably authenticated English translation.

(f) The document must be executed:

(1) by the chairman of the board of directors of the domestic or foreign corporation or by any of its officers;

(2) if directors have not been selected or the corporation has not been formed, by an incorporator; or

(3) if the corporation is in the hands of a receiver, trustee, or other court appointed fiduciary, by that fiduciary; or

(4) for purpose of annual or biennial reports, by:

(A) a registered agent;

(B) a certified public accountant; or

(C) an attorney; employed by the business entity.
(g) Except as provided in subsection (k), the person executing the document shall sign it and state beneath or opposite the signature the person's name and the capacity in which the person signs. A signature on a document authorized to be filed under this article may be a facsimile. The document may but is not required to contain:

1. the corporate seal;
2. an attestation by the secretary or an assistant secretary; and
3. an acknowledgement, acknowledgment, verification, or proof.

(h) If the secretary of state has prescribed a mandatory form for the document under section 2 of this chapter, the document must be in or on the prescribed form.

(i) The document must be delivered to the office of the secretary of state for filing as described in section 1.1 of this chapter and the correct filing fee must be paid in the manner and form required by the secretary of state.

(j) The secretary of state may accept payment of the correct filing fee by credit card, debit card, charge card, or similar method. However, if the filing fee is paid by credit card, debit card, charge card, or similar method, the liability is not finally discharged until the secretary of state receives payment or credit from the institution responsible for making the payment or credit. The secretary of state may contract with a bank or credit card vendor for acceptance of bank or credit cards. However, if there is a vendor transaction charge or discount fee, whether billed to the secretary of state or charged directly to the secretary of state's account, the secretary of state or the credit card vendor may collect from the person using the bank or credit card a fee that may not exceed the highest transaction charge or discount fee charged to the secretary of state by the bank or credit card vendor during the most recent collection period. This fee may be collected regardless of any agreement between the bank and a credit card vendor or regardless of any internal policy of the credit card vendor that may prohibit this type of fee. The fee is a permitted additional charge under IC 24-4.5-3-202.

(k) A signature on a document that is transmitted and filed electronically is sufficient if the person transmitting and filing the document:

1. has the intent to file the document as evidenced by a symbol executed or adopted by a party with present intention to
authenticate the filing; and
(2) enters the filing party's name on the electronic form in a
signature box or other place indicated by the secretary of state.

SECTION 2. IC 23-1-29-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A corporation
shall notify shareholders of the date, time, and place of each annual and
special shareholders' meeting no fewer than ten (10) nor more than
sixty (60) days before the meeting date. Unless this article or the
articles of incorporation require otherwise, the corporation is required
to give notice only to shareholders entitled to vote at the meeting.

(b) Unless this article or the articles of incorporation require
otherwise, notice of an annual meeting need not include a description
of the purpose or purposes for which the meeting is called.

(c) Notice of a special meeting must include a description of the
purpose or purposes for which the meeting is called.

(d) If not otherwise fixed under section 7 of this chapter, the record
date for determining shareholders entitled to notice of and to vote at an
annual or special shareholders' meeting is the close of business on the
day before the first notice is delivered to shareholders.

(e) Unless the bylaws require otherwise, if an annual or special
shareholders' meeting is adjourned to a different date, time, or place,
notice need not be given of the new date, time, or place if the new date,
time, or place is announced at the meeting before adjournment. If a
new record date for the adjourned meeting is or must be fixed under
section 7 of this chapter, however, notice of the adjourned meeting
must be given under this section to persons who are shareholders as of
the new record date.

(f) A corporation may give notice of a shareholders' meeting
under this section by mailing the notice, postage prepaid, through
the United States Postal Service, using any class or form of mail, if:
(1) the shares to which the notice relates are of a class of
securities that is registered under the Exchange Act (as
defined in IC 23-1-43-9); and
(2) the notice and the related proxy or information statement
required under the Exchange Act (as defined in IC 23-1-43-9)
are available to the public, without cost or password, through
the corporation's Internet web site not fewer than thirty (30)
days before the shareholders' meeting.
SECTION 3. IC 23-1-38.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The following definitions apply throughout this chapter:

(1) "Converting entity" means:
   (A) a domestic business corporation or a domestic other entity that adopts a plan of entity conversion; or
   (B) a foreign other entity converting to a domestic business corporation.

(2) "Other entity" means a limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is formed under the requirements of applicable law and that is not described in subdivision (1) or (3).

(2) "Surviving entity" means the corporation or other entity that is in existence immediately after consummation of an entity conversion under this chapter.

SECTION 4. IC 23-1-38.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. This chapter may not be used to effect a transaction that:

(1) converts an insurance company organized on the mutual principle to a company organized on a stock share basis;
(2) converts a nonprofit corporation to a domestic corporation or other business entity; or
(3) converts a domestic corporation or other business entity to a nonprofit corporation.

SECTION 5. IC 23-1-38.5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) After conversion of a domestic business corporation to a domestic other entity has been adopted and approved as required by this chapter, articles of entity conversion must be executed on behalf of the corporation by any officer or other duly authorized representative. The articles must:

(1) set forth the name of the corporation immediately before the filing of the articles of entity conversion and the name to which the name of the corporation is to be changed, which must satisfy the organic law of the surviving entity;
(2) state the type of other entity that the surviving entity will be;
(3) set forth a statement that the plan of entity conversion was
duly approved by the shareholders in the manner required by this chapter and the articles of incorporation; and
(4) if the surviving entity is a filing entity, either contain all of the provisions required to be set forth in its public organic document and any other desired provisions that are permitted, or have attached a public organic document, except that, in either case, provisions that would not be required to be included in a restated public organic document may be omitted.

(b) After the conversion of a domestic other entity to a domestic business corporation has been adopted and approved as required by the organic law of the other entity, an officer or another duly authorized representative of the other entity must execute articles of entity conversion on behalf of the other entity. The articles must:
   (1) set forth the name of the other entity immediately before the filing of the articles of entity conversion and the name to which the name of the other entity is to be changed, which must satisfy the requirements of IC 23-1-23-1;
   (2) set forth a statement that the plan of entity conversion was duly approved in accordance with the organic law of the other entity; and
   (3) either contain all of the provisions that IC 23-1-21-2(a) requires to be set forth in articles of incorporation and any other desired provisions that IC 23-1-21-2(b) permits to be included in articles of incorporation, or have attached articles of incorporation, except that, in either case provisions that would not be required to be included in restated articles of incorporation of a domestic business corporation may be omitted.

(c) After the conversion of a domestic other entity to a different domestic other entity has been adopted and approved as required by the organic law of the different other entity, an officer or another authorized representative of the other entity must execute the articles of entity conversion on behalf of the other entity. The articles must:
   (1) set forth the name of the other entity immediately before the filing of the articles of entity conversion and the name to which the name of the other entity is to be changed, which must satisfy the requirements of IC 23-1-23-1;
   (2) set forth a statement that the plan of entity conversion was approved in accordance with the organic law of the other entity;
and
(3) if the surviving entity is a filing entity, either contain all the provisions required to be set forth in its public organic document and any other desired provisions that are permitted or have attached a public organic document, except that, in either case, provisions that would not be required to be included in a restated public organic document may be omitted.

(d) After the conversion of a foreign other entity to a domestic business corporation has been authorized as required by the laws of the foreign jurisdiction, articles of entity conversion must be executed on behalf of the foreign other entity by any officer or authorized representative. The articles must:

(1) set forth the name of the other entity immediately before the filing of the articles of entity conversion and the name to which the name of the other entity is to be changed, which must satisfy the requirements of IC 23-1-23-1;

(2) set forth the jurisdiction under the laws of which the other entity was organized immediately before the filing of the articles of entity conversion and the date on which the other entity was organized in that jurisdiction;

(3) set forth a statement that the conversion of the other entity was duly approved in the manner required by its organic law; and

(4) either contain all of the provisions that IC 23-1-21-2(a) requires to be set forth in articles of incorporation and any other desired provisions that IC 23-1-21-2(b) permits to be included in articles of incorporation, or have attached articles of incorporation, except that, in either case, provisions that would not be required to be included in restated articles of incorporation of a domestic business corporation may be omitted.

(e) After the conversion of a foreign other entity to a different foreign other entity has been authorized as required by the laws of the foreign jurisdiction, the articles of entity conversion must be executed on behalf of the foreign other entity by any officer or authorized representative. The articles must:

(1) set forth the name of the other entity immediately before the filing of the articles of entity conversion and the name to which the name of the other entity is to be changed, which must satisfy the requirements of IC 23-1-23-1;
(2) set forth the jurisdiction under the laws of which the other entity was organized immediately before the filing of the articles of entity conversion and the date on which the other entity was organized in that jurisdiction;

(3) set forth a statement that the conversion of the other entity was approved in the manner required by its organic law; and

(4) if the surviving entity is a filing entity, either contain all the provisions required to be set forth in its public organic document and any other desired provisions that are permitted or have attached a public organic document, except that, in either case, provisions that would not be required to be included in a restated public organic document may be omitted.

(f) The articles of entity conversion must be delivered to the secretary of state for filing and take effect at the effective time provided in IC 23-1-18-4.

(g) If the converting entity is a foreign other entity that is authorized to transact business in Indiana under a provision of law similar to IC 23-1-49, its certificate of authority or other type of foreign qualification is canceled automatically on the effective date of its conversion.

(h) After the conversion of a foreign corporation to a different foreign other entity has been authorized as required by the law of the foreign jurisdiction, the articles of entity conversion must be executed on behalf of the foreign other entity by any officer or authorized representative. The articles must:

(1) set forth the name of the foreign corporation immediately before the filing of the articles of entity conversion and the name to which the name of the foreign corporation is to be changed, which must satisfy the requirements of IC 23-1-23-1;

(2) set forth the jurisdiction under the law under which the foreign corporation was organized immediately before the filing of the articles of entity conversion and the date on which the other entity was organized in that jurisdiction;

(3) set forth a statement that the conversion of the foreign corporation was approved in the manner required by its organic law; and

(4) if the surviving entity is a filing entity, either contain all the provisions required to be set forth in its public organic
document and any other desired provisions that are permitted or have attached a public organic document, except that, in either case, provisions that would not be required to be included in a restated public organic document may be omitted.

SECTION 6. IC 23-1-40-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this section, "other business entity" means a limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is formed under the requirements of applicable law and is not otherwise subject to section 1 of this chapter.

(b) As used in this section, "surviving entity" means the corporation, limited liability company, limited liability partnership, limited partnership, business trust, real estate investment trust, or any other entity that is in existence immediately after consummation of a merger under this section.

(c) One (1) or more domestic corporations may merge with or into one (1) or more other business entities formed, organized, or incorporated under the laws of Indiana or any other state, the United States, a foreign country, or a foreign jurisdiction if the following requirements are met:

1. Each domestic corporation that is a party to the merger complies with the applicable provisions of this chapter.
2. Each domestic other business entity that is a party to the merger complies with the requirements of applicable law.
3. The merger is permitted by the laws of the state, country, or jurisdiction under which each other business entity that is a party to the merger is formed, organized, or incorporated, and each other business entity complies with the laws in effecting the merger.
4. The merging entities approve a plan of merger that sets forth the following:
   A. The name of each domestic corporation and the name and jurisdiction of formation, organization, or incorporation of each other business entity planning to merge, and the name of the surviving or resulting domestic corporation or other business entity into which each other domestic corporation or
other business entity plans to merge.
(B) The terms and conditions of the merger.
(C) The manner and basis of converting the shares of each domestic corporation that is a party to the merger and the partnership interests, shares, obligations, or other securities of each other business entity that is a party to the merger into partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire the shares of each domestic corporation that is a party to the merger and rights to acquire partnership interests, interests, shares, obligations, or other securities of each other business entity that is a party to the merger into rights to acquire partnership interests, interests, shares, obligations, or other securities of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property.
(D) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.
(E) If a limited liability company is to be the surviving entity and management of the limited liability company is vested in one (1) or more managers, the names and business addresses of the managers.
(F) All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.
(5) The plan of merger may set forth the following:
(A) If a domestic corporation is to be the surviving entity, any amendments to, or a restatement of, the articles of incorporation of the surviving entity, and the amendments or restatement will be effective at the effective date of the merger.
(B) Any other provisions relating to the merger.
(d) One (1) or more other business entities may merge with or into one (1) or more other business entities formed, organized, or incorporated under the laws of Indiana or under the laws of
another jurisdiction, if the following requirements are met:

(1) Each business entity that is a party to the merger complies with the applicable provisions of this chapter.

(2) Merger is permitted by the laws of the jurisdiction under which each other entity that is a party to the merger is formed, organized, or incorporated, and each other business entity complies with the laws in effecting the merger.

(3) The merging entities approve a plan of merger that sets forth the following:

(A) The name and jurisdiction of formation, organization, or incorporation of each other business entity intending to merge, and the name of the surviving or resulting other business entity into which each other business entity plans to merge.

(B) The terms and conditions of the merger.

(C) The manner and basis of converting the partnership interests, shares, obligations, or other securities of the surviving entity or other business entity, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire partnership interests, shares, obligations, or other securities of the surviving entity or any other business entity, in whole or in part, into cash or other property.

(D) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.

(E) If a limited liability company is to be the surviving entity and management of the limited liability company is vested in one (1) or more managers, the names and business addresses of the managers.

(F) All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.

(4) The plan of merger may set forth any other provisions related to the merger.

(e) The plan of merger required by subsection (c)(4) must be adopted and approved by each domestic corporation that is a party to the merger in the same manner as is provided in this chapter.
(e) (f) Notwithstanding subsection (c)(4), if the surviving entity is a partnership, a shareholder of a domestic corporation that is a party to the merger does not, as a result of the merger, become a general partner of the surviving entity, and the merger does not become effective under this chapter, unless:

1. the shareholder specifically consents in writing to become a general partner of the surviving entity; and
2. written consent is obtained from each shareholder who, as a result of the merger, would become a general partner of the surviving entity.

A shareholder providing written consent under this subsection is considered to have voted in favor of the plan of merger for purposes of this chapter.

(f) (g) This section, to the extent applicable, applies to the merger of one (1) or more domestic corporations with or into one (1) or more other business entities.

(g) (h) Notwithstanding any other law, a merger consisting solely of the merger of one (1) or more domestic corporations with or into one (1) or more foreign corporations must be consummated solely according to the requirements of this section.

P.L.179-2005
[H.1262. Approved May 6, 2005.]

AN ACT to amend the Indiana Code concerning civil law and procedure.

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

SECTION 1. IC 4-22-2-37.1, AS AMENDED BY P.L.4-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

1. An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or
IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.

(2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.

(3) An emergency temporary standard adopted by the occupational safety standards commission under IC 22-8-1.1-16.1.

(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.

(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.


(9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.
(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.
(16) An emergency rule adopted by the department of natural resources under IC 14-10-2.5.
(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.
(18) An emergency rule adopted by the alcohol and tobacco commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.
(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.
(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.
(22) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.
(25) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-34.
(26) An emergency rule adopted by the department of local government finance under IC 6-1.1-4-33.
(27) An emergency rule adopted by the boiler and pressure vessel rules board under IC 22-13-2-8(c).
(28) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-37(l) or an emergency rule adopted by the department of local government finance under IC 6-1.1-4-36(j) or IC 6-1.1-22.5-20.

30) A rule adopted by the department of financial institutions under IC 34-55-10-2.5.

(b) The following do not apply to rules described in subsection (a):
(1) Sections 24 through 36 of this chapter.
(2) IC 13-14-9.
(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:
   (1) accept the rule for filing; and
   (2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:
   (1) The effective date of the statute delegating authority to the agency to adopt the rule.
   (2) The date and time that the rule is accepted for filing under subsection (e).
   (3) The effective date stated by the adopting agency in the rule.
   (4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in subsections (j) and (k), a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), (a)(25), (a)(26), or (a)(28), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. The extension period for a rule adopted under subsection (a)(29) may not exceed the period for which the original rule was in effect. A rule adopted under subsection (a)(14) may be extended for two (2) extension periods. Subject to subsection (j), a rule adopted under subsection (a)(25), (a)(26), or (a)(28) may be extended for an unlimited
number of extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or
(2) IC 13-14-9;
as applicable.

(b) A rule described in subsection (a)(6), (a)(9), or (a)(13), or (a)(30) expires on the earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.
(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

(j) A rule described in subsection (a)(25) or (a)(26) expires not later than January 1, 2006.

(k) A rule described in subsection (a)(29) expires on the expiration date stated by the board of the Indiana economic development corporation in the rule.

SECTION 2. IC 34-6-2-33.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33.5. "Debt", for purposes of sections 44.3, 44.4, 71.9, 73.5, 73.7, and 135.5 of this chapter and IC 34-55-10, means a legally or an equitably enforced monetary obligation or liability of an individual arising out of contract, tort, or otherwise.

SECTION 3. IC 34-6-2-44.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44.3. "Exempt", for purposes of IC 34-55-10, means protected from a judicial lien, process, or proceeding to collect a debt.

SECTION 4. IC 34-6-2-44.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44.4. "Exemption", for purposes of IC 34-55-10, means protection from a judicial lien, process, or proceeding to collect a debt.

SECTION 5. IC 34-6-2-71.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 71.9. "Judicial lien", for purposes of sections 44.3, 44.4, and 73.7 of this chapter, means a lien on property obtained by
a judgment, levy, or another legal or equitable process or proceeding instituted to collect a debt.

SECTION 6. IC 34-6-2-73.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 73.5. "Levy", for purposes of section 71.9 of this chapter and IC 34-55-10, means the seizure of property under a writ of attachment, a garnishment, an execution, or a similar legal or equitable process issued to collect a debt.

SECTION 7. IC 34-6-2-73.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 73.7. "Lien", for purposes of section 71.9 of this chapter and IC 34-55-10, means a security interest, judicial lien, statutory lien, common law lien, or another interest in property to secure the payment of a debt or the performance of an obligation.

SECTION 8. IC 34-6-2-135.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 135.5. "Security interest", for purposes of section 73.7 of this chapter, means an interest in property created by a contract to secure the payment of a debt or the performance of an obligation.

SECTION 9. IC 34-55-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. In accordance with Section 522(b) of the Bankruptcy Code of 1978 (11 U.S.C. 522(b)), in any bankruptcy proceeding, an individual debtor domiciled in Indiana is not entitled to the federal exemptions as provided by Section 522(d) of the Bankruptcy Code of 1978 (11 U.S.C. 522(d)), and

(2) may exempt from the property of the estate only that property specified by Indiana law.

SECTION 10. IC 34-55-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This section does not apply to judgments obtained before October 1, 1977.

(b) The amount of each exemption under subsection (c) applies until a rule is adopted by the department of financial institutions under section 2.5 of this chapter.

(b) (c) The following property of a judgment debtor domiciled in Indiana is not subject to levy or sale on execution or any other final process from a court: for a judgment founded upon an express or
implied contract or a tort claim: exempt:

(1) Real estate or personal property constituting the personal or family residence of the judgment debtor or a dependent of the judgment debtor, or estates or rights in that real estate or personal property, of not more than seven thousand five hundred dollars ($7,500). fifteen thousand dollars ($15,000). The exemption under this subsection subdivision is individually available to joint judgment debtors concerning property held by them as tenants by the entireties.

(2) Other real estate or tangible personal property of four thousand dollars ($4,000): eight thousand dollars ($8,000).

(3) Intangible personal property, including choses in action, deposit accounts, and cash (but excluding debts owing and income owing), of one hundred dollars ($100): three hundred dollars ($300).

(4) Professionally prescribed health aids for the judgment debtor or a dependent of the judgment debtor.

(5) Any interest that the judgment debtor has in real estate held as a tenant by the entireties, on the date of the filing of the petition for relief under the bankruptcy code; unless a joint petition for relief is filed by the judgment debtor and spouse; or individual petitions of the judgment debtor and spouse are subsequently consolidated. The exemption under this subdivision does not apply to a debt for which the debtor and the debtor’s spouse are jointly liable.

(6) An interest, whether vested or not, that the judgment debtor has in a retirement plan or fund to the extent of:

(A) contributions, or portions of contributions, that were made to the retirement plan or fund by or on behalf of the debtor or the debtor’s spouse:

(i) by or on behalf of the debtor and

(ii) (i) which were not subject to federal income taxation to the debtor at the time of the contribution; or

(ii) which are made to an individual retirement account in the manner prescribed by Section 408A of the Internal Revenue Code of 1986;

(B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the
judgment; levy; and
(C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment; levy.

(7) Money that is in a medical care savings account established under IC 6-8-11.

(8) Any interest the debtor has in a qualified tuition program, as defined in Section 529(b) of the Internal Revenue Code of 1986, but only to the extent funds in the program are not attributable to:

(A) excess contributions, as described in Section 529(b)(6) of the Internal Revenue Code of 1986, and earnings on the excess contributions;
(B) contributions made by the debtor within one (1) year before the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the contributions; or
(C) the excess over five thousand dollars ($5,000) of aggregate contributions made by the debtor for all programs under this subdivision and education savings accounts under subdivision (9) having the same designated beneficiary:
   (i) not later than one (1) year before; and
   (ii) not earlier than two (2) years before; the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the aggregate contributions.

(9) Any interest the debtor has in an education savings account, as defined in Section 530(b) of the Internal Revenue Code of 1986, but only to the extent funds in the account are not attributable to:

(A) excess contributions, as described in Section 4973(e) of the Internal Revenue Code of 1986, and earnings on the excess contributions;
(B) contributions made by the debtor within one (1) year before the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the contributions; or
(C) the excess over five thousand dollars ($5,000) of
aggregate contributions made by the debtor for all accounts under this subdivision and qualified tuition programs under subdivision (8) having the same designated beneficiary:

(i) not later than one (1) year before; and
(ii) not earlier than two (2) years before;
the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the excess contributions.

(10) The debtor's interest in a refund or a credit received or to be received under section 32 of the Internal Revenue Code of 1986.

(c) The total value of the property exempted under subsection (b)(1) through (b)(3) may not exceed ten thousand dollars ($10,000).

(d) A bankruptcy proceeding that results in the ownership by the bankruptcy estate of a debtor's interest in property held in a tenancy by the entireties does not result in a severance of the tenancy by the entireties.

(e) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

(1) subject to this chapter; or
(2) exempt from levy or sale on execution or any other final process from a court.

SECTION 11. IC 34-55-10-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2.5. (a) The department of financial institutions shall adopt a rule under IC 4-22-2 establishing the amount for each exemption under section 2(c)(1) through 2(c)(3) of this chapter to take effect not earlier than January 1, 2010, and not later than March 1, 2010.

(b) The department of financial institutions shall adopt a rule under IC 4-22-2 establishing new amounts for each exemption under section 2(c)(1) through 2(c)(3) of this chapter every six (6) years after exemption amounts are established under subsection (a). The rule establishing new exemption amounts under this subsection must take effect not earlier than January 1 and not later than March 1 of the sixth calendar year immediately following the
most recent adjustments to the exemption amounts.

(c) The department of financial institutions shall determine the amount of each exemption under subsections (a) and (b) based on changes in the Consumer Price Index for All Urban Consumers, published by the United States Department of Labor, for the most recent six (6) year period.

(d) The department of financial institutions shall round the amount of an exemption determined under subsections (a) and (b) to the nearest fifty dollars ($50).

(e) A rule establishing amounts for exemptions under this section may not reduce an exemption amount below the exemption amount on July 1, 2005.

SECTION 12. IC 34-55-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The judgment debtor may designate real property, personal property, or both, as the exempted property.

SECTION 13. IC 34-55-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. For the appraisal of any property to be exempted under this chapter, two (2) disinterested householders of the neighborhood appraisers shall be chosen, one (1) by the plaintiff or the plaintiff's agent or attorney, and one (1) by the judgment debtor. These two (2), in case of disagreement, shall select a third. If either party fails to select an appraiser, one (1) shall be selected by the officer holding the execution.

SECTION 14. IC 34-55-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The appraisers shall make a schedule of the real and personal property selected by the judgment debtor, describing the real estate by metes and bounds, and the personal property by separate items, affixing to each the value they agree upon. The appraisers, or a majority, shall affix to the schedule an affidavit in substance as follows: “We, the undersigned, swear that, in our opinion, the property described in the schedule above is valued justly.”.

SECTION 15. IC 34-55-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The schedule of real and personal property shall be delivered to the officer holding the execution or other process. The officer shall return the schedule with the execution or other process and make the schedule a part of the
return. However, all second or subsequent appraisals under this chapter are at the cost of the party or parties asking for the reappraisal, unless the property of the judgment debtor at the time of the reappraisal is appraised at enough over and above the legal exemption to meet the costs.

SECTION 16. IC 34-55-10-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. If the judgment debtor claims as exempt from execution personal property only, the officer holding the execution shall cause the property to be appraised and set apart to the judgment debtor, and shall proceed to sell such other property, if any, that is subject to execution according to law.

SECTION 17. IC 34-55-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) If the claim of the judgment debtor as exempt from execution includes both real and personal property, the officer holding the execution shall proceed to have the personal property appraised and set apart to the judgment debtor; and then have the real property claimed appraised. If the amount of both appraisals exceeds six hundred dollars ($600), the debtor may, within sixty (60) days after the appraisals, pay the excess or an amount sufficient to satisfy the execution. However, if the debtor fails to do so, the officer shall proceed to sell the real property as other real property is sold on execution; if the execution authorizes the sale of the property: If the value of a debtor's interest in property for which an exemption is claimed exceeds the amount of the exemption, the property may be sold. However, the debtor must be paid an amount equal to the debtor's exemption in the property from the proceeds of the sale.

(b) In making the sale under subsection (a), the officer may not receive a bid unless the bid exceeds the difference between six hundred dollars ($600) and the appraisal of the personal property set apart to the judgment debtor. If the officer sells the real property, the officer shall pay over to the judgment debtor the amount of the difference; and of the remainder, apply upon the execution enough to satisfy the execution; and pay the balance; if any, to the judgment debtor or to such other party entitled to the balance: exempt value of the property. If indebtedness secured by a valid lien is chargeable against the proceeds of the sale, a bid may not be accepted if the bid is less than the sum of the amount of the indebtedness secured
by the lien and the exempt value of the property.

SECTION 18. IC 34-55-10-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In all cases in which real property is claimed as exempt from sale on execution, if the real property is susceptible of division by metes and bounds without material injury, the real property shall be divided to exempt the principal dwelling house or homestead of the judgment debtor.

SECTION 19. IC 34-55-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. Before a judgment debtor receives the benefit of the exemption provided by this chapter, the judgment debtor shall deliver to the officer holding the execution a schedule of all the judgment debtor's property, as required by law, if an exemption from sale on execution is claimed.

SECTION 20. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 34-55-10-7; IC 34-55-10-10.

P.L.180-2005
[H.1335. Approved May 6, 2005.]
AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-7-2-24.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24.9. "Case contact", for purposes of IC 12-20-28-3, has the meaning set forth in IC 12-20-28-3(b).

SECTION 2. IC 12-7-2-189.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 189.7. "TANF", for purposes of IC 12-20, refers to the federal Temporary Assistance for Needy Families program under 42 U.S.C. 601 et seq.

SECTION 3. IC 12-7-2-192.3, AS AMENDED BY SEA 209-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 192.3. "Total number of households containing
township assistance recipients”, for purposes of IC 12-20-28-3, has the meaning set forth in IC 12-20-28-3(b). IC 12-20-28-3(c).

SECTION 4. IC 12-7-2-192.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 192.4. “Total number of recipients”, for purposes of IC 12-20-28-3, has the meaning set forth in IC 12-20-28-3(c). IC 12-20-28-3(d).

SECTION 5. IC 12-7-2-192.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 192.5. “Total number of requests for assistance”, for purposes of IC 12-20-28-3, has the meaning set forth in IC 12-20-28-3(d). IC 12-20-28-3(e).

SECTION 6. IC 12-20-28-3, AS AMENDED BY SEA 209-2005, SECTIONS 153 AND 154, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The definitions in this section apply to a report that is required to be filed under this section.

(b) As used in this section, "case contact" means any act of service in which a township employee has reason to enter a comment or narrative into the record of an application for township assistance under this article regardless of whether the applicant receives or does not receive township assistance funds.

(c) As used in this section, "total number of households containing township assistance recipients" means the sum to be determined by counting the total number of individuals who file an application for which relief is granted. A household may be counted only once during a calendar year regardless of the number of times assistance is provided if the same individual makes the application for assistance.

(d) As used in this section, "total number of recipients" means the number of individuals who are members of a household that receives assistance on at least one (1) occasion during the calendar year. An individual may be counted only one (1) time during a calendar year regardless of the:

(1) number of times assistance is provided; or
(2) number of households in which the individual resides during a particular year.

(e) As used in this section, "total number of requests for assistance" means the number of times an individual or a household separately requests any type of township assistance.

(f) The township trustee shall file an annual statistical report on
township housing, medical care, utility assistance, and food assistance, burial assistance, food pantry assistance, services related to representative payee programs, services related to special nontraditional programs, and case management services with the state board of accounts. The township trustee shall provide a copy of the annual statistical report to the county auditor. The county auditor shall keep the copy of the report in the county auditor's office. Except as provided in subsection (i), (k), the report must be made on a form provided by the state board of accounts. The report must contain the following information:

1. The total number of requests for assistance.
2. The total number of each of the following:
   A. Recipients of township assistance.
   B. Total number of households containing township assistance recipients.
3. Case contacts made with or on behalf of:
   i. Recipients of township assistance; or
   ii. Members of a household receiving township assistance.
4. The total value of benefits provided township assistance to recipients of township assistance.
5. The total value of benefits provided through the efforts of township staff from sources other than township funds.
6. The total number of each of the following:
   A. Recipients of township assistance and households receiving utility assistance.
6. Recipients assisted by township staff in receiving utility assistance from sources other than township funds.
7. The total value of benefits provided for the payment of utilities, including the value of benefits of utility assistance provided through the efforts of township staff from sources other than township funds.
8. The total number of each of the following:
   A. Recipients of township assistance and households receiving housing assistance.
   B. Recipients assisted by township staff in receiving housing assistance from sources other than township funds.
funds.

(7) (8) The total value of benefits provided for housing assistance, including the value of benefits of housing assistance provided through the efforts of township staff from sources other than township funds.

(9) (9) The total number of each of the following:

(A) 

(B) Recipients assisted by township staff in receiving food assistance from sources other than township funds.

(9) (10) The total value of food assistance provided, including the value of food assistance provided through the efforts of township staff from sources other than township funds.

(10) (11) The total number of each of the following:

(A) township assistance Recipients of township assistance and households receiving food assistance.

(B) Recipients assisted by township staff in receiving food assistance from sources other than township funds.

(10) (11) The total number of each of the following:

(A) township assistance Recipients of township assistance and households receiving food assistance.

(B) Recipients assisted by township staff in receiving food assistance from sources other than township funds.

(11) (12) The total value of health care provided, including the value of health care assistance provided through the efforts of township staff from sources other than township funds.

(12) (13) The total number of funerals, burials, and cremations.

(13) (14) The total value of funerals, burials, and cremations, including the difference between the:

(A) actual value of the funerals, burials, and cremations; and

(B) amount paid by the township for the funerals, burials, and cremations.

(14) (15) The total of each of the following:

(A) Number of nights of emergency shelter provided to the homeless.

(B) Number of nights of emergency shelter provided to homeless individuals through the efforts of township staff from sources other than township funds.

(C) Value of the nights of emergency shelter provided to homeless individuals by the township and the value of the nights of emergency shelter provided through the efforts of the township staff from sources other than township
funds.

(15) (16) The total of each of the following:
(A) Number of referrals of township assistance applicants to other programs.
(B) Value of the services provided by the township in making referrals to other programs.

(16) (17) The total number of training programs or job placements found for township assistance recipients of township assistance with the assistance of the township trustee.

(17) (18) The number of hours spent by township assistance recipients of township assistance at workfare.

(19) The total value of the services provided by workfare to the township and other agencies.

(18) (20) The total amount of reimbursement for assistance received from:
(A) recipients;
(B) members of recipients' households; or
(C) recipients' estates;
under IC 12-20-6-10, IC 12-20-27-1, or IC 12-20-27-1.5.

(19) (21) The total amount of reimbursement for assistance received from medical programs under IC 12-20-16-2(e).

(22) The total of each of the following:
(A) Number of individuals assisted through a representative payee program.
(B) Amount of funds processed through the representative payee program that are not township funds.

(23) The total of each of the following:
(A) Number of individuals assisted through special nontraditional programs provided through the township without the expenditure of township funds.
(B) Amount of funds used to provide the special nontraditional programs that are not township funds.

(24) The total of each of the following:
(A) Number of hours an investigator of township assistance spends providing case management services to a recipient of township assistance or a member of a household receiving township assistance.
(B) Value of the case management services provided.
(25) The total number of housing inspections performed by the township. If the total number or value of any item required to be reported under this subsection is zero (0), the township trustee shall include the notation "0" in the report where the total number or value is required to be reported.

(g) The state board of accounts shall compare and compile all data reported under subsection (f) into a statewide statistical report. The department shall summarize the data compiled by the state board of accounts that relate to the fixing of township budgets, levies, and tax rates and shall include the department’s summary within the statewide statistical report prepared under this subsection. Before July 1, of each year, the state board of accounts shall file the statewide statistical report prepared under this subsection with the executive director of the legislative services agency in an electronic format under IC 5-14-6.

(h) The state board of accounts shall forward a copy of:

1) each annual report forwarded to the board under subsection (e);

2) the statewide statistical report under subsection (g);

to the department and the division of family and children.

(i) The division of family and children shall include in the division’s periodic reports made to the United States Department of Health and Human Services concerning the Aid to Families with Dependent Children (AFDC) Temporary Assistance to Needy Families (TANF) and Supplemental Security Income (SSI) programs information forwarded to the division under subsection (f) concerning the total number of township assistance recipients of township assistance and the total dollar amount of benefits provided.

(j) The department may not approve the budget of a township trustee who fails to file an annual report under subsection (e) in the preceding calendar year. Before July 1 of each year, the department shall file a report in an electronic format under IC 5-14-6 with the legislative council that compiles and summarizes the information sent to the state board of accounts by township trustees under subsection (e).

(k) This section does not prevent the electronic transfer of data required to be reported under IC 12-2-1-40 (before its repeal) or this
section if the following conditions are met:

1. The method of reporting is acceptable to both the township trustee reporting the information and the governmental entity to which the information is reported.
2. A written copy of information reported by electronic transfer is on file with the township trustee reporting information by electronic means.

(i) The information required to be reported by the township trustee under this section shall be maintained by the township trustee in accordance with IC 5-15-6.

AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 27-2-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) All preprinted claim forms provided by an insurer to a claimant that are required as a condition of payment of a claim must contain a statement that clearly states in substance the following:

"A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony."

(b) The lack of a statement required under subsection (a) does not constitute a defense against a prosecution under IC 35-43-5-4(10).

IC 35-43-5-4.5.

SECTION 2. IC 32-37-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This article does not apply to the following:

1. A contract between a performing rights society and:
   A. a broadcaster licensed by the Federal Communications
Commission;
(B) a cable television operator or programmer; or
(C) another transmission service.

(2) An investigation by a law enforcement agency.

(3) An investigation by a law enforcement agency or other person concerning a suspected violation of IC 24-4-10-4, IC 35-43-4-2, or IC 35-43-5-4(11); IC 35-43-5-4(10).

SECTION 3. IC 33-23-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If a practitioner is convicted under IC 35-43-5-4(10) of:

(1) insurance fraud;
(2) an attempt to commit insurance fraud; or
(3) conspiracy to commit insurance fraud;

the sentencing court shall provide notice of the conviction to each governmental body that has issued a license to the practitioner.

SECTION 4. IC 34-24-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The following may be seized:

(1) All vehicles (as defined by IC 35-41-1), if they are used or are intended for use by the person or persons in possession of them to transport or in any manner to facilitate the transportation of the following:

(A) A controlled substance for the purpose of committing, attempting to commit, or conspiring to commit any of the following:

(i) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
(ii) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
(iii) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(iv) Dealing in a schedule V controlled substance (IC 35-48-4-4).
(v) Dealing in a counterfeit substance (IC 35-48-4-5).
(vi) Possession of cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-6).
(vii) Dealing in paraphernalia (IC 35-48-4-8.5).
(viii) Dealing in marijuana, hash oil, or hashish
(IC 35-48-4-10).
(B) Any stolen (IC 35-43-4-2) or converted property (IC 35-43-4-3) if the retail or repurchase value of that property is one hundred dollars ($100) or more.
(C) Any hazardous waste in violation of IC 13-30-6-6.
(D) A bomb (as defined in IC 35-41-1-4.3) or weapon of mass destruction (as defined in IC 35-41-1-29.4) used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism (as defined by IC 35-41-1-26.5).

(2) All money, negotiable instruments, securities, weapons, communications devices, or any property used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism or commonly used as consideration for a violation of IC 35-48-4 (other than items subject to forfeiture under IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):
   (A) furnished or intended to be furnished by any person in exchange for an act that is in violation of a criminal statute;
   (B) used to facilitate any violation of a criminal statute; or
   (C) traceable as proceeds of the violation of a criminal statute.

(3) Any portion of real or personal property purchased with money that is traceable as a proceed of a violation of a criminal statute.

(4) A vehicle that is used by a person to:
   (A) commit, attempt to commit, or conspire to commit;
   (B) facilitate the commission of; or
   (C) escape from the commission of;
murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense under IC 35-47 as part of or in furtherance of an act of terrorism.

(5) Real property owned by a person who uses it to commit any of the following as a Class A felony, a Class B felony, or a Class C felony:
   (A) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
   (B) Dealing in a schedule I, II, or III controlled substance
(IC 35-48-4-2).
(C) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(D) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10).

(6) Equipment and recordings used by a person to commit fraud under IC 35-43-5-4(11). IC 35-43-5-4(10).

(7) Recordings sold, rented, transported, or possessed by a person in violation of IC 24-4-10.

(8) Property (as defined by IC 35-41-1-23) or an enterprise (as defined by IC 35-45-6-1) that is the object of a corrupt business influence violation (IC 35-45-6-2).

(9) Unlawful telecommunications devices (as defined in IC 35-45-13-6) and plans, instructions, or publications used to commit an offense under IC 35-45-13.

(10) Any equipment used or intended for use in preparing, photographing, recording, videotaping, digitizing, printing, copying, or disseminating matter in violation of IC 35-42-4-4.

(11) Destructive devices used, possessed, transported, or sold in violation of IC 35-47.5.

(12) Cigarettes that are sold in violation of IC 24-3-5.2, cigarettes that a person attempts to sell in violation of IC 24-3-5.2, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.2.

(13) Tobacco products that are sold in violation of IC 24-3-5, tobacco products that a person attempts to sell in violation of IC 24-3-5, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.

(b) A vehicle used by any person as a common or contract carrier in the transaction of business as a common or contract carrier is not subject to seizure under this section, unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a).

(c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the equipment knowingly permitted the equipment to be used to engage in conduct that subjects it to seizure under subsection (a)(10).

(d) Money, negotiable instruments, securities, weapons,
communications devices, or any property commonly used as consideration for a violation of IC 35-48-4 found near or on a person who is committing, attempting to commit, or conspiring to commit any of the following offenses shall be admitted into evidence in an action under this chapter as prima facie evidence that the money, negotiable instrument, security, or other thing of value is property that has been used or was to have been used to facilitate the violation of a criminal statute or is the proceeds of the violation of a criminal statute:

(1) IC 35-48-4-1 (dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine).
(2) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled substance).
(3) IC 35-48-4-3 (dealing in a schedule IV controlled substance).
(4) IC 35-48-4-4 (dealing in a schedule V controlled substance) as a Class B felony.
(5) IC 35-48-4-6 (possession of cocaine, a narcotic drug, or methamphetamine) as a Class A felony, Class B felony, or Class C felony.
(6) IC 35-48-4-10 (dealing in marijuana, hash oil, or hashish) as a Class C felony.

SECTION 5. IC 35-43-5-1, AS AMENDED BY HEA 1039-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The definitions set forth in this section apply throughout this chapter.

(b) "Claim statement" means an insurance policy, a document, or a statement made in support of or in opposition to a claim for payment or other benefit under an insurance policy, or other evidence of expense, injury, or loss. The term includes statements made orally, in writing, or as a computer generated document, electronically, including the following:

(1) An account.
(2) A bill for services.
(3) A bill of lading.
(4) A claim.
(5) A diagnosis.
(6) An estimate of property damages.
(7) A hospital record.
(8) An invoice.
(9) A notice.
(10) A proof of loss.
(11) A receipt for payment.
(12) A physician's records.
(13) A prescription.
(14) A statement.
(15) A test result.
(16) X-rays.

(c) "Coin machine" means a coin box, vending machine, or other mechanical or electronic device or receptacle designed:
   (1) to receive a coin, bill, or token made for that purpose; and
   (2) in return for the insertion or deposit of a coin, bill, or token automatically:
      (A) to offer, provide, or assist in providing; or
      (B) to permit the acquisition of;
      some property.

(d) "Credit card" means an instrument or device (whether known as a credit card or charge plate, or by any other name) issued by an issuer for use by or on behalf of the credit card holder in obtaining property.

(e) "Credit card holder" means the person to whom or for whose benefit the credit card is issued by an issuer.

(f) "Customer" means a person who receives or has contracted for a utility service.

(g) "Drug or alcohol screening test" means a test that:
   (1) is used to determine the presence or use of alcohol, a controlled substance, or a drug in a person's bodily substance; and
   (2) is administered in the course of monitoring a person who is:
      (A) incarcerated in a prison or jail;
      (B) placed in a community corrections program;
      (C) on probation or parole;
      (D) participating in a court ordered alcohol or drug treatment program; or
      (E) on court ordered pretrial release.

(h) "Entrusted" means held in a fiduciary capacity or placed in charge of a person engaged in the business of transporting, storing, lending on, or otherwise holding property of others.

(i) "Identifying information" means information that identifies an individual, including an individual's:
(1) name, address, date of birth, place of employment, employer identification number, mother's maiden name, Social Security number, or any identification number issued by a governmental entity;
(2) unique biometric data, including the individual's fingerprint, voice print, or retina or iris image;
(3) unique electronic identification number, address, or routing code;
(4) telecommunication identifying information; or
(5) telecommunication access device, including a card, a plate, a code, a telephone number, an account number, a personal identification number, an electronic serial number, a mobile identification number, or another telecommunications service or device or means of account access that may be used to:
   (A) obtain money, goods, services, or any other thing of value; or
   (B) initiate a transfer of funds.

(j) "Insurance policy" includes the following:
   (1) An insurance policy.
   (2) A contract with a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance organization (as defined in IC 27-13-1-27).
   (3) A written agreement entered into under IC 27-1-25.

(k) "Insurer" has the meaning set forth in IC 27-1-2-3(x). The term also includes the following:
   (1) A reinsurer.
   (2) A purported insurer or reinsurer.
   (3) A broker.
   (4) An agent of an insurer, a reinsurer, a purported insurer or reinsurer, or a broker.
   (5) A health maintenance organization.
   (6) A limited service health maintenance organization.

(l) "Manufacturer" means a person who manufactures a recording. The term does not include a person who manufactures a medium upon which sounds or visual images can be recorded or stored.

(m) "Make" means to draw, prepare, complete, counterfeit, copy or otherwise reproduce, or alter any written instrument in whole or in part.

(n) "Metering device" means a mechanism or system used by a
utility to measure or record the quantity of services received by a customer.

(o) "Public relief or assistance" means any payment made, service rendered, hospitalization provided, or other benefit extended to a person by a governmental entity from public funds and includes township assistance, food stamps, direct relief, unemployment compensation, and any other form of support or aid.

(p) "Recording" means a tangible medium upon which sounds or visual images are recorded or stored. The term includes the following:

1. An original:
   A) phonograph record;
   B) compact disc;
   C) wire;
   D) tape;
   E) audio cassette;
   F) video cassette; or
   G) film.

2. Any other medium on which sounds or visual images are or can be recorded or otherwise stored.

3. A copy or reproduction of an item in subdivision (1) or (2) that duplicates an original recording in whole or in part.

(q) "Slug" means an article or object that is capable of being deposited in a coin machine as an improper substitute for a genuine coin, bill, or token.

(r) "Utility" means a person who owns or operates, for public use, any plant, equipment, property, franchise, or license for the production, storage, transmission, sale, or delivery of electricity, water, steam, telecommunications, information, or gas.

(s) "Written instrument" means a paper, a document, or other instrument containing written matter and includes money, coins, tokens, stamps, seals, credit cards, badges, trademarks, medals, retail sales receipts, labels or markings (including a universal product code (UPC) or another product identification code), or other objects or symbols of value, right, privilege, or identification.

SECTION 6. IC 35-43-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A person who:

1. with intent to defraud, obtains property by:

   A) using a credit card, knowing that the credit card was
unlawfully obtained or retained;
(B) using a credit card, knowing that the credit card is forged, revoked, or expired;
(C) using, without consent, a credit card that was issued to another person;
(D) representing, without the consent of the credit card holder, that the person is the authorized holder of the credit card; or
(E) representing that the person is the authorized holder of a credit card when the card has not in fact been issued;
(2) being authorized by an issuer to furnish property upon presentation of a credit card, fails to furnish the property and, with intent to defraud the issuer or the credit card holder, represents in writing to the issuer that the person has furnished the property;
(3) being authorized by an issuer to furnish property upon presentation of a credit card, furnishes, with intent to defraud the issuer or the credit card holder, property upon presentation of a credit card, knowing that the credit card was unlawfully obtained or retained or that the credit card is forged, revoked, or expired;
(4) not being the issuer, knowingly or intentionally sells a credit card;
(5) not being the issuer, receives a credit card, knowing that the credit card was unlawfully obtained or retained or that the credit card is forged, revoked, or expired;
(6) with intent to defraud, receives a credit card as security for debt;
(7) receives property, knowing that the property was obtained in violation of subdivision (1) of this section;
(8) with intent to defraud the person's creditor or purchaser, conceals, encumbers, or transfers property;
(9) with intent to defraud, damages property; or
(10) knowingly and with intent to defraud, makes, utter, presents, or causes to be presented to an insurer or an insurance claimant, a claim statement that contains false, incomplete, or misleading information concerning the claim; or
(11) knowingly or intentionally:
(A) sells;
(B) rents;
(C) transports; or
possesses;
a recording for commercial gain or personal financial gain that
does not conspicuously display the true name and address of the
manufacturer of the recording;
commits fraud, a Class D felony.
SECTION 7. IC 35-43-5-4.5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 4.5. (a) A person who, knowingly and with intent to
defraud:
(1) makes, utters, presents, or causes to be presented to an
insurer or an insurance claimant, a claim statement that
contains false, incomplete, or misleading information
concerning the claim;
(2) presents, causes to be presented, or prepares with
knowledge or belief that it will be presented to or by an
insurer, an oral, a written, or an electronic statement that the
person knows to contain materially false information as part
of, in support of, or concerning a fact that is material to:
(A) the rating of an insurance policy;
(B) a claim for payment or benefit under an insurance
policy;
(C) premiums paid on an insurance policy;
(D) payments made in accordance with the terms of an
insurance policy;
(E) an application for a certificate of authority;
(F) the financial condition of an insurer; or
(G) the acquisition of an insurer;
or conceals any information concerning a subject set forth in
clauses (A) through (G);
(3) solicits or accepts new or renewal insurance risks by or for
an insolvent insurer or other entity regulated under IC 27;
(4) removes:
(A) the assets;
(B) the record of assets, transactions, and affairs; or
(C) a material part of the assets or the record of assets,
transactions, and affairs;
of an insurer or another entity regulated under IC 27, from
the home office, other place of business, or place of
safekeeping of the insurer or other regulated entity, or
conceals or attempts to conceal from the department of insurance assets or records referred to in clauses (A) through (B); or

(5) diverts funds of an insurer or another person in connection with:

(A) the transaction of insurance or reinsurance;
(B) the conduct of business activities by an insurer or another entity regulated under IC 27; or
(C) the formation, acquisition, or dissolution of an insurer or another entity regulated under IC 27;

commits insurance fraud. Except as provided in subsection (b), insurance fraud is a Class D felony.

(b) An offense described in subsection (a) is a Class C felony if:

(1) the person who commits the offense has a prior unrelated conviction under this section; or
(2) the:

(A) value of property, services, or other benefits obtained or attempted to be obtained by the person as a result of the offense; or
(B) economic loss suffered by another person as a result of the offense;

is at least two thousand five hundred dollars ($2,500).

(c) A person who knowingly and with intent to defraud makes a material misstatement in support of an application for the issuance of an insurance policy commits insurance application fraud, a Class A misdemeanor.

SECTION 8. [EFFECTIVE JULY 1, 2005] (a) IC 35-43-5-4, as amended by this act, applies only to offenses committed after June 30, 2005.

(b) IC 35-43-5-4.5, as added by this act, applies only to offenses committed after June 30, 2005.
AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-10.1-21-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) As used in this section, "phonologic weakness" means a difficulty of constitutional or environmental origin which, if not strengthened to adequate levels in the context of conventional instruction, results in difficulty in learning to read, write, spell, and recall. Phonologic weakness underlies reading difficulty across race, ethnicity, and cultural and economic diversities.

(b) The department shall develop and implement a plan to:
   (1) train teachers, especially the teachers directly involved in reading and language arts, about phonologic weakness and its role in reading development;
   (2) determine which reading instruments can be used to detect phonologic weakness before formal reading instruction begins;
   (3) determine which reading instruments can be used to assess student reading and spelling development; and
   (4) apply the results of the assessment using reading instruments to a child's instructional program.

SECTION 2. IC 20-10.1-21-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The department shall develop a technical assistance manual necessary to implement this chapter. The department shall adopt reading instruments that a school shall use to assess student reading and writing development.

(b) Each instrument adopted by the department under this section must be based on scientific research concerning reading development and must have adequate reliability and validity.
SECTION 3. IC 20-20-26-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this section, "phonologic weakness" means a difficulty of constitutional or environmental origin which, if not strengthened to adequate levels in the context of conventional instruction, results in difficulty in learning to read, write, spell, and recall. Phonologic weakness underlies reading difficulty across race, ethnicity, and cultural and economic diversities.

(b) The department shall develop and implement a plan to:

(1) train teachers, especially the teachers directly involved in reading and language arts, about phonologic weakness and its role in reading development;

(2) determine which reading instruments can be used to detect phonologic weakness before formal reading instruction begins;

(3) determine which reading instruments can be used to assess student reading and spelling development; and

(4) apply the results of the assessment using reading instruments to a child's instructional program.

SECTION 4. IC 20-20-26-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The department shall develop a technical assistance manual necessary to implement this chapter. The department shall adopt reading instruments that a school shall use to assess student reading and writing development.

(b) Each instrument adopted by the department under this section must be based on scientific research concerning reading development and must have adequate reliability and validity.

SECTION 5. [EFFECTIVE JULY 1, 2005] (a) The department of education shall submit a report to the general assembly not later than December 31, 2006, summarizing the progress of the department’s efforts under IC 20-20-26-4 and IC 20-20-26-5, as added by this act, and the impact of those efforts on the educational system. The report must be in electronic format under IC 5-14-6.

(b) This SECTION expires January 1, 2007.
AN ACT to amend the Indiana Code concerning utilities and transportation.

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

SECTION 1. IC 8-23-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) If a highway or road is being constructed or reconstructed so that it crosses or intersects the existing tracks of a railroad at grade level at a point where no crossing previously existed, the department, county, city, or town under whose jurisdiction the crossing lies shall pay the cost of the construction of the new crossing, the approaches to the crossing, and the cost of the necessary protective or crossing warning signals. After construction, the owner or lessee of the railroad shall maintain the crossing and protective or crossing warning signals and keep them in repair at the owner's or lessee's cost.

(b) If the owner or lessee of a railroad is constructing or reconstructing railroad tracks so that the tracks cross or intersect a highway or road at grade level at a point where no railroad crossing previously existed, the owner or lessee of the railroad shall pay the cost of the construction of the new crossing, the approaches to the crossing, and the cost of the necessary protective or crossing warning signals. After construction, the owner or lessee of the railroad shall maintain the crossing and protective or crossing warning signals and keep them in repair at the owner's or lessee's cost.

(c) If a highway or road crosses or intersects the tracks of a railroad at grade level and the highway or road is reconstructed to alter the existing crossing or intersection by a change of grade, widening or changing the type of pavement, or by changing the angle of the intersection, the department, county, city, or town under whose jurisdiction the crossing lies shall pay the cost of the reconstruction of the crossing, the approaches to the crossing, and the cost of the necessary protective or crossing warning signals. After reconstruction,
the owner or lessee of the railroad shall maintain the crossing and protective or crossing warning signals and keep them in repair at the owner's or lessee's cost.

(d) If the owner or lessee of a railroad reconstructs or alters the tracks of a railroad that crosses or intersects a highway or road at grade level so that it is necessary to reconstruct or alter the crossing or intersection, the owner or lessee of the railroad shall pay the cost of the reconstruction or altering of the crossing, the approaches to the crossing, and the cost of the necessary protective or crossing warning signals. After construction, the owner or lessee of the railroad shall maintain the crossing and protective or crossing warning signals and keep them in repair at the owner's or lessee's cost.

(e) Notwithstanding subsections (a) through (d), the department, a county, a city, or a town under whose jurisdiction a railroad crossing lies may provide highway or road surface maintenance at a railroad crossing if the department, county, city, or town requests and receives written approval from the railroad owner or lessee before commencing the highway or road surface maintenance. The cost of the maintenance may be wholly or partially borne by the department, county, city, or town upon agreement with the railroad.

(f) Any construction, reconstruction, or maintenance of highway or road surfaces provided for in this section may be paid for from funds obtained under 23 U.S.C. 130.

(g) A railroad whose tracks lie in any public highway or road shall properly grade, surface, and maintain the highway, road, and railroad tracks within the boundaries described in subsection (h):

(1) in accordance with the grade and surfacing material of the highway or road; and

(2) in a manner as to afford security for life and property of persons and vehicles using the highway or road.

(h) The railroad is responsible for the repair and maintenance of the grade and surface occupied by the railroad tracks, including the space:

(1) between the rails of a railroad track;

(2) between the railroad tracks if there are at least two (2) railroad tracks; and

(3) that extends eighteen (18) inches in width on the outside of
each rail of a railroad track.

SECTION 2. IC 9-13-2-117.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 117.7. "Operating crew member", for purposes of IC 9-19-6, has the meaning set forth in IC 9-19-6-1.5.

SECTION 3. IC 9-19-6-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. "Operating crew member" has the meaning set forth in IC 8-9-12-2.

SECTION 4. IC 9-19-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) A vehicle may be equipped with lamps that may be used for the purpose of warning the operators of other vehicles of the presence of a vehicular traffic hazard requiring the exercise of unusual care in approaching, overtaking, or passing. The vehicles, when so equipped, may display the warning in addition to any other warning signals required by this article.

(b) A lamp used to display a warning to the front must be mounted at the same level and as widely spaced laterally as practicable, and must display simultaneously flashing white or amber lights or any shade of color between white and amber.

(c) A lamp used to display a warning to the rear must be mounted at the same level and as widely spaced laterally as practicable, and must show simultaneously flashing amber or red lights or any shade of color between red and amber.

(d) A warning light must be visible from a distance of not less than five hundred (500) feet under normal atmospheric conditions at night.

(e) A motor vehicle used to transport operating crew members may display a lamp placed on the top of the motor vehicle with simultaneously flashing yellow or amber lights that must be visible as set forth in subsection (d).

SECTION 5. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning health.

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

SECTION 1. IC 5-15-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. This chapter does not apply to public records of a county hospital described in established and operated under IC 16-22 and IC 16-23.

SECTION 2. IC 5-22-1-2, AS AMENDED BY HEA 1288-2005, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Except as provided in this article, this article does not apply to the following:

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

SECTION 3. IC 5-22-22-1, AS AMENDED BY HEA 1288-2005, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This chapter applies only to personal property owned by a governmental body.

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

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

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

(1) The disposal of property under an urban homesteading program under IC 36-7-17.
(2) The lease of school buildings under IC 21-5.
(3) The sale of land to a lessor in a lease-purchase contract under IC 36-1-10.
(4) The disposal of property by a redevelopment commission established under IC 36-7.
(5) The leasing of property by a board of aviation commissioners established under IC 8-22-2 or an airport authority established under IC 8-22-3.
(6) The disposal of a municipally owned utility under IC 8-1.5.
(7) The sale or lease of property by a unit (as defined in IC 36-1-2-23) to an Indiana nonprofit corporation organized for educational, literary, scientific, religious, or charitable purposes that is exempt from federal income taxation under Section 501 of the Internal Revenue Code or the sale or reletting of that property by the nonprofit corporation.
(8) The disposal of surplus property by a hospital organized or operating established and operated under IC 16-22-1 through IC 16-22-5, IC 16-22-8, IC 16-23-1, or IC 16-24-1.
(9) The sale or lease of property acquired under IC 36-7-13 for industrial development.
(10) The sale, lease, or disposal of property by a local hospital authority under IC 5-1-4.
(11) The sale or other disposition of property by a county or
municipality to finance housing under IC 5-20-2.

(12) The disposition of property by a soil and water conservation district under IC 14-32.

(13) The sale disposal of surplus or unneeded property by the board of trustees of the health and hospital corporation established and operated under IC 16-22-8.

(14) The disposal of personal property by a library board under IC 36-12-3-5(c).

(15) The sale or disposal of property by the historic preservation commission under IC 36-7-11.1.

(16) The disposal of an interest in property by a housing authority under IC 36-7-18.


(18) The disposal of property used for park purposes under IC 36-10-7-8.

(19) The disposal of textbooks that will no longer be used by school corporations under IC 20-26-12.

(20) The disposal of residential structures or improvements by a municipal corporation without consideration to:

   (A) a governmental body; or
   (B) a nonprofit corporation that is organized to expand the supply or sustain the existing supply of good quality, affordable housing for residents of Indiana having low or moderate incomes.

(21) The disposal of historic property without consideration to a nonprofit corporation whose charter or articles of incorporation allows the corporation to take action for the preservation of historic property. As used in this subdivision, "historic property" means property that is:

   (A) listed on the National Register of Historic Places; or
   (B) eligible for listing on the National Register of Historic Places, as determined by the division of historic preservation and archeology of the department of natural resources.

(22) The disposal of real property without consideration to:

   (A) a governmental body; or
   (B) a nonprofit corporation that exists for the primary purpose of enhancing the environment;

when the property is to be used for compliance with a permit or
an order issued by a federal or state regulatory agency to mitigate an adverse environmental impact.

(23) The disposal of property to a person under an agreement between the person and a governmental body under IC 5-23.

SECTION 4. IC 16-18-2-37.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37.5. "Board" for purposes of IC 16-22-8, has the meaning set forth in IC 16-22-8-2.1.

SECTION 5. IC 16-22-8-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. As used in this chapter, "board" refers to the board of a municipal corporation created under this chapter.

SECTION 6. IC 16-22-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "division" means an administrative subdivision created by this chapter or by the governing board.

SECTION 7. IC 16-22-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "hospital":

1) means a hospital (as defined in IC 16-18-2-179(b)) that is owned, operated, or managed by a municipality or political subdivision within the territorial jurisdiction of the corporation created by section 6 of this chapter; and

2) does not include state or federal owned or operated hospitals; and

3) includes a county home established before July 20, 1951, by the legislative body of the county in which the corporation is created.

SECTION 8. IC 16-22-8-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) In addition to IC 5-14-1.5-6.1(b), the corporation board may hold executive sessions concerning the division of public hospitals to do any of the following:

1) Discuss and prepare bids, proposals, or arrangements that will be competitively awarded among health care providers.

2) Discuss recruitment of health care providers.

3) Discuss and prepare competitive marketing strategies.

4) Engage in strategic planning.

5) Participate in a motivational retreat with staff or personnel if
the corporation board does not conduct any official action (as defined in IC 5-14-1.5-2(d)).

(b) IC 5-14-1.5-5, IC 5-14-1.5-6.1, and IC 5-14-1.5-7 apply to executive sessions held under subsection (a).

(c) The corporation may hold confidential, until the information contained in the records is announced to the public, records of a proprietary nature that if revealed would place the corporation at a competitive disadvantage, including the following:

1. Terms and conditions of preferred provider arrangements.
2. Health care provider recruitment plans.
3. Competitive marketing strategies regarding new services and locations.

SECTION 9. IC 16-22-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The governing board shall exercise the executive and legislative powers of the corporation.

SECTION 10. IC 16-22-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The governing board consists of seven (7) members who have been chosen at large from the county in which the corporation is established.

(b) To be eligible to be selected or serve as a member of the board, an individual must have the following qualifications:

1. Be a resident in the county.
2. Have been a continued resident in the county for not less than three (3) years immediately preceding the first day of the member's term.

SECTION 11. IC 16-22-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The executive of the consolidated city shall appoint three (3) residents of the city as board members, of the board; not more than two (2) of whom may belong to the same political party. One (1) member must be a licensed physician.

(b) The board of commissioners of the county in which the corporation is established shall appoint two (2) board members of the board who may not belong to the same political party. and must be residents of the county.

(c) The city-county legislative body shall appoint two (2) board members of the board both of whom must be residents of the county and who may not belong to the same political party. One (1) member
shall be appointed for a two (2) year term, and one (1) member shall be
appointed for a four (4) year term.

(d) Except as provided in subsection (c), a board member of the
board serves a term of four (4) years from the beginning of the term for
which the member was appointed until a successor has qualified for the
office. Each member is Board members are eligible to for
reappointment. to successive terms.

SECTION 12. IC 16-22-8-9.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.1. A member of an
appointing authority that is identified in section 9 of this chapter may
not serve on the corporation's governing board.

SECTION 13. IC 16-22-8-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A vacancy
occurs if a board member of the board dies, resigns, changes residence
from the county, or is impeached.

(b) If a vacancy occurs or upon the expiration of a term, a member's
successor shall be appointed by the authority who originally appointed
the member in accordance with this section.

(c) Not more than four (4) board members of the board may belong
to the same political party.

SECTION 14. IC 16-22-8-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. A board member
may be impeached under the procedure provided for the impeachment
of county officers.

SECTION 15. IC 16-22-8-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. An individual is not
prohibited from serving as a board member of the board of trustees if
the member:

(1) has a pecuniary interest in; or
(2) derives a profit from;
a contract or purchase connected with the hospital corporation.
However, the member shall disclose the interest or profit in writing to
the board, and provide a copy to the state board of accounts. The
member shall abstain from voting on any matter that affects the interest
or profit.

SECTION 16. IC 16-22-8-13 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. A board member
of the governing board is ineligible to hold an appointive office or
employment under the corporation.

SECTION 17. IC 16-22-8-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. A board member of the governing board is entitled to receive one thousand two hundred dollars ($1,200) each year and the member who is chairman of the board chairperson is entitled to receive an additional six hundred dollars ($600) each year. These payments shall be made quarterly from funds appropriated for that purpose in the regular budget of the corporation. A board member may waive compensation by filing a written notice with the corporation.

SECTION 18. IC 16-22-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The governing board shall by rule provide for regular meetings to be held at a designated interval throughout the year.

(b) The chairman chairperson or a majority of the members of the board may call a special meeting. The board shall by rule establish a procedure for calling special meetings. The board corporation shall publish notice of a special meeting one (1) time, not less than twenty-four (24) hours before the time of the meeting, in two (2) newspapers of general circulation in the county in which the corporation is established.

(c) Regular and special meetings are open to the public. Public notice of meetings must be given as required by IC 5-14-1.5-5.

SECTION 19. IC 16-22-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The governing board shall hold the annual meeting the second Monday in January of each year. At the meeting, the board shall select from among the members a chairman chairperson and vice chairman chairperson and shall make the appointments of personnel provided under this chapter.

(b) A vacancy occurs if the chairman chairperson or vice chairman chairperson of the board dies, resigns, changes residence from the county, or is impeached. If the office of chairman chairperson or vice chairman chairperson becomes vacant, the board shall select from among the members a successor chairman chairperson or vice chairman chairperson at the next meeting of the board.

SECTION 20. IC 16-22-8-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. A majority of the members of the board members constitutes a quorum for a meeting.
The board may act by an affirmative vote of a majority of those present at the meeting.

SECTION 21. IC 16-22-8-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The board corporation shall keep a written record of the board’s proceedings that is available for public inspection documents in the office of the board corporation or in an electronic format. The board shall record the aye and nay vote on the passage of an item of business that affects private rights and shall record the aye and nay vote on the passage of any other item of business if two (2) members of the board request that the votes be recorded by ayes and nays.

SECTION 22. IC 16-22-8-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) The governing board shall adopt rules of procedure for the board meetings. The board may suspend the rules of procedure by unanimous vote of the members present at the meeting. The board shall not suspend the rules of procedure beyond the duration of the meeting at which the suspension of rules occurs.

(b) The board may exercise the powers to supervise internal affairs common to municipal legislative and administrative bodies.

SECTION 23. IC 16-22-8-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. A board member of the board may introduce a proposed draft of an ordinance at a meeting of the board. The person who introduces a proposed draft of an ordinance corporation shall provide at the time of introduction a written copy of the prepared proposed draft. The board shall assign to each proposed draft of an ordinance a distinguishing number and the date when introduced; ordinances in a standardized manner.

SECTION 24. IC 16-22-8-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) Not more than seven (7) days after the introduction of a proposed draft of an ordinance nor less than seven (7) days before the final passage of a proposed draft of an ordinance, the board shall publish a notice that the proposed ordinance is pending final action by the board. The notice shall be published one (1) time in two (2) newspapers that have a general circulation in the jurisdiction of the corporation. Notice of an ordinance establishing a budget shall be in accordance with the general law relating to budgets of first class cities.
(b) The notice must state the following:
   (1) The subject of the proposed ordinance.
   (2) The time and place of the hearing.
   (3) That the proposed draft of an ordinance is available for public
       inspection at the office of the board corporation.
   (c) The board may include in one (1) notice a reference to the
       subject matter of each draft of a pending ordinance for which notice
       has not been given.
   (d) An ordinance is not invalid because the reference to the subject
       matter of the draft of an proposed ordinance was inadequate if the
       reference is sufficient to advise the public of the general subject matter.

SECTION 25. IC 16-22-8-22 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. On or before the
date of notice of the introduction of a proposed ordinance, the
governing board corporation shall place five (5) copies of provide the
proposed draft on file ordinance in the office of the board corporation
or in an electronic format for public inspection.

SECTION 26. IC 16-22-8-23 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. At a meeting for
which notice has been given under section 21 of this chapter, the
governing board may take final action on the proposed ordinance or
may postpone final consideration to a future designated meeting
without giving additional notice.

SECTION 27. IC 16-22-8-24 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. The governing
board may adopt a draft of an ordinance only at a meeting open to the
public. Before adopting an ordinance, any person present at the
meeting may give testimony, evidence, or argument for or against the
proposed ordinance in person or by counsel. The board may adopt rules
concerning the number of persons who may be heard and time limits.

SECTION 28. IC 16-22-8-25 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. The governing
board shall designate the effective date of the ordinance at the meeting
at which the ordinance is adopted. If the board fails to designate the
effective date of the ordinance in the record of the proceedings of the
board, the ordinance is effective on the fourteenth day after the passage
of the ordinance.

SECTION 29. IC 16-22-8-26 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) The governing board corporation shall make copies of each ordinance the board adopts available to the public. The board shall codify, revise, rearrange, or compile adopted ordinances under IC 36-1-5-3. Ordinances adopted by the board constitute the code of the health and hospital corporation of the county.

(b) The board corporation may print any or all of the ordinances of the corporation in pamphlet form or in bound volumes and distribute pamphlets or bound volumes without charge or may charge the cost of printing and distribution or provide the code of the health and hospital corporation of the county in an electronic format for public inspection.

SECTION 30. IC 16-22-8-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) The governing board shall appoint an executive director of the board corporation who is qualified by education and experience to serve for a term of four (4) years unless sooner removed. The executive director is eligible for reappointment. The executive director must be a resident of the county.

(b) In addition to the duties as executive director of the board, the executive director acts as secretary of the board.

SECTION 31. IC 16-22-8-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) The governing board shall create the following:

1. A division of public health.
2. A division of public hospitals.
3. Other divisions the board considers necessary.

(b) The division of public health shall administer the functions of the corporation concerned primarily with disease prevention and control and shall perform the duties and functions of a serve as the county health department with powers and duties conferred by law upon local board departments of health.

(c) The division of public hospitals shall administer the functions of the corporation concerned primarily with the curative work of a hospital, clinic, dispensary, or similar facility operated by a local governmental unit or agency in the county of the corporation. The division of public hospitals shall operate and manage a hospital, clinic, dispensary, or similar facility under the jurisdiction of the corporation.
The board may create a separate division to operate and manage a county home; operate the corporation's hospitals, medical facilities, and mental health facilities.

SECTION 32. IC 16-22-8-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) The board may enter into an agreement with a qualified person or governmental agency entity to operate the hospital, medical facilities, or mental health facilities.

(b) The consolidated city shall, through representatives designated by the city executive and the city-county legislative body, meet periodically with the board and try to make and carry out mutually agreeable contracts between the two (2) municipal corporations to increase efficiency and avoid duplication of service.

SECTION 33. IC 16-22-8-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. The board shall appoint a director of the division of public health to serve for a term of four (4) years unless sooner removed for cause. The director is eligible for reappointment. The director must hold or be eligible to hold an unlimited license to practice medicine in Indiana and meet the requirements of a local health officer under IC 16-20.

SECTION 34. IC 16-22-8-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) The director of the division of public health has the powers, functions, and duties of and is subject to the laws relating to a local health officer. The director shall perform other duties prescribed by the board or authorized by a town or city within the county. Valid orders of the director of the division of public health may be enforced in a court with jurisdiction by injunction.

(b) Orders, citations, and administrative notices of violation issued by the director of the division of public health, the director's authorized representative, a supervisor in the division, or an environmental health specialist may be enforced by the corporation in a court with jurisdiction by filing a civil action in accordance with IC 16-42-5-28, IC 33-36-3-5(b), or IC 36-1-6-4.

(c) Orders, health directives, and restrictions issued by the state health commissioner, the state health commissioner's legally authorized agent, a designated health official, or the director of the division of public health may be enforced by the corporation in a
court with jurisdiction by filing a civil action in accordance with IC 16-41-9-1 or IC 16-41-9-11.

(d) A change of venue from the county may not be had for court proceedings initiated under this section.

SECTION 35. IC 16-22-8-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) The board or corporation may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

1. As a municipal corporation, in the board's corporate name, to sue and be sued in any court with jurisdiction.

2. To serve as the exclusive local board of health and local department of health within the county with the powers and duties conferred by law upon local boards of health or similar boards. The board supersedes all other and local boards departments of health within the county. However, the ordinances and codes of the prior health boards remain in effect until an ordinance upon the same subject is enacted by the board.

3. To enact adopt and enforce ordinances that are consistent with Indiana law and with the administrative rules of the department; for the following purposes:

   (A) To protect property owned or managed by the corporation.

   (B) To determine, prevent, and abate public health nuisances.

   (C) To establish quarantine regulations, impose restrictions on persons having infectious or contagious diseases and contacts of the persons, and regulate the disinfection of premises.

   (D) To license, regulate, and establish minimum sanitary standards for the operation of a business handling, producing, processing, preparing, manufacturing, packing, storing, selling, distributing, or transporting articles used for food, drink, confectionery, or condiment in the interest of the public health.

   (E) To control:

       (i) rodents, termites, mosquitos, and other animals, including insects, capable of transmitting microorganisms and pests disease to humans and other animals; and

       (ii) the animal's breeding places.

   (F) To require persons to connect to available sewer systems.
and to regulate the disposal of domestic or sanitary sewage by private methods. However, the board and corporation has no jurisdiction over publicly owned or financed sewer systems or sanitation and disposal plants.

(G) To control rabies.

(H) For the sanitary regulation of water supplies for domestic use.

(I) To protect, promote, or improve public health. and control disease. For public health activities and to enforce public health laws, the state health data center described in IC 16-19-10 shall provide health data, medical information, and epidemiological information to the corporation.

(J) To detect, report, prevent, and control disease affecting public health.

(K) To investigate and diagnose health problems and health hazards.

(L) To regulate the sanitary and structural conditions of residential and nonresidential buildings and unsafe premises.

(M) To license and regulate the design, construction, and operation of public pools, spas, and beaches.

(N) To regulate the storage, containment, handling, use, and disposal of hazardous materials.

(O) To license and regulate tattoo parlors and body piercing facilities.

(4) To have exclusive control, operation, and management of manage the corporation's hospitals, transferred to the corporation: medical facilities, and mental health facilities.

(5) The board shall To furnish health and nursing services to elementary and secondary schools within the county.

(6) The board shall To furnish medical care to the indigent within the county unless medical care is furnished to the indigent by the division of family and children.

(7) To determine the public health policies and programs to be carried out and administered by the corporation.

(8) To adopt an annual budget ordinance and levy taxes. in accordance with this chapter.
(9) To incur indebtedness in the name of the corporation, in accordance with this chapter:

(10) To organize the personnel and functions of the corporation into divisions and subdivisions to carry out the board's corporation's powers and duties and to consolidate, divide, or abolish the divisions and subdivisions.

(11) To acquire and dispose of property.

(12) To receive and make gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying these items and bind the corporation to carry out the conditions and terms:

(13) To receive and administer federal, or state, aid; local, or private grants.

(14) To erect buildings or structures or improvements to existing buildings or structures, needed to carry out this chapter.

(15) To determine matters of policy regarding internal organization and operating procedures, not specifically provided for otherwise.

(16) To do the following:

(A) Adopt a schedule of reasonable charges for nonresidents of the county for treatments, medicines, and hospital medical and mental health services.

(B) Collect the charges from the patient or from the governmental unit where the patient resided at the time of the service.

(C) Require security for the payment of the charges.

(17) To adopt a schedule of and to collect reasonable charges for patients able to pay in full or in part.

(18) To enforce the health laws; ordinances; and Indiana laws, administrative rules, of the corporation, the state, and the state department of health, code of the health and hospital corporation of the county.

(19) To purchase supplies, materials, and equipment for the corporation. The purchase of drugs, medical, dental, laboratory, and surgical supplies and instruments, and food shall be in accordance with proceedings adopted by the board and is not subject to IC 36-1-9. The board must approve a purchase of more than five hundred dollars ($500). All other purchases shall be
made in accordance with IC 36-1-9.

(20) To employ personnel and establish personnel policies to carry out the duties, functions, and powers of the corporation. The professional and semiprofessional personnel in the division of hospitals shall be employed only on the recommendation of the medical director of hospitals: The superintendent of a hospital (other than the superintendent of a county home) must possess the qualifications required for a director of the division of public hospitals: The trained and skilled personnel in the division of health shall be employed only on the recommendation of the director of public health:

(21) To employ an attorney attorneys admitted to practice law in Indiana.

(22) To acquire, erect, equip, and operate the hospital in accordance with this chapter: corporation's hospitals, medical facilities, and mental health facilities.

(23) To sell dispose of surplus or unneeded property in accordance with the procedure prescribed a policy by the board. However, if the board disposes of real property by acceptance of bids; a bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify the following:

   (A) Each beneficiary of the trust.

   (B) Each settlor empowered to revoke or modify the trust.

(24) To adopt rules to carry out the board's powers and duties and to govern determine the duties of the board's officers employees; and personnel and the internal management of the affairs of the corporation: division directors.

(25) To fix the compensation of the officers and employees of the corporation except where a different provision is made by this chapter: division directors.

(26) To carry out the purposes and object of the corporation.

(27) To have the powers and duties relating to county homes vested in the county executive and to appoint a superintendent of the county home who must have executive ability and be qualified by education and experience to manage the institution.

(28) To obtain loans for hospital expenses in amounts and upon terms agreeable to the board. The board may secure the loans by pledging accounts receivable or other security in hospital
(28) To establish fees for licenses, services, and records. The corporation may accept payment by credit card for fees.

(b) The board shall exercise the board's powers and duties in a manner consistent with Indiana law, and with the administrative rules, of and the state department of health code of the health and hospital corporation of the county.

SECTION 36. IC 16-22-8-34.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34.5. The governing board of the corporation may enter into a group purchasing agreement to purchase medical malpractice insurance with the following:

(1) One (1) or more hospitals organized or operated under this article.
(2) One (1) or more hospitals organized or operated under IC 16-23.

SECTION 37. IC 36-1-11-1, AS AMENDED BY HEA 1288-2005, SECTION 234, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to the disposal of property by:

(1) political subdivisions; and
(2) their agencies.

(b) This chapter does not apply to the following:

(1) The disposal of property under an urban homesteading program under IC 36-7-17.
(2) The lease of school buildings under IC 21-5.
(3) The sale of land to a lessor in a lease-purchase contract under IC 36-1-10.
(4) The disposal of property by a redevelopment commission established under IC 36-7.
(5) The leasing of property by a board of aviation commissioners established under IC 8-22-2 or an airport authority established under IC 8-22-3.
(6) The disposal of a municipally owned utility under IC 8-1.5.
(7) The sale or lease of property by a unit to an Indiana nonprofit corporation organized for educational, literary, scientific, religious, or charitable purposes that is exempt from federal income taxation under Section 501 of the Internal Revenue Code or the sale or reletting of that property by the nonprofit
(8) The disposal of surplus property by a hospital organized or operating established and operated under IC 16-22-1 through IC 16-22-5, IC 16-22-8, IC 16-23-1, or IC 16-24-1.
(9) The sale or lease of property acquired under IC 36-7-13 for industrial development.
(10) The sale, lease, or disposal of property by a local hospital authority under IC 5-1-4.
(11) The sale or other disposition of property by a county or municipality to finance housing under IC 5-20-2.
(12) The disposition of property by a soil and water conservation district under IC 14-32.
(13) The sale or disposal of surplus or unneeded property by the board of trustees of the health and hospital corporation established and operated under IC 16-22-8.
(14) The disposal of personal property by a library board under IC 36-12-3-5(c).
(15) The sale or disposal of property by the historic preservation commission under IC 36-7-11.1.
(16) The disposal of an interest in property by a housing authority under IC 36-7-18.
(18) The disposal of property used for park purposes under IC 36-10-7-8.
(19) The disposal of textbooks that will no longer be used by school corporations under IC 20-26-12.
(20) The disposal of residential structures or improvements by a municipal corporation without consideration to:
   (A) a governmental entity; or
   (B) a nonprofit corporation that is organized to expand the supply or sustain the existing supply of good quality, affordable housing for residents of Indiana having low or moderate incomes.
(21) The disposal of historic property without consideration to a nonprofit corporation whose charter or articles of incorporation allows the corporation to take action for the preservation of historic property. As used in this subdivision, "historic property" means property that is:
(A) listed on the National Register of Historic Places; or
(B) eligible for listing on the National Register of Historic
Places, as determined by the division of historic preservation
and archeology of the department of natural resources.

(22) The disposal of real property without consideration to:
(A) a governmental agency; or
(B) a nonprofit corporation that exists for the primary purpose
of enhancing the environment;
when the property is to be used for compliance with a permit or
an order issued by a federal or state regulatory agency to mitigate
an adverse environmental impact.

(23) The disposal of property to a person under an agreement
between the person and a political subdivision or an agency of a
political subdivision under IC 5-23.

(24) The disposal of residential real property pursuant to a federal
aviation regulation (14 CFR 150) Airport Noise Compatibility
Planning Program as approved by the Federal Aviation
Administration.

SECTION 38. THE FOLLOWING ARE REPEALED [EFFECTIVE
JULY 1, 2005]: IC 16-22-8-33; IC 16-22-8-54.

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 5-1-14-3 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 3. Notwithstanding any other law,
any issuer may take any reasonable and necessary action to establish or
maintain the exclusion from gross income for interest on obligations of
the issuer under federal law. These actions may include, without
limitation:

(1) filing information reports with the federal government;
(2) rebating money derived from bond proceeds or money treated
as bond proceeds under federal law, or earnings thereon, to the federal government;
(3) restricting the yield on money or earnings described in subdivision (2) to the yield on bonds of the issuer;
(4) investing money or earnings described in subdivision (2) in obligations of issuers that bear interest that is excludable from gross income under federal law;
(5) issuing obligations in an amount sufficient to serve the public purpose of the financing without considering earnings thereon;
(6) qualifying obligations under any volume cap or electing any carryforward of unused volume cap;
(7) designating, through its legislative body or any board responsible for issuing obligations as long as the obligations are executed by the executive of the issuer, obligations to qualify for any exemption from the loss of any deduction for interest incurred by any financial institution to carry tax exempt obligations or for any exemption from federal arbitrage rebate requirements; and
(8) complying with limitations imposed by federal law on the issuance of tax exempt bonds under IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, or IC 36-7-15.3, including, without limitation:
(A) designation of blighted redevelopment project areas by a legislative body (as defined in IC 36-1-2-9) having jurisdiction over the blighted area;
(B) considering any factors required by federal law in determining whether an area is blighted; meets the criteria for designation as a redevelopment project area; and
(C) limiting the use of property in a blighted redevelopment project area.

SECTION 2. IC 7.1-3-20-16.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16.1. (a) This section applies to a municipal riverfront development project authorized under section 16(d) of this chapter.

(b) In order to qualify for a permit, an applicant must demonstrate that the municipal riverfront development project area where the permit is to be located meets the following criteria:

(1) The project boundaries must border on at least one (1) side of a river.

(2) The proposed permit premises may not be located more than:
(A) one thousand five hundred (1,500) feet; or
(B) three (3) city blocks;
from the river, whichever is greater. However, if the area adjacent
to the river is incapable of being developed because the area is in
a floodplain, or for any other reason that prevents the area from
being developed, the distances described in clauses (A) and (B)
are measured from the city blocks located nearest to the river that
are capable of being developed.
(3) The permit premises are located within:
(A) an economic development area, a blighted a
redevelopment project area, an urban renewal area, or a
redevelopment area established under IC 36-7-14,
IC 36-7-14.5, or IC 36-7-15.1; or
(B) an economic development project district under
IC 36-7-15.2 or IC 36-7-26.
(4) The project must be funded in part with state and city money.
(5) The boundaries of the municipal riverfront development
project must be designated by ordinance or resolution by the
legislative body (as defined in IC 36-1-2-9(3) or IC 36-1-2-9(4))
of the city in which the project is located.
(c) Proof of compliance with subsection (b) must consist of the
following documentation, which is required at the time the permit
application is filed with the commission:
(1) A detailed map showing:
(A) definite boundaries of the entire municipal riverfront
development project; and
(B) the location of the proposed permit within the project.
(2) A copy of the local ordinance or resolution of the local
governing body authorizing the municipal riverfront development
project.
(3) Detailed information concerning the expenditures of state and
city funds on the municipal riverfront development project.
(d) Notwithstanding subsection (b), the commission may issue a
permit for premises, the location of which does not meet the criteria of
subsection (b)(2), if all the following requirements are met:
(1) All other requirements of this section and section 16(d) of this
chapter are satisfied.
(2) The proposed premises is located not more than:
(A) three thousand (3,000) feet; or
(B) six (6) blocks;

from the river, whichever is greater. However, if the area adjacent to the river is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river that are capable of being developed.

(3) The permit applicant satisfies the criteria established by the commission by rule adopted under IC 4-22-2. The criteria established by the commission may require that the proposed premises be located in an area or district set forth in subsection (b)(3).

(4) The permit premises may not be located less than two hundred (200) feet from facilities owned by a state educational institution (as defined in IC 20-12-0.5-1).

(e) A permit may not be issued if the proposed permit premises is the location of an existing three-way permit subject to IC 7.1-3-22-3.

SECTION 3. IC 20-12-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. For the purposes of this chapter, the following terms shall have the meanings, respectively, ascribed to them below:

(a) "Educational institution of higher learning" shall mean an educational institution (no part of the net earnings of which shall inure to the benefit of any private shareholder or individual) which provides an educational program for which it awards a baccalaureate or more advanced degree, or provides for not less than a two (2) year program which is acceptable for full credit towards such a degree, and is accredited by a national accrediting agency or association or, if not so accredited, an educational institution whose credits are accepted, on transfer, by not less than three (3) such accredited educational institutions for credit on the same basis as if transferred from an educational institution so accredited.

(b) "Private redevelopment corporation" shall mean any corporation which is wholly owned or controlled by one (1) or more educational institutions of higher learning or a corporation which operates in behalf of an educational institution on a non-profit basis.

(c) "Municipality" shall mean any city or town which, pursuant to
IC 36-7, is authorized through its redevelopment commission to undertake and carry out redevelopment or urban renewal projects.

(d) "Project area" shall mean a slum area or a blighted or deteriorated or deteriorating an area needing redevelopment, as defined in IC 36-7.

(e) "Redevelopment plan" shall mean a plan proposed by an educational institution of higher learning, or a private redevelopment corporation, for the redevelopment and renewal of a project area for educational uses. Such plan shall conform:

1. to the general plan of the locality as a whole; and
2. to the requirements of IC 36-7 with respect to the content of redevelopment or urban renewal plans.

SECTION 4. IC 36-7-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. "Blighted Area needing redevelopment" means an area in which normal development and occupancy are undesirable or impossible because of:

1. lack of development;
2. cessation of growth;
3. deterioration or deteriorating improvements;
4. character of occupancy;
5. age;
6. obsolescence;
7. substandard buildings; or
8. other factors that impair values or prevent a normal use or development of property.

SECTION 5. IC 36-7-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. "Redevelopment" includes the following activities:

1. Acquiring real property in blighted areas needing redevelopment.
2. Replatting and determining the proper use of real property acquired.
3. Opening, closing, relocating, widening, and improving public ways.
4. Relocating, constructing, and improving sewers, utility services, offstreet parking facilities, and levees.
5. Laying out and constructing necessary public improvements, including parks, playgrounds, and other recreational facilities.
(6) Restricting the use of real property acquired according to law. 
(7) Repairing and maintaining buildings acquired, if demolition of those buildings is not considered necessary to carry out the redevelopment plan. 
(8) Rehabilitating real or personal property, whether or not acquired, to carry out the redevelopment or urban renewal plan. 
(9) Disposing of property acquired on the terms and conditions and for the uses and purposes that best serve the interests of the units served by the redevelopment commission. 
(10) Making payments required or authorized by IC 8-23-17. 
(11) Performing all acts incident to the statutory powers and duties of a redevelopment commission.

SECTION 6. IC 36-7-4-503 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 503. A comprehensive plan may, in addition to the elements required by section 502 of this chapter, include the following:

(1) Surveys and studies of current conditions and probable future growth within the jurisdiction and adjoining jurisdictions. 
(2) Maps, plats, charts, and descriptive material presenting basic information, locations, extent, and character of any of the following:
   (A) History, population, and physical site conditions. 
   (B) Land use, including the height, area, bulk, location, and use of private and public structures and premises. 
   (C) Population densities. 
   (D) Community centers and neighborhood units. 
   (E) Blighted Areas needing redevelopment and conservation. 
   (F) Public ways, including bridges, viaducts, subways, parkways, and other public places. 
   (G) Sewers, sanitation, and drainage, including handling, treatment, and disposal of excess drainage waters, sewage, garbage, refuse, and other wastes. 
   (H) Air, land, and water pollution. 
   (I) Flood control and irrigation. 
   (J) Public and private utilities, such as water, light, heat, communication, and other services. 
   (K) Transportation, including rail, bus, truck, air and water
transport, and their terminal facilities.

(L) Local mass transit, including taxicabs, buses, and street, elevated, or underground railways.

(M) Parks and recreation, including parks, playgrounds, reservations, forests, wildlife refuges, and other public places of a recreational nature.

(N) Public buildings and institutions, including governmental administration and service buildings, hospitals, infirmaries, clinics, penal and correctional institutions, and other civic and social service buildings.

(O) Education, including location and extent of schools, colleges, and universities.

(P) Land utilization, including agriculture, forests, and other uses.

(Q) Conservation of energy, water, soil, and agricultural and mineral resources.

(R) Any other factors that are a part of the physical, economic, or social situation within the jurisdiction.

(3) Reports, maps, charts, and recommendations setting forth plans and policies for the development, redevelopment, improvement, extension, and revision of the subjects and physical situations (set out in subdivision (2) of this section) of the jurisdiction so as to substantially accomplish the purposes of this chapter.

(4) A short and long range development program of public works projects for the purpose of stabilizing industry and employment and for the purpose of eliminating unplanned, unsightly, untimely, and extravagant projects.

(5) A short and long range capital improvements program of governmental expenditures so that the development policies established in the comprehensive plan can be carried out and kept up-to-date for all separate taxing districts within the jurisdiction to assure efficient and economic use of public funds.

(6) A short and long range plan for the location, general design, and assignment of priority for construction of thoroughfares in the jurisdiction for the purpose of providing a system of major public ways that allows effective vehicular movement, encourages effective use of land, and makes economic use of public funds.
SECTION 7. IC 36-7-14-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. Notwithstanding any other law, for:

(1) blighted areas needing redevelopment;
(2) redevelopment project areas;
(3) urban renewal project areas; or
(4) economic development areas;

established after January 1, 1992, this chapter does not apply to fire protection districts established under IC 36-8-11.

SECTION 8. IC 36-7-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The clearance, replanning, and redevelopment of blighted areas needing redevelopment under this chapter are public uses and purposes for which public money may be spent and private property may be acquired.

(b) Each unit shall, to the extent feasible under this chapter and consistent with the needs of the unit as a whole, afford a maximum opportunity for rehabilitation or redevelopment of areas by private enterprise.

SECTION 9. IC 36-7-14-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The redevelopment commission shall:

(1) investigate, study, and survey blighted areas needing redevelopment within the corporate boundaries of the unit;
(2) investigate, study, determine, and, to the extent possible, combat the causes of blighted areas needing redevelopment;
(3) promote the use of land in the manner that best serves the interests of the unit and its inhabitants;
(4) cooperate with the departments and agencies of the unit, and of other governmental entities, in the manner that best serves the purposes of this chapter;
(5) make findings and reports on their activities under this section, and keep those reports open to inspection by the public at the offices of the department;
(6) select and acquire the blighted areas needing redevelopment to be redeveloped under this chapter; and
(7) replan and dispose of the blighted areas needing redevelopment in the manner that best serves the social and
economic interests of the unit and its inhabitants.

SECTION 10. IC 36-7-14-12.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.2. (a) The redevelopment commission may:

(1) acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of blighted areas needing redevelopment that are located within the corporate boundaries of the unit;

(2) hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of blighted areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants;

(3) sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on;

(4) clear real property acquired for redevelopment purposes;

(5) repair and maintain structures acquired for redevelopment purposes;

(6) remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes;

(7) survey or examine any land to determine whether it should be included within a blighted area needing redevelopment to be acquired for redevelopment purposes and to determine the value of that land;

(8) appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any blighted area needing redevelopment within the jurisdiction of the commissioners;

(9) institute or defend in the name of the unit any civil action;

(10) use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform
(11) exercise the power of eminent domain in the name of and within the corporate boundaries of the unit in the manner prescribed by section 20 of this chapter;
(12) appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys;
(13) appoint clerks, guards, laborers, and other employees the commission considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists;
(14) prescribe the duties and regulate the compensation of employees of the department of redevelopment;
(15) provide a pension and retirement system for employees of the department of redevelopment by using the Indiana public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development;
(16) discharge and appoint successors to employees of the department of redevelopment subject to subdivision (13);
(17) rent offices for use of the department of redevelopment, or accept the use of offices furnished by the unit;
(18) equip the offices of the department of redevelopment with the necessary furniture, furnishings, equipment, records, and supplies;
(19) expend, on behalf of the special taxing district, all or any part of the money of the special taxing district;
(20) contract for the construction of:
   (A) local public improvements (as defined in IC 36-7-14.5-6) or structures that are necessary for redevelopment of blighted areas needing redevelopment or economic development within the corporate boundaries of the unit; or
   (B) any structure that enhances development or economic development;
(21) contract for the construction, extension, or improvement of pedestrian skyways;
(22) accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source;
(23) provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units within the district. However, financial assistance may be provided only to individuals and families whose income is at or below the unit's median income for individuals and families, respectively;

(24) provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:
   (A) provide financial assistance for the purposes described in subdivision (23); or
   (B) construct, rehabilitate, or repair commercial property within the district; and

(25) require as a condition of financial assistance to the owner of a multiple unit residential structure that any of the units leased by the owner must be leased:
   (A) for a period to be determined by the commission, which may not be less than five (5) years;
   (B) to families whose income does not exceed eighty percent (80%) of the unit's median income for families; and
   (C) at an affordable rate.

(b) Conditions imposed by the commission under subsection (a)(25) remain in force throughout the period determined under subsection (a)(25)(A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(c) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(d) All powers that may be exercised under this chapter by the redevelopment commission may also be exercised by the redevelopment commission in carrying out its duties and purposes under IC 36-7-14.5.

SECTION 11. IC 36-7-14-15 IS AMENDED TO READ AS
(a) Whenever the redevelopment commission finds that:

1. an area in the territory under their jurisdiction has become blighted to an extent that is an area needing redevelopment;
2. the conditions described in IC 36-7-1-3 cannot be corrected in the area by regulatory processes or the ordinary operations of private enterprise without resort to this chapter; and that
3. the public health and welfare will be benefited by the acquisition and redevelopment of the area under this chapter;

the commission shall cause to be prepared the data described in subsection (b).

(b) After making a finding under subsection (a), the commission shall cause to be prepared:

1. maps and plats showing:
   (A) the boundaries of the blighted area needing redevelopment, the location of the various parcels of property, streets, alleys, and other features affecting the acquisition, clearance, replatting, replanning, rezoning, or redevelopment of the area, indicating any parcels of property to be excluded from the acquisition; and
   (B) the parts of the area acquired that are to be devoted to public ways, levees, sewerage, parks, playgrounds, and other public purposes under the redevelopment plan;
2. lists of the owners of the various parcels of property proposed to be acquired; and
3. an estimate of the cost of acquisition and redevelopment.

(c) After completion of the data required by subsection (a), (b), the redevelopment commission shall adopt a resolution declaring that:

1. the blighted area needing redevelopment is a menace to the social and economic interest of the unit and its inhabitants; and that
2. it will be of public utility and benefit to acquire the area and redevelop it under this chapter; and
3. the area is designated as a redevelopment project area for purposes of this chapter.

The resolution must state the general boundaries of the redevelopment project area, and that the department of redevelopment proposes to acquire all of the interests in the land within the boundaries, with
certain designated exceptions, if there are any.

(c) For the purpose of adopting a resolution under subsection (b), (c), it is sufficient to describe the boundaries of the redevelopment project area by its location in relation to public ways or streams, or otherwise, as determined by the commissioners. Property excepted from the acquisition may be described by street numbers or location.

SECTION 12. IC 36-7-14-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15.5. (a) This section applies to a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) In adopting a declaratory resolution under section 15 of this chapter, a redevelopment commission may include a provision stating that the blighted redevelopment project area is considered to include one (1) or more additional areas outside the boundaries of the blighted redevelopment project area if the redevelopment commission makes the following findings and the requirements of subsection (c) are met:

1. One (1) or more taxpayers presently located within the boundaries of the blighted redevelopment project area are expected within one (1) year to relocate all or part of their operations outside the boundaries of the blighted redevelopment project area and have expressed an interest in relocating all or part of their operations within the boundaries of an additional area.

2. The relocation described in subdivision (1) will contribute to the blighted condition of the blighted continuation of the conditions described in IC 36-7-1-3 in the redevelopment project area.

3. For purposes of this section, it will be of public utility and benefit to include the additional areas as part of the blighted redevelopment project area. For purposes of this section:

(c) Each additional area must be designated by the redevelopment commission as a blighted redevelopment project area or an economic development area under this chapter.

(d) Notwithstanding section 3 of this chapter, the additional areas shall be considered to be a part of the redevelopment special taxing district under the jurisdiction of the redevelopment commission. Any excess property taxes that the commission has determined may be paid to taxing units under section 39(b)(3) of this chapter shall be paid to
the taxing units from which the excess property taxes were derived. All powers of the redevelopment commission authorized under this chapter may be exercised by the redevelopment commission in additional areas under its jurisdiction.

(e) The declaratory resolution must include a statement of the general boundaries of each additional area. However, it is sufficient to describe those boundaries by location in relation to public ways, streams, or otherwise, as determined by the commissioners.

(f) The declaratory resolution may include a provision with respect to the allocation and distribution of property taxes with respect to one (1) or more of the additional areas in the manner provided in section 39 of this chapter. If the redevelopment commission includes such a provision in the resolution, allocation areas in the blighted redevelopment project area and in the additional areas considered to be part of the blighted redevelopment project area shall be considered a single allocation area for purposes of this chapter.

(g) The additional areas must be located within the same county as the blighted redevelopment project area but are not otherwise required to be within the jurisdiction of the redevelopment commission, if the redevelopment commission obtains the consent by ordinance of:

1. the county legislative body, for each additional area located within the unincorporated part of the county; or
2. the legislative body of the city or town affected, for each additional area located within a city or town.

In granting its consent, the legislative body shall approve the plan of development or redevelopment relating to the additional area.

(h) A declaratory resolution previously adopted may be amended to include a provision to include additional areas as set forth in this section and an allocation provision under section 39 of this chapter with respect to one (1) or more of the additional areas in accordance with section 17.5 of this chapter.

(i) The redevelopment commission may amend the allocation provision of a declaratory resolution in accordance with section 17.5 of this chapter to change the assessment date that determines the base assessed value of property in the allocation area to any assessment date following the effective date of the allocation provision of the declaratory resolution. Such a change may relate to the assessment date that determines the base assessed value of that portion of the allocation
area that is located in the blighted redevelopment project area alone, that portion of the allocation area that is located in an additional area alone, or the entire allocation area.

SECTION 13. IC 36-7-14-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) After adoption of a resolution under section 15 of this chapter, the redevelopment commission shall submit the resolution and supporting data to the plan commission of the unit, or if there is no plan commission, then to the body charged with the duty of developing a general plan for the unit, if there is such a body. The plan commission may determine whether the resolution and the redevelopment plan conform to the plan of development for the unit and approve or disapprove the resolution and plan proposed. The redevelopment commission may amend or modify the resolution and proposed plan in order to conform them to the requirements of the plan commission. The plan commission shall issue its written order approving or disapproving the resolution and redevelopment plan, and may, with the consent of the redevelopment commission, rescind or modify that order.

(b) The redevelopment commission may not proceed with the acquisition of a blighted redevelopment project area until the approving order of the plan commission is issued and approved by the municipal legislative body or county executive.

(c) In determining the location and extent of a blighted redevelopment project area proposed to be acquired for redevelopment, the redevelopment commission and the plan commission of the unit shall give consideration to transitional and permanent provisions for adequate housing for the residents of the area who will be displaced by the redevelopment project.

SECTION 14. IC 36-7-14-17.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17.5. (a) The commission must conduct a public hearing before amending a resolution or plan for a redevelopment project area, an urban renewal project area, or an economic development area. The commission shall give notice of the hearing in accordance with IC 5-3-1. The notice must:

(1) set forth the substance of the proposed amendment;
(2) state the time and place where written remonstrances against the proposed amendment may be filed;
(3) set forth the time and place of the hearing; and
(4) state that the commission will hear any person who has filed a written remonstrance during the filing period set forth under subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) When the commission proposes to amend a resolution or plan, the commission is not required to have evidence or make findings that were required for the establishment of the original redevelopment project area, urban renewal area, or economic development area. However, the commission must make the following findings before approving the amendment:

(1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter.
(2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for the unit.

(d) In addition to the requirements of subsection (a), if the resolution or plan is proposed to be amended in a way that changes:

(1) parts of the area that are to be devoted to a public way, levee, sewerage, park, playground, or other public purposes;
(2) the proposed use of the land in the area; or
(3) requirements for rehabilitation, building requirements, proposed zoning, maximum densities, or similar requirements; the commission must, at least ten (10) days before the public hearing, send the notice required by subsection (a) by first class mail to affected neighborhood associations.

(e) In addition to the requirements of subsection (a), if the resolution or plan is proposed to be amended in a way that:

(1) enlarges the boundaries of the area by not more than twenty percent (20%) of the original area; or
(2) adds one (1) or more parcels to the list of parcels to be acquired;
the commission must, at least ten (10) days before the public hearing, send the notice required by subsection (a) by first class mail to affected neighborhood associations and to persons owning property that is in the proposed enlargement of the area or that is proposed to be added to the acquisition list. If the enlargement of an area is proposed, notice must
also be filed in accordance with section 17(b) of this chapter, and agencies and officers may not take actions prohibited by section 17(b) of this chapter in the proposed enlarged area.

(f) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the commission must use the procedure provided for the original establishment of areas and must comply with sections 15 through 17 of this chapter.

(g) At the hearing on the amendments, the commission shall consider written remonstrances that are filed. The action of the commission on the amendment shall be recorded and is final and conclusive, except that an appeal of the commission's action may be taken under section 18 of this chapter.

(h) The commission may require that neighborhood associations register with the commission. The commission may adopt a rule that requires that a neighborhood association encompass a part of the geographic area included in or proposed to be included in a redevelopment project area, urban renewal area, or economic development area to qualify as an affected neighborhood association.

SECTION 15. IC 36-7-14-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) If no appeal is taken or if an appeal is taken but is unsuccessful, the redevelopment commission shall proceed with the proposed project to the extent that money is available for that purpose.

(b) The redevelopment commission shall first approve and adopt a list of the real property and interests in real property to be acquired and the price to be offered to the owner of each parcel of interest. The prices to be offered may not exceed the average of two (2) independent appraisals of fair market value procured by the commission except that appraisals are not required in transactions with other governmental agencies. However, if the real property is less than five (5) acres in size and the fair market value of the real property or interest has been appraised by one (1) independent appraiser at less than ten thousand dollars ($10,000), the second appraisal may be made by a qualified employee of the department of redevelopment. The prices indicated on the list may not be exceeded unless specifically authorized by the commission or ordered by a court in condemnation proceedings. The
commission may except from acquisition any real property in the area if the commission finds that such an acquisition is not necessary under the redevelopment plan. Appraisals made under this section are for the information of the commission and are not open for public inspection.

(c) Negotiations for the purchase of property may be carried on directly by the redevelopment commission, by its employees, or by expert negotiations, but no option, contract, or understanding relative to the purchase of real property is binding on the commission until approved and accepted by the commission in writing. The commission may authorize the payment of a nominal fee to bind an option and as a part of the consideration for conveyance may agree to pay the expense incident to the conveyance and determination of the title of the property. Payment for the property purchased shall be made when and as directed by the commission but only on delivery of proper instruments conveying the title or interest of the owner to the "City (Town or County) of ____________ for the use and benefit of its department of redevelopment”.

(d) All real property and interests in real property acquired by the redevelopment commission are free and clear of all liens, assessments, and other governmental charges except for current property taxes, which shall be prorated to the date of acquisition.

(e) Notwithstanding subsections (a) through (d), the redevelopment commission may, before the time referred to in this section, accept gifts of property needed for the redevelopment of blighted redevelopment project areas if the property is free and clear of all liens other than taxes, assessments, and other governmental charges. The commission may, before the time referred to in this section, take options on or contract for the acquisition of property needed for the redevelopment of blighted redevelopment project areas if the options and contracts are not binding on the commission or the district until the time referred to in this section and until money is available to pay the consideration set out in the options or contracts.

SECTION 16. IC 36-7-14-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) If the redevelopment commission considers it necessary to acquire real property in a blighted redevelopment project area by the exercise of the power of eminent domain, they shall adopt a resolution setting out their determination to exercise that power and directing their attorney
to file a petition in the name of the unit on behalf of the department of redevelopment, in the circuit or superior court of the county in which the property is situated.

(b) Eminent domain proceedings under this section are governed by IC 32-24 and other applicable statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired under this section, but property belonging to the state or any political subdivision may not be acquired without its consent.

(c) The court having jurisdiction shall direct the clerk of the circuit court to execute a deed conveying the title of real property acquired under this section to the unit for the use and benefit of its department of redevelopment.

SECTION 17. IC 36-7-14-25.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a blighted redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and
(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at
approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

1. the denominations of the bonds;
2. the place or places at which the bonds are payable; and
3. the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit, and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

1. from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;
(2) from the tax proceeds allocated under section 39(b)(2) of this chapter;
(3) from other revenues available to the redevelopment commission; or
(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds apply to bonds issued under this chapter, except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be deposited in the allocation fund established under section 39(b)(2) of this chapter.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance
of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission is equal to or greater than three million dollars ($3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit.

SECTION 18. IC 36-7-14-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. In addition to its authority under any other section of this chapter, the redevelopment commission may plan and undertake urban renewal projects. For purposes of this chapter, an urban renewal project includes undertakings and activities for the elimination and the prevention of blighted, deteriorated, or deteriorating areas; the conditions described in IC 36-7-1-3, and may involve any work or undertaking that is performed for those purposes and is related to a redevelopment project, or any rehabilitation or conservation work, or any combination of such an undertaking or work, such as:

(1) carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements;
(2) acquisition of real property and demolition, removal, or rehabilitation of buildings and improvements on the property when necessary to eliminate unhealthful, unsanitary, or unsafe conditions, lessen density, reduce traffic hazards, eliminate uses that are obsolete or otherwise detrimental to the public welfare, otherwise remove or prevent the spread of blight or deterioration; the conditions described in IC 36-7-1-3, or provide land for needed public facilities;
(3) installation, construction, or reconstruction of streets, utilities, 
parks, playgrounds, and other improvements necessary for 
carrying out the objectives of the urban renewal project; and
(4) the disposition, for uses in accordance with the objectives of 
the urban renewal project, of any property acquired in the area of 
the project.

SECTION 19. IC 36-7-14-32 IS AMENDED TO READ AS 
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) In connection 
with the planning and undertaking of an urban renewal plan or urban 
renewal project, the redevelopment commission, municipal, county, 
public, and private officers, agencies, and bodies have all the rights, 
powers, privileges, duties, and immunities that they have with respect 
to a redevelopment plan or redevelopment project, as if all of the 
provisions of this chapter applicable to a redevelopment plan or 
redevelopment project were applicable to an urban renewal plan or 
urban renewal project.

(b) In addition to its other powers, the redevelopment commission 
may also:

(1) make plans for carrying out a program of voluntary repair and 
rehabilitation of buildings and improvements;
(2) make plans for the enforcement of laws and regulations 
relating to the use of land and the use and occupancy of buildings 
and improvements, and to the compulsory repair, rehabilitation, 
demolition, or removal of buildings and improvements;
(3) make preliminary plans outlining urban renewal activities for 
neighborhoods to embrace two (2) or more urban renewal areas;
(4) make preliminary surveys to determine if the undertaking and 
carrying out of an urban renewal project are feasible;
(5) make plans for the relocation of persons (including families, 
business concerns, and others) displaced by an urban renewal 
project;
(6) make relocation payments to or with respect to persons 
(including families, business concerns, and others) displaced by 
an urban renewal project, for moving expenses and losses of 
property for which reimbursement or compensation is not 
otherwise made, including the making of payments financed by 
the federal government; and
(7) develop, test, and report methods and techniques, and carry
out demonstrations and other activities, for the prevention and the elimination of the conditions described in IC 36-7-1-3 in urban blight areas.

SECTION 20. IC 36-7-14-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) The redevelopment commission may prepare a workable program:

(1) to use private and public resources to eliminate and prevent urban blight and deterioration; the conditions described in IC 36-7-1-3 in urban areas;
(2) to encourage needed urban rehabilitation;
(3) to provide for the redevelopment of blighted or deteriorated areas needing redevelopment; or
(4) to undertake any feasible activities that are suitably employed to achieve the objectives of such a program.

(b) A program established under subsection (a) may include an official plan of action for:

(1) effectively dealing with the problem of blighted, deteriorated, or deteriorating areas needing redevelopment within the community; and
(2) the establishment and preservation of a well planned community with well organized residential neighborhoods of decent homes and suitable living environment for adequate family life.

SECTION 21. IC 36-7-14-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. (a) In addition to all of the other powers, authority, and jurisdiction of a redevelopment commission operating under this chapter, a commission may undertake a neighborhood development program. A neighborhood development program may include one (1) or more contiguous or noncontiguous blighted, deteriorated, or deteriorating areas needing redevelopment. These areas may include redevelopment project areas or urban renewal project areas.

(b) Whenever the redevelopment commission finds that any area in the territory under their jurisdiction has become blighted, deteriorated, or deteriorating is an area needing redevelopment to an extent that cannot be corrected by regulatory processes or by the ordinary operations of private enterprise without resort to the provisions of this chapter, and that the public health and welfare would be benefited by
the redevelopment or urban renewal of that area under this chapter, the commission shall prepare a description and map showing the boundaries of the area to be included in the neighborhood development program.

(c) After preparation of the description and map under subsection (b), the redevelopment commission shall adopt a resolution declaring, confirming, and delineating the general boundaries of the blighted, deteriorated, or deteriorating area and of the parts of that area that are to be designated as redevelopment project areas or urban renewal areas. However, an area may not be designated as a redevelopment project area or urban renewal area unless the required appraisals, maps, plats and plans have been prepared and all other requirements of this chapter are met.

(d) Areas designated as redevelopment project areas or urban renewal areas under this section are considered to be redevelopment project areas or urban renewal areas for all purposes of this chapter. Areas within the neighborhood development program area that are not so designated are not considered to be redevelopment project areas or urban renewal areas until designated as such by an amendment to the neighborhood development plan, adopted in the same manner and with the same procedure as a declaratory and confirmatory resolution declaring an area blighted for a redevelopment project area or urban renewal area.

(e) The redevelopment commission may make studies, appraisals, maps, plats, and plans of areas within the neighborhood development program area that have not been designated as redevelopment project areas or urban renewal project areas. However, the commission may not acquire any land in those areas until the neighborhood development plan has been amended to designate that land as a part of an urban renewal or redevelopment project area.

(f) The redevelopment commission may amend the neighborhood development plan, in the manner prescribed by subsection (d), to include additional areas in the neighborhood development program areas, either generally or as urban renewal or redevelopment project areas.

(g) The redevelopment commission may apply for and accept advances, loans, grants, contributions, and any other forms of financial assistance from the federal government, may contract with the federal
government for any costs arising from a neighborhood development program, or may otherwise contract with the federal government concerning a neighborhood development program, to the same extent as they may for urban renewal project areas.

SECTION 22. IC 36-7-14-39, AS AMENDED BY P.L.4-2005, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a **blighted redevelopment project** area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a **blighted redevelopment project** area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in
a declaratory resolution or an amendment to a declaratory resolution establishing a **blighted redevelopment project** area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a **blighted redevelopment** project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the
manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;
   or
   (B) the base assessed value;
   shall be allocated to and, when collected, paid into the funds of the respective taxing units.

2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

   (A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.
   (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in
that allocation area.
(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.
(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements in or serving that allocation area.
(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.
(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.
(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) in or serving that allocation area.
(H) Reimburse the unit for rentals paid by it for a building or parking facility in or serving that allocation area under any lease entered into under IC 36-1-10.
(I) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:
STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
STEP TWO: Divide:
   (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by
   (ii) the STEP ONE sum.
STEP THREE: Multiply:
   (i) the STEP TWO quotient; times
(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes
described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or
(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes
specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department
of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 23. IC 36-7-14-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 43. (a) All of the rights, powers, privileges, and immunities that may be exercised by the commission in a redevelopment project area or urban renewal area may be exercised by the commission in an economic development area, subject to the following:

(1) The content and manner of exercise of these rights, powers, privileges, and immunities shall be determined by the purposes and nature of an economic development area.

(2) Real property (or interests in real property) relative to which action is taken in an economic development area is not required to be blighted, deteriorated, or deteriorating. meet the conditions described in IC 36-7-1-3.

(3) The special tax levied in accordance with section 27 of this chapter may be used to carry out activities under this chapter in economic development areas.

(4) Bonds may be issued in accordance with section 25.1 of this chapter to defray expenses of carrying out activities under this chapter in economic development areas.

(5) The tax exemptions set forth in section 37 of this chapter are applicable in economic development areas.

(6) An economic development area may be an allocation area for the purposes of distribution and allocation of property taxes.

(7) The commission may not use its power of eminent domain under section 20 of this chapter to carry out activities under this chapter in an economic development area.

(b) The content and manner of discharge of duties set forth in section 11 of this chapter shall be determined by the purposes and nature of an economic development area.

SECTION 24. IC 36-7-14-44 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 44. A blighted redevelopment project area, an urban renewal area, or an economic development area established under this chapter may not include any land that constitutes part of a military base reuse area established under IC 36-7-30.
SECTION 25. IC 36-7-14.5-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11(b) of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

However, an authority may not include in an economic development area created under this section any area that was declared a blighted redevelopment project area, an urban renewal area, or an economic development area under IC 36-7-14.

(c) In order to accomplish the purposes set forth in section 11(b) of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural
improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:
   (A) real property acquired or being acquired for redevelopment purposes; or
   (B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept
(18) Equip the offices of the authority with the necessary
furniture, furnishings, equipment, records, and supplies.
(19) Design, order, contract for, and construct, reconstruct,
improve, or renovate the following:
   (A) Any local public improvement or structure that is
       necessary for redevelopment purposes or economic
       development within the corporate boundaries of the unit.
   (B) Any structure that enhances development or economic
       development.
(20) Contract for the construction, extension, or improvement of
pedestrian skyways (as defined in IC 36-7-14-12.2(c)).
(21) Accept loans, grants, and other forms of financial assistance
    from, or contract with, the federal government, the state
government, a municipal corporation, a special taxing district, a
foundation, or any other source.
(22) Make and enter into all contracts and agreements necessary
    or incidental to the performance of the duties of the authority and
the execution of the powers of the authority under this chapter.
(23) Take any action necessary to implement the purpose of the
authority.
(24) Provide financial assistance, in the manner that best serves
the purposes set forth in section 11(b) of this chapter, including
grants and loans, to enable private enterprise to develop,
redevelop, and reuse military base property or otherwise enable
private enterprise to provide social and economic benefits to the
citizens of the unit.

(d) An authority may designate all or a portion of an economic
development area created under this section as an allocation area by
following the procedures set forth in IC 36-7-14-39 for the
establishment of an allocation area by a redevelopment commission.
The allocation provision may modify the definition of "property taxes"
der IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
depreciable personal property located and taxable on the site of
operations of designated taxpayers in accordance with the procedures
applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3
applies to such a modification. An allocation area established by an
authority under this section is a special taxing district authorized by the
general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefiting that allocation area.

(5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:
(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by
(B) the STEP ONE sum.

STEP THREE: Multiply:
(A) the STEP TWO quotient; by
(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
(A) in the allocation area; and
(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or
directly serving or benefitting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

1. The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.
2. The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.
3. The bonds are exempt from taxation for all purposes.
4. Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.
5. The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:
   A. from the tax proceeds allocated under subsection (d);
   B. from other revenues available to the authority; or
   C. from a combination of the methods stated in clauses (A) and (B).
6. Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.
7. Laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds do not apply to bonds issued under this section.
8. If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.
9. If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture to provide for covenants as are customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust
indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11(b) of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than seven (7) members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 26. IC 36-7-15.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The clearance, replanning, and redevelopment of blighted; deteriorated; and
deteriorating areas needing redevelopment are public and governmental functions that cannot be accomplished through the ordinary operations of private enterprise, due to the necessity for the exercise of the power of eminent domain, the necessity for requiring the proper use of the land so as to best serve the interests of the county and its citizens, and the cost of these projects.

(b) The conditions that exist in blighted, deteriorated, and deteriorating areas needing redevelopment are beyond remedy and control by regulatory processes because of the obsolescence and deteriorated conditions of improvements, faulty land use, shifting of population, and technological and social changes.

(c) The clearing, replanning, and redevelopment of blighted, deteriorated, and deteriorating areas needing redevelopment will benefit the health, safety, morals, and welfare, and will serve to protect and increase property values in the county and the state.

(d) The clearance, replanning, and redevelopment of blighted, deteriorated, and deteriorating areas needing redevelopment under this chapter are public uses and purposes for which public money may be spent and private property may be acquired.

(e) This chapter shall be liberally construed to carry out the purposes of this section.

SECTION 27. IC 36-7-15.1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]; Sec. 6. The commission shall:

(1) investigate, study, and survey blighted, deteriorated, and deteriorating areas needing redevelopment within the redevelopment district;
(2) investigate, study, determine, and to the extent possible combat the causes of blight and deterioration; the conditions described in IC 36-7-1-3;
(3) promote the use of land in the manner that best serves the interests of the consolidated city and its inhabitants, both from the standpoint of human needs and economic values;
(4) cooperate with the departments and agencies of the city, and of other governmental entities, in the manner that best serves the purposes of this chapter;
(5) make findings and reports on its activities under this section, and keep those reports open to inspection by the public at the
offices of the department;
(6) select and acquire the blighted, deteriorated, and deteriorating areas needing redevelopment to be redeveloped under this chapter; and
(7) replan and dispose of the blighted, deteriorated, and deteriorating areas needing redevelopment in the manner that best serves the social and economic interests of the city and its inhabitants.

SECTION 28. IC 36-7-15.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) In carrying out its duties and purposes under this chapter, the commission may do the following:

(1) Acquire by purchase, exchange, gift, grant, lease, or condemnation, or any combination of methods, any real or personal property or interest in property needed for the redevelopment of blighted, deteriorated, and deteriorating areas needing redevelopment that are located within the redevelopment district.
(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, invest in, or otherwise dispose of, through any combination of methods, property acquired for use in the redevelopment of blighted, deteriorated, or deteriorating areas needing redevelopment on the terms and conditions that the commission considers best for the city and its inhabitants.
(3) Acquire from and sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the city, or to any other governmental agency, for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes, on any terms that may be agreed upon.
(4) Clear real property acquired for redevelopment purposes.
(5) Repair and maintain structures acquired or to be acquired for redevelopment purposes.
(6) Enter upon, survey, or examine any land, to determine whether it should be included within a blighted, deteriorated, or deteriorating an area needing redevelopment to be acquired for redevelopment purposes, and determine the value of that land.
(7) Appear before any other department or agency of the city, or
before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any 

blighted, deteriorated, or deteriorating area needing redevelopment

within the jurisdiction of the commission.

(8) Exercise the power of eminent domain in the name of the city, within the redevelopment district, in the manner prescribed by this chapter.

(9) Establish a uniform fee schedule whenever appropriate for the performance of governmental assistance, or for providing materials and supplies to private persons in project or program related activities.

(10) Expend, on behalf of the redevelopment district, all or any part of the money available for the purposes of this chapter.

(11) Contract for the construction, extension, or improvement of pedestrian skyways.

(12) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(13) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units within the district. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(14) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision (13); or

(B) construct, rehabilitate, or repair commercial property within the district.

(15) Require as a condition of financial assistance to the owner of a multunit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission, which may not be less than five (5) years;
(B) to families whose income does not exceed eighty percent (80%) of the county's median income for families; and
(C) at an affordable rate.
Conditions imposed by the commission under this subdivision remain in force throughout the period determined under clause (A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(16) Provide programs in job training, job enrichment, and basic skill development for residents of an enterprise zone.

(17) Provide loans and grants for the purpose of stimulating business activity in an enterprise zone or providing employment for residents of an enterprise zone.

(18) Contract for the construction, extension, or improvement of:
   (A) public ways, sidewalks, sewers, waterlines, parking facilities, park or recreational areas, or other local public improvements (as defined in IC 36-7-15.3-6) or structures that are necessary for redevelopment of blighted areas needing redevelopment or economic development within the redevelopment district; or
   (B) any structure that enhances development or economic development.

(b) In addition to its powers under subsection (a), the commission may plan and undertake, alone or in cooperation with other agencies, projects for the redevelopment of, rehabilitating, preventing the spread of, or eliminating slums blighted areas, deteriorated areas, or deteriorating or areas needing redevelopment, both residential and nonresidential, which projects may include any of the following:
   (1) The repair or rehabilitation of buildings or other improvements by the commission, owners, or tenants.
   (2) The acquisition of real property.
   (3) The demolition and removal of buildings or improvements on buildings acquired by the commission where necessary to eliminate unhealthful, unsanitary, or unsafe conditions, to lessen density, to reduce traffic hazards, to eliminate obsolete or other uses detrimental to public welfare, to otherwise remove or prevent blight or deterioration; the conditions described in IC 36-7-1-3, or to provide land for needed public facilities.
(4) The preparation of sites and the construction of improvements (such as public ways and utility connections) to facilitate the sale or lease of property.
(5) The construction of buildings or facilities for residential, commercial, industrial, public, or other uses.
(6) The disposition in accordance with this chapter, for uses in accordance with the plans for the projects, of any property acquired in connection with the projects.

(c) The commission may use its powers under this chapter relative to real property and interests in real property obtained by voluntary sale or transfer, even though the real property and interests in real property are not located in a redevelopment or urban renewal project area established by the adoption and confirmation of a resolution under sections 8(b), 9, 10, and 11 of this chapter. In acquiring real property and interests in real property outside of a redevelopment or urban renewal project area, the commission shall comply with section 12(b) through 12(e) of this chapter. The commission shall hold, develop, use, and dispose of this real property and interests in real property substantially in accordance with section 15 of this chapter.

(d) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(e) All powers that may be exercised under this chapter by the commission may also be exercised by the commission in carrying out its duties and purposes under IC 36-7-15.3.

SECTION 29. IC 36-7-15.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Whenever the commission finds that:

1) an area in the redevelopment district has become blighted, deteriorated, or deteriorating to an extent that is an area needing redevelopment;

2) the conditions described in IC 36-7-1-3 cannot be corrected in the area by regulatory processes or by the ordinary operations
of private enterprise without resort to this chapter; and that the public health and welfare will be benefited by the acquisition and redevelopment of the area under this chapter; the commission shall cause to be prepared a redevelopment or urban renewal plan.

(b) The redevelopment or urban renewal plan must include:
(1) maps, plats, or maps and plats, showing:
(A) the boundaries of the blighted area needing redevelopment, the location of the various parcels of property, public ways, and other features affecting the acquisition, clearance, replatting, replanning, rezoning, or redevelopment of the area or areas, indicating any parcels of property to be excluded from the acquisition; and
(B) the parts of the area acquired that are to be devoted to public ways, levees, sewerage, parks, playgrounds, and other public purposes;
(2) lists of the owners of the various parcels of property proposed to be acquired; and
(3) an estimate of the cost of acquisition and redevelopment.

(b) (c) After completion of the data required by subsection (a); (b), the commission shall adopt a resolution declaring that:
(1) the blighted, deteriorated, or deteriorating area needing redevelopment is a detriment to the social or economic interests of the consolidated city and its inhabitants; and that
(2) it will be of public utility and benefit to acquire the area and redevelop it under this chapter; and
(3) the area is designated as a redevelopment project area for purposes of this chapter.

The resolution must state the general boundaries of the redevelopment project area and identify the interests in real or personal property, if any, that the department proposes to acquire in the area.

(c) (d) For the purpose of adopting a resolution under subsection (b); (c), it is sufficient to describe the boundaries of the redevelopment project area by its location in relation to public ways or streams, or otherwise, as determined by the commission. Property proposed for acquisition may be described by street numbers or location.

SECTION 30. IC 36-7-15.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) After or
concurrent with adoption of a resolution under section 8 of this chapter, the commission shall determine whether the resolution and the redevelopment plan conform to the comprehensive plan of development for the consolidated city and approve or disapprove the resolution and plan proposed.

(b) In determining the location and extent of a blighted, deteriorated, or deteriorating redevelopment project area proposed to be acquired for redevelopment, the commission shall give consideration to transitional and permanent provisions for adequate housing for the residents of the area who will be displaced by the redevelopment project.

SECTION 31. IC 36-7-15.1-10.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) The commission must conduct a public hearing before amending a resolution or plan for a redevelopment project area, an urban renewal project area, or an economic development area. The commission shall give notice of the hearing in accordance with IC 5-3-1. The notice must:

(1) set forth the substance of the proposed amendment;
(2) state the time and place where written remonstrances against the proposed amendment may be filed;
(3) set forth the time and place of the hearing; and
(4) state that the commission will hear any person who has filed a written remonstrance during the filing period set forth under subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) When the commission proposes to amend a resolution or plan, the commission is not required to have evidence or make findings that were required for the establishment of the original redevelopment project area, urban renewal area, or economic development area. However, the commission must make the following findings before approving the amendment:

(1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter.
(2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for the county.
(d) In addition to the requirements of subsection (a), if the resolution or plan is proposed to be amended in a way that changes:

1. parts of the area that are to be devoted to a public way, levee, sewerage, park, playground, or other public purpose;
2. the proposed use of the land in the area; or
3. requirements for rehabilitation, building requirements, proposed zoning, maximum densities, or similar requirements;

the commission must, at least ten (10) days before the public hearing, send the notice required by subsection (a) by first class mail to affected neighborhood associations.

(e) In addition to the requirements of subsection (a), if the resolution or plan is proposed to be amended in a way that:

1. enlarges the boundaries of the area by not more than twenty percent (20%) of the original area; or
2. adds one (1) or more parcels to the list of parcels to be acquired;

the commission must, at least ten (10) days before the public hearing, send the notice required by subsection (a) by first class mail to affected neighborhood associations and to persons owning property that is in the proposed enlargement of the area or that is proposed to be added to the acquisition list. If the enlargement of an area is proposed, notice must also be filed in accordance with section 10(b) of this chapter, and agencies and officers may not take actions prohibited by section 10(b) in the proposed enlarged area.

(f) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the commission must use the procedure provided for the original establishment of areas and must comply with sections 8 through 10 of this chapter.

(g) At the hearing on the amendments, the commission shall consider written remonstrances that are filed. The action of the commission on the amendment shall be recorded and is final and conclusive, except that:

1. the city-county legislative body must also approve the enlargement of the boundaries of an economic development area; and
2. an appeal of the commission's action may be taken under
section 11 of this chapter.

(h) The commission may require that neighborhood associations register with the commission. The commission may adopt a rule that requires that a neighborhood association encompass a part of the geographic area included in or proposed to be included in a redevelopment project area, urban renewal area, or economic development area to qualify as an affected neighborhood association.

SECTION 32. IC 36-7-15.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) If no appeal is taken, or if an appeal is taken but is unsuccessful, the commission shall proceed with the proposed project, to the extent that money is available for that purpose.

(b) The commission shall first approve and adopt a list of the real property and interests in real property to be acquired, and the price to be offered to the owner of each parcel or interests. The prices to be offered may not exceed the average of two (2) independent appraisals of fair market value procured by the commission, except that appraisals are not required in transactions with other governmental agencies. However, if the real property is less than five (5) acres in size and the fair market value of the real property or interest has been appraised by one (1) independent appraiser at less than ten thousand dollars ($10,000), the second appraisal may be made by a qualified employee of the department. The prices indicated on the list may not be exceeded unless specifically authorized by the commission under section 7 of this chapter or ordered by a court in condemnation proceedings. The commission may except from acquisition any real property in the area if it finds that such an acquisition is not necessary under the redevelopment plan. Appraisals made under this section are for the information of the commission and are not open for public inspection.

(c) Negotiations for the purchase of property may be carried on directly by the commission, by its employees, or by expert negotiators employed for that purpose. The commission shall adopt a standard form of option for use in negotiations, but no option, contract, or understanding relative to the purchase of real property is binding on the commission until approved and accepted by the commission in writing. The commission may authorize the payment of a nominal fee to bind an option, and as a part of the consideration for conveyance may agree to pay the expense incident to the conveyance and determination of the
title of the property. Payment for the property purchased shall be made when and as directed by the commission, but only on delivery of proper instruments conveying the title or interest of the owner to "City of __________ for the use and benefit of its Department of Metropolitan Development".

(d) Notwithstanding subsections (a) through (c), the commission may, before the time referred to in this section, accept gifts of property needed for the redevelopment of blighted, deteriorated, or deteriorating redevelopment project areas. The commission may, before the time referred to in this section, take options on or contract for the acquisition of property needed for the redevelopment of blighted, deteriorated, or deteriorating redevelopment project areas if the options and contracts are not binding on the commission or the redevelopment district until the time referred to in this section and until money is available to pay the consideration set out in the options or contracts.

(e) Section 15(a) through 15(h) of this chapter does not apply to exchanges of real property (or interests in real property) in connection with the acquisition of real property (or interests in real property) under this section. In acquiring real property (or interests in real property) under this section the commission may, as an alternative to offering payment of money as specified in subsection (b), offer for the real property (or interest in real property) that the commission desires to acquire:

(1) exchange of real property or interests in real property owned by the redevelopment district;
(2) exchange of real property or interests in real property owned by the redevelopment district, along with the payment of money by the commission; or
(3) exchange of real property or interests in real property owned by the redevelopment district along with the payment of money by the owner of the real property or interests in real property that the commission desires to acquire.

The commission shall have the fair market value of the real property or interests in real property owned by the redevelopment district appraised as specified in section 15(b) of this chapter. The appraisers may not also appraise the value of the real property or interests in real property to be acquired by the redevelopment district. The commission shall establish the nature of the offer to the owner based on the difference
between the average of the two (2) appraisals of the fair market value of the real property or interests in real property to be acquired by the commission and the average of the appraisals of fair market value of the real property or interests in real property to be exchanged by the commission.

SECTION 33. IC 36-7-15.1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) If the commission considers it necessary to acquire real property in a 

blighted, deteriorated, or deteriorating redevelopment project area by the exercise of the power of eminent domain, it shall adopt a resolution setting out its determination to exercise that power and directing its attorney to file a petition in the name of the city on behalf of the department in the circuit or superior court of the county.

(b) Eminent domain proceedings under this section are governed by IC 32-24.

SECTION 34. IC 36-7-15.1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) In addition to other methods of raising money for property acquisition or redevelopment in a 

blighted, deteriorated, or deteriorating redevelopment project area, and in anticipation of the special tax to be levied under section 19 of this chapter, the taxes allocated under section 26 of this chapter, or other revenues of the redevelopment district, the commission may, by resolution, issue the bonds of the redevelopment district in the name of the consolidated city and in accordance with IC 36-3-5-8. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
(3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;
(4) the total cost of all clearing and construction work provided
for in the resolution; and
(5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If the commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements of the bond resolution for the registration of the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;
(2) the place or places at which the bonds are payable; and
(3) the term of the bonds, which may not exceed fifty (50) years. The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the consolidated city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the city executive and attested by the fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The city fiscal officer shall sell the bonds according to law. Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

(1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 19 of this chapter;
(2) from the tax proceeds allocated under section 26(b)(2) of this chapter;
(3) from other revenues available to the commission; or
(4) from a combination of the methods stated in subdivisions (1) through (3);
and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) Notwithstanding IC 36-3-5-8, the laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds applicable to bonds issued under this chapter do not apply to bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to the commission from a project or projects, the commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 35. IC 36-7-15.1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. In addition to its authority under any other section of this chapter, the commission may plan and undertake urban renewal projects. For purposes of this chapter, an urban renewal project includes undertakings and activities for the elimination or the prevention of the development or spread of
blighted, deteriorated, or deteriorating areas. These conditions described in IC 36-7-1-3, and may involve any work or undertaking that is performed for those purposes constituting a redevelopment project, or any rehabilitation or conservation work, or any combination of such an undertaking or work, such as:

1. carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements;
2. acquisition of real property and demolition, removal, or rehabilitation of buildings and improvements on the property when necessary to eliminate unhealthful, unsanitary, or unsafe conditions, lessen density, reduce traffic hazards, eliminate uses that are obsolete or otherwise detrimental to the public welfare, otherwise remove or prevent the spread of blight or deterioration, the conditions described in IC 36-7-1-3, or provide land for needed public facilities;
3. installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project; and
4. the disposition, for uses in accordance with the objectives of the urban renewal project, of any property acquired in the area of the project.

SECTION 36. IC 36-7-15.1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) In connection with the planning and undertaking of an urban renewal plan or urban renewal project, the commission and all public and private officers, agencies, and bodies have all the rights, powers, privileges, duties, and immunities that they have with respect to a redevelopment plan or redevelopment project, as if all of the provisions of this chapter applicable to a redevelopment plan or redevelopment project were applicable to an urban renewal plan or urban renewal project.

(b) In addition to its other powers, the commission may also:
1. make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements;
2. make plans for the enforcement of laws and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements;
3. make preliminary plans outlining urban renewal activities for
neighboring communities to embrace two (2) or more urban renewal areas;
(4) make preliminary surveys to determine if the undertaking and
carrying out of an urban renewal project are feasible;
(5) make plans for the relocation of persons (including families,
business concerns, and others) displaced by an urban renewal
project;
(6) make relocation payments in accordance with eligibility
requirements of IC 8-23-17 or the Uniform Relocation Assistance
and Real Property Acquisitions Policy Act of 1970 (42 U.S.C.
4621 et seq.) to or with respect to persons (including families,
business concerns, and others) displaced by an urban renewal
project, for moving expenses and losses of property for which
reimbursement or compensation is not otherwise made, including
the making of payments financed by the federal government; and
(7) develop, test, and report methods and techniques, and carry
out demonstrations and other activities, for the prevention and the
elimination of the conditions described in IC 36-7-1-3 in urban
blight areas.

SECTION 37. IC 36-7-15.1-22.5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22.5. (a) The
commission may acquire a parcel of real property by the exercise of
eminent domain when the following conditions exist:
(1) The real property is an unsafe premises (as defined in
IC 36-7-9) and is subject to an order issued under IC 36-7-9 or a
notice of violation issued by the county's health and hospital
corporation under its powers under IC 16-22-8.
(2) The real property is not being used as a residence or for a
business enterprise.
(3) The real property is capable of being developed or
rehabilitated to provide affordable housing for low or moderate
income families or to provide other development that will benefit
or serve low or moderate income families.
(4) The blighted condition of the real property has suffers from
one (1) or more of the conditions listed in IC 36-7-1-3,
resulting in a negative impact on the use or value of the
neighboring properties or other properties in the community.
(b) The commission or its designated hearing examiner shall
conduct a public meeting to determine whether the conditions set forth
in subsection (a) exist relative to a parcel of real property. Each person holding a fee or life estate interest of record in the property must be given notice by first class mail of the time and date of the hearing at least ten (10) days before the hearing, and is entitled to present evidence and make arguments at the hearing.

(c) If the commission considers it necessary to acquire real property under this section, it shall adopt a resolution setting out its determination to exercise that power and directing its attorney to file a petition in the name of the city on behalf of the department in the circuit or superior court in the county.

(d) Eminent domain proceedings under this section are governed by IC 32-24.

(e) The commission shall use real property acquired under this section for one (1) of the following purposes:

(1) Sale in an urban homestead program under IC 36-7-17.
(2) Sale to a family whose income is at or below the county's median income for families.
(3) Sale or grant to a neighborhood development corporation or other nonprofit corporation, with a condition in the granting clause of the deed requiring the nonprofit organization to lease or sell the property to a family whose income is at or below the county's median income for families or to cause development that will serve or benefit families whose income is at or below the county's median income for families. However, a nonprofit organization is eligible for a sale or grant under this subdivision only if the county fiscal body has determined that the nonprofit organization meets the criteria established under subsection (f).
(4) Any other purpose appropriate under this chapter so long as it will serve or benefit families whose income is at or below the county's median income for families.

(f) The county fiscal body shall establish criteria for determining the eligibility of neighborhood development corporations and other nonprofit corporations for sales and grants of real property under subsection (e)(3). A neighborhood development corporation or other nonprofit corporation may apply to the county fiscal body for a determination concerning the corporation's compliance with the criteria established under this subsection.

(g) A neighborhood development corporation or nonprofit
corporation that receives property under this section must agree to
rehabilitate or otherwise develop the property in a manner that is
similar to and consistent with the use of the other properties in the area
served by the corporation.

SECTION 38. IC 36-7-15.1-26, AS AMENDED BY P.L.4-2005,
SECTION 138, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a blighted redevelopment
project area to which an allocation provision of a resolution adopted
under section 8 of this chapter refers for purposes of distribution and
allocation of property taxes.

"Base assessed value" means the following:
(1) If an allocation provision is adopted after June 30, 1995, in a
declaratory resolution or an amendment to a declaratory
resolution establishing an economic development area:
(A) the net assessed value of all the property as finally
determined for the assessment date immediately preceding the
effective date of the allocation provision of the declaratory
resolution, as adjusted under subsection (h); plus
(B) to the extent that it is not included in clause (A), the net
assessed value of property that is assessed as residential
property under the rules of the department of local government
finance, as finally determined for any assessment date after the
effective date of the allocation provision.
(2) If an allocation provision is adopted after June 30, 1997, in a
declaratory resolution or an amendment to a declaratory
resolution establishing a blighted redevelopment project area:
(A) the net assessed value of all the property as finally
determined for the assessment date immediately preceding the
effective date of the allocation provision of the declaratory
resolution, as adjusted under subsection (h); plus
(B) to the extent that it is not included in clause (A), the net
assessed value of property that is assessed as residential
property under the rules of the department of local government
finance, as finally determined for any assessment date after the
effective date of the allocation provision.
(3) If:
(A) an allocation provision adopted before June 30, 1995, in
a declaratory resolution or an amendment to a declaratory resolution establishing a **blighted redevelopment project** area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a **blighted redevelopment project** area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner
provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

1. Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;
   or
   (B) the base assessed value;

   shall be allocated to and, when collected, paid into the funds of the respective taxing units.
2. Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:
   (A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.
   (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in
that allocation area.
(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.
(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements in that allocation area.
(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.
(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.
(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) in that allocation area.
(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.
(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
   (i) in the allocation area; and
   (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.
However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.
The special fund may not be used for operating expenses of the commission.
(3) Before July 15 of each year, the commission shall do the following:
   (A) Determine the amount, if any, by which the base assessed
value when multiplied by the estimated tax rate of the allocated area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).

(B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

1. the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
2. the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

1. the assessed value of the property as valued without regard to this section; or
2. the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area
shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

1. To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

2. To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:
   
   A. Businesses operating in the enterprise zone.
   
   B. Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

3. To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter.
After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 39. IC 36-7-15.1-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) All of the rights, powers, privileges, and immunities that may be exercised by the commission in a redevelopment project area or urban renewal area may be exercised by the commission in an economic development area, subject to the following:

(1) The content and manner of exercise of these rights, powers, privileges, and immunities shall be determined by the purposes and nature of an economic development area.

(2) Real property (or interests in real property) relative to which action is taken under this section or section 28 or 29 of this chapter in an economic development area is not required to be blighted, deteriorated, or deteriorating meet the conditions described in IC 36-7-1-3.

(3) The special tax levied in accordance with section 16 of this chapter may be used to carry out activities under this chapter in economic development areas.

(4) Bonds may be issued in accordance with section 17 of this chapter to defray expenses of carrying out activities under this chapter in economic development areas.

(5) The tax exemptions set forth in section 25 of this chapter are applicable in economic development areas.

(6) An economic development area may be an allocation area for the purposes of distribution and allocation of property taxes.

(7) The commission may not use its power of eminent domain under section 13 of this chapter to carry out activities under this
chapter in economic development areas.
(b) The content and manner of discharge of duties set forth in section 6 of this chapter shall be determined by the purposes and nature of an economic development area.

SECTION 40. IC 36-7-15.1-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. The general assembly finds the following:

(1) There exists within blighted, deteriorated, or deteriorating areas needing redevelopment a shortage of safe and affordable housing for persons of low and moderate income.
(2) The planning, replanning, development, and redevelopment of housing within blighted, deteriorated, or deteriorating areas needing redevelopment are public and governmental functions that cannot be accomplished through the ordinary operations of private enterprise because of:
   (A) the necessity for the exercise of the power of eminent domain;
   (B) the necessity for requiring the proper use of the land so as to best serve the interests of the county and its citizens; and
   (C) the costs of these projects.
(3) The provision of affordable housing for persons of low or moderate income does not compete with the ordinary operation of private enterprise.
(4) It is in the public interest that work on the provision of housing be commenced as soon as possible to relieve the need for this housing, which constitutes an emergency.
(5) The absence of affordable housing in blighted, deteriorated, or deteriorating areas needing redevelopment necessitates excessive and disproportionate expenditures of public funds for crime prevention, public health and safety, fire and accident prevention, and other public services and facilities.
(6) The planning, replanning, development, and redevelopment of housing within blighted, deteriorated, or deteriorating areas needing redevelopment will do the following:
   (A) Benefit the health, safety, morals, and welfare of the county and the state.
   (B) Serve to protect and increase property values in the county and the state.
(C) Benefit persons of low and moderate income by making affordable housing available to them.

(D) Reduce public expenditures required for governmental functions such as police and fire protection and other services.

(7) The planning, replanning, development, and redevelopment of housing within blighted, deteriorated, or deteriorating areas needing redevelopment under this section and sections 32 through 35 of this chapter are:

(A) necessary in the public interest; and

(B) public uses and purposes for which public money may be spent and private property may be acquired.

(8) This section and sections 32 through 35 of this chapter shall be liberally construed to carry out the purposes of this section and this chapter.

SECTION 41. IC 36-7-15.1-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. All of the rights, powers, privileges, and immunities that may be exercised by the commission in blighted, deteriorated, or deteriorating redevelopment project areas may be exercised by the commission in implementing its program for housing including the following:

(1) The special tax levied in accordance with section 16 of this chapter may be used to accomplish the housing program.

(2) Bonds may be issued under this chapter to accomplish the housing program, but only one (1) issue of bonds may be issued and payable from increments in any allocation area except for refunding bonds or bonds issued in an amount necessary to complete a housing program for which bonds were previously issued.

(3) Leases may be entered into under this chapter to accomplish the housing program.

(4) The tax exemptions set forth in section 25 of this chapter are applicable.

(5) Property taxes may be allocated under section 26 of this chapter.

SECTION 42. IC 36-7-15.1-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. A blighted redevelopment project area, an urban renewal area, or an economic development area established under this chapter may not include land
that constitutes part of a military base reuse area established under IC 36-7-30.

SECTION 43. IC 36-7-15.1-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. (a) A commission shall establish a blighted redevelopment project area by following the procedures set forth in sections 8 through 10 of this chapter. The establishment of a blighted redevelopment project area under this subsection must also be approved by resolution of the legislative body of the excluded city.

(b) A commission may amend a resolution or plan for a redevelopment project area or economic development area by following the procedures of section 10.5 of this chapter. An amendment made under this subsection must also be approved by resolution of the legislative body of the excluded city.

(c) A person who filed a written remonstrance with the commission under subsection (a) and is aggrieved by the final action taken may seek appeal of the action by following the procedures for appeal set forth in section 11 of this chapter. The appeal hearing is governed by the procedures of section 11(b) of this chapter.

SECTION 44. IC 36-7-15.1-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 42. (a) If no appeal is taken, or if an appeal is taken but is unsuccessful, the commission shall proceed with the proposed project, to the extent that money is available for that purpose.

(b) The commission shall first approve and adopt a list of the real property and interests in real property to be acquired and the price to be offered to the owner of each parcel or interest. The prices to be offered may not exceed the average of two (2) independent appraisals of fair market value procured by the commission, except that appraisals are not required in transactions with other governmental agencies. However, if the real property is less than five (5) acres in size and the fair market value of the real property or interest has been appraised by one (1) independent appraiser at less than ten thousand dollars ($10,000), the second appraisal may be made by a qualified employee of the department. The prices indicated on the list may not be exceeded unless specifically authorized by the commission under section 39 of this chapter or ordered by a court in condemnation proceedings. The commission may except from acquisition any real property in the area
if it finds that such an acquisition is not necessary under the redevelopment plan. Appraisals made under this section are for the information of the commission and are not open for public inspection.

(c) Negotiations for the purchase of property may be carried on directly by the commission, by its employees, or by expert negotiators employed for that purpose. The commission shall adopt a standard form of option for use in negotiations, but no option, contract, or understanding relative to the purchase of real property is binding on the commission until approved and accepted by the commission in writing. The commission may authorize the payment of a nominal fee to bind an option and as a part of the consideration for conveyance may agree to pay the expense incident to the conveyance and determination of the title of the property. Payment for the property purchased shall be made when and as directed by the commission, but only on delivery of proper instruments conveying the title or interest of the owner to "City [or Town] of ___________ for the use and benefit of its Redevelopment District".

(d) Notwithstanding subsections (a) through (c), the commission may, before the time referred to in this section, accept gifts of property needed for the redevelopment of blighted, deteriorated, or deteriorating redevelopment project areas. The commission may, before the time referred to in this section, take options on or contract for the acquisition of property needed for the redevelopment of blighted, deteriorated, or deteriorating redevelopment project areas if the options and contracts are not binding on the commission or the redevelopment district until the time referred to in this section and until money is available to pay the consideration set out in the options or contracts.

(e) Section 44(a) through 44(h) of this chapter does not apply to exchanges of real property (or interests in real property) in connection with the acquisition of real property (or interests in real property) under this section. In acquiring real property (or interests in real property) under this section the commission may, as an alternative to offering payment of money as specified in subsection (b), offer for the real property (or interest in real property) that the commission desires to acquire:

(1) exchange of real property or interests in real property owned by the redevelopment district;
(2) exchange of real property or interests in real property owned
by the redevelopment district, along with the payment of money by the commission; or
(3) exchange of real property or interests in real property owned by the redevelopment district along with the payment of money by the owner of the real property or interests in real property that the commission desires to acquire.

The commission shall have the fair market value of the real property or interests in real property owned by the redevelopment district appraised as specified in section 44(b) of this chapter. The appraisers may not also appraise the value of the real property or interests in real property to be acquired by the redevelopment district. The commission shall establish the nature of the offer to the owner based on the difference between the average of the two (2) appraisals of the fair market value of the real property or interests in real property to be acquired by the redevelopment district and the average of the appraisals of fair market value of the real property or interests in real property to be exchanged by the commission.

SECTION 45. IC 36-7-15.1-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 45. (a) In addition to other methods of raising money for property acquisition or redevelopment in a blighted, deteriorated, or deteriorating redevelopment project area, and in anticipation of the special tax to be levied under section 50 of this chapter, the taxes allocated under section 53 of this chapter, or other revenues of the redevelopment district, a commission may, by resolution, issue the bonds of its redevelopment district in the name of the excluded city. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
(3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;
the total cost of all clearing and construction work provided for in the resolution; and
expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If a commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, a commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements concerning registration of the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;
(2) the place or places at which the bonds are payable; and
(3) the term of the bonds, which may not exceed fifty (50) years. The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the excluded city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the excluded city executive and attested by the excluded city fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the excluded city fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The excluded city fiscal officer shall sell the bonds according to law. Bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the excluded city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

(1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 50 of this chapter;
(2) from the tax proceeds allocated under section 53(b)(2) of this chapter;
(3) from other revenues available to the commission; or
(4) from a combination of the methods described in subdivisions (1) through (3); and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 53(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) The laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds applicable to bonds issued under this chapter do not apply to bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to a commission from a project or projects, a commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 46. IC 36-7-15.1-53, AS AMENDED BY P.L.4-2005, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a blighted redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and
allocation of property taxes.

"Base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date
with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements in that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.

(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 of this chapter) in that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred
in training employees of industrial facilities that are located:
(i) in the allocation area; and
(ii) on a parcel of real property that has been classified as
industrial property under the rules of the department of local
government finance.
However, the total amount of money spent for this purpose in
any year may not exceed the total amount of money in the
allocation fund that is attributable to property taxes paid by the
industrial facilities described in this clause. The
reimbursements under this clause must be made within three
(3) years after the date on which the investments that are the
basis for the increment financing are made.
The special fund may not be used for operating expenses of the
commission.
(3) Before July 15 of each year, the commission shall do the
following:
(A) Determine the amount, if any, by which property taxes
payable to the allocation fund in the following year will exceed
the amount of assessed value needed to provide the property
taxes necessary to make, when due, principal and interest
payments on bonds described in subdivision (2) plus the
amount necessary for other purposes described in subdivision
(2) and subsection (g).
(B) Notify the county auditor of the amount, if any, of excess
assessed value that the commission has determined may be
allocated to the respective taxing units in the manner
prescribed in subdivision (1).
The commission may not authorize an allocation to the respective
taxing units under this subdivision if to do so would endanger the
interests of the holders of bonds described in subdivision (2).
(c) For the purpose of allocating taxes levied by or for any taxing
unit or units, the assessed value of taxable property in a territory in the
allocation area that is annexed by any taxing unit after the effective
date of the allocation provision of the resolution is the lesser of:
(1) the assessed value of the property for the assessment date with
respect to which the allocation and distribution is made; or
(2) the base assessed value.
(d) Property tax proceeds allocable to the redevelopment district
under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

1. the assessed value of the property as valued without regard to this section; or
2. the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

1. To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half
(1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 47. IC 36-7-15.1-58 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 58. (a) All of the rights, powers, privileges, and immunities that may be exercised by a commission in a redevelopment project area may be exercised by a commission in an economic development area, subject to the following:

(1) The content and manner of exercise of these rights, powers, privileges, and immunities shall be determined by the purposes and nature of an economic development area.

(2) Real property (or interests in real property) relative to which
action is taken under this section or section 28 or 57 of this chapter in an economic development area is not required to be blighted, deteriorated, or deteriorating. meet the conditions described in IC 36-7-1-3.

(3) Bonds may be issued in accordance with section 45 of this chapter to defray expenses of carrying out activities under this chapter in economic development areas.

(4) The tax exemptions set forth in section 52 of this chapter are applicable in economic development areas.

(5) An economic development area may be an allocation area for the purposes of distribution and allocation of property taxes. However, a declaratory resolution or an amendment that establishes an allocation area must be approved by resolution of the legislative body of the excluded city.

(6) The excluded city legislative body may not use its power of eminent domain under section 39 of this chapter to carry out activities under this chapter in economic development areas.

(b) The content and manner of discharge of duties set forth in section 39(a) of this chapter shall be determined by the purposes and nature of an economic development area.

SECTION 48. IC 36-7-15.2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) After compilation of the data required by section 9 of this chapter, the commission shall consider adopting a resolution declaring the area described under section 9 of this chapter a district under this chapter. The commission may adopt the resolution only after making the following findings:

(1) That the district is entirely within a redevelopment district and has been previously designated as a blighted, deteriorated, or deteriorating redevelopment project area under IC 36-7-15.1 or that the district is being so designated concurrently with the adoption of the resolution.

(2) That the completion of the redevelopment and economic development of the district will do all of the following:

(A) Attract new business enterprises to the district or retain or expand existing business enterprises in the district.

(B) Benefit the public health and welfare and be of public utility and benefit.
(C) Protect and increase state and local tax bases or revenues.
(D) Result in a substantial increase in temporary and permanent employment opportunities and private sector investment within the district.

(b) The commission may not adopt the resolution described in subsection (a) after January 1, 1989.

SECTION 49. IC 36-7-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this section, "concentrated code delinquency area" means an area of at least one-half (1/2) square block in which:

1. at least two-thirds (2/3) of the lots are occupied by improvements;
2. at least two-thirds (2/3) of the improvements are homes; and
3. an investigation by the agency shows that at least one-half (1/2) of the homes are not in compliance with applicable building code standards.

The agency may conduct an investigation on its own initiative, and shall conduct an investigation on receipt of a petition signed by the occupants of at least one-half (1/2) of the family dwelling units within the proposed area. In conducting the investigation, the agency may use its own staff or hire independent appraisers and inspectors.

(b) Rehabilitation loans may be made to enable the borrower to make repairs that will bring his home into compliance with applicable building code standards, if all of the following conditions are present:

1. The borrower holds marketable title to the property, subject only to mortgage indebtedness or contract for the purchase of the property, the lien of taxes that are not yet due and payable, and any assessment for public improvements that is not yet due and payable.
2. The property is located within the area of a community development target area designated by an application to the Department of Housing and Urban Development under the 1974 Community Development Act, as amended (42 U.S.C. sections 5301-5318), an urban renewal project, a concentrated code delinquency neighborhood, or a blighted area needing redevelopment.
3. The agency has determined that the borrower is an acceptable credit risk. In making this determination, the agency shall be
guided by the fact that a principal purpose of this chapter is to make rehabilitation available to those who would be unable to obtain such loans through normal commercial channels.

(4) The borrower has in full force and effect a policy of insurance protecting the property in an amount and with an insurer satisfactory to the agency.

(c) Subject to subsection (d), the agency shall use the procedures prescribed by IC 36-7-14-15 through IC 36-7-14-18 to make a finding that an area is a blighted an area needing redevelopment.

(d) The agency in a consolidated city shall use the procedures prescribed by law to make a finding that an area is a blighted an area needing redevelopment.

SECTION 50. IC 36-7-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Projects, improvements, or purposes that may be financed by a commission in blighted redevelopment project areas or economic development areas may be financed if the projects, improvements, or purposes are not located in those areas or the redevelopment district as long as the projects, improvements, or purposes directly serve or benefit those areas.

(b) This subsection applies only to counties having a consolidated city. A metropolitan development commission acting as the redevelopment commission of the consolidated city may finance projects, improvements, or purposes that are located in the county and in a reuse area established under IC 36-7-30, even though the reuse area is not located in the redevelopment district. However, at the time this financing is initiated, the redevelopment commission must make a finding that the project, improvement, or purpose will serve or benefit the redevelopment district.

SECTION 51. IC 36-7-26-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) Whenever a commission determines that the redevelopment and economic development of an area situated within the commission's jurisdiction may require the establishment of a district, the commission shall cause to be assembled data sufficient to make the determinations required under section 15 of this chapter, including the following:

(1) Maps and plats showing the boundaries of the proposed district.
(2) A complete list of street names and the range of street numbers of each street situated in the proposed district.
(3) A plan for the redevelopment and economic development of the proposed district. The plan must describe the local public improvements necessary or appropriate for the redevelopment or economic development.
(b) For a city described in section 1(2) or 1(3) of this chapter, the proposed district must contain a commercial retail facility with at least five hundred thousand (500,000) square feet, and any distributions from the fund must be used in the area described in subsection (a) or in areas that directly benefit the area described in subsection (a).
(c) For a city described in section 1(4) of this chapter, the proposed district may not contain any territory outside the boundaries of a redevelopment project area established within the central business district of the city before 1985.

SECTION 52. IC 36-7-30-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The reuse authority shall adopt a plan for the rehabilitation, development, redevelopment, and reuse of military base property to be acquired from the federal government upon the closure of a military base within the boundaries of the unit.
(b) In conjunction with the military base reuse plan, the reuse authority may adopt a resolution declaring that a geographic area is a military base reuse area and approving the plan if it makes the following findings:
(1) All or part of a military base is located in the military base reuse area.
(2) The plan for the military base reuse area will accomplish the public purposes of this chapter, supported by specific findings of fact to be adopted by the reuse authority.
(3) The public health and welfare will be benefited by accomplishment of the plan for the military base reuse area.
(4) The plan for the military base reuse area conforms to other development and redevelopment plans for the unit.
(c) A military base reuse area may include territory within the corporate boundaries of the unit and in the vicinity of the military base that is not on military base property. However, a military base reuse area may not include any area of land that constitutes part of an
economic development area, a blighted redevelopment project area, or an urban renewal area under IC 36-7-14 or IC 36-7-15.1.

(d) The resolution must state the general boundaries of the area, and that the reuse authority proposes to acquire all of the interests in the land within the boundaries, with certain designated exceptions, if there are any.

(e) For the purpose of adopting a resolution under subsection (b), it is sufficient to describe the boundaries of the area by its location in relation to public ways or streams, or otherwise, as determined by the reuse authority. Property excepted from the acquisition may be described by street numbers or location.

SECTION 53. IC 36-7-30-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) If the reuse authority considers it necessary to acquire real property in or serving a reuse area by the exercise of the power of eminent domain, it shall adopt a resolution setting out its determination to exercise that power and directing its attorney to file a petition in the name of the unit on behalf of the reuse authority, in the circuit or superior court of the county in which the property is situated. The resolution must contain a finding by the reuse authority that the property to be acquired is in a blighted area needing redevelopment (as defined in IC 36-7-1-3). The resolution must be approved by the legislative body of the unit before the petition is filed.

(b) Eminent domain proceedings under this section are governed by IC 32-24 and other applicable statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired under this section, but property belonging to the state or a political subdivision may not be acquired without the consent of the state or the political subdivision.

(c) The court having jurisdiction shall direct the clerk of the circuit court to execute a deed conveying the title of real property acquired under this section to the unit for the use and benefit of the reuse authority.

SECTION 54. [EFFECTIVE JULY 1, 2005] (a) After June 30, 2005, a reference in any statute, rule, ordinance, resolution, contract, or other document or record to a blighted, deteriorated, or deteriorating area established under IC 36-7-14 or IC 36-7-15.1, shall be treated as a reference to an area needing redevelopment as
defined in IC 36-7-1-3, as amended by this act.

(b) After June 30, 2005, a reference in any statute, rule, ordinance, resolution, contract, or other document or record to a redevelopment area established under IC 36-7-14 or IC 36-7-15.1, shall be treated as a reference to a redevelopment project area established under IC 36-7-14 or IC 36-7-15.1, both as amended by this act.

AN ACT concerning health.

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

SECTION 1. P.L.78-2004, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]:

SECTION 27. (a) As used in this SECTION, "health facility" refers to a health facility that is licensed under IC 16-28 as a comprehensive care facility.

(b) As used in this SECTION, "nursing facility" means a health facility that is certified for participation in the federal Medicaid program under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.).

(c) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(d) As used in this SECTION, "total annual revenue" does not include revenue from Medicare services provided under Title XVIII of the federal Social Security Act (42 U.S.C. 1395 et seq.).

(e) Effective August 1, 2003, the office shall collect a quality assessment from each nursing facility that has:

   (1) a Medicaid utilization rate of at least twenty-five percent (25%); and

   (2) at least seven hundred thousand dollars ($700,000) in annual Medicaid revenue, adjusted annually by the average annual percentage increase in Medicaid rates.
(f) If the United States Centers for Medicare and Medicaid Services determines not to approve payments under this SECTION using the methodology described in subsection (e), the office shall revise the state plan amendment and waiver request submitted under subsection (l) as soon as possible to demonstrate compliance with 42 CFR 433.68(e)(2)(ii). In amending the state plan amendment and waiver request under this subsection, the office shall collect a quality assessment effective August 1, 2003, from each health facility except The revised state plan amendment and waiver request must provide for the following:

(1) Effective August 1, 2003, collection of a quality assessment by the office from each nursing facility.
(2) Effective August 1, 2003, collection of a quality assessment by the department of state revenue from each health facility that is not a nursing facility.
(3) An exemption from collection of a quality assessment from the following:
   (A) A continuing care retirement community.
   (B) A health facility that only receives revenue from Medicare services provided under 42 U.S.C. 1395 et seq.
   (C) A health facility that has less than seven hundred fifty thousand dollars ($750,000) in total annual revenue, adjusted annually by the average annual percentage increase in Medicaid rates.
   (D) The Indiana Veterans' Home.

Any revision to the state plan amendment or waiver request under this subsection is subject to and must comply with the provisions of this SECTION.

(g) If the United States Centers for Medicare and Medicaid Services determines not to approve payments under this SECTION using the methodology described in subsections (e) and (f), the office shall revise the state plan amendment and waiver request submitted under subsection (l) as soon as possible to demonstrate compliance with 42 CFR 433.68(e)(2)(ii) and to collect provide for collection of a quality assessment from health facilities effective August 1, 2003. In amending the state plan amendment and waiver request under this subsection, the office may modify the parameters described in subsection (f)(3). However, if the office determines a need to
modify the parameters described in subsection (f)(1) through (f)(4); (f)(3), the office shall modify the parameters in order to achieve a methodology and result as similar as possible to the methodology and result described in subsection (f). Any revision of the state plan amendment and waiver request under this subsection is subject to and must comply with the provisions of this SECTION.

(h) The money collected from the quality assessment may be used only to pay the state's share of the costs for Medicaid services provided under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.) as follows:

(1) Twenty percent (20%) as determined by the office.
(2) Eighty percent (80%) to nursing facilities.

(i) The office may not begin collection of the quality assessment set under this SECTION before After:

(1) the amendment to the state plan and waiver request submitted under this SECTION is approved by the United States Centers for Medicare and Medicaid Services; and
(2) the office calculates and begins paying enhanced reimbursement rates set forth in this SECTION;

the office and the department of state revenue shall begin the collection of the quality assessment set under this SECTION. The office and the department of state revenue shall establish a method to allow a facility to enter into an agreement to pay the quality assessment collected under this SECTION subject to an installment plan.

(j) If federal financial participation becomes unavailable to match money collected from the quality assessments for the purpose of enhancing reimbursement to nursing facilities for Medicaid services provided under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.), the office and department of state revenue shall cease collection of the quality assessment under the this SECTION.

(k) To implement this SECTION, the:

(1) office shall adopt rules under IC 4-22-2; to implement this act; and
(2) office and department of state revenue shall adopt joint rules under IC 4-22-2.

(l) Not later than July 1, 2003, the office shall do the following:

(1) Request the United States Department of Health and Human
Services under 42 CFR 433.72 to approve waivers of 42 CFR 433.68(c) and 42 CFR 433.68(d) by demonstrating compliance with 42 CFR 433.68(e)(2)(ii).

(2) Submit any state Medicaid plan amendments to the United States Department of Health and Human Services that are necessary to implement this SECTION.

(m) After approval of the waivers and state Medicaid plan amendment applied for under subsection (l), the office and the department of state revenue shall implement this SECTION effective July 1, 2003.

(n) The select joint commission on Medicaid oversight, established by IC 2-5-26-3, shall review the implementation of this SECTION. The office may not make any change to the reimbursement for nursing facilities unless the select joint commission on Medicaid oversight recommends the reimbursement change.

(o) A nursing facility or a health facility may not charge the nursing facility's residents for the amount of the quality assessment that the nursing facility pays under this SECTION.

(p) The office may withdraw a state plan amendment under subsection (e), (f), or (g) only if the office determines that failure to withdraw the state plan amendment will result in the expenditure of state funds not funded by the quality assessment.

(q) If a health facility fails to pay the quality assessment under this SECTION not later than ten (10) days after the date the payment is due, the health facility shall pay interest on the quality assessment at the same rate as determined under IC 12-15-21-3(6)(A).

(r) The following shall be provided to the state department of health:

(1) The office shall report each nursing facility that fails to pay the quality assessment under this SECTION not later than one hundred twenty (120) days after payment of the quality assessment is due.

(2) The department of state revenue shall report each health facility that is not a nursing facility that fails to pay the quality assessment under this SECTION not later than one hundred twenty (120) days after payment of the quality assessment is due.
(s) The state department of health shall do the following:

(1) Notify each nursing facility and each health facility reported under subsection (r) that the nursing facility's or health facility's license under IC 16-28 will be revoked if the quality assessment is not paid.

(2) Revoke the nursing facility's or health facility's license under IC 16-28 if the nursing facility or the health facility fails to pay the quality assessment.

(t) An action taken under subsection (s)(2) is governed by:

(1) IC 4-21.5-3-8; or

(2) IC 4-21.5-4.

(u) The office shall report the following information to the select joint commission on Medicaid oversight established by IC 2-5-26-3 at every meeting of the commission:

(1) Before the quality assessment is approved by the United States Centers for Medicare and Medicaid Services:
   (A) an update on the progress in receiving approval for the quality assessment; and
   (B) a summary of any discussions with the United States Centers for Medicare and Medicaid Services.

(2) After the quality assessment has been approved by the United States Centers for Medicare and Medicaid Services:
   (A) an update on the collection of the quality assessment;
   (B) a summary of the quality assessment payments owed by a nursing facility or a health facility; and
   (C) any other relevant information related to the implementation of the quality assessment.

(v) This SECTION expires August 1, 2006.

SECTION 2. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 35-33-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A court may issue warrants only upon probable cause, supported by oath or affirmation, to search any place for any of the following:
(1) Property which is obtained unlawfully.
(2) Property, the possession of which is unlawful.
(3) Property used or possessed with intent to be used as the means of committing an offense or concealed to prevent an offense from being discovered.
(4) Property constituting evidence of an offense or tending to show that a particular person committed an offense.
(5) Any person.
(6) Evidence necessary to enforce statutes enacted to prevent cruelty to or neglect of children.
(7) A firearm possessed by a person who is dangerous (as defined in IC 35-47-13-1).
(b) As used in this section, "place" includes any location where property might be secreted or hidden, including buildings, persons, or vehicles.

SECTION 2. IC 35-33-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) All items of property seized by any law enforcement agency as a result of an arrest, search warrant, or warrantless search, shall be securely held by the law enforcement agency under the order of the court trying the cause, except as provided in this section.
(b) Evidence that consists of property obtained unlawfully from its owner may be returned by the law enforcement agency to the owner before trial, in accordance with IC 35-43-4-4(h).
(c) Following the final disposition of the cause at trial level or any other final disposition the following shall be done:

(1) Property which may be lawfully possessed shall be returned to its rightful owner, if known. If ownership is unknown, a reasonable attempt shall be made by the law enforcement agency holding the property to ascertain ownership of the property. After ninety (90) days from the time:

(A) the rightful owner has been notified to take possession of the property; or

(B) a reasonable effort has been made to ascertain ownership of the property;

the law enforcement agency holding the property shall, at such time as it is convenient, dispose of this property at a public auction. The proceeds of this property shall be paid into the county general fund.

(2) Except as provided in subsection (e), property, the possession of which is unlawful, shall be destroyed by the law enforcement agency holding it sixty (60) days after final disposition of the cause.

(3) A firearm that has been seized from a person who is dangerous (as defined in IC 35-47-13-1) shall be retained, returned, or disposed of in accordance with IC 35-47-13.

(d) If any property described in subsection (c) was admitted into evidence in the cause, the property shall be disposed of in accordance with an order of the court trying the cause.

(e) A law enforcement agency may destroy or cause to be destroyed chemicals or controlled substances associated with the illegal manufacture of drugs or controlled substances without a court order if all the following conditions are met:

(1) The law enforcement agency collects and preserves a sufficient quantity of the chemicals or controlled substances to demonstrate that the chemicals or controlled substances were associated with the illegal manufacture of drugs or controlled substances.

(2) The law enforcement agency takes photographs of the illegal drug manufacturing site that accurately depict the presence and quantity of chemicals and controlled substances.

(3) The law enforcement agency completes a chemical inventory
report that describes the type and quantities of chemicals and controlled substances present at the illegal manufacturing site.
The photographs and description of the property shall be admissible into evidence in place of the actual physical evidence.

(f) For purposes of preserving the record of any conviction on appeal, a photograph demonstrating the nature of the property, and an adequate description of the property must be obtained before the disposition of it. In the event of a retrial, the photograph and description of the property shall be admissible into evidence in place of the actual physical evidence. All other rules of law governing the admissibility of evidence shall apply to the photographs.

(g) The law enforcement agency disposing of property in any manner provided in subsection (b), (c), or (e) shall maintain certified records of any such disposition. Disposition by destruction of property shall be witnessed by two (2) persons who shall also attest to the destruction.

(h) This section does not affect the procedure for the disposition of firearms seized by a law enforcement agency.

(i) A law enforcement agency that disposes of property by auction under this section shall permanently stamp or otherwise permanently identify the property as property sold by the law enforcement agency.

(j) Upon motion of the prosecuting attorney, the court shall order property seized under IC 34-24-1 transferred, subject to the perfected liens or other security interests of any person in the property, to the appropriate federal authority for disposition under 18 U.S.C. 981(e), 19 U.S.C. 1616a, or 21 U.S.C. 881(e) and any related regulations adopted by the United States Department of Justice.

SECTION 3. IC 35-47-2-3, AS AMENDED BY SEA 32-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person desiring a license to carry a handgun shall apply:

(1) to the chief of police or corresponding law enforcement officer of the municipality in which the applicant resides;
(2) if that municipality has no such officer, or if the applicant does not reside in a municipality, to the sheriff of the county in which the applicant resides after the applicant has obtained an application form prescribed by the superintendent; or
(3) if the applicant is a resident of another state and has a regular
place of business or employment in Indiana, to the sheriff of the county in which the applicant has a regular place of business or employment.

(b) The law enforcement agency which accepts an application for a handgun license shall collect a ten dollar ($10) application fee, five dollars ($5) of which shall be refunded if the license is not issued. Except as provided in subsection (h), the fee shall be:

1. deposited into the law enforcement agency's firearms training fund or other appropriate training activities fund; and
2. used by the agency for the purpose of:
   A. training law enforcement officers in the proper use of firearms or other law enforcement duties; or
   B. purchasing for the law enforcement officers employed by the law enforcement agency firearms, or firearm related equipment, or both.

The state board of accounts shall establish rules for the proper accounting and expenditure of funds collected under this subsection.

(c) The officer to whom the application is made shall ascertain the applicant's name, full address, length of residence in the community, whether the applicant's residence is located within the limits of any city or town, the applicant's occupation, place of business or employment, criminal record, if any, and convictions (minor traffic offenses excepted), age, race, sex, nationality, date of birth, citizenship, height, weight, build, color of hair, color of eyes, scars and marks, whether the applicant has previously held an Indiana license to carry a handgun and, if so, the serial number of the license and year issued, whether the applicant's license has ever been suspended or revoked, and if so, the year and reason for the suspension or revocation, and the applicant's reason for desiring a license. The officer to whom the application is made shall conduct an investigation into the applicant's official records and verify thereby the applicant's character and reputation, and shall in addition verify for accuracy the information contained in the application, and shall forward this information together with the officer's recommendation for approval or disapproval and one (1) set of legible and classifiable fingerprints of the applicant to the superintendent.

(d) The superintendent may make whatever further investigation the superintendent deems necessary. Whenever disapproval is
recommended, the officer to whom the application is made shall provide the superintendent and the applicant with the officer's complete and specific reasons, in writing, for the recommendation of disapproval.

(e) If it appears to the superintendent that the applicant:

(1) has a proper reason for carrying a handgun;
(2) is of good character and reputation;
(3) is a proper person to be licensed; and
(4) is:

(A) a citizen of the United States; or
(B) not a citizen of the United States but is allowed to carry a firearm in the United States under federal law;

the superintendent shall issue to the applicant a qualified or an unlimited license to carry any handgun lawfully possessed by the applicant. The original license shall be delivered to the licensee. A copy shall be delivered to the officer to whom the application for license was made. A copy shall be retained by the superintendent for at least four (4) years. This license shall be valid for a period of four (4) years from the date of issue. The license of police officers, sheriffs or their deputies, and law enforcement officers of the United States government who have been honorably retired by a lawfully created pension board or its equivalent after twenty (20) or more years of service, shall be valid for the life of such individuals. However, such lifetime licenses are automatically revoked if the license holder does not remain a proper person.

(f) At the time a license is issued and delivered to a licensee under subsection (e), the superintendent shall include with the license information concerning handgun safety rules that:

(1) neither opposes nor supports an individual's right to bear arms; and
(2) is:

(A) recommended by a nonprofit educational organization that is dedicated to providing education on safe handling and use of firearms;
(B) prepared by the state police department; and
(C) approved by the superintendent.

The superintendent may not deny a license under this section because the information required under this subsection is unavailable at the
time the superintendent would otherwise issue a license. The state police department may accept private donations or grants to defray the cost of printing and mailing the information required under this subsection.

(g) A license to carry a handgun shall not be issued to any person who:

(1) has been convicted of a felony;

(2) has had a license to carry a handgun suspended, unless the person's license has been reinstated;

(3) is under eighteen (18) years of age;

(4) is under twenty-three (23) years of age if the person has been adjudicated a delinquent child for an act that would be a felony if committed by an adult; or

(5) has been arrested for a Class A or Class B felony, or any other felony that was committed while armed with a deadly weapon or that involved the use of violence, if a court has found probable cause to believe that the person committed the offense charged.

In the case of an arrest under subdivision (4), (5), a license to carry a handgun may be issued to a person who has been acquitted of the specific offense charged or if the charges for the specific offense are dismissed. The superintendent shall prescribe all forms to be used in connection with the administration of this chapter.

(h) If the law enforcement agency that charges a fee under subsection (b) is a city or town law enforcement agency, the fee shall be deposited in the law enforcement continuing education fund established under IC 5-2-8-2.

(i) If a person who holds a valid license to carry a handgun issued under this chapter:

(1) changes the person's name; or

(2) changes the person's address;

the person shall, not later than sixty (60) days after the date of the change, notify the superintendent, in writing, of the person's new name or new address.

(j) The state police shall indicate on the form for a license to carry a handgun the notification requirements of subsection (i).

SECTION 4. IC 35-47-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
Chapter 13. Proceedings for the Seizure and Retention of a Firearm

Sec. 1. As used in this chapter, "dangerous" means:

(1) a person presents an imminent risk of personal injury to the person or to another person; or

(2) a person may present a risk of personal injury to the person or to another person in the future and the person:
   (A) has a mental illness (as defined in IC 12-7-2-130) that may be controlled by medication, and the person has not demonstrated a pattern of voluntarily and consistently taking the person's medication while not under supervision; or
   (B) is the subject of documented evidence that would give rise to a reasonable belief that the person has a propensity for violent or emotionally unstable conduct.

The fact that a person has been released from a mental health facility or has a mental illness that is currently controlled by medication does not establish that the person is dangerous.

Sec. 2. A circuit or superior court may issue a warrant to search for and seize a firearm in possession of a person who is dangerous if:

(1) a law enforcement officer provides the court a sworn affidavit:
   (A) stating why the law enforcement officer believes the person is dangerous and in possession of a firearm; and
   (B) describing the law enforcement officer's interactions and conversations with:
      (i) the person who is alleged to be dangerous; or
      (ii) another individual, if the law enforcement officer believes that information obtained from this individual is credible and reliable;
   that have led the law enforcement officer to believe the person is dangerous and in possession of a firearm;

(2) the affidavit specifically describes the location of the firearm; and

(3) the circuit or superior court determines that probable cause exists to believe that the person is:
   (A) dangerous; and
Sec. 3. (a) If a law enforcement officer seizes a firearm from a person whom the law enforcement officer believes to be dangerous without obtaining a warrant, the law enforcement officer shall submit to the circuit or superior court having jurisdiction over the person believed to be dangerous a written statement under oath or affirmation describing the basis for the law enforcement officer's belief that the person is dangerous.

(b) The court shall review the written statement described in subsection (a). If the court finds that probable cause exists to believe that the person is dangerous, the court shall order the law enforcement agency having custody of the firearm to retain the firearm. If the court finds that there is no probable cause to believe that the person is dangerous, the court shall order the law enforcement agency having custody of the firearm to return the firearm to the person.

(c) This section does not authorize a law enforcement officer to perform a warrantless search or seizure if a warrant would otherwise be required.

Sec. 4. (a) Unless a court orders the return of the firearm under section 3(b) of this chapter, the law enforcement agency that seized the firearm shall retain custody of the firearm.

(b) If a court issued a warrant to seize a firearm under this chapter, the law enforcement officer who served the warrant shall, not later than forty-eight (48) hours after the warrant was served, file a return with the court, stating:

(1) that the warrant was served;
(2) the time and date on which the warrant was served;
(3) the name and address of the person named in the warrant; and
(4) the quantity and identity of any firearms seized by the law enforcement officer.

Sec. 5. (a) Not later than fourteen (14) days after a return is filed under section 4 of this chapter, or a written statement is filed under section 3 of this chapter, the court shall conduct a hearing to determine whether the seized firearm should be:

(1) returned to the person from whom the firearm was seized; or
(2) retained by the law enforcement agency having custody of
the firearm.

(b) The court shall set the hearing date as soon as possible after the return is filed under section 4 of this chapter. The court shall inform the:

(1) prosecuting attorney; and
(2) person from whom the firearm was seized;

of the date, time, and location of the hearing. The court may conduct the hearing at a facility or other suitable place not likely to have a harmful effect upon the person's health or well-being.

Sec. 6. (a) At a hearing conducted under section 5 of this chapter, the state has the burden of proving all material facts by clear and convincing evidence.

(b) If the court determines that the state has proved by clear and convincing evidence that the person is dangerous, the court may order that the law enforcement agency having custody of the seized firearm retain the firearm. In addition, if the person has received a license to carry a handgun, the court shall suspend the person's license to carry a handgun. If the court determines that the state has failed to prove that the person is dangerous, the court shall order the law enforcement agency having custody of the firearm to return it to the person from whom it was seized.

(c) If a court orders a law enforcement agency to retain a firearm, the law enforcement agency shall retain the firearm until the court orders the firearm returned or otherwise disposed of.

Sec. 7. If the court determines that:

(1) a person is dangerous; and
(2) a firearm seized from the person is owned by another person;

the court may order the law enforcement agency having custody of the firearm to return the firearm to the owner.

Sec. 8. (a) At least one hundred eighty (180) days after the date a court orders a law enforcement agency to retain an individual's firearm under section 6 of this chapter, the individual may petition the court for return of the firearm.

(b) Upon receipt of the petition described in subsection (a), the court shall:

(1) enter an order setting a hearing date; and
(2) inform the prosecuting attorney of the date, time, and location of the hearing.
(c) The prosecuting attorney represents the state at the hearing.
(d) In a hearing under this section, the individual:
   (1) may be represented by an attorney; and
   (2) must prove by a preponderance of the evidence that the
       individual is not dangerous.
(e) If upon the completion of the hearing and consideration of
the record the court finds that the individual is not dangerous, the
court shall order the law enforcement agency having custody of the
firearm to return the firearm to the individual.
(f) If the court denies an individual's petition under this section,
the individual may not file a subsequent petition until at least one
hundred eighty (180) days after the date on which the court denied
the petition.

Sec. 9. If at least five (5) years have passed since the court
conducted the first hearing to retain a firearm under this chapter,
after giving notice to the parties and conducting a hearing, the
court may order the law enforcement agency having custody of the
firearm to destroy or otherwise permanently dispose of the
firearm.

AN ACT to amend the Indiana Code concerning state offices and
administration.

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

SECTION 1. IC 4-22-2-24 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) An agency shall
notify the public of its intention to adopt a rule by complying with the
publication requirements in subsections (b) and (c).
   (b) The agency shall cause a notice of a public hearing to be
published once in one (1) newspaper of general circulation in Marion
County, Indiana. To publish the newspaper notice, the agency shall
directly contract with the newspaper.
(c) The agency shall cause:
   (1) a notice of public hearing; and
   (2) the full text of the agency's proposed rule (excluding the full text of a matter incorporated by reference under section 21 of this chapter); and
   (3) after June 30, 2005, any statement required by IC 4-22-2.1-5;
   to be published once in the Indiana Register. To publish the notice, and proposed rule, and statement by IC 4-22-2.1-5 in the Indiana Register, the agency shall submit the text to the publisher. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) The agency shall include in the notice required by subsections (b) and (c):
   (1) a statement of the date, time, and place at which the public hearing required by section 26 of this chapter will be convened;
   (2) a general description of the subject matter of the proposed rule; and
   (3) an explanation that the proposed rule may be inspected and copied at the office of the agency.

However, inadequacy or insufficiency of the subject matter description in a notice does not invalidate a rulemaking action.

(e) Although the agency may comply with the publication requirements in this section on different days, the agency must comply with all of the publication requirements in this section at least twenty-one (21) days before the public hearing required by section 26 of this chapter is convened.

(f) This section does not apply to the solicitation of comments under section 23 of this chapter.

SECTION 2. IC 4-22-2-28, AS AMENDED BY HEA 1003-2005, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) The Indiana economic development corporation may review and comment on any proposed rule and may suggest alternatives to reduce any regulatory burden that the proposed rule imposes on businesses. The Indiana economic development corporation established by IC 5-28-3-1:
(1) shall review a proposed rule that:
   (A) imposes requirements or costs on small businesses (as defined in IC 4-22-2.1-4); and
   (B) is referred to the corporation by an agency under IC 4-22-2.1-5(c); and
(2) may review a proposed rule that imposes requirements or costs on businesses other than small businesses (as defined in IC 4-22-2.1-4).

After conducting a review under subdivision (1) or (2), the corporation may suggest alternatives to reduce any regulatory burden that the proposed rule imposes on small businesses or other businesses. The agency that intends to adopt the proposed rule shall respond in writing to the Indiana economic development corporation concerning the corporation's comments or suggested alternatives before adopting the proposed rule under section 29 of this chapter.

(b) The agency shall also submit a proposed rule with an estimated economic impact greater than five hundred thousand dollars ($500,000) on the regulated entities to the legislative services agency after the preliminary adoption of the rule. Except as provided in subsection (c), before the adoption of the rule, the legislative services agency shall prepare, not more than forty-five (45) days after receiving a proposed rule, a fiscal analysis concerning the effect that compliance with the proposed rule will have on the:
   (1) state; and
   (2) entities regulated by the proposed rule.

The fiscal analysis must contain an estimate of the economic impact of the proposed rule and a determination concerning the extent to which the proposed rule creates an unfunded mandate on a state agency or political subdivision. The fiscal analysis is a public document. The legislative services agency shall make the fiscal analysis available to interested parties upon request. The agency proposing the rule shall consider the fiscal analysis as part of the rulemaking process and shall provide the legislative services agency with the information necessary to prepare the fiscal analysis, including any economic impact statement prepared by the agency under IC 4-22-2.1-5. The legislative services agency may also receive and consider applicable information from the regulated entities affected by the rule in preparation of the fiscal analysis.
(c) With respect to a proposed rule subject to IC 13-14-9:
(1) the department of environmental management shall give written notice to the legislative services agency of the proposed date of preliminary adoption of the proposed rule not less than sixty-six (66) days before that date; and
(2) the legislative services agency shall prepare the fiscal analysis referred to in subsection (b) not later than twenty-one (21) days before the proposed date of preliminary adoption of the proposed rule.

SECTION 3. IC 4-22-2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) After an agency has complied with sections 26, 27, and 28 of this chapter, the agency may:

(1) adopt a rule that is identical to a proposed rule published in the Indiana Register under section 24 of this chapter;
(2) subject to subsection (b), adopt a rule that consolidates part or all of two (2) or more proposed rules published in the Indiana Register under section 24 of this chapter and considered under section 27 of this chapter;
(3) subject to subsection (b), adopt part of one (1) or more proposed rules described in subsection (a)(2) subdivision (2) in two (2) or more separate adoption actions; or
(4) subject to subsection (b), adopt a revised version of a proposed rule published under section 24 of this chapter and include provisions that did not appear in the published version, including any provisions recommended by the Indiana economic development corporation under IC 4-22-2.1-6(a), if applicable.

(b) An agency may not adopt a rule that substantially differs from the version or versions of the proposed rule or rules published in the Indiana Register under section 24 of this chapter, unless it is a logical outgrowth of any proposed rule as supported by any written comments submitted:

(1) during the public comment period; or
(2) by the Indiana economic development corporation under IC 4-22-2.1-6(a), if applicable.

SECTION 4. IC 4-22-2.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
Chapter 2.1. Rules Affecting Small Businesses

Sec. 1. Except for a rule that is the subject of a rulemaking action under IC 13-14-9, this chapter applies to a rule for which the notice required by IC 4-22-2-23 is published by an agency after June 30, 2005.

Sec. 2. The definitions in IC 4-22-2-3 apply throughout this chapter.

Sec. 3. As used in this chapter, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

Sec. 4. As used in this chapter, "small business" means any person, firm, corporation, limited liability company, partnership, or association that:

1. is actively engaged in business in Indiana and maintains its principal place of business in Indiana;
2. is independently owned and operated;
3. employs one hundred (100) or fewer full-time employees; and
4. has gross annual receipts of five million dollars ($5,000,000) or less.

Sec. 5. (a) If an agency intends to adopt a rule under IC 4-22-2 that will impose requirements or costs on small businesses, the agency shall prepare a statement that describes the annual economic impact of a rule on all small businesses after the rule is fully implemented as described in subsection (b). The statement required by this section must include the following:

1. An estimate of the number of small businesses, classified by industry sector, that will be subject to the proposed rule.
2. An estimate of the average annual reporting, record keeping, and other administrative costs that small businesses will incur to comply with the proposed rule.
3. A estimate of the total annual economic impact that compliance with the proposed rule will have on all small businesses subject to the rule. The agency is not required to submit the proposed rule to the legislative services agency for a fiscal analysis under IC 4-22-2-28 unless the estimated economic impact of the rule is greater than five hundred thousand dollars ($500,000) on all regulated entities, as set
(4) A statement justifying any requirement or cost that is:
   (A) imposed on small businesses by the rule; and
   (B) not expressly required by:
      (i) the statute authorizing the agency to adopt the rule; or
      (ii) any other state or federal law.
The statement required by this subdivision must include a reference to any data, studies, or analyses relied upon by the agency in determining that the imposition of the requirement or cost is necessary.

(5) A regulatory flexibility analysis that considers any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The analysis under this subdivision must consider the following methods of minimizing the economic impact of the proposed rule on small businesses:
   (A) The establishment of less stringent compliance or reporting requirements for small businesses.
   (B) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.
   (C) The consolidation or simplification of compliance or reporting requirements for small businesses.
   (D) The establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.
   (E) The exemption of small businesses from part or all of the requirements or costs imposed by the rule.

If the agency has made a preliminary determination not to implement one (1) or more of the alternative methods considered, the agency shall include a statement explaining the agency’s reasons for the determination, including a reference to any data, studies, or analyses relied upon by the agency in making the determination.

(b) For purposes of subsection (a), a proposed rule will be fully implemented with respect to small businesses after:
   (1) the conclusion of any phase-in period during which:
      (A) the rule is gradually made to apply to small businesses
or certain types of small businesses; or
(B) the costs of the rule are gradually implemented; and
(2) the rule applies to all small businesses that will be affected by the rule.

In determining the total annual economic impact of the rule under subsection (a)(3), the agency shall consider the annual economic impact on all small businesses beginning with the first twelve (12) month period after the rule is fully implemented. The agency may use actual or forecasted data and may consider the actual and anticipated effects of inflation and deflation. The agency shall describe any assumptions made and any data used in determining the total annual economic impact of a rule under subsection (a)(3).

(c) The agency shall:
   (1) publish the statement required under subsection (a) in the Indiana Register as required by IC 4-22-2-24; and
   (2) deliver a copy of the statement, along with the proposed rule, to the Indiana economic development corporation not later than the date of publication under subdivision (1).

Sec. 6. (a) Not later than seven (7) days before the date of the public hearing set forth in the agency's notice under IC 4-22-2-24, the corporation shall do the following:

(1) Review the proposed rule and economic impact statement submitted to the corporation by the agency under section 5(c) of this chapter.

(2) Submit written comments to the agency on the proposed rule and the economic impact statement prepared by the agency under section 5 of this chapter. The corporation's comments may:
   (A) recommend that the agency implement one (1) or more of the regulatory alternatives considered by the agency under section 5(a)(5) of this chapter;
   (B) suggest regulatory alternatives not considered by the agency under section 5(a)(5) of this chapter;
   (C) recommend any other changes to the proposed rule that would minimize the economic impact of the proposed rule on small businesses; or
   (D) recommend that the agency abandon or delay the rulemaking action until:
      (i) more data on the impact of the proposed rule on small
businesses can be gathered and evaluated; or
(ii) less intrusive or less costly alternative methods of achieving the purpose of the proposed rule can be effectively implemented with respect to small businesses.

(b) Upon receipt of the corporation's written comments under subsection (a), the agency shall make the comments available:
   (1) for public inspection and copying at the offices of the agency under IC 5-14-3;
   (2) electronically through the electronic gateway administered by the intelenet commission; and
   (3) for distribution at the public hearing required by IC 4-22-2-26.

(c) Before finally adopting a rule under IC 4-22-2-29, and in the same manner that the agency considers public comments under IC 4-22-2-27, the agency must fully consider the comments submitted by the corporation under subsection (a). After considering the comments under this subsection, the agency may:
   (1) adopt any version of the rule permitted under IC 4-22-2-29; or
   (2) abandon or delay the rulemaking action as recommended by the corporation under subsection (a)(2)(D), if applicable.

Sec. 7. Before an agency may act under IC 4-22-2.5 to readopt a rule to which the chapter applies, the agency must conduct the review required under IC 4-22-2.5-3.1.

Sec. 8. (a) This section applies to a small business that is adversely affected or aggrieved by a rule that:
   (1) is subject to this chapter;
   (2) is finally adopted by an agency under IC 4-22-2-29; and
   (3) has taken effect under IC 4-22-2-36.

(b) In addition to or instead of filing a complaint with the administrative rules oversight committee under IC 2-5-18-8, and subject to subsection (c), a small business described in subsection (a) may file, in a court having jurisdiction, an action seeking a determination of the agency's compliance with the requirements of this chapter during the rulemaking process. Upon receipt of a complaint under this section, the court shall, at the earliest date possible, hear evidence on the matter and make a determination as to the agency's compliance with this chapter during the rulemaking process. If the court determines that the agency failed to comply
with one (1) or more requirements of this chapter, the court may issue an order or injunction enjoining the agency from enforcing the rule with respect to the complaining small business and any similarly situated small businesses. A determination of the court under this section is final, subject to the right of direct appeal by either party.

(c) A small business that seeks a determination by a court under subsection (b) must file the action described in subsection (b) not later than one year (1) after the date the rule described in subsection (a) takes effect under IC 4-22-2-36.

SECTION 5. IC 4-22-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) An agency that wishes to readopt a rule that is subject to expiration under this chapter must:

(1) follow the procedure for adoption of administrative rules under IC 4-22-2; and

(2) for a rule that expires under this chapter after June 30, 2005, conduct any review required under section 3.1 of this chapter.

(b) An agency may adopt a rule under IC 4-22-2 in anticipation of a rule's expiration under this chapter.

(c) An agency may not use IC 4-22-2.37.1 to readopt a rule that is subject to expiration under this chapter.

SECTION 6. IC 4-22-2.5-3.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTIONS TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) This section applies to a rule that:

(1) expires under this chapter after June 30, 2005; and

(2) imposes requirements or costs on small businesses.

(b) As used in this section, "small business" has the meaning set forth in IC 4-22-2.1-4.

(c) Before an agency may act under section 3 of this chapter to readopt a rule described in subsection (a), the agency shall conduct a review to consider whether there are any alternative methods of achieving the purpose of the rule that are less costly or less intrusive, or that would otherwise minimize the economic impact of the proposed rule on small businesses. In reviewing a rule under this section, the agency shall consider the following:
(1) The continued need for the rule.
(2) The nature of any complaints or comments received from the public, including small businesses, concerning the rule or the rule's implementation by the agency.
(3) The complexity of the rule, including any difficulties encountered by:
   (A) the agency in administering the rule; or
   (B) small businesses in complying with the rule.
(4) The extent to which the rule overlaps, duplicates, or conflicts with other federal, state, or local laws, rules, regulations, or ordinances.
(5) The length of time since the rule was last reviewed under this section or otherwise evaluated by the agency, and the degree to which technology, economic conditions, or other factors have changed in the area affected by the rule since that time.

(d) This subsection applies to a rule that was adopted through a rulemaking action initiated by the agency under IC 4-22-2-23 after June 30, 2005. In reviewing the rule under this section, the agency shall reexamine the most recent economic impact statement prepared by the agency under IC 4-22-2.1-5. The agency shall consider:
   (1) the degree to which the factors analyzed in the statement have changed since the statement was prepared; and
   (2) whether:
      (A) any regulatory alternatives included in the statement under IC 4-22-2.1-5(a)(5); or
      (B) any regulatory alternatives not considered by the agency at the time the statement was prepared;
      could be implemented to replace one (1) or more of the rule's existing requirements.

(e) After conducting the review required by this section, the agency shall:
   (1) readopt the rule without change, if no alternative regulatory methods exist that could minimize the economic impact of the rule on small businesses while still achieving the purpose of the rule;
   (2) amend the rule to implement alternative regulatory methods that will minimize the economic impact of the rule on
small businesses; or

(3) repeal the rule, if the need for the rule no longer exists.

SECTION 7. IC 4-22-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsection (b) and subject to section 3.1 of this chapter, an agency may readopt all rules subject to expiration under this chapter under one (1) rule that lists all rules that are readopted by their titles and subtitles only. A rule that has expired but is readopted under this subsection may not be removed from the Indiana Administrative Code.

(b) If, not later than thirty (30) days after an agency's publication of notice of its intention to adopt a rule under IC 4-22-2-24 using the listing allowed under subsection (a), a person submits to the agency a written request and the person's basis for the request that a particular rule be readopted separately from the readoption rule described in subsection (a), the agency must:

(1) readopt that rule separately from the readoption rule described in subsection (a); and
(2) follow the procedure for adoption of administrative rules under IC 4-22-2 with respect to the rule.

(c) If the agency does not receive a written request under subsection (b) regarding a rule within thirty (30) days after the agency's publication of notice, the agency may:

(1) submit the rule for filing with the secretary of state under IC 4-22-2-35 and publish notice in the Indiana Register that the agency has readopted the rule; or
(2) elect the procedure for readoption under IC 4-22-2.
require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. Except as provided by subsection (b), these reports shall be prepared, verified, and filed with the state examiner within not later than thirty (30) days after the close of each fiscal year.

(b) The following shall prepare, verify, and file the reports required under subsection (a) not later than sixty (60) days after the end close of each fiscal year:

(1) A municipal government.
(2) A public library.
(3) A district (as defined in IC 13-11-2-58(a)) that owns a landfill (as defined in IC 13-11-2-116(e)).

SECTION 2. IC 13-19-3-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 9. (a) This section does not apply to an expansion of a solid waste landfill:

(1) that accepts only construction\demolition waste; and
(2) for which a construction\demolition waste permit was issued before January 1, 2005.

(b) A solid waste landfill that accepts only construction\demolition waste shall comply with setback requirements concerning public schools established by the board under 329 IAC 10-16-11 for municipal solid waste landfills.

SECTION 3. IC 13-21-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in subsections (b) through (d), (e), the board of a county district consists of the following members:

(1) Two (2) members appointed by the county executive from the membership of the county executive.
(2) One (1) member appointed by the county fiscal body from the membership of the fiscal body.
(3) One (1) member:
   (A) who is the executive of the municipality having the largest population in the county if that municipality is a city; or
   (B) appointed from the membership of the legislative body of a town if the town is the municipality having the largest population in the county.
(4) One (1) member of the legislative body of the municipality
with the largest population in the county appointed by the legislative body of that municipality.

(5) One (1) member:

(A) who is the executive of a city in the county that is not the municipality having the largest population in the county; or

(B) who is a member of the legislative body of a town that is not the municipality having the largest population in the county;

and who is appointed by the executive of that county to represent the municipalities in the county other than the municipality having the largest population.

(6) One (1) additional member appointed by the county executive from the membership of the county executive.

(b) If a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) is designated as a county district, the executives of the three (3) cities in the county having the largest populations each serve as a member of the board or may appoint a member of the legislative body of their city to serve as a member of the board. If a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000) is designated as a county district, the executives of the two (2) cities in the county having the largest populations each serve as a member of the board. If a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000) is designated as a county district, the board of that county district must include the following:

(1) One (1) member of the legislative body of the city having the second largest population in the county, appointed by the president of the city legislative body.

(2) One (1) member of the legislative body of a town located in the county, appointed by the judge of the circuit court in the county.

(c) If a county having a consolidated city is designated a county district, the board of public works established under IC 36-3-5-6 constitutes the board of the county district.

(d) If a county designated as a county district has a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the board of the district consists of the
following members:

(1) One (1) member appointed by the county executive from the membership of the county executive.

(2) Two (2) members appointed from the county fiscal body appointed from the membership of the county fiscal body.

(3) The executive of each second or third class city or a member of the legislative body of their city appointed by the executive.

(4) One (1) member of the legislative body of each town appointed by the legislative body.

(5) One (1) member of the legislative body of the municipality with the largest population in the county appointed by the legislative body of that municipality.

(6) If a local government unit in the county has an operating final disposal facility located within the unit's jurisdiction, one (1) member of the unit's board of public works appointed by the board of public works.

(e) This subsection applies only to a county that does not contain a city. If the county executive and the county fiscal body of a county designated as a county district agree, the board of the district shall consist of the following nine (9) or ten (10) members:

(1) The three (3) members of the county executive.

(2) Two (2) members of the county fiscal body, chosen by the county fiscal body.

(3) One (1) member of each of the town legislative bodies of the four (4) or five (5) towns in the county having the largest population, chosen by each town legislative body.

SECTION 4. IC 13-21-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The requirements of this section:

(1) are in addition to the requirements set forth in IC 6-1.1-18.5-7(b); and

(2) do not apply to a district that:

(A) owns a landfill;

(B) will use property tax revenue to:

(i) construct a new landfill cell; or

(ii) close a landfill cell;

at the landfill; and

(C) has received approval from the county fiscal body of
the county in which the landfill is located to construct or close the landfill cell.

(b) To be eligible to include within the district's budget for the following year tax revenue derived from the imposition of a property tax, the first year that a property tax will be imposed and any subsequent year in which the proposed tax levy will increase by five percent (5%) or more, a board must present identical resolutions to each of the county fiscal bodies within the district seeking approval for the use of property tax revenue within the district. The resolution must state the proposed property tax levy and the proposed use of the revenue. The resolution must be stated so that:

(1) a "yes" vote indicates approval of the levy and the proposed use of property tax revenue within the district; and

(2) a "no" vote indicates disapproval of the levy and the proposed use of property tax revenue within the district.

(c) For a resolution described in subsection (b) to be approved by the county fiscal body:

(1) the county fiscal body must record the vote taken on the resolution under subsection (b) before May 1 of the year in which the vote was taken; and

(2) the recorded vote must indicate approval of the use of property tax revenue within the district.

(d) If all of the county fiscal bodies within a district do not record the approval described in subsection (c) before May 1 of the year in which the vote under subsection (b) was taken, the board may not:

(1) impose; or

(2) include within the budget of the board; a property tax for the year following the year in which the vote was taken.

(e) Notwithstanding subsection (d), after the first year a tax is imposed under this section, the resolution required by subsection (b) for a district that is located in more than two (2) counties need only be approved by a majority of the county fiscal bodies for the counties in which the district is located.

(f) A district may not issue bonds to be repaid, directly or indirectly, with money or property tax revenue of the district until a majority of the members of each of the county fiscal bodies within a district passes a resolution approving the bond issue.
SECTION 5. IC 13-26-11-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 2. (a) Except as provided in subsection (b), the rates or charges for
a sewage works may be determined based on the following:

(1) A flat charge for each connection.
(2) The amount of water used on the premises.
(3) The number and size of water outlets on the premises.
(4) The amount, strength, or character of sewage discharged into
the sewers.
(5) The size of sewer connections.
(6) Whether the property served has been or will be required to
pay separately for the cost of any of the facilities of the works.
(7) A combination of these or other factors that the board
determines is necessary to establish nondiscriminatory, just, and
equitable rates or charges.

(b) This subsection applies only to a district in which a campground
brought a legal action after January 1, 2000, and before April 1, 2003;
against a board concerning sewage service billed at a flat rate. If a
campground is billed for sewage service at a flat rate under subsection
(a), the campground may instead elect to be billed for the sewage
service under this subsection by installing, at the campground's
expense, a meter to measure the actual amount of sewage discharged
by the campground into the sewers, for one (1) year. The highest meter
reading for a calendar week for the campground during the year shall
be used to determine the resident equivalent units for the campground.

If a campground elects to be billed by use of a meter:

(1) the rate charged by a board for the metered sewage
service may not exceed the rate charged to residential
customers for equivalent usage; and
(2) the amount charged by a board for the campground's
monthly sewage service for the period beginning September
1 and ending May 31 must be equal to the greater of:

(A) the actual amount that would be charged for the
sewage discharged during the month by the campground
as measured by the meter; or
(B) the lowest monthly charge paid by the campground for
sewage service during the previous period beginning June
1 and ending August 31.
(c) If a campground does not install a meter under subsection (b) and is billed for sewage service at a flat rate under subsection (a), for a calendar year beginning after December 31, 2004, each campsite at the campground may not equal more than one-third (1/3) of one (1) resident equivalent unit. The basic monthly charge for the campground's sewage service must be equal to the number of the campground's resident equivalent units multiplied by the rate charged by the board for a resident unit.

(d) The board may impose additional charges on a campground under this subsection subsections (b) and (c) if the board incurs additional costs that are caused by any unique factors that apply to providing sewage service for the campground, including, but not limited to:

1. the installation of:
   - oversized pipe; or
   - any other unique equipment;

2. excessive concentrations of biochemical oxygen demand (BOD) that exceed federal pollutant standards.

SECTION 6. IC 13-26-11-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 2.1. (a) As used in this section, "commission" refers to the Indiana utility regulatory commission created by IC 8-1-1-2.

(b) This section applies to an owner or operator of a campground described in section 2(b) or 2(c) of this chapter who disputes:

1. that the campground is being billed at rates charged to residential customers for equivalent usage as required by section 2(b)(1) of this chapter;
2. the number of resident equivalent units determined for the campground under section 2(c) of this chapter; or
3. that any additional charges imposed on the campground under section 2(d) of this chapter are reasonable or nondiscriminatory.

(c) If an owner or operator:

1. makes a good faith attempt to resolve a disputed matter described in subsection (b)(1) through (b)(3) through:
(A) any grievance or complaint procedure prescribed by the board; or
(B) other negotiations with the board; and
(2) is dissatisfied with the board's proposed disposition of the matter;
the owner or operator may file with the commission a written request for review of the disputed matter and the board's proposed disposition of the matter to be conducted by the commission's appeals division established under IC 8-1-2-34.5(b). The owner or operator must file a request under this section with the commission and the board not later than seven (7) days after receiving notice of the board's proposed disposition of the matter.
(d) The commission's appeals division shall provide an informal review of the disputed matter. The review must include a prompt and thorough investigation of the dispute. Upon request by either party, or on the division's own motion, the division shall require the parties to attend a conference on the matter at a date, time, and place determined by the division.
(e) In any case in which the basic monthly charge for a campground's sewage service is in dispute, the owner or operator shall pay, on any disputed bill issued while a review under this section is pending, the basic monthly charge billed during the year immediately preceding the year in which the first disputed bill is issued. If the basic monthly charge paid while the review is pending exceeds any monthly charge determined by the commission in a decision issued under subsection (f), the board shall refund or credit the excess amount paid to the owner or operator. If the basic monthly charge paid while the review is pending is less than any monthly charge determined by the appeals division or commission in a decision issued under subsection (f), the owner or operator shall pay the board the difference owed.
(f) After conducting the review required under subsection (d), the appeals division shall issue a written decision resolving the disputed matter. The division shall send a copy of the decision to:
(1) the owner or operator of the campground; and
(2) the board;
by United States mail. Not later than seven (7) days after receiving the written decision of the appeals division, either party may make a written request for the dispute to be formally docketed as a
proceeding before the commission. Subject to the right of either party to an appeal under IC 8-1-3, the decision of the commission is final.

(g) The commission shall maintain a record of all requests for a review made under this section. The record must include:
(1) a copy of the appeals division’s and commission’s decision under subsection (f) for each dispute filed; and
(2) any other documents filed with the appeals division or commission under this section.

The record must be made available for public inspection and copying in the office of the commission during regular business hours under IC 5-14-3.

(h) The right of a campground owner or operator to request a review under this section is in addition to the right of the campground owner or operator to file a petition under section 15 of this chapter as a freeholder of the district.

(i) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 7. IC 14-33-16.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 16.5. Dissolution of Smaller District and Assumption of Operations, Obligations, and Assets by Larger District

Sec. 1. This chapter applies to any two (2) conservancy districts that:

(1) are contiguous; and
(2) share at least one (1) common purpose set forth in IC 14-33-1-1.

Sec. 2. As used in this chapter:
(1) "freeholder" means an owner of real property, as reflected in the real property tax records of the county auditor;
(2) "larger district" means, of the two (2) districts referred to in section 1 of this chapter, the one (1) that has the larger number of freeholders; and
(3) "smaller district" means, of the two (2) districts referred to in section 1 of this chapter, the one (1) that has the smaller number of freeholders.

Sec. 3. (a) The freeholders of a smaller district may initiate dissolution proceedings under this chapter by filing a petition with
the county auditor of the county in which most of the smaller district's area is located. The petition must be signed by at least the lesser of:

1. fifty (50); or
2. five percent (5%);

of the smaller district's freeholders.

(b) A petition under subsection (a) may be circulated and presented in separate parts. All the parts of the petition constitute a single petition.

(c) The petitioning freeholders must sign the petition, showing:

1. the name and address of each petitioner; and
2. the date of the signature.

(d) A petition must state that the petitioners desire an election on the question of whether:

1. the smaller district will dissolve and become part of the larger district; and
2. the larger district will assume the smaller district's operation, obligations, and assets.

(e) A person who presents a petition from the smaller district's freeholders under this section to the county auditor must verify and certify the signatures on the petition upon oath.

Sec. 4. (a) Not later than thirty (30) days after a petition is filed with the county auditor under section 3 of this chapter, the county auditor shall:

1. prepare and certify a list of freeholders of the smaller district;
2. make the list available for inspection by any person; and
3. determine and certify whether the petition:
   (A) was signed by the number of freeholders required under section 3(a) of this chapter; and
   (B) otherwise meets the requirements of this chapter.

(b) A deficiency in the list of the smaller district's freeholders or an omission of the name of a freeholder does not void the election or the election's outcome.

(c) If the county auditor determines that a petition filed under section 3 of this chapter meets the requirements of this chapter, the auditor shall, not later than forty (40) days after receiving the petition, forward a notice to the board of directors of the larger district by personal delivery or by certified mail. The notice must:
(1) inform the larger district that a petition was filed under section 3 of this chapter by the freeholders of the smaller district; and
(2) ask if the larger district is willing and able to assume the smaller district's operation, obligations, and assets if the smaller district's freeholders vote to dissolve the smaller district.

(d) Not later than thirty (30) days after receiving the notice from the county auditor under subsection (c), the board of directors of the larger district may pass a resolution stating that:

(1) the larger district is willing and able to assume the smaller district's operation, obligations, and assets; and
(2) upon becoming part of the larger district, the freeholders of the smaller district will:
   (A) become full and equal freeholders of the larger district; and
   (B) pay the same special benefits taxes and user charges generally charged by the larger district.

(e) If the board of directors of the larger district passes a timely resolution under subsection (d):

(1) the board of directors of the larger district must forward a true and accurate copy of the resolution to the county auditor by personal delivery or by certified mail not later than ten (10) business days after the board passes the resolution; and
(2) the board of directors of the smaller district must hold a dissolution and assumption election of the smaller district's freeholders under this chapter.

(f) If the board of directors of the larger district:

(1) does not pass a timely resolution under subsection (d); or
(2) passes a timely resolution under subsection (d), but does not timely forward a copy of the resolution under subsection (e)(1);

the dissolution proceedings that began with the filing of a petition under section 3 of this chapter are ended.

Sec. 5. Not later than ten (10) days after the county auditor receives a resolution from the board of directors of the larger district under section 4 of this chapter, the county auditor shall, by personal delivery or by certified mail, notify the board of directors
of the smaller district that the board of directors of the smaller district must hold the election referred to in section 4(e)(2) of this chapter.

Sec. 6. (a) Not later than ten (10) days after receipt of a notice under section 5 of this chapter, the board of directors of the smaller district shall fix the following:

1. A convenient and suitable place for the smaller district’s election.

2. The date for the election that is at least sixty (60) days after the date on which the county auditor notifies the smaller district’s board under section 5 of this chapter.

(b) The voting place must open at 9 a.m. local time and remain open for balloting continuously until 9 p.m. local time. If the number of freeholders in the smaller district is too great for balloting at a single voting place while allowing each freeholder a reasonable time to cast a ballot, the board shall arrange for the number of voting places necessary to accommodate the freeholders eligible to vote.

(c) Notice of the date, time, place, and purpose of the election must be given for two (2) consecutive weeks in an English language newspaper of general circulation published in each county having land in the smaller district, with the last publication:

1. not less than fifteen (15) days; and

2. not more than thirty (30) days;

before the date of the election.

(d) The board of directors of the smaller district shall also cause individual notice of the election to be given to all the smaller district’s freeholders by first class mail.

(e) The notice published under subsection (c) and the individual freeholder notice mailed under subsection (d) must be in the following form:

Notice of a Dissolution and Assumption Election

to the Freeholders of the _______________
(insert smaller district) Conservancy District

1. You are a freeholder (i.e. a real property owner) of the _______________
(insert smaller district) Conservancy District. As a freeholder, you are one of the owners of the _______________
(insert smaller district) Conservancy District.

2. A legally required number of the freeholders of the
insert smaller district) Conservancy District has filed a petition with the _______________ (insert county name) County Auditor requesting that the _______________ (insert smaller district) Conservancy District be dissolved, and that the operation, obligations, and assets of the _______________ (insert smaller district) Conservancy District be assumed by the _______________ (insert larger district) Conservancy District.

3. The _______________ (insert larger district) Conservancy District is contiguous to, has the same purpose as, and has a greater number of freeholders than the _______________ (insert smaller district) Conservancy District.

4. The Board of Directors of the _______________ (insert larger district) Conservancy District has passed a resolution stating:
   A. That the _______________ (insert larger district) Conservancy District is willing to assume the operation, obligations, and assets of the _______________ (insert smaller district) Conservancy District; and
   B. That upon becoming part of the _______________ (insert larger district) Conservancy District, the freeholders of the _______________ (insert smaller district) Conservancy District will become full and equal freeholders of the _______________ (insert larger district) Conservancy District and be subject to and pay the same special benefits taxes and user charges generally charged by the _______________ (insert larger district) Conservancy District.

5. An election of the freeholders of the _______________ (insert smaller district) Conservancy District is set for the day of __________, ____, from 9:00 a.m. to 9:00 p.m., at the following location(s): ____________________.

6. The question presented for the election is whether the _______________ (insert smaller district) Conservancy District should be dissolved, and whether the _______________ (insert larger district) Conservancy District should assume the operations, obligations, and assets of the _______________ (insert smaller district) Conservancy District.

7. A majority of the votes cast at the election will determine the question of whether the _______________ (insert smaller district) Conservancy District should be dissolved, and whether the _______________ (insert larger district) Conservancy District
should assume the operations, obligations, and assets of the _______________ (insert smaller district) Conservancy District.

8. As a freeholder of the _______________ (insert smaller district) Conservancy District, you are entitled to and encouraged to vote at the election.

/ss/ Board of Directors, _______________
(insert smaller district) Conservancy District

(f) If the board of directors of the smaller district fails to hold the election as required by this chapter, the county auditor of the county in which the smaller district's petition was filed shall:

(1) conduct the election as required by this chapter; and
(2) bill the board of directors of the smaller district for the county auditor's costs incurred for the election.

(g) The board of directors of the smaller district shall promptly pay a bill submitted to the smaller district under subsection (f).

Sec. 7. After receiving a notice under section 5 of this chapter, the board of directors of the smaller district shall prepare and furnish ballots in sufficient number in the following form:

"Shall the _______________ (insert smaller district) Conservancy District be dissolved and its operations, obligations, and assets be assumed by the _______________ (insert larger district) Conservancy District?

[ ] Yes  [ ] No"

Sec. 8. After receiving a notice under section 5 of this chapter, the board of directors of the smaller district shall do the following:

(1) Appoint an assistant secretary.
(2) Provide a voting list at each voting place.

Sec. 9. (a) Before the voting begins under this chapter, the board of directors of the smaller district shall appoint three (3) freeholders of the district as clerks to conduct the dissolution and assumption election.

(b) Before casting a vote, each freeholder must sign the list of freeholders opposite the freeholder's name in the presence of the district secretary.

(c) If:

(1) a clerk finds a freeholder's name is omitted from the list; and
(2) all three (3) clerks determine that the freeholder's name should be added to the list;
the clerks shall place the freeholder's name on the list and the freeholder may vote.

Sec. 10. (a) After an election is held under this chapter, the assistant secretary of the smaller district shall do the following:

(1) Keep the ballots safe and secure until the end of the voting period.
(2) At the end of the voting period, present all ballots cast to the three (3) clerks.
(3) Record the election results in the records of the smaller district.
(4) Certify the results of the election to the county auditor and the circuit court having supervisory jurisdiction over the smaller district as promptly as possible.

(b) The clerks of the smaller district shall do the following:

(1) Count the ballots.
(2) Report the results of the election to the secretary in writing over the signature of each clerk.

Sec. 11. In an election held under this chapter, a majority of all votes cast by the freeholders of the smaller district determine the question of the dissolution of the smaller district and the larger district's assumption of the smaller district's operations, obligations, and assets.

Sec. 12. The costs of a smaller district's election held under this chapter shall be paid by the smaller district.

Sec. 13. (a) In an election held under this chapter, if a majority of the freeholders of the smaller district votes to dissolve the smaller district, not later than sixty (60) days after the election, as the final action of the board of directors of the smaller district, the board shall:

(1) make a full and final accounting to the circuit court having supervisory jurisdiction over the smaller district; and
(2) file all records of the smaller district with the court.

(b) If the smaller district's board of directors fails to timely comply with subsection (a), the circuit court having supervisory jurisdiction over the smaller district shall order the board to comply or suffer a finding of contempt of court.

(c) The larger district shall take custody and control of the smaller district's operations, obligations, and assets on the earlier of: 
(1) the date the smaller district's board of directors complies with subsection (a)(1); or
(2) the sixtieth day after the election.
(d) The larger district is directly responsible for payment of the smaller district's bonds or notes outstanding upon the larger district taking custody and control of the smaller district's operations, obligations, and assets.
(e) When the smaller district's board of directors complies with subsection (a), the circuit court shall issue an order:
(1) dissolving the smaller district; and
(2) discharging the board of directors of the smaller district.

SECTION 8. An emergency is declared for this act.

P.L.190-2005

[H.1250. Approved May 7, 2005.]

AN ACT to amend the Indiana Code concerning economic development.

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

SECTION 1. IC 6-2.5-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As used in this section, a "power subsidiary" means a corporation which is owned or controlled by one (1) or more public utilities that furnish or sell electrical energy, natural or artificial gas, water, steam, or steam heat and which produces power exclusively for the use of those public utilities.
(b) A power subsidiary or a person engaged as a public utility is a retail merchant making a retail transaction when the subsidiary or person furnishes or sells electrical energy, natural or artificial gas, water, steam, or steam heating service to a person for commercial or domestic consumption.
(c) Notwithstanding subsection (b), a power subsidiary or a person engaged as a public utility is not a retail merchant making a retail
transaction in any of the following transactions:

1) The power subsidiary or person provides, installs, constructs, services, or removes tangible personal property which is used in connection with the furnishing of the services or commodities listed in subsection (b).

2) The power subsidiary or person sells the services or commodities listed in subsection (b) to another public utility or power subsidiary described in this section or a person described in section 6 of this chapter.

3) The power subsidiary or person sells the services or commodities listed in subsection (b) to a person for use in manufacturing, mining, production, refining, oil extraction, mineral extraction, irrigation, agriculture, or horticulture. However, this exclusion for sales of the services and commodities only applies if the services are consumed as an essential and integral part of an integrated process that produces tangible personal property and those sales are separately metered for the excepted uses listed in this subdivision, or if those sales are not separately metered but are predominately used by the purchaser for the excepted uses listed in this subdivision.

4) The power subsidiary or person sells the services or commodities listed in subsection (b) and all the following conditions are satisfied:

   A) The services or commodities are sold to a business that after June 30, 2004:

      i) relocates all or part of its operations to a facility; or
      ii) expands all or part of its operations in a facility; located in a military base (as defined in IC 36-7-30-1(c)), a military base reuse area established under IC 36-7-30, the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)), or a military base recovery site designated under IC 6-3.1-11.5.

   B) The business uses the services or commodities in the facility described in clause (A) not later than five (5) years after the operations that are relocated to the facility or expanded in the facility commence.

   C) The sales of the services or commodities are separately
metered for use by the relocated or expanded operations. However, this subdivision does not apply to a business that substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations in an area described in this subdivision, unless the department determines that the business had existing operations in the area described in this subdivision and that the operations relocated to the area are an expansion of the business's operations in the area.

SECTION 2. IC 6-3-2-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) As used in this section, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));
(2) a military base reuse area established under IC 36-7-30;
(3) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or
(4) a military base recovery site designated under IC 6-3.1-11.5.

(b) Except as provided in subsection (c), a tax at the rate of five percent (5%) of adjusted gross income is imposed on that part of the adjusted gross income of a corporation that is derived from sources within a qualified area if the corporation locates all or part of its operations in a qualified area during the taxable year, as determined under subsection (e). The tax rate under this section applies to the taxable year in which the corporation locates its operations in the qualified area and to the next succeeding four (4) taxable years.

(c) A taxpayer is not entitled to the tax rate described in subsection (b) to the extent that the taxpayer substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations within the qualified area, unless:

(1) the taxpayer had existing operations in the qualified area; and
(2) the operations relocated to the qualified area are an expansion of the taxpayer's operations in the qualified area.

(d) A determination under subsection (c) that a taxpayer is not entitled to the tax rate provided by this section as a result of a substantial reduction or cessation of operations applies to the taxable year in which the substantial reduction or cessation occurs and in all subsequent years. Determinations under this section shall be made by the department of state revenue.
(e) The department of state revenue:
   (1) shall adopt rules under IC 4-22-2 to establish a procedure for determining the part of a corporation's adjusted gross income that was derived from sources within a qualified area; and
   (2) may adopt other rules that the department considers necessary for the implementation of this chapter.

SECTION 3. IC 6-3.1-11.5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. As used in this chapter, "vacant military base facility" means a facility that:
   (1) is located in:
      (A) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or
      (B) a military base reuse area established under IC 36-7-30;
   (2) was placed in service at least twenty (20) years ago; and
   (3) has been vacant for two (2) or more years.

However, subdivision (3) does not apply to a facility that is owned by a municipality, a county, a military base reuse authority, or a redevelopment authority.

SECTION 4. IC 6-3.1-11.6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "qualified area" means:
   (1) a military base (as defined in IC 36-7-30-1(c));
   (2) a military base reuse area established under IC 36-7-30;
   (3) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or
   (4) a military base recovery site designated under IC 6-3.1-11.5.

SECTION 5. IC 36-7-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This chapter applies to all units except:
   (1) counties having a consolidated city, and units in those counties, except those units described in subsection (b); and
   (2) townships.

(b) This chapter applies to an excluded city (as defined in IC 36-3-1-7) that adopts an ordinance electing to be governed by this chapter and establishes a redevelopment commission under section 3 of this chapter. Upon the adoption of an ordinance under
this subsection:
  (1) a blighted area;
  (2) an economic development area; or
  (3) an allocation area previously established under IC 36-7-15.1-37 through IC 36-7-15.1-58;
continues in full force and effect as if the area had been created under this chapter.
(c) A:
  (1) a blighted area;
  (2) an economic development area; or
  (3) an allocation area previously established under IC 36-7-15.1-37 through IC 36-7-15.1-58;
described in subsection (b) is subject to the jurisdiction of the redevelopment commission established under section 3 of this chapter and is not subject to the jurisdiction of the commission (as defined in IC 36-7-15.1-37).

SECTION 6. IC 36-7-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A unit may establish a department of redevelopment controlled by a board of five (5) members to be known as "__________ Redevelopment Commission", designating the name of the municipality or county. However, in the case of a county, the county executive may adopt an ordinance providing that the county redevelopment commission consists of seven (7) members.
  (b) Subject to section 3.5 of this chapter, all of the territory within the corporate boundaries of a municipality constitutes a taxing district for the purpose of levying and collecting special benefit taxes for redevelopment purposes as provided in this chapter. Subject to section 3.5 of this chapter, all of the territory in a county, except that within a municipality that has a redevelopment commission, constitutes a taxing district for a county.
  (c) All of the taxable property within a taxing district is considered to be benefited by redevelopment projects carried out under this chapter to the extent of the special taxes levied under this chapter.

SECTION 7. IC 36-7-14-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) The five (5) commissioners for a municipal redevelopment commission shall be appointed as follows:
(1) Three (3) shall be appointed by the municipal executive.
(2) Two (2) shall be appointed by the municipal legislative body.
(b) The five (5) commissioners for a county redevelopment commission shall be appointed by the county executive.

SECTION 8. IC 36-7-14-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The redevelopment commissioners shall hold a meeting for the purpose of organization not later than thirty (30) days after they are appointed and, after that, each year on the first day in January that is not a Saturday, a Sunday, or a legal holiday. They shall choose one (1) of their members as president, another as vice president, and another as secretary. These officers shall perform the duties usually pertaining to their offices and shall serve from the date of their election until their successors are elected and qualified.

(b) The redevelopment commission may appoint a treasurer who need not be a member of the redevelopment commission. The redevelopment commission may provide for the payment of compensation to a treasurer who is not a member of the redevelopment commission. Notwithstanding any other provision of this chapter, the treasurer has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the redevelopment commission in accordance with the requirements of this chapter. However, the treasurer may not perform any duties of the fiscal officer or any other officer of the unit that are prescribed by section 24 of this chapter or by any provisions of this chapter that pertain to the issuance and sale of bonds, notes, or warrants of the special taxing district.

(c) The redevelopment commissioners may adopt the rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the money and property placed in their custody by this chapter. In addition to the annual meeting, the commissioners may, by resolution or in accordance with their rules and bylaws, prescribe the date and manner of notice of other regular or special meetings.

(d) This subsection does not apply to a county redevelopment commission that consists of seven (7) members. Three (3) of the redevelopment commissioners constitute a quorum, and the concurrence of three (3) commissioners is necessary to authorize any
(e) This subsection applies only to a county redevelopment commission that consists of seven (7) members. Four (4) of the redevelopment commissioners constitute a quorum, and the concurrence of four (4) commissioners is necessary to authorize any action.

SECTION 9. IC 36-7-14-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) This subsection does not apply to the redevelopment commission of an excluded city described in section 1(b) of this chapter. After adoption of a resolution under section 15 of this chapter, the redevelopment commission shall submit the resolution and supporting data to the plan commission of the unit, or if there is no plan commission, then to the body charged with the duty of developing a general plan for the unit, if there is such a body. The plan commission may determine whether the resolution and the redevelopment plan conform to the plan of development for the unit and approve or disapprove the resolution and plan proposed. The redevelopment commission may amend or modify the resolution and proposed plan in order to conform them to the requirements of the plan commission. The plan commission shall issue its written order approving or disapproving the resolution and redevelopment plan, and may, with the consent of the redevelopment commission, rescind or modify that order.

(b) This subsection does not apply to the redevelopment commission of an excluded city described in section 1(b) of this chapter. The redevelopment commission may not proceed with the acquisition of a blighted area until the approving order of the plan commission is issued and approved by the municipal legislative body or county executive.

(c) In determining the location and extent of a blighted area proposed to be acquired for redevelopment, the redevelopment commission and the plan commission of the unit shall give consideration to transitional and permanent provisions for adequate housing for the residents of the area who will be displaced by the redevelopment project.

(d) A redevelopment commission in an excluded city that is exempt from the requirements of subsections (a) and (b) shall submit the resolution and supporting data to the municipal
legislative body of the excluded city. The municipal legislative body may:

   (1) determine if the resolution and the redevelopment plan conform to the plan of development for the unit; and

   (2) approve or disapprove the resolution and plan proposed.

SECTION 10. IC 36-7-14.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The authority is organized for the following purposes:

   (1) Financing, constructing, and leasing local public improvements to the commission.

   (2) Financing and constructing additional improvements to local public improvements owned by the authority and leasing them to the commission.

   (3) Acquiring all or a portion of one (1) or more local public improvements from the commission by purchase or lease and leasing these local public improvements back to the commission, with any additional improvements that may be made to them.

   (4) Acquiring all or a portion of one (1) or more local public improvements from the commission by purchase or lease to fund or refund indebtedness incurred on account of those local public improvements to enable the commission to make a savings in debt services obligations or lease rental obligations or to obtain relief from covenants that the commission considers to be unduly burdensome.

(b) (5) In a county described in section 12.5(a) of this chapter having a United States government military base that is scheduled for closing or is completely or partially inactive or closed and if specified in the ordinance creating the authority or in another ordinance adopted by the legislative executive body of the unit, an authority may be organized for the purpose of performing any of the uses or functions identified in IC 36-7-14-2, IC 36-7-14-2.5, or IC 36-7-14-41 for exercise any of the powers of a redevelopment commission established under IC 36-7-14, including the establishment, in accordance with IC 36-7-14, of one (1) or more economic development areas in the county in addition to an economic development area established under section 12.5 of this chapter. However, an economic development area that includes any part of a military base
described in section 12.5(a) of this chapter is subject to the requirements of section 12.5 of this chapter. An action taken by an authority under this subdivision shall be treated as if the action were taken under the law granting the power to the redevelopment commission.

SECTION 11. IC 36-7-14.5-12.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.3. (a) This section applies to a redevelopment commission in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) The county executive body may adopt an ordinance to elect to allow the authority for the county to exercise the powers described in section 11(5) of this chapter. An ordinance adopted under this section may also do any of the following:

(1) Establish or change the:
   (A) number of members on the board of the authority; or
   (B) name of the authority;
   that would otherwise apply under this chapter.
(2) Provide for any other matter that is necessary or appropriate to carry out the powers described in section 11(5) or 12.5 of this chapter.

The county executive may amend or rescind an ordinance adopted under this section if the rights of holders of bonded indebtedness, leases, or other obligations (as defined under 5-1-3-1) of the authority are not adversely affected.

SECTION 12. IC 36-7-14.5-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11(b) of this chapter, an authority may create an economic development area:
(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and
(2) with the same effect as if the economic development area was created by a redevelopment commission.
However, an authority may not include in an economic development area created under this section any area that was declared a blighted area, an urban renewal area, or an economic development area under IC 36-7-14: The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11(b) of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for
(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

   (A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

   (B) Any structure that enhances development or economic
development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11(b) of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally
determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefitting that allocation area.

2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefitting that allocation area.

5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

**STEP ONE:** Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

**STEP TWO:** Divide:

- (A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by
- (B) the STEP ONE sum.

**STEP THREE:** Multiply:

- (A) the STEP TWO quotient; by
(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefiting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

(1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the
bonds, or a facsimile of the seal must be printed on the bonds.
(2) The bonds must be executed by the appropriate officer of the
unit and attested by the unit's fiscal officer.
(3) The bonds are exempt from taxation for all purposes.
(4) Bonds issued under this section may be sold at public sale in
accordance with IC 5-1-11 or at a negotiated sale.
(5) The bonds are not a corporate obligation of the unit but are an
indebtedness of the taxing district. The bonds and interest are
payable, as set forth in the bond resolution of the authority:
   (A) from the tax proceeds allocated under subsection (d);
   (B) from other revenues available to the authority; or
   (C) from a combination of the methods stated in clauses (A)
      and (B).
(6) Proceeds from the sale of bonds may be used to pay the cost
of interest on the bonds for a period not to exceed five (5) years
from the date of issuance.
(7) Laws relating to the filing of petitions requesting the issuance
of bonds and the right of taxpayers to remonstrate against the
issuance of bonds do not apply to bonds issued under this section.
(8) If a debt service reserve is created from the proceeds of bonds,
the debt service reserve may be used to pay principal and interest
on the bonds as provided in the bond resolution.
(9) If bonds are issued under this chapter that are payable solely
or in part from revenues to the authority from a project or
projects, the authority may adopt a resolution or trust indenture or
enter into covenants as is customary in the issuance of revenue
bonds. The resolution or trust indenture may pledge or assign the
revenues from the project or projects. The resolution or trust
indenture may also contain any provisions for protecting and
enforcing the rights and remedies of the bond owners as may be
reasonable and proper and not in violation of law, including
covenants setting forth the duties of the authority. The authority
may establish fees and charges for the use of any project and
covenant with the owners of any bonds to set those fees and
charges at a rate sufficient to protect the interest of the owners of
the bonds. Any revenue bonds issued by the authority that are
payable solely from revenues of the authority shall contain a
statement to that effect in the form of bond.
(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11(b) of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than seven (7) eleven (11) members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 13. IC 36-7-15.1-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37. (a) As used in this section and sections 38 through 58 of this chapter:

"City" or "excluded city" refers to an excluded city (as defined in IC 36-3-1-7) but does not refer to an excluded city described in IC 36-7-14-1(b).

"Commission" refers to the metropolitan development commission acting as the redevelopment commission of an excluded city.

(b) Sections 38 through 58 of this chapter do not apply to an excluded city described in IC 36-7-14-1(b).

SECTION 14. [EFFECTIVE UPON PASSAGE] (a) A nonprofit corporation established to encourage, initiate, and coordinate economic development of a county described in
IC 36-7-14.5-12.5(a) may convey or otherwise transfer any or all of the nonprofit corporation's assets and liabilities to an authority described in IC 36-7-14.5-12.5(a).

(b) This SECTION expires June 30, 2008.

SECTION 15. [EFFECTIVE UPON PASSAGE] (a) An authority described in IC 36-7-14.5-12.5(a) may change its name to recognize that the authority is also the redevelopment commission in the county.

(b) This SECTION expires June 30, 2008.

SECTION 16. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-28-6-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (REACTIVE)]:

Sec. 3. (a) The general assembly declares that the opportunity for the participation of underutilized small businesses, especially women and minority business enterprises, in the biodiesel and ethanol production industries is essential if social and economic parity is to be obtained by women and minority business persons and if the economy of Indiana is to be stimulated as contemplated by this section, IC 6-3.1-27, and IC 6-3.1-28. A recipient of a credit under this chapter is encouraged to purchase goods and services from underutilized small businesses, especially women and minority business enterprises.

(b) The definitions in IC 6-3.1-27 and IC 6-3.1-28 apply throughout this section. A term used in this section that is defined in both IC 6-3.1-27 and IC 6-3.1-28 refers to the term as defined in:

(1) IC 6-3.1-27 whenever this section applies to the
certification of a person for a credit under IC 6-3.1-27; and
(2) IC 6-3.1-28 whenever this section applies to the
certification of a person for a credit under IC 6-3.1-28.
In addition, as used in this section, "person" refers to a taxpayer
or a pass through entity.
(c) As used in this section, "minority" means a member of a
minority group (as defined in IC 4-13-16.5-1).
(d) As used in this section, "minority business enterprise" has
the meaning set forth in IC 4-13-16.5-1.
(e) As used in this section, "women's business enterprise" has
the meaning set forth in IC 4-13-16.5-1.3.
(f) A person that:
(1) begins construction of a facility or an expansion of a
facility for the production of biodiesel, blended biodiesel, or
ethanol in Indiana after February 28, 2005; and
(2) wishes to claim a tax credit with respect to that facility or
the expansion of a facility under any combination of
IC 6-3.1-27-8, IC 6-3.1-27-9, or IC 6-3.1-28-7;
must apply to the corporation for a determination of the person's
eligibility for the tax credit.
(g) Subject to this section, the corporation shall issue to each
qualifying applicant a certification that:
(1) certifies the person as eligible for the tax credits for which
the person applied;
(2) identifies the facilities covered by the certification; and
(3) allocates to the person the lesser of:
   (A) the maximum allowable credit for which the person is
       eligible under IC 6-3.1-27-8, IC 6-3.1-27-9, or
       IC 6-3.1-28-11; or
   (B) a credit equal to the level of production demonstrated
       as economically viable under the business plan submitted
       to the corporation by the person.
(h) To qualify for certification under subsection (g), a person
must do the following:
(1) Submit an application for the credit on the forms and in
the manner prescribed by the corporation for the credit that
is the subject of the application.
(2) Demonstrate through a business plan and other
information presented to the corporation that the level of
production proposed by the person is feasible and economically viable. In making a determination under this subdivision, the corporation shall consider:

(A) whether the person is sufficiently capitalized to complete the project;
(B) the person's credit rating;
(C) whether the person has sufficient technical expertise to build and operate a facility; and
(D) other relevant financial information as determined by the corporation.

(i) The corporation shall record the time of filing of each application submitted under this section. The corporation shall grant certifications under this section to qualifying applicants in the chronological order in which the applications for the same type of credit are filed until the maximum allowable credit for that type of credit is fully allocated.

(j) The corporation may terminate a certification or reduce an allocation of a credit granted under this section only if the corporation determines, after a hearing, that the person granted the certification or allocation has failed to:

(1) substantially comply with the business plan that is the basis for the certification or allocation; or
(2) submit the information needed by the corporation to determine whether the person has substantially complied with the business plan that is the basis of the certification or allocation.

If an allocation of a credit is terminated or reduced, the unused credit becomes available for allocation to other qualifying applicants in the chronological order in which the applications for the same type of credit are filed until the maximum allowable credit for that type of credit is fully allocated. The corporation may approve an amendment to a business plan or a transfer of a certificate of eligibility in conformity with the terms and conditions specified by the corporation in rules adopted by the corporation under IC 4-22-2.

(k) The corporation shall give the department of state revenue written notice of each action taken under this section.

SECTION 2. IC 6-3.1-27-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 2.5. As used in this chapter, "corporation" refers to the Indiana economic development corporation.

SECTION 3. IC 6-3.1-27-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 3.2. As used in this chapter, "distribute at retail" means to sell or otherwise distribute for consideration to an end user in Indiana.

SECTION 4. IC 6-3.1-27-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 3.5. As used in this chapter, "facility" refers to a facility that is located in Indiana and is for the production of:

(1) biodiesel;
(2) blended biodiesel that is blended with biodiesel produced at a facility located in Indiana; or
(3) both biodiesel and blended biodiesel, as described in subdivision (2).

SECTION 5. IC 6-3.1-27-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 8. (a) Subject to section 9.5 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces biodiesel at a facility located in Indiana is entitled to a credit against the taxpayer's state tax liability equal to the product of:

(1) one dollar ($1); multiplied by
(2) the number of gallons of biodiesel:
   (A) produced at the Indiana facility during the taxable year; and
   (B) used to produce blended biodiesel.

(b) The credit provided by this section shall be reduced by any credit or subsidy that the taxpayer is entitled to receive from the federal government for the production of biodiesel by the taxpayer.

(c) The total amount of credits allowed a taxpayer (or, if the person producing the biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) under this section may not exceed one three million dollars ($1,000,000) ($3,000,000) for all taxpayers and all taxable years.
(c) Notwithstanding subsection (b), the total amount of credits allowed a taxpayer (or if the person producing biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) may be increased to an amount not to exceed a total of five million dollars ($5,000,000) for all taxable years with the prior approval of the Indiana economic development corporation.

SECTION 6. IC 6-3.1-27-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 9. (a) Subject to section 9.5 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces blended biodiesel at a facility located in Indiana is entitled to a credit against the taxpayer's state tax liability equal to the product of:

1. two cents ($0.02); multiplied by
2. the number of gallons of blended biodiesel:
   A. produced at the Indiana facility; and
   B. blended with biodiesel produced at a facility located in Indiana.

(b) The credit provided by this section shall be reduced by any credit or subsidy the taxpayer is entitled to receive from the federal government for the production of blended biodiesel by the taxpayer.

(c) The total amount of credits allowed a taxpayer (or, if the person producing the blended biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) under this section may not exceed one three million dollars ($3,000,000) for all taxpayers and all taxable years.

SECTION 7. IC 6-3.1-27-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 9.5. The total amount of credits allowed under:

1. section 8 of this chapter;
2. section 9 of this chapter; and
3. IC 6-3.1-28;

may not exceed twenty million dollars ($20,000,000) for all taxpayers and all taxable years. The corporation shall determine the maximum allowable amount for each type of credit, which must be at least four million dollars ($4,000,000) for each credit.
SECTION 8. IC 6-3.1-27-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 10. (a) A taxpayer that:

(1) is a dealer; and
(2) operates a service station in Indiana at which distributes at retail blended biodiesel is sold and dispensed through a metered pump in a taxable year;

is entitled to a credit against the taxpayer's state tax liability.

(b) The amount of the credit allowed under this section is the product of:

(1) one cent ($0.01); multiplied by
(2) the total number of gallons of blended biodiesel sold and dispensed through all the metered pumps located at a service station described in subsection (a)(2); distributed at retail by the taxpayer in a taxable year.

(c) The credit allowed under this section must be computed separately for each service station operated by the taxpayer that meets the requirements of subsection (a)(2):

(d) The total amount of credits allowed under this section may not exceed one million dollars ($1,000,000) for all taxpayers and all taxable years.

(d) A credit under this section may not be taken for blended biodiesel distributed at retail after December 31, 2006.

SECTION 9. IC 6-3.1-27-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. (a) If the amount of the credit determined under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry over the excess to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A credit may not be carried forward for more than six (6) taxable years following the taxable year in which the taxpayer was first entitled to claim the credit.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit. A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.

SECTION 10. IC 6-3.1-27-13 IS AMENDED TO READ AS
Sec. 13. To receive the credit provided by this chapter, a taxpayer must do the following:

1. Claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall

2. Provide a copy of the certificate of the corporation finding:

   (A) that the taxpayer; or
   (B) if the taxpayer is a shareholder, partner, or member of a pass through entity, that the pass through entity is eligible for the credit under IC 5-28-6-3.

3. Submit to the department proof of all information that the department determines is necessary for the calculation of the credit provided by this chapter.

The department may require a pass through entity to provide informational reports that the department determines necessary for the department to calculate the percentage of a credit provided by this chapter to which a shareholder, partner, or member of the pass through entity is entitled.

SECTION 11. IC 6-3.1-28-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 1. As used in this chapter, “board” “corporation” refers to the Indiana recycling and energy development board economic development corporation created by IC 4-23-5.5-2; IC 5-28-3-1.

SECTION 12. IC 6-3.1-28-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 7. Subject to IC 6-3.1-27-9.5 and section 11 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces ethanol at a facility is entitled to a credit against the taxpayer's state tax liability equal to the product of:

1. twelve and one-half cents ($.125); multiplied by
2. the number of gallons of ethanol produced at the Indiana facility.

SECTION 13. IC 6-3.1-28-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 10. To receive the credit provided by this chapter, a taxpayer must do the following:

1. Claim the credit on the taxpayer's state tax return or returns in
the manner prescribed by the department.

(2) Provide a copy of the board’s corporation’s certificate finding:

(A) that the facility taxpayer; or

(B) if the taxpayer is a shareholder, partner, or member of a pass through entity, that the pass through entity; is a qualified facility eligible for the credit under IC 4-23-5.5-17.

IC 5-28-6-3.

(3) Submit to the department proof of all information that the department determines is necessary for the calculation of the credit provided by this chapter.

The department may require a pass through entity to provide informational reports that the department determines necessary for the department to calculate the percentage of the credit provided by this chapter to which a shareholder, partner, or member of the pass through entity is entitled.

SECTION 14. IC 6-3.1-28-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETRACTION)]:

Sec. 11. (a) The total amount of credits allowed a taxpayer (or, if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) under this chapter may not exceed a total of five million dollars ($5,000,000) for all taxable years.

(b) Notwithstanding subsection (a), the total amount of credits allowed a taxpayer (or if the person producing ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) may be increased to an amount not to exceed a total of five million dollars ($5,000,000) for all taxable years with the prior approval of the Indiana economic development corporation.

SECTION 15. IC 6-3.1-29 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 29. Coal Gasification Technology Investment Tax Credit
Sec. 1. The general assembly declares that the opportunity for the participation of underutilized small businesses, especially women and minority business enterprises, in the coal gasification industry is essential if social and economic parity is to be obtained by women and minority business persons and if the economy of Indiana is to be stimulated as contemplated by this chapter. A recipient of a credit under this chapter is encouraged to purchase goods and services from underutilized small businesses, especially women and minority business enterprises.

Sec. 2. As used in this chapter, "commission" refers to the Indiana utility regulatory commission.

Sec. 3. As used in this chapter, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

Sec. 4. As used in this chapter, "department" refers to the department of state revenue.

Sec. 5. As used in this chapter, "Indiana coal" has the meaning set forth in IC 4-4-30-4.

Sec. 6. As used in this chapter, "integrated coal gasification powerplant" means a facility that satisfies all the following requirements:

(1) The facility is located in Indiana and is a newly constructed energy generating plant.
(2) The facility converts coal into synthesis gas that can be used as a fuel to generate energy.
(3) The facility uses the synthesis gas as a fuel to generate electric energy.
(4) The facility is dedicated primarily to serving Indiana retail electric utility consumers.

Sec. 7. As used in this chapter, "minority" means a member of a minority group (as defined in IC 4-13-16.5-1.)

Sec. 8. As used in this section, "minority business enterprise" has the meaning set forth in IC 4-13-16.5-1.

Sec. 9. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) a partnership;
(3) a limited liability company;
(4) a limited liability partnership;
(5) a corporation organized under IC 8-1-13; or
(6) a corporation organized under IC 23-17-1 that is an electric cooperative and that has at least one (1) member that is a corporation organized under IC 8-1-13.

Sec. 10. As used in this chapter, "qualified investment" means a taxpayer's expenditures for:

(1) all real and tangible personal property incorporated in and used as part of an integrated coal gasification powerplant; and
(2) transmission equipment and other real and personal property located at the site of an integrated coal gasification powerplant that is employed specifically to serve the integrated coal gasification powerplant.

Sec. 11. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 6-5.5 (the financial institutions tax);
(3) IC 27-1-18-2 (the insurance premiums tax); and
(4) IC 6-2.3 (the utility receipts tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 12. As used in this chapter, "taxpayer" means a person, a corporation, a partnership, or other entity that makes a qualified investment.

Sec. 13. As used in this section, "women's business enterprise" has the meaning set forth in IC 4-13-16.5-1.3.

Sec. 14. (a) A taxpayer that:

(1) is awarded a tax credit under this chapter by the corporation; and
(2) complies with the conditions set forth in this chapter and the agreement entered into by the corporation and the taxpayer under this chapter;

is entitled to a credit against the taxpayer's state tax liability for a taxable year in which the taxpayer places into service an integrated coal gasification powerplant and for the taxable years provided in section 16 of this chapter.

(b) A tax credit awarded under this chapter must be applied against the taxpayer's state tax liability in the following order:
(1) Against the taxpayer's liability incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax).
(2) Against the taxpayer's liability incurred under IC 6-5.5 (the financial institutions tax).
(3) Against the taxpayer's liability incurred under IC 27-1-18-2 (the insurance premiums tax).
(4) Against the taxpayer's liability incurred under IC 6-2.3 (the utility receipts tax).

Sec. 15. Subject to section 16 of this chapter, the amount of the credit to which a taxpayer is entitled is equal to the sum of the following:

(1) Ten percent (10%) of the taxpayer's qualified investment for the first five hundred million dollars ($500,000,000) invested.
(2) Five percent (5%) of the amount of the taxpayer's qualified investment that exceeds five hundred million dollars ($500,000,000).

Sec. 16. (a) A credit awarded under section 15 of this chapter must be taken in ten (10) annual installments, beginning with the year in which the taxpayer places into service an integrated coal gasification powerplant.

(b) Subject to section 20 of this chapter, the amount of an annual installment of the credit awarded under section 15 of this chapter is equal to the amount determined in the last of the following STEPS:

STEP ONE: Determine the lesser of:

(A) the credit amount determined under section 15 of this chapter, divided by ten (10); or
(B) the greater of:
   (i) the taxpayer's total state tax liability for the taxable year, multiplied by twenty-five percent (25%); or
   (ii) the taxpayer's liability for the utility receipts tax imposed under IC 6-2.3 for the taxable year.

STEP TWO: Multiply the STEP ONE amount by the percentage of Indiana coal used in the taxpayer's integrated coal gasification powerplant in the taxable year for which the annual installment of the credit is allowed.

(c) If the credit allowed by this chapter is available to a member of an affiliated group of corporations filing a consolidated return
under IC 6-2.3-6-5 or IC 6-3-4-14, the credit shall be applied against the state tax liability of the affiliated group.

Sec. 17. A person that proposes to place a new integrated coal gasification powerplant into service may apply to the corporation before the taxpayer makes the qualified investment to enter into an agreement for a tax credit under this chapter. The corporation shall prescribe the form of the application.

Sec. 18. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that the taxpayer's proposed investment satisfies the requirements of this chapter.

Sec. 19. (a) The corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

1. A detailed description of the project that is the subject of the agreement.
2. The first taxable year for which the credit may be claimed.
3. The maximum tax credit amount that will be allowed for each taxable year.
4. A requirement that the taxpayer shall maintain operations at the project location for at least ten (10) years during the term that the tax credit is available.
5. A requirement that the taxpayer shall pay an average wage to its employees at the integrated coal gasification powerplant, other than highly compensated employees, in each taxable year that a tax credit is available that equals at least one hundred twenty-five percent (125%) of the average county wage in the county in which the integrated coal gasification powerplant is located.
6. A requirement that the taxpayer will maintain at the location where the qualified investment is made, during the term of the tax credit, a total payroll that is at least equal to the payroll that existed on the date that the taxpayer placed the integrated coal gasification powerplant into service.
7. A requirement that the taxpayer shall use Indiana coal at the taxpayer's integrated coal gasification powerplant.
8. A requirement that the taxpayer obtain from the commission a determination under IC 8-1-8.5-2 that public convenience and necessity require, or will require, the
construction of the taxpayer's integrated coal gasification powerplant.

(b) A taxpayer must comply with the terms of the agreement described in subsection (a) to receive an annual installment of the tax credit awarded under this chapter. The corporation shall annually determine whether the taxpayer is in compliance with the agreement. If the corporation determines that the taxpayer is in compliance, the corporation shall issue a certificate of compliance to the taxpayer.

Sec. 20. (a) This section applies if a qualified investment is made by a pass through entity or by taxpayers who are co-owners of an integrated coal gasification powerplant.

(b) If the credit allowed by this chapter for a taxable year is greater than the state tax liability of the pass through entity against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year in excess of the pass through entity’s state tax liability for the taxable year; multiplied by

(2) in the case of a pass through entity described in:

(i) section 9(1), 9(2), 9(3), or 9(4) of this chapter, the percentage of the pass through entity’s distributive income to which the shareholder, partner, or member is entitled; and

(ii) section 9(5) or 9(6) of this chapter, the relative percentage of the corporation’s patronage dividends allocable to the member for the taxable year.

(c) If an integrated coal gasification powerplant is co-owned by two (2) or more taxpayers, the amount of the credit that may be allowed to a co-owner in a taxable year is equal to:

(1) the tax credit determined under sections 15 and 16 of this chapter with respect to the total qualified investment in the integrated coal gasification powerplant; multiplied by

(2) the co-owner’s percentage of ownership in the integrated coal gasification powerplant.

(d) The amount of an annual installment of the credit allowed to a shareholder, partner, or member of a pass through entity or a co-owner shall be determined under section 16 of this chapter.
modified as follows:

(1) Section 16(b) STEP ONE (A) of this chapter shall be based on the percentage of the credit allowed to the shareholder, partner, member, or co-owner under this section.

(2) Section 16(b) STEP ONE (B) of this chapter shall be based on the:

(A) state tax liability; or

(B) utilities receipts tax liability;

of the shareholder, partner, member, or co-owner.

Sec. 21. To receive the credit awarded by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department a copy of the commission's determination required under section 19 of this chapter, a copy of the taxpayer's certificate of compliance issued under section 19 of this chapter, and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

SECTION 16. IC 6-3.1-27-5 IS REPEALED [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)].

SECTION 17. [EFFECTIVE JANUARY 1, 2006] IC 6-3.1-29, as added by this act, applies to taxable years beginning after December 31, 2005.

SECTION 18. [EFFECTIVE UPON PASSAGE] The following apply only to taxable years beginning after December 31, 2004:

(1) IC 5-28-6-3, as added by this act.


(3) The repeal of IC 6-3.1-27-5 by this act.

A person who would have been eligible for a credit for the production of biodiesel, blended biodiesel, or ethanol in 2005 under IC 6-3.1-27-8, IC 6-3.1-27-9, or IC 6-3.1-28-7, as effective before their amendment by this act, is eligible for the credit in 2005 only if the person complies with this act. However, a person that would have been eligible for a credit in 2005 under IC 6-3.1-27-10, as effective before its amendment by this act, continues to be eligible for the credit through any taxable year beginning before the effective date of this SECTION as if this act had not been enacted,
except for IC 6-3.1-27-12, as amended by this act. The amount of
the credits taken by a taxpayer under IC 6-3.1-28-10, as effective
before the enactment of this act, reduces the maximum allowable
credit available under IC 6-3.1-28-10, as amended by this act.

SECTION 19. [EFFECTIVE JANUARY 1, 2006] Each individual
provision of this act is fully severable. If a provision requiring an
agreement executed under IC 6-3.1-29-19, as added by this act, to
include a particular term is declared invalid, the invalidity of the
provision does not affect the validity of:

(1) the other provisions of IC 6-3.1-29, as added by this act;
(2) the other terms of the agreement executed under
IC 6-3.1-29-19, as added by this act; or
(3) a tax credit awarded under IC 6-3.1-29, as added by this
act.

SECTION 20. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning drugs and
controlled substances.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-2-6-3 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 3. The institute is established to do
the following:

(1) Evaluate state and local programs associated with:
(A) the prevention, detection, and solution of criminal
offenses;
(B) law enforcement; and
(C) the administration of criminal and juvenile justice.
(2) Improve and coordinate all aspects of law enforcement,
juvenile justice, and criminal justice in this state.
(3) Stimulate criminal and juvenile justice research.
(4) Develop new methods for the prevention and reduction of crime.
(5) Prepare applications for funds under the Omnibus Act and the Juvenile Justice Act.
(6) Administer victim and witness assistance funds.
(7) Administer the traffic safety functions assigned to the institute under IC 9-27-2.
(8) Compile and analyze information and disseminate the information to persons who make criminal justice decisions in this state.
(9) Serve as the criminal justice statistical analysis center for this state.
(10) Establish and maintain, in cooperation with the office of the secretary of family and social services, a sex and violent offender directory.
(11) Administer the application and approval process for designating an area of a consolidated or second class city as a public safety improvement area under IC 36-8-19.5.
(12) Prescribe or approve forms as required under IC 5-2-12.
(13) Provide judges, law enforcement officers, prosecuting attorneys, parole officers, and probation officers with information and training concerning the requirements in IC 5-2-12 and the use of the sex and violent offender directory.
(14) Develop and maintain a meth watch program to inform retailers and the public about illicit methamphetamine production, distribution, and use in Indiana.

SECTION 2. IC 5-2-6-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. In consultation with the state police department and other law enforcement agencies, the institute shall operate and maintain a meth watch program to inform retailers and the public about illicit methamphetamine production, distribution, and use in Indiana.

SECTION 3. IC 5-2-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 15. Methamphetamine Lab Reporting
Sec. 1. As used in this chapter, "law enforcement agency" has
the meaning set forth in IC 10-11-8-2.

Sec. 2. As used in this chapter, "methamphetamine laboratory" means a location or facility that:
   (1) is being used;
   (2) was intended to be used; or
   (3) has been used;
to produce methamphetamine.

Sec. 3. A law enforcement agency that terminates the operation of a methamphetamine laboratory shall report the existence and location of the methamphetamine laboratory to:
   (1) the state police department;
   (2) the local fire department that serves the area in which the methamphetamine laboratory is located; and
   (3) the county health department or, if applicable, multiple county health department of the county in which the methamphetamine laboratory is located;
on a form and in the manner prescribed by guidelines adopted by the superintendent of the state police department under IC 10-11-2-31.

Sec. 4. A law enforcement agency that discovers a child less than fourteen (14) years of age at a methamphetamine laboratory shall notify the division of family and children.

SECTION 4. IC 10-11-2-31 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) The superintendent shall adopt:
   (1) guidelines; and
   (2) a reporting form or a specified electronic format, or both;
for the report of a methamphetamine laboratory by a law enforcement agency under IC 5-2-15-3.

(b) The guidelines adopted under this section must require a law enforcement agency to report the existence of a methamphetamine laboratory to:
   (1) the department;
   (2) the local fire department that serves the area in which the methamphetamine laboratory is located; and
   (3) the county health department or, if applicable, multiple county health department of the county in which the methamphetamine laboratory is located;
on the form or in the specified electronic format adopted by the
superintendent.
(c) The guidelines adopted under this section:
(1) may incorporate a recommendation of the methamphetamine abuse task force (IC 5-2-14) that the superintendent determines to be relevant;
(2) may require the department to report the existence of the methamphetamine laboratory to one (1) or more additional agencies or organizations;
(3) must require the department to maintain reports filed under IC 5-2-15-3 in a manner permitting an accurate assessment of:
   (A) the number of methamphetamine laboratories located in Indiana in a specified period;
   (B) the geographical dispersal of methamphetamine laboratories located in Indiana in a specified period; and
   (C) any other information that the superintendent determines to be relevant; and
(4) must require a law enforcement agency to report any other information that the superintendent determines to be relevant.

SECTION 5. IC 13-11-2-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 42. "Contaminant", for purposes of environmental management laws, means any solid, semi-solid, liquid, or gaseous matter, or any odor, radioactive material, pollutant (as defined by the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as in effect on January 1, 1989), hazardous waste (as defined in the federal Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), as in effect on January 1, 1989), any constituent of a hazardous waste, or any combination of the items described in this section, from whatever source, that:
(1) is injurious to human health, plant or animal life, or property;
(2) interferes unreasonably with the enjoyment of life or property; or
(3) otherwise violates:
   (A) environmental management laws; or
   (B) rules adopted under environmental management laws.

The term includes chemicals used in the illegal manufacture of a controlled substance (as defined in IC 35-48-1-9) or an immediate
precursor (as defined in IC 35-48-1-17) of a controlled substance, and waste produced from the illegal manufacture of a controlled substance or an immediate precursor of the controlled substance.

SECTION 6. IC 13-14-1-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The department shall maintain a list of persons certified to inspect and clean property that is polluted by a contaminant. The list may specifically note persons with particular expertise or experience in the inspection or cleanup of property contaminated by chemicals used in the illegal manufacture of a controlled substance (as defined in IC 35-48-1-9) or by waste produced from the illegal manufacture of a controlled substance.

(b) The department may specify by rule that a person who meets certain qualifications prescribed by the department is a person certified to inspect and clean property that is polluted by a contaminant.

(c) The department shall adopt rules under IC 4-22-2:
   (1) to implement this section; and
   (2) concerning the inspection and remediation of contaminated property.

SECTION 7. IC 34-30-2-152.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 152.2. IC 35-48-4-14.7 (Concerning a retailer who discloses information concerning the sale of a product containing ephedrine or pseudoephedrine).

SECTION 8. IC 35-48-4-14.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.5. (a) As used in this section, "chemical reagents or precursors" refers to one (1) or more of the following:
   (1) Ephedrine.
   (2) Pseudoephedrine.
   (3) Phenylpropanolamine.
   (4) The salts, isomers, and salts of isomers of a substance identified in subdivisions (1) through (3).
   (5) Anhydrous ammonia or ammonia solution (as defined in IC 22-11-20-1).
   (6) Organic solvents.
(7) Hydrochloric acid.
(8) Lithium metal.
(9) Sodium metal.
(10) Ether.
(11) Sulfuric acid.
(12) Red phosphorous.
(13) Iodine.
(14) Sodium hydroxide (lye).
(15) Potassium dichromate.
(16) Sodium dichromate.
(17) Potassium permanganate.
(18) Chromium trioxide.
(19) Benzyl cyanide.
(20) Phenylacetic acid and its esters or salts.
(21) Piperidine and its salts.
(22) Methylamine and its salts.
(23) Isosafrole.
(24) Safrole.
(25) Piperonal.
(26) Hydriodic acid.
(27) Benzaldehyde.
(28) Nitroethane.
(29) Gamma-butyrolactone.
(30) White phosphorus.
(31) Hypophosphorous acid and its salts.
(32) Acetic anhydride.
(33) Benzyl chloride.
(34) Ammonium nitrate.
(35) Ammonium sulfate.
(36) Hydrogen peroxide.
(37) Thionyl chloride.
(38) Ethyl acetate.
(39) Pseudoephedrine hydrochloride.

(b) A person who possesses more than ten (10) grams of ephedrine, pseudoephedrine, or phenylpropanolamine, the salts; isomers or salts of isomers of ephedrine, pseudoephedrine or phenylpropanolamine or a combination of any of these substances exceeding ten (10) grams pure or adulterated, commits a Class D felony. However, the offense
is a Class C felony if the person possessed:

1) a firearm while possessing more than ten (10) grams of ephedrine, pseudoephedrine, or phenylpropanolamine, the salts; isomers or salts of isomers of ephedrine; pseudoephedrine or phenylpropanolamine or a combination of any of these substances exceeding ten (10) grams; pure or adulterated; or

2) more than ten (10) grams of ephedrine, pseudoephedrine, or phenylpropanolamine, the salts; isomers or salts of isomers of ephedrine; pseudoephedrine; or phenylpropanolamine; or a combination of any of these substances exceeding ten (10) grams pure or adulterated, in, on, or within one thousand (1,000) feet of:

(A) school property;
(B) a public park;
(C) a family housing complex; or
(D) a youth program center.

(c) A person who possesses anhydrous ammonia or ammonia solution (as defined in IC 22-11-20-1) with the intent to manufacture methamphetamine, a schedule II controlled substance under IC 35-48-2-6, commits a Class D felony. However, the offense is a Class C felony if the person possessed:

1) a firearm while possessing anhydrous ammonia or ammonia solution (as defined in IC 22-11-20-1) with intent to manufacture methamphetamine, a schedule II controlled substance under IC 35-48-2-6; or

2) anhydrous ammonia or ammonia solution (as defined in IC 22-11-20-1) with intent to manufacture methamphetamine, a schedule II controlled substance under IC 35-48-2-6 in, on, or within one thousand (1,000) feet of:

(A) school property;
(B) a public park;
(C) a family housing complex; or
(D) a youth program center.

(d) Subsection (b) does not apply to a:

1) licensed health care provider, pharmacist, retail distributor, wholesaler, manufacturer, warehouseman, or common carrier or an agent of any of these persons if the possession is in the regular course of lawful business activities; or
(2) person who possesses more than ten (10) grams of a substance described in subsection (b) if the substance is possessed under circumstances consistent with typical medicinal or household use, including:

(A) the location in which the substance is stored;
(B) the possession of the substance in a variety of:
   (i) strengths;
   (ii) brands; or
   (iii) types; or
(C) the possession of the substance:
   (i) with different expiration dates; or
   (ii) in forms used for different purposes.

(e) A person who possesses two (2) or more chemical reagents or precursors with the intent to manufacture:

(1) Methcathinone, a schedule I controlled substance under IC 35-48-2-4;
(2) Methamphetamine, a schedule II controlled substance under IC 35-48-2-6;
(3) Amphetamine, a schedule II controlled substance under IC 35-48-2-6; or
(4) Phentermine, a schedule IV controlled substance under IC 35-48-2-10;

commits a Class D felony.

(f) An offense under subsection (e) is a Class C felony if the person possessed:

(1) a firearm while possessing two (2) or more chemical reagents or precursors with intent to manufacture methamphetamine, a schedule II controlled substance under IC 35-48-2-6; or
(2) two (2) or more chemical reagents or precursors with intent to manufacture methamphetamine, a schedule II controlled substance under IC 35-48-2-6 in, on, or within one thousand (1,000) feet of:
   (A) school property;
   (B) a public park;
   (C) a family housing complex; or
   (D) a youth program center.

(g) A person who sells, transfers, distributes, or furnishes a chemical reagent or precursor to another person with knowledge or the intent that
the recipient will use the chemical reagent or precursors to manufacture methamphetamine, methcathinone, amphetamine, or phentermine commits unlawful sale of a precursor, a Class D felony.

SECTION 9. IC 35-48-4-14.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.7. (a) This section does not apply to the following:

(1) Ephedrine or pseudoephedrine dispensed pursuant to a prescription.

(2) The sale of a drug containing ephedrine or pseudoephedrine to a licensed health care provider, pharmacist, retail distributor, wholesaler, manufacturer, or an agent of any of these persons if the sale occurs in the regular course of lawful business activities. However, a retail distributor, wholesaler, or manufacturer is required to report a suspicious order to the state police department in accordance with subsection (f).

(3) The sale of a drug containing ephedrine or pseudoephedrine by a person who does not sell exclusively to walk-in customers for the personal use of the walk-in customers. However, if the person described in this subdivision is a retail distributor, wholesaler, or manufacturer, the person is required to report a suspicious order to the state police department in accordance with subsection (f).

(b) The following definitions apply throughout this section:

(1) "Constant video monitoring" means the surveillance by an automated camera that:

(A) records at least one (1) photograph or digital image every ten (10) seconds;

(B) retains a photograph or digital image for at least seventy-two (72) hours;

(C) has sufficient resolution and magnification to permit the identification of a person in the area under surveillance; and

(D) stores a recorded photograph or digital image at a location that is immediately accessible to a law enforcement officer.

(2) "Convenience package" means a package that contains a
drug having as an active ingredient not more than one hundred twenty (120) milligrams of ephedrine or pseudoephedrine, or both.

(3) "Ephedrine" means pure or adulterated ephedrine.

(4) "Pseudoephedrine" means pure or adulterated pseudoephedrine.

(5) "Suspicious order" means a sale or transfer of a drug containing ephedrine or pseudoephedrine if the sale or transfer:

(A) is a sale or transfer that the retail distributor, wholesaler, or manufacturer is required to report to the United States Drug Enforcement Administration;

(B) appears suspicious to the retail distributor, wholesaler, or manufacturer in light of the recommendations contained in Appendix A of the report to the United States attorney general by the suspicious orders task force under the federal Comprehensive Methamphetamine Control Act of 1996; or

(C) is for cash or a money order in a total amount of at least two hundred dollars ($200).

(6) "Unusual theft" means the theft or unexplained disappearance from a particular retail store of drugs containing ten (10) grams or more of ephedrine, pseudoephedrine, or both in a twenty-four (24) hour period.

(c) This subsection does not apply to a convenience package. A person may sell a drug that contains the active ingredient of ephedrine, pseudoephedrine, or both only if the person complies with the following conditions:

(1) The person does not sell the drug to a person less than eighteen (18) years of age.

(2) The person does not sell drugs containing more than three grams of ephedrine or pseudoephedrine, or both in one (1) transaction.

(3) The person requires:

(A) the purchaser to produce a state or federal identification card;

(B) the purchaser to complete a paper or an electronic log in a format approved by the state police department with the purchaser's name, address, and driver's license or
other identification number; and
(C) the clerk who is conducting the transaction to initial or
electronically record the clerk’s identification on the log.
Records from the completion of a log must be retained for at
least two (2) years, and may be inspected by a law
enforcement officer in accordance with state and federal law.
A retailer who in good faith releases information maintained
under this subsection is immune from civil liability unless the
release constitutes gross negligence or intentional, wanton, or
willful misconduct. This subdivision expires June 30, 2008.
(4) The person stores the drug:
(A) behind a counter in an area inaccessible to a customer
or in a locked display case that makes the drug unavailable
to a customer without the assistance of an employee; or
(B) directly in front of the pharmacy counter in the direct
line of sight of an employee at the pharmacy counter, in an
area under constant video monitoring, if the drug is sold in
a retail establishment that:
(i) is a pharmacy; or
(ii) contains a pharmacy that is open for business.
(d) A person may not purchase drugs containing more than
three (3) grams of ephedrine, pseudoephedrine, or both in one (1)
week.
(e) This subsection only applies to convenience packages. A
person may not sell drugs containing more than one hundred
twenty (120) milligrams of ephedrine or pseudoephedrine, or both
in any one (1) transaction if the drugs are sold in convenience
packages. A person who sells convenience packages must secure the
convenience packages in at least one (1) of the following ways:
(1) The convenience package must be stored not more than
thirty (30) feet away from a checkout station or counter and
must be in the direct line of sight of an employee at the
checkout station or counter.
(2) The convenience package must be protected by a reliable
anti-theft device that uses package tags and detection alarms
designed to prevent theft.
(3) The convenience package must be stored in restricted
access shelving that permits a purchaser to remove not more
than one (1) package every fifteen (15) seconds.
(4) The convenience package must be stored in an area that is under constant video monitoring, and a sign placed near the convenience package must warn that the area is under constant video monitoring.

(f) A retail distributor, wholesaler, or manufacturer shall report a suspicious order to the state police department in writing.

(g) Not later than three (3) days after the discovery of an unusual theft at a particular retail store, the retailer shall report the unusual theft to the state police department in writing. If three (3) unusual thefts occur in a thirty (30) day period at a particular retail store, the retailer shall, for at least one hundred eighty (180) days after the date of the last unusual theft, locate all drugs containing ephedrine or pseudoephedrine at that particular retail store behind a counter in an area inaccessible to a customer or in a locked display case that makes the drug unavailable to customers without the assistance of an employee.

(h) A unit (as defined in IC 36-1-2-23) may not adopt an ordinance after February 1, 2005, that is more stringent than this section.

(i) A person who knowingly or intentionally violates this section commits a Class C misdemeanor. However, the offense is a Class A misdemeanor if the person has a prior unrelated conviction under this section.

(j) Before June 30, 2007, the state police department shall submit a report to the legislative council detailing the effectiveness of this section in reducing the illicit production of methamphetamine. The report must describe the number of arrests or convictions that are attributable to the identification and logging requirements contained in this section, and must include recommendations for future action. The report must be in an electronic format under IC 5-14-6.

SECTION 10. [EFFECTIVE JULY 1, 2005] (a) The superintendent of the state police department shall adopt a form or a specified electronic format, or both, for the use of a retailer in recording a transaction involving a drug containing ephedrine or pseudoephedrine in accordance with IC 35-48-4-14.7, as added by this act.

(b) This SECTION expires June 30, 2008.

SECTION 11. [EFFECTIVE JULY 1, 2005] IC 35-48-4-14.5, as
amended by this act, and IC 35-48-4-14.7, as added by this act, apply only to offenses committed after June 30, 2005.

AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-1.1-12.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner.
(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.
(3) The assessed value of the improvements before rehabilitation.
(4) The increase in the assessed value of improvements resulting from the rehabilitation.
(5) The assessed value of the new structure in the case of redevelopment.
(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed. However, property owners who had an area designated an urban development area pursuant to a deduction application filed prior to January 1, 1979, are only entitled to a deduction for a five (5) year period. In addition, property owners who are entitled to a deduction under this chapter pursuant to a deduction application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for a ten (10) year period.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

1. If a determination about the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

2. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed, the county auditor shall make the appropriate deduction.

3. If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county
auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

1. continues to use the property in compliance with any standards established under section 2(g) of this chapter; and
2. files an application in the manner provided by subsection (e).

(h) The township assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the property is located review the deduction application.

(j) A property owner may appeal the determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by filing a complaint in the office of the clerk of the circuit or superior court requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

SECTION 2. IC 6-1.1-12.1-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 5.1. (a) This subsection applies to:

1. all deductions under section 3 of this chapter for property located in a residentially distressed area; and
2. any other deductions for which a statement of benefits was approved under section 3 of this chapter before July 1, 1991.

In addition to the requirements of section 5(c) of this chapter, a deduction application filed under section 5 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter. Failure to comply with a statement of benefits approved before July 1, 1991, may not be a basis for rejecting a deduction application.

(b) This subsection applies to each deduction (other than a deduction for property located in a residentially distressed area) for
which a statement of benefits was approved under section 3 of this chapter after June 30, 1991. In addition to the requirements of section 5(c) of this chapter, a property owner who files a deduction application under section 5 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter. This information must be included in the deduction application and must also be updated within sixty (60) days after the end of each year in which the deduction is applicable at the same time that the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided before May 15.

(c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

(1) The name and address of the taxpayer.
(2) The location and description of the property for which the deduction was granted.
(3) Any information concerning the number of employees at the property for which the deduction was granted, including estimated totals that were provided as part of the statement of benefits.
(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.
(5) Any information concerning the assessed value of the property, including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the property owner.
(2) Any information concerning the cost of the property.

SECTION 3. IC 6-1.1-12.1-5.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction application schedule with the
person's personal property return on forms a form prescribed by the department of local government finance with the auditor township assessor of the county township in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located. Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a person that files with:

(1) a timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under or IC 6-1.1-3-7(b); for the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed must file the application between March 1 and the extended due date for that year. or

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township assessor shall forward to the county auditor and the county assessor a copy of each certified deduction schedule filed under this subsection.

(b) The deduction application schedule required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(3) Proof of the date the new manufacturing equipment; new research and development equipment; new logistical distribution equipment; or new information technology equipment was installed:

(4) (3) The amount of the deduction claimed for the first year of
the deduction.

(c) This subsection applies to a deduction application schedule with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which a statement of benefits was initially approved after April 30, 1991. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application schedule to the designating body, and the designating body shall adopt a resolution under section 4.5(g)(2) of this chapter.

(d) A deduction application schedule must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed and in each of the immediately succeeding years the deduction is allowed.

(e) Subject to subsection (i), the county auditor shall: township assessor or the county assessor may:

1. review the deduction application schedule; and
2. approve, before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

Upon approval of the deduction application or alteration of the amount of the deduction, if the township assessor or the county assessor does not deny the deduction, the county auditor shall make apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the township assessor or the county assessor. A township assessor or a county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor’s action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions approved applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:
(1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and
(2) files the deduction applications required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal the determination of the county auditor or the county assessor under subsection (e) to deny or alter the amount of the deduction by filing a complaint in the office of the circuit or superior court requesting in writing a preliminary conference with the township assessor or the county assessor not more than forty-five (45) days after the county auditor or the county assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) Before the county auditor acts under subsection (e), the county auditor may request that the township assessor in which the property is located review the deduction application.

The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

SECTION 4. IC 6-1.1-12.1-5.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.6. (a) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter before July 1, 1991. In addition to the requirements of section 5.5(b) of this chapter, a deduction application filed under section 5.4 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter. Failure to comply with a statement of benefits approved before July 1, 1991, may not be a basis for rejecting a deduction application.

(b) This subsection applies to a property owner whose statement of
benefits was approved under section 4.5 of this chapter after June 30, 1991. In addition to the requirements of section 5.5(b) 5.4(b) of this chapter, a property owner who files a deduction application schedule under section 5.5 5.4 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter.

(c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

1. The name and address of the taxpayer.
2. The location and description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the deduction was granted.
3. Any information concerning the number of employees at the facility where the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located, including estimated totals that were provided as part of the statement of benefits.
4. Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.
5. Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment.
6. Any information concerning the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

1. Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.
(2) Any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

SECTION 5. IC 6-1.1-12.1-5.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.9. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 1991.

(b) Not later than forty-five (45) days after receipt of the information described in section 5.1 or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3 or 4.5 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body
determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 3 or 4.5 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

(d) If the designating body adopts a resolution terminating a deduction under subsection (c), the designating body shall immediately mail a certified copy of the resolution to:

(1) the property owner; and
(2) the county auditor; and
(3) if the deduction applied under section 4.5 of this chapter, the township assessor.

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

(e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

(f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

SECTION 6. IC 6-1.1-12.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8. (a) Not later than December 31 of each year, the county auditor shall publish the
following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the approved deduction applications that were filed under this chapter during that year that resulted in deductions being applied under this chapter for that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and granted during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that were in effect under section 4.5 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2) and (a)(3) with the department of local government finance not later than December 31 of each year.

SECTION 7. IC 6-1.1-12.1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 14. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 2004.

(b) A property owner that receives a deduction under section 3 or 4.5 of this chapter is subject to this section only if the designating body, with the consent of the property owner, incorporates this section, including the percentage to be applied by the county auditor for purposes of STEP TWO of subsection (c), into its initial approval of the property owner's statement of benefits and deduction at the time of that approval.
(c) During each year in which a property owner's property tax liability is reduced by a deduction granted under this chapter, the property owner shall pay to the county treasurer a fee in an amount determined by the county auditor. The county auditor shall determine the amount of the fee to be paid by the property owner according to the following formula:

   STEP ONE: Determine the additional amount of property taxes that would have been paid by the property owner during the year if the deduction had not been in effect.

   STEP TWO: Multiply the amount determined under STEP ONE by the percentage determined by the designating body under subsection (b), which may not exceed fifteen percent (15%). The percentage determined by the designating body remains in effect throughout the term of the deduction and may not be changed.

   STEP THREE: Determine the lesser of the STEP TWO product or one hundred thousand dollars ($100,000).

(d) Fees collected under this section must be distributed to one (1) or more public or nonprofit entities established to promote economic development within the corporate limits of the city, town, or county served by the designating body. The designating body shall notify the county auditor of the entities that are to receive distributions under this section and the relative proportions of those distributions. The county auditor shall distribute fees collected under this section in accordance with the designating body's instructions.

(e) If the designating body determines that a property owner has not paid a fee imposed under this section, the designating body may adopt a resolution terminating the property owner's deduction under section 3 or 4.5 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

SECTION 8. IC 6-1.1-12.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 12.4. Investment Deduction

Sec. 1. For purposes of this chapter, "official" means:

(1) a county auditor;

(2) a county assessor; or
(3) a township assessor.

Sec. 2. (a) For purposes of this section, an increase in the assessed value of real property is determined in the same manner that an increase in the assessed value of real property is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to a development, redevelopment, or rehabilitation that is first assessed after March 1, 2005, and before March 2, 2009. Except as provided in subsection (h) and sections 4, 5, and 8 of this chapter, an owner of real property that:

1. develops, redevelops, or rehabilitates the real property; and
2. creates or retains employment from the development, redevelopment, or rehabilitation;

is entitled to a deduction from the assessed value of the real property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the development, redevelopment, or rehabilitation occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to real property located in a county for a particular year equals the lesser of:

1. two million dollars ($2,000,000); or
2. the product of:
   A. the increase in assessed value resulting from the development, rehabilitation, or redevelopment; multiplied by
   B. the percentage from the following table:

<table>
<thead>
<tr>
<th>YEAR OF DEDUCTION</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>75%</td>
</tr>
<tr>
<td>2nd</td>
<td>50%</td>
</tr>
<tr>
<td>3rd</td>
<td>25%</td>
</tr>
</tbody>
</table>

(d) A property owner that qualifies for the deduction under this section must file a notice to claim the deduction in the manner prescribed by the department of local government finance under rules adopted by the department of local government finance under IC 4-22-2 to implement this chapter. The township assessor shall:
(1) inform the county auditor of the real property eligible for
the deduction as contained in the notice filed by the taxpayer
under this subsection; and
(2) inform the county auditor of the deduction amount.

(e) The county auditor shall:
(1) make the deductions; and
(2) notify the county property tax assessment board of appeals
of all deductions approved;
under this section.

(f) The amount of the deduction determined under subsection
(c)(2) is adjusted to reflect the percentage increase or decrease in
assessed valuation that results from:
(1) a general reassessment of real property under
IC 6-1.1-4-4; or
(2) an annual adjustment under IC 6-1.1-4-4.5.

(g) If an appeal of an assessment is approved that results in a
reduction of the assessed value of the real property, the amount of
the deduction under this section is adjusted to reflect the
percentage decrease that results from the appeal.

(h) The deduction under this section does not apply to a facility
listed in IC 6-1.1-12.1-3(e).

Sec. 3. (a) For purposes of this section, an increase in the
assessed value of personal property is determined in the same
manner that an increase in the assessed value of new
manufacturing equipment is determined for purposes of
IC 6-1.1-12.1.

(b) This subsection applies only to personal property that the
owner purchases after March 1, 2005, and before March 2, 2009.
Except as provided in sections 4, 5, and 8 of this chapter, an owner
that purchases personal property other than inventory (as defined
in 50 IAC 4.2-5-1, as in effect on January 1, 2005) that:
(1) was never before used by its owner for any purpose in
Indiana; and
(2) creates or retains employment;
is entitled to a deduction from the assessed value of the personal
property.

(c) The deduction under this section is first available in the year
in which the increase in assessed value resulting from the purchase
of the personal property occurs and continues for the following two
(2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

(1) two million dollars ($2,000,000); or

(2) the product of:

(A) the increase in assessed value resulting from the purchase of the personal property; multiplied by

(B) the percentage from the following table:

<table>
<thead>
<tr>
<th>YEAR OF DEDUCTION</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>75%</td>
</tr>
<tr>
<td>2nd</td>
<td>50%</td>
</tr>
<tr>
<td>3rd</td>
<td>25%</td>
</tr>
</tbody>
</table>

(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The township assessor shall:

(1) identify the personal property eligible for the deduction to the county auditor; and

(2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved; under this section.

Sec. 4. A property owner may not receive a deduction under this chapter with respect to real property or personal property located in an allocation area (as defined in IC 6-1.1-21.2-3).

Sec. 5. A property owner that qualifies for a deduction for a year under this chapter and another statute with respect to the same:

(1) real property development, redevelopment, or rehabilitation; or

(2) personal property purchase;

may not receive a deduction under both statutes for the development, redevelopment, rehabilitation, or purchase for that year.
Sec. 6. An official may:

(1) review the creation or retention of employment from:
   (A) the development, redevelopment, or rehabilitation of real property; or
   (B) the purchase of personal property;

that qualifies a property owner for a deduction under this chapter;

(2) determine whether the creation or retention of employment described in subdivision (1) has occurred; and

(3) if the official determines under subdivision (2) that:
   (A) the creation or retention of employment described in subdivision (1) has not occurred; and
   (B) the failure to create or retain employment was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services);

mail a written notice to the property owner of a hearing on the termination of the deduction under this chapter.

Sec. 7. The written notice under section 6(3) of this chapter must include the following:

(1) An explanation of the reasons for the determination that the creation or retention of employment described in section 6(1) of this chapter has not occurred.

(2) The date, time, and place of a hearing to be conducted:
   (A) by the official; and
   (B) not more than thirty (30) days after the date of the notice under section 6(3) of this chapter;

   to further consider the property owner's creation or retention of employment as described in section 6(1) of this chapter.

Sec. 8. On the date specified in the notice described in section 6(3) of this chapter, the official shall conduct a hearing for the purpose of further considering the property owner's creation or retention of employment as described in section 6(1) of this chapter. Based on the information presented at the hearing by the property owner and other interested parties, the official shall determine whether the property owner has made reasonable efforts to create or retain employment as described in section 6(1) of this chapter and whether any failure to create or retain employment was caused by factors beyond the control of the
property owner. If the official determines that the property owner has not made reasonable efforts to create or retain employment, the official shall determine that the property owner's deduction under this chapter is terminated. If the official terminates the deduction, the deduction does not apply to:

(1) the next installment of property taxes owed by the property owner; or
(2) any subsequent installment of property taxes.

Sec. 9. If an official terminates a deduction under section 8 of this chapter:

(1) the official shall immediately mail a certified copy of the determination to:
   (A) the property owner; and
   (B) if the determination is made by the county assessor or the township assessor, the county auditor;

(2) the county auditor shall:
   (A) remove the deduction from the tax duplicate; and
   (B) notify the county treasurer of the termination of the deduction; and

(3) if the official's determination to terminate the deduction occurs after the county treasurer has mailed the statement required by IC 6-1.1-22-8, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

Sec. 10. A property owner whose deduction is terminated under section 8 of this chapter may appeal the official's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. The court shall:

(1) hear an appeal under this section promptly without a jury; and
(2) determine the appeal not later than thirty (30) days after the date of the filing of the appeal.

The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

Sec. 11. If an appeal under section 10 of this chapter is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination
of the deduction is finally determined.

Sec. 12. If ownership of the real property or new personal property changes, the deduction under this chapter continues to apply to the real property or personal property, and the amount of deduction is the product of:

1. the percentage under section 2(c)(2)(B) or 3(c)(2)(B) of this chapter that would have applied if the ownership of the property had not changed; multiplied by
2. the assessed value of the real property or personal property for the year the new owner qualifies for the deduction.

Sec. 13. The department of local government finance shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 9. IC 6-2.5-5-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37. Transactions involving the following tangible personal property are exempt from the state gross retail tax, if the tangible personal property:

1. Engines or chassis that are leased, owned, or operated by a professional racing team; and
2. All spare, replacement, and rebuilding parts or components for the engines and chassis described in subdivision (1), excluding tires and accessories.

(2) comprises any part of a professional motor racing vehicle, excluding tires and accessories.

SECTION 10. IC 6-2.5-5-40 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. (a) As used in this chapter, "research and development activities" does not include any of the following:

1. Efficiency surveys.
3. Consumer surveys.
4. Economic surveys.
5. Advertising or promotions.
6. Research in connection with literary, historical, or similar projects.
7. Testing for purposes of quality control.

(b) As used in this section, "research and development equipment" means tangible personal property that:
(1) consists of or is a combination of:
   (A) laboratory equipment;
   (B) computers;
   (C) computer software;
   (D) telecommunications equipment; or
   (E) testing equipment;
(2) has not previously been used in Indiana for any purpose; and
(3) is acquired by the purchaser for the purpose of research and development activities devoted directly to experimental or laboratory research and development for:
   (A) new products;
   (B) new uses of existing products; or
   (C) improving or testing existing products.

(c) A retail transaction:
   (1) involving research and development equipment; and
   (2) occurring after June 30, 2007;
is exempt from the state gross retail tax.

SECTION 11. IC 6-2.5-6-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 16. (a) As used in this section, "research and development equipment" has the meaning set forth in IC 6-2.5-5-40.

(b) A person is entitled to a refund equal to fifty percent (50%) of the gross retail tax paid by the person under this article in a retail transaction occurring after June 30, 2005, and before July 1, 2007, to acquire research and development equipment.

(c) To receive the refund provided by this section, a person must claim the refund under IC 6-8.1-9 in the manner prescribed by the department.

SECTION 12. IC 6-3.1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 1. As used in this chapter:
"Base amount" means base amount (as defined in Section 41(c) of the Internal Revenue Code as in effect on January 1, 2001), modified by considering only Indiana qualified research expenses and gross receipts attributable to Indiana in the calculation of the taxpayer's:
   (1) fixed base percentage; and
   (2) average annual gross receipts.
"Base period Indiana qualified research expense" means base period research expense that is incurred for research conducted in Indiana.

"Base period research expense" means base period research expense (as defined in Section 41(e) of the Internal Revenue Code before January 1, 1990):

"Indiana qualified research expense" means qualified research expense that is incurred for research conducted in Indiana.

"Qualified research expense" means qualified research expense (as defined in Section 41(b) of the Internal Revenue Code as in effect on January 1, 2001).

"Pass through entity" means:
(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) a partnership;
(3) a limited liability company; or
(4) a limited liability partnership.

"Research expense tax credit" means a credit provided under this chapter against any tax otherwise due and payable under IC 6-3.

"Taxpayer" means an individual, a corporation, a limited liability company, a limited liability partnership, a trust, or a partnership that has any tax liability under IC 6-3 (adjusted gross income tax).

SECTION 13. IC 6-3.1-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A taxpayer who incurs Indiana qualified research expense in a particular taxable year is entitled to a research expense tax credit for the taxable year.

(b) For Indiana qualified research expense incurred before January 1, 2008, the amount of the research expense tax credit is equal to the product of (1) ten percent (10%) multiplied by (2) the remainder of:

(1) the taxpayer's Indiana qualified research expenses for the taxable year; minus

(2A) the taxpayer's base period Indiana qualified research expenses, for taxable years beginning before January 1, 1990; or

(2B) 2 the taxpayer's base amount, for taxable years beginning after December 31, 1989.

(c) For Indiana qualified research expense incurred after December 31, 2007, the amount of the research expense tax credit
is determined under STEP FOUR of the following formula:

STEP ONE: Subtract the taxpayer’s base amount from the taxpayer’s Indiana qualified research expense for the taxable year.

STEP TWO: Multiply the lesser of:

(A) one million dollars ($1,000,000); or

(B) the STEP ONE remainder;

by fifteen percent (15%).

STEP THREE: If the STEP ONE remainder exceeds one million dollars ($1,000,000), multiply the amount of that excess by ten percent (10%).

STEP FOUR: Add the STEP TWO and STEP THREE products.

SECTION 14. IC 6-3.1-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) ten (10) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer’s tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

SECTION 15. IC 6-3.1-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) If a pass through entity does not have state income tax liability against which the
research expense tax credit may be applied, a shareholder, or partner, or member of the pass through entity is entitled to a research expense tax credit equal to:

(1) the research expense tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, or partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a research expense tax credit to which a shareholder, or partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and a shareholder, or partner, or member of the pass through entity may not claim a credit under this chapter for the same qualified research expenses.

SECTION 16. IC 6-3.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. As used in this chapter, "qualified investment capital" means debt or equity capital that is provided to a qualified Indiana business after December 31, 2003. However, the term does not include debt that:

(1) is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005; and

(2) is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business.

SECTION 17. IC 6-3.1-24-7, AS AMENDED BY P.L.4-2005, SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 9, 2005 (RETOACTIVE)]: Sec. 7. (a) The Indiana economic development corporation shall certify that a business is a qualified Indiana business if the corporation determines that the business:

(1) has its headquarters in Indiana;

(2) is primarily focused on professional motor vehicle racing, commercialization of research and development, technology transfers, or the application of new technology, or is determined by the Indiana economic development corporation to have significant potential to:
(A) bring substantial capital into Indiana;
(B) create jobs;
(C) diversify the business base of Indiana; or
(D) significantly promote the purposes of this chapter in any other way;

(3) has had average annual revenues of less than ten million dollars ($10,000,000) in the two (2) years preceding the year in which the business received qualified investment capital from a taxpayer claiming a credit under this chapter;

(4) has:
   (A) at least fifty percent (50%) of its employees residing in Indiana; or
   (B) at least seventy-five percent (75%) of its assets located in Indiana; and

(5) is not engaged in a business involving:
   (A) real estate;
   (B) real estate development;
   (C) insurance;
   (D) professional services provided by an accountant, a lawyer, or a physician;
   (E) retail sales, except when the primary purpose of the business is the development or support of electronic commerce using the Internet; or
   (F) oil and gas exploration.

(b) A business shall apply to be certified as a qualified Indiana business on a form prescribed by the Indiana economic development corporation.

(c) If a business is certified as a qualified Indiana business under this section, the Indiana economic development corporation shall provide a copy of the certification to the investors in the qualified Indiana business for inclusion in tax filings.

(d) The Indiana economic development corporation may impose an application fee of not more than two hundred dollars ($200).

SECTION 18. IC 6-3.1-24-9, AS AMENDED BY P.L.4-2005, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 9, 2005 (RETROACTIVE)]: Sec. 9. (a) The total amount of tax credits that may be allowed under this chapter in a particular calendar year for qualified investment capital provided during that
calendar year may not exceed ten twelve million five hundred thousand dollars ($10,000,000). ($12,500,000). The Indiana economic development corporation may not certify a proposed investment plan under section 12.5 of this chapter if the proposed investment would result in the total amount of the tax credits certified for the calendar year exceeding ten twelve million five hundred thousand dollars ($10,000,000). ($12,500,000). An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the Indiana economic development corporation may certify under this chapter.

(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2008. However, this subsection may not be construed to prevent a taxpayer from carrying over to a taxable year beginning after December 31, 2008, an unused tax credit attributable to an investment occurring before January 1, 2009.

SECTION 19. IC 6-3.1-24-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

SECTION 20. IC 6-3.1-24-12.5, AS AMENDED BY P.L.4-2005, SECTION 100, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 9, 2005 (RETROACTIVE)]: Sec. 12.5. (a) A taxpayer wishing to obtain a credit under this chapter must apply to the Indiana economic development corporation for a certification that the taxpayer's proposed investment plan would qualify for a credit under this chapter.

(b) The application required under subsection (a) must include:
   (1) the name and address of the taxpayer;
   (2) the name and address of each proposed recipient of the
taxpayer's proposed investment;
(3) the amount of the proposed investment;
(4) a copy of the certification issued under section 7 of this chapter that the proposed recipient is a qualified Indiana business; and
(5) any other information required by the Indiana economic development corporation.

(c) If the Indiana economic development corporation determines that:
(1) the proposed investment would qualify the taxpayer for a credit under this chapter; and
(2) the amount of the proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding ten twelve million five hundred thousand dollars ($10,000,000); ($12,500,000);
the corporation shall certify the taxpayer's proposed investment plan.

(d) To receive a credit under this chapter, the taxpayer must provide qualified investment capital to a qualified Indiana business according to the taxpayer's certified investment plan within two (2) years after the date on which the Indiana economic development corporation certifies the investment plan.

(e) Upon making the investment required under subsection (d), the taxpayer shall provide proof of the investment to the Indiana economic development corporation.

(f) Upon receiving proof of a taxpayer's investment under subsection (e), the Indiana economic development corporation shall issue the taxpayer a certificate indicating that the taxpayer has fulfilled the requirements of the corporation and that the taxpayer is entitled to a credit under this chapter.

(g) A taxpayer forfeits the right to a tax credit attributable to an investment certified under subsection (c) if the taxpayer fails to make the proposed investment within the period required under subsection (d).

SECTION 21. IC 6-3.1-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]:

Chapter 30. Headquarters Relocation Tax Credit
Sec. 1. As used in this chapter, "corporate headquarters" means
the building or buildings where the principal offices of the principal executive officers of an eligible business are located.

Sec. 2. As used in this chapter, "eligible business" means a business that:

1. is engaged in either interstate or intrastate commerce;
2. maintains a corporate headquarters at a location outside Indiana;
3. has not previously maintained a corporate headquarters at a location in Indiana;
4. had annual worldwide revenues of at least five hundred million dollars ($500,000,000) for the taxable year immediately preceding the business's application for a tax credit under section 12 of this chapter; and
5. commits contractually to relocating its corporate headquarters to Indiana.

Sec. 3. As used in this chapter, "pass through entity" means:

1. a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
2. a partnership;
3. a limited liability company; or
4. a limited liability partnership.

Sec. 4. As used in this chapter, "qualifying project" means the relocation of the corporate headquarters of an eligible business from a location outside Indiana to a location in Indiana.

Sec. 5. As used in this chapter, "relocation costs" means the reasonable and necessary expenses incurred by an eligible business for a qualifying project. The term includes:

1. moving costs and related expenses;
2. the purchase of new or replacement equipment;
3. capital investment costs; and
4. property assembly and development costs, including:
   A. the purchase, lease, or construction of buildings and land;
   B. infrastructure improvements; and
   C. site development costs.

The term does not include any costs that do not directly result from the relocation of the business to a location in Indiana.

Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:
(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); (2) IC 6-5.5 (the financial institutions tax); and (3) IC 27-1-18-2 (the insurance premiums tax); as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 7. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

Sec. 8. A taxpayer that: (1) is an eligible business; (2) completes a qualifying project; and (3) incurs relocation costs; is entitled to a credit against the taxpayer's state tax liability for the taxable year in which the relocation costs are incurred. The credit allowed under this section is equal to the amount determined under section 9 of this chapter.

Sec. 9. (a) Subject to subsection (b), the amount of the credit to which a taxpayer is entitled under section 8 of this chapter equals the product of: (1) fifty percent (50%); multiplied by (2) the amount of the taxpayer's relocation costs in the taxable year.

(b) The credit to which a taxpayer is entitled under section 8 of this chapter may not reduce the taxpayer's state tax liability below the amount of the taxpayer's state tax liability in the taxable year immediately preceding the taxable year in which the taxpayer first incurred relocation costs.

Sec. 10. If a pass through entity is entitled to a credit under section 8 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to: (1) the tax credit determined for the pass through entity for the taxable year; multiplied by (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the
credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

Sec. 12. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department proof of the taxpayer's relocation costs and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

Sec. 13. In determining whether an expense of the eligible business directly resulted from the relocation of the business, the department shall consider whether the expense would likely have been incurred by the eligible business if the business had not relocated from its original location.

SECTION 22. [EFFECTIVE JULY 1, 2005] (a) IC 6-1.1-12.4, as added by this act, applies only to:

(1) real property development, redevelopment, or rehabilitation; and

(2) the purchase of personal property;

that occurs as described in that chapter after March 1, 2005.

(b) The definitions in IC 6-2.5 apply throughout this subsection. For purposes of IC 6-2.5-6-16, as added by this act, all transactions shall be considered as having occurred after June 30, 2005, to the extent that delivery of the property or services constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2005, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2005, and payment for the property or services furnished in the transaction is made before July 1, 2005,
notwithstanding the delivery of the property or services after June 30, 2005.

(c) The definitions in IC 6-2.5 apply throughout this subsection. For purposes of IC 6-2.5-5-40, as added by this act, all transactions shall be considered as having occurred after June 30, 2007, to the extent that delivery of the property or services constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2007, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2007, and payment for the property or services furnished in the transaction is made before July 1, 2007, notwithstanding the delivery of the property or services after June 30, 2007.

(d) IC 6-3.1-4-2, as amended by this act, applies only to taxable years beginning after December 31, 2007.

(e) IC 6-3.1-4-3, as amended by this act, applies to taxable years beginning after December 31, 2005. A taxpayer with a credit carryover under IC 6-3.1-4-3 on December 31, 2005, from a taxable year beginning before January 1, 2006, may carry the excess credit over for a period not to exceed the ten (10) taxable years following the taxable year in which the taxpayer was first entitled to claim the credit. This subsection shall not be construed to disallow any part of an excess credit used under IC 6-3.1-4-3, as effective before amendment by this act, for any taxable year ending before January 1, 2005.

SECTION 23. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]

(a) IC 6-3.1-24-7, IC 6-3.1-24-9, and IC 6-3.1-24-12.5, all as amended by this act, apply to taxable years beginning and proposed investment plans approved after December 31, 2004.

(b) IC 6-3.1-24-12, as amended by this act, applies to taxable years beginning after December 31, 2005. A taxpayer with a credit carryover under IC 6-3.1-24-12 on December 31, 2005, from a taxable year beginning before January 1, 2006, may carry the excess credit over for a period not to exceed the five (5) taxable years following the taxable year in which the taxpayer was first entitled to claim the credit. This subsection shall not be construed to disallow any part of an excess credit used under IC 6-3.1-24-12,
as effective before amendment by this act, for any taxable year ending before January 1, 2006.

SECTION 24. [EFFECTIVE JANUARY 1, 2007] IC 6-3.1-30, as added by this act, applies to taxable years beginning after December 31, 2006.

SECTION 25. [EFFECTIVE JULY 1, 2005] For purposes of IC 6-2.5-5-37, as amended by this act, all transactions shall be considered as having occurred after June 30, 2005, to the extent that delivery of the property or services constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2005, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2005, and payment for the property or services furnished in the transaction is made before July 1, 2005, notwithstanding the delivery of the property or services after June 30, 2005.

SECTION 26. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding the effective dates included in HEA 1003-2005, the following provisions take effect February 9, 2005, and not July 1, 2005:

(1) SECTIONS 66 through 85 of HEA 1003-2005.
(2) SECTIONS 102 through 110 of HEA 1003-2005.
(3) SECTION 112 of HEA 1003-2005.

(b) The actions taken by the Indiana economic development corporation to administer IC 6-3.1-13 and IC 6-3.1-26, both as amended by HEA 1003-2005, after February 8, 2005, and before the effective date of this act, are legalized and validated.

SECTION 27. [EFFECTIVE JULY 1, 2005] The following, all as amended by this act, apply only to property taxes first due and payable after December 31, 2006:

(1) IC 6-1.1-12.1-5.4.
(2) IC 6-1.1-12.1-5.6.
(3) IC 6-1.1-12.1-5.9.
(4) IC 6-1.1-12.1-8.
(5) IC 6-1.1-12.1-14.

SECTION 28. [EFFECTIVE JANUARY 1, 2005 (RETOACTIVE)] IC 6-1.1-12.1-5 and IC 6-1.1-12.1-5.1, both as amended by this act, apply to property taxes first due and payable
after December 31, 2005.

SECTION 29. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)] (a) Beginning January 1, 2005, and ending February 9, 2005, this SECTION applies instead of IC 6-3.1-24-7.
(b) The definitions set forth in IC 6-3.1-24 apply throughout this SECTION.
(c) The Indiana economic development corporation shall certify that a business is a qualified Indiana business if the corporation determines that the business:
   (1) has its headquarters in Indiana;
   (2) is primarily focused on professional motor vehicle racing, commercialization of research and development, technology transfers, or the application of new technology, or is determined by the Indiana economic development corporation to have significant potential to:
      (A) bring substantial capital into Indiana;
      (B) create jobs;
      (C) diversify the business base of Indiana; or
      (D) significantly promote the purposes of this chapter in any other way;
   (3) has had average annual revenues of less than ten million dollars ($10,000,000) in the two (2) years preceding the year in which the business received qualified investment capital from a taxpayer claiming a credit under IC 6-3.1-24;
   (4) has:
      (A) at least fifty percent (50%) of its employees residing in Indiana; or
      (B) at least seventy-five percent (75%) of its assets located in Indiana; and
   (5) is not engaged in a business involving:
      (A) real estate;
      (B) real estate development;
      (C) insurance;
      (D) professional services provided by an accountant, a lawyer, or a physician;
      (E) retail sales, except when the primary purpose of the business is the development or support of electronic commerce using the Internet; or
      (F) oil and gas exploration.
(d) A business shall apply to be certified as a qualified Indiana business on a form prescribed by the Indiana economic development corporation.

(e) If a business is certified as a qualified Indiana business under this SECTION, the Indiana economic development corporation shall provide a copy of the certification to the investors in the qualified Indiana business for inclusion in tax filings.

(f) The Indiana economic development corporation may impose an application fee of not more than two hundred dollars ($200).

(g) This SECTION expires February 9, 2005.

SECTION 30. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]

(a) Beginning January 1, 2005, and ending February 9, 2005, this SECTION applies instead of IC 6-3.1-24-9.

(b) The definitions set forth in IC 6-3.1-24 apply throughout this SECTION.

(c) The total amount of tax credits that may be allowed under IC 6-3.1-24 in a particular calendar year for qualified investment capital provided during that calendar year may not exceed twelve million five hundred thousand dollars ($12,500,000). The Indiana economic development corporation may not certify a proposed investment plan under IC 6-3.1-24-12.5 if the proposed investment would result in the total amount of the tax credits certified for the calendar year exceeding twelve million five hundred thousand dollars ($12,500,000). An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the Indiana economic development corporation may certify under IC 6-3.1-24.

(d) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2008. However, this subsection may not be construed to prevent a taxpayer from carrying over to a taxable year beginning after December 31, 2008, an unused tax credit attributable to an investment occurring before January 1, 2009.

(e) This SECTION expires February 9, 2005.

SECTION 31. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]

(a) Beginning January 1, 2005, and ending February 9, 2005, this SECTION applies instead of
IC 6-3.1-24-12.5.

(b) The definitions set forth in IC 6-3.1-24 apply throughout this SECTION.

(c) A taxpayer wishing to obtain a credit under IC 6-3.1-24 must apply to the Indiana economic development corporation for a certification that the taxpayer's proposed investment plan would qualify for a credit under IC 6-3.1-24.

(d) The application required under subsection (c) must include:
   (1) the name and address of the taxpayer;
   (2) the name and address of each proposed recipient of the taxpayer's proposed investment;
   (3) the amount of the proposed investment;
   (4) a copy of the certification issued under section IC 6-3.1-24-7 that the proposed recipient is a qualified Indiana business; and
   (5) any other information required by the Indiana economic development corporation.

(e) If the Indiana economic development corporation determines that:
   (1) the proposed investment would qualify the taxpayer for a credit under IC 6-3.1-24; and
   (2) the amount of the proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding twelve million five hundred thousand dollars ($12,500,000);
the corporation shall certify the taxpayer's proposed investment plan.

(f) To receive a credit under IC 6-3.1-24, the taxpayer must provide qualified investment capital to a qualified Indiana business according to the taxpayer's certified investment plan within two (2) years after the date on which the Indiana economic development corporation certifies the investment plan.

(g) Upon making the investment required under subsection (f), the taxpayer shall provide proof of the investment to the Indiana economic development corporation.

(h) Upon receiving proof of a taxpayer's investment under subsection (g), the Indiana economic development corporation shall issue the taxpayer a certificate indicating that the taxpayer has fulfilled the requirements of the corporation and that the
taxpayer is entitled to a credit under IC 6-3.1-24.

(i) A taxpayer forfeits the right to a tax credit attributable to an investment certified under subsection (e) if the taxpayer fails to make the proposed investment within the period required under subsection (f).

(j) This SECTION expires February 9, 2005.

SECTION 32. An emergency is declared for this act.

---

AN ACT to amend the Indiana Code concerning professions and occupations and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 25-1-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) By enactment of this chapter, the general assembly intends that, with the exception of the director, the staff of the Indiana professional licensing agency be comprised initially from among persons employed by the boards to which this chapter applies; and that no increase in the aggregate number of persons so employed be allowed by the state personnel department and the state budget agency except to comply with the provisions of this chapter.

(b) It is the further intent of the general assembly that The centralization of staff, functions, and services contemplated by this chapter shall be done in such a way as to enhance the licensing agency's ability to:

(1) make maximum use of data processing as a means of more efficient operation;
(2) provide more services and carry out functions of superior quality; and
(3) ultimately and significantly reduce the number of staff needed to provide these services and carry out these functions.
SECTION 2. IC 25-1-1-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is established the Indiana professional licensing agency. The licensing agency shall perform all administrative functions, duties, and responsibilities assigned by law or rule to the executive director, secretary, or other statutory administrator of the following:

1. Indiana board of accountancy (IC 25-2.1-2-1).
2. Board of registration for architects and landscape architects (IC 25-4-1-2).
3. Indiana auctioneer commission (IC 25-6.1-2-1).
4. State board of barber examiners (IC 25-7-5-1).
5. State boxing commission (IC 25-9-1).
6. State board of cosmetology examiners (IC 25-8-3-1).
8. State board of registration for professional engineers (IC 25-31-1-3).
9. Indiana plumbing commission (IC 25-28.5-1-3).
10. Indiana real estate commission (IC 25-34.1).
11. Real estate appraiser licensure and certification board (IC 25-34.1-8-1).
12. Private detectives licensing board (IC 25-30-1-5.1).
14. Manufactured home installer licensing board (IC 25-23.7).
15. Home inspectors licensing board (IC 25-20.2-3-1).

(b) Except for appeals of denials of license renewals to the executive director authorized by section 5.5 of this chapter, Nothing in this chapter may be construed to give the licensing agency policy making authority, which remains with each board.

SECTION 3. IC 25-1-1-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The licensing agency shall employ necessary staff, including specialists and professionals, to carry out the administrative duties and functions of the boards, including but not limited to:

1. notice of board meetings and other communication services;
2. record keeping of board meetings, proceedings, and actions;
3. record keeping of all persons or individuals licensed, regulated, or certified by a board;
(4) administration of examinations; and
(5) administration of license or certificate issuance or renewal.
(b) In addition, the licensing agency:
(1) shall prepare a consolidated statement of the budget requests of all the boards in section 3 of this chapter;
(2) may coordinate licensing or certification renewal cycles, examination schedules, or other routine activities to efficiently utilize licensing agency staff, facilities, and transportation resources, and to improve accessibility of board functions to the public; and
(3) may consolidate, where feasible, office space, record keeping, and data processing services.
(4) shall, upon written request, furnish at cost to any person a list of the names and addresses of persons holding a license or permit issued by one (1) of the boards listed in section 3 of this chapter.
(c) In administering the renewal of licenses or certificates under this chapter, the licensing agency shall issue a sixty (60) day notice of expiration to all holders of a license or certificate. The notice shall be accompanied by appropriate renewal forms: must inform the holder of a license or certificate of the requirements to:
(1) renew the license or certificate; and
(2) pay the renewal fee.
(d) If the licensing agency fails to send notice of expiration under subsection (c), the holder of the license or certificate is not subject to a sanction for failure to renew if the holder renews the license or certificate not more than forty-five (45) days after the holder receives the notice from the licensing agency.
(e) The licensing agency may require an applicant for a license or certificate renewal to submit evidence showing that the applicant:
(1) meets the minimum requirements for licensure or certification; and
(2) is not in violation of:
   (A) the law regulating the applicant's profession; or
   (B) rules adopted by the board regulating the applicant's profession.
(f) The licensing agency may delay renewing a license or certificate for not more than ninety (90) days after the renewal
date to permit the board to investigate information received by the licensing agency that the applicant for renewal may have committed an act for which the applicant may be disciplined. If the licensing agency delays renewing a license or certificate, the licensing agency shall notify the applicant that the applicant is being investigated. Except as provided in subsection (g), the board shall do one (1) of the following before the expiration of the ninety (90) day period:

1. Deny renewal of the license or certificate following a personal appearance by the applicant before the board.
2. Renew the license or certificate upon satisfaction of all other requirements for renewal.
3. Renew the license and file a complaint under IC 25-1-7.
4. Request the office of the attorney general to conduct an investigation under subsection (h) if, following a personal appearance by the applicant before the board, the board has good cause to believe that the applicant engaged in activity described in IC 25-1-11-5.
5. Upon agreement of the applicant and the board and following a personal appearance by the applicant before the board, renew the license or certificate and place the applicant on probation status under IC 25-1-11-12.

(g) If an applicant fails to appear before the board under subsection (f), the board may take action as provided in subsection (f)(1), (f)(2), or (f)(3).

(h) If the board makes a request under subsection (f)(4), the office of the attorney general shall conduct an investigation. Upon completion of the investigation, the office of the attorney general may file a petition alleging that the applicant has engaged in activity described in IC 25-1-11-5. If the office of the attorney general files a petition, the board shall set the matter for a public hearing. If, after a public hearing, the board finds the applicant violated IC 25-1-11-5, the board may impose sanctions under IC 25-1-11-12. The board may delay renewing a license or certificate beyond ninety (90) days after the renewal date until a final determination is made by the board. The applicant's license or certificate remains valid until the final determination of the board is rendered unless the renewal is:

1. denied; or
(2) summarily suspended under IC 25-1-11-13.

(i) The license or certificate of the applicant for license renewal remains valid during the ninety (90) day period unless the license or certificate is denied following a personal appearance by the applicant before the board before the end of the ninety (90) day period. If the ninety (90) day period expires without action by the board, the license or certificate shall be automatically renewed at the end of the ninety (90) day period.

(j) Notwithstanding any other law, the licensing agency may stagger license or certificate renewal cycles.

(k) An application for a license or certificate is abandoned without an action by the board if the applicant does not complete the requirements for obtaining the license or certificate not more than one (1) year after the date on which the application was filed. However, the board may, for good cause shown, extend the validity of the application for additional thirty (30) day periods. An application submitted after the abandonment of an application is considered a new application.

SECTION 4. IC 25-1-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The licensing agency shall be administered by an executive director appointed by the governor who shall serve at the will and pleasure of the governor.

(b) The executive director must be qualified by experience and training.

(c) The term "executive director" or "secretary", or any other statutory term for the administrative officer of a board listed in section 3 of this chapter, means the executive director of the licensing agency or his executive director’s designee.

(d) The executive director is the chief fiscal officer of the licensing agency and is responsible for hiring of all staff and for procurement of all services and supplies in accordance with IC 5-22. The executive director and the employees of the licensing agency are subject to IC 4-15-1.8 but are not under IC 4-15-2. The executive director may appoint no more than three (3) deputy directors, who must be qualified to work for the boards which are served by the licensing agency.

(e) The executive director shall execute a bond payable to the state, with surety to consist of a surety or guaranty corporation qualified to do business in Indiana, in an amount fixed by the state board of accounts,
conditioned upon the faithful performance of duties and the accounting for all money and property that come into the executive director's hands or under the executive director's control. The executive director may likewise cause any employee of the licensing agency to execute a bond if that employee receives, disburse, or in any way handles funds or property of the licensing agency. The costs of any such bonds shall be paid from funds available to the licensing agency.

(f) The executive director may present to the general assembly legislative recommendations regarding operations of the licensing agency and the boards it serves, including adoption of four (4) year license or certificate renewal cycles wherever feasible.

(g) Upon the request of a board or commission, the executive director may execute orders, subpoenas, continuances, and other legal documents on behalf of the board or commission.

(h) Upon the request of a board or commission, the executive director may provide advice and technical assistance on issues that may be presented to the board or commission.

SECTION 5. IC 25-1-6-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) A person who has a license renewal denied by a board listed in section 3 of this chapter may file an appeal of the denial with the executive director of the licensing agency: in accordance with IC 4-21.5-3.

(b) IC 4-21.5-3-29 and IC 4-21.5-3-30 govern the executive director's review of an appeal filed under subsection (a):

SECTION 6. IC 25-1-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) As used in this section, "board" includes the entities listed in IC 25-1-6-3.

(b) Notwithstanding any other law regarding fees for reinstatement or restoration of a delinquent or lapsed license, certificate, or registration, a delinquent or lapsed license, certificate, or registration that was issued by the board may not be reinstated or restored unless the holder of the license, certificate, or registration pays:

1. the fee established by the board under section 2 of this chapter; and
2. a reinstatement fee established by the Indiana professional licensing agency.
(c) A license, certificate, or registration may not be reinstated or restored unless the holder of the license, certificate, or registration completes all other requirements for reinstatement or restoration of the license, certificate, or registration that are:
   (1) provided for in statute or rule; and
   (2) not related to fees.

(d) This section does not apply to a license, certificate, or registration if one (1) of the following applies:
   (1) The license, certificate, or registration has been revoked or suspended.
   (2) A statute specifically does not allow a license, certificate, or registration to be reinstated or restored.

SECTION 7. IC 25-1-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The board may order a practitioner to submit to a reasonable physical or mental examination, at the practitioner's expense, if the practitioner's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding.

SECTION 8. IC 25-1-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A practitioner who has been subjected to disciplinary sanctions may be required by a board to pay the costs of the proceeding. The practitioner's ability to pay shall be considered when costs are assessed. If the practitioner fails to pay the costs, a suspension may not be imposed solely upon the practitioner's inability to pay the amount assessed. These costs are limited to costs for the following:
   (1) Court reporters.
   (2) Transcripts.
   (3) Certification of documents.
   (4) Photo duplication.
   (5) Witness attendance and mileage fees.
   (6) Postage.
   (7) Expert witnesses.
   (8) Depositions.
   (9) Notarizations.
   (10) Administrative law judges.

SECTION 9. IC 25-1-11-19 IS ADDED TO THE CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,
Sec. 19. (a) The board may refuse to issue a license or may issue a probationary license to an applicant for licensure if:

(1) the applicant has:
   (A) been disciplined by a licensing entity of another state or jurisdiction; or
   (B) committed an act that would have subjected the applicant to the disciplinary process if the applicant had been licensed in Indiana when the act occurred; and

(2) the violation for which the applicant was or could have been disciplined has a bearing on the applicant's ability to competently perform or practice the profession in Indiana.

(b) Whenever the board issues a probationary license, the board may require a licensee to do any of the following:

(1) Report regularly to the board upon the matters that are the basis of the discipline of the other state or jurisdiction.

(2) Limit practice to the areas prescribed by the board.

(3) Continue or renew professional education requirements.

(4) Engage in community restitution or service without compensation for the number of hours specified by the board.

(5) Perform or refrain from performing an act that the board considers appropriate to the public interest or to the rehabilitation or treatment of the applicant.

(c) The board shall remove any limitations placed on a probationary license under this section if the board finds after a public hearing that the deficiency that required disciplinary action has been remedied.

SECTION 10. IC 25-1-11-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. The board may require an applicant for licensure to appear before the board before issuing a license.

SECTION 11. IC 25-4-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The board shall organize by the election of a chairman and vice chairman, each of whom shall serve for a term of one (1) year. The first meeting of the board shall be held within thirty (30) days after the members thereof shall have been appointed, on call of the chairman of the board. Thereafter, the board shall hold at least two (2) regular meetings each
year and may hold such special meetings, as the board in its discretion may deem necessary or advisable. The time for holding the regular meetings, the method of calling special meetings and the manner of giving notice of all meetings shall be prescribed in the bylaws of the board. Five (5) members of the board shall constitute a quorum for the transaction of any and all business which may come before the board. Approval by a majority of all members of the board shall be required for action to be taken. The board shall adopt official seals representing the different professions that shall be affixed to all certificates of registration granted and issued as provided in this chapter. Subject to the approval of the governor, the board is hereby authorized to make such bylaws and prescribe and promulgate such rules as may be deemed necessary in the performance of its duty. The board shall adopt rules establishing standards for the competent practice of architecture and landscape architecture, and for the administration of the registered architects and registered landscape architects investigative fund established by section 32 of this chapter. Suitable office quarters shall be provided for the use of the board in the city of Indianapolis.

SECTION 12. IC 25-4-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The board shall be entitled to the services of the attorney general in connection with any of the business of the board. The board shall have the power to administer oaths and take testimony and proofs concerning any matter which may come within its jurisdiction. The attorney general, the prosecuting attorney of any county, the board, or any citizen of any county wherein any person, not herein exempted, shall engage in the practice of architecture or landscape architecture, as herein defined, without first having obtained a certificate of registration, or without first having renewed an expired certificate of registration, may, in accordance with the provisions of the laws of this state governing injunctions, maintain an action, in the name of the state of Indiana, to enjoin such person from engaging in the practice of architecture or landscape architecture, as herein defined, until a certificate of registration is secured, or renewed, in accordance with the provisions of this chapter. Any person who has been so enjoined and who violates such injunction shall be punished for contempt of
court. *Such The injunction shall not relieve such person so practicing architecture or landscape architecture without a certificate of registration, or without first having renewed an expired certificate of registration, from a criminal prosecution therefor, as is provided by this chapter, but such remedy by injunction shall be in addition to any remedy provided for herein for the criminal prosecution of such offender. In charging any person in a complaint for an injunction, or in an affidavit, information or indictment, with the violation of the provisions of this chapter, by practicing architecture or landscape architecture without a certificate of registration or without having renewed an expired certificate of registration, it shall be sufficient to charge that the person did upon a certain day and in a certain county engage in the practice of architecture or landscape architecture, without having a certificate of registration or without having renewed an expired certificate of registration, to so practice, without averring any further or more particular facts concerning the same. The attorney general and the Indiana professional licensing agency may use the registered architects and registered landscape architects investigative fund established by section 32 of this chapter to hire investigators and other employees to enforce the provisions of this article and to investigate and prosecute violations of this article.*

SECTION 13. IC 25-4-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) *Any A person desiring to engage or continue in the practice of architecture in this state, shall:*

1. apply to the board for a certificate of registration; authorizing such person so to do; and
2. shall submit evidence to the board that he the person is qualified to engage or continue in the practice of architecture; in compliance with the requirements of this chapter.

(b) The application for a certificate of registration shall be:

1. made on a form which shall be prescribed and furnished by the board;
2. shall be verified; and
3. shall be accompanied by the prescribed fee: a fee established by the board under IC 25-1-8-2.

SECTION 14. IC 25-4-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) Every registered
architect who continues in active practice shall, biennially, on or before November 2, the date established by the licensing agency under IC 25-1-6-4, renew the registered architect's certificate of registration and pay the required renewal fee. Every license or certificate of registration that has not been renewed during the month of November in any year expires on December 1 in that year. A registered architect whose certificate of registration has expired may have the certificate restored only upon payment of the required restoration fee under IC 25-1-8-7.

(b) Subject to subsection (c), any architect registered or licensed in this state who has failed to renew the architect's certificate of registration for a period of not more than five (5) years may have the certificate renewed at any time within a period of five (5) years after the registration expired upon:

(1) making application to the board for renewal of the registration; and

(2) paying a renewal fee equal to the sum of the renewal fees that the applicant would have paid if the applicant had regularly renewed the applicant's registration during the period that the applicant's registration lapsed, required under IC 25-1-8-7.

(c) If any registered architect desires to retire from the practice of architecture in Indiana, the architect may submit to the board the architect's verified statement of intention to withdraw from practice. The statement shall be entered upon the records of the board. During the period of the architect's retirement, the architect is not liable for any renewal or restoration fees. If any retired architect desires to return to the practice of architecture in Indiana within a period of five (5) years from the date that the architect files a statement under this subsection, the retired architect must:

(1) file with the board a verified statement indicating the architect's desire to return to the practice of architecture; and

(2) pay

(A) a renewal fee equal to the fee set by the board to renew an unexpired registration under this chapter, if the retired architect's registration is renewed for one (1) year or more in a biennial renewal cycle established under subsection (a); or

(B) a renewal fee equal to one-half (1/2) the fee set by the board to renew an unexpired registration under this chapter, if
the retired architect's registration is renewed for less than one (1) year in a biennial renewal cycle established under subsection (a).

SECTION 15. IC 25-4-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The fee to be paid by an applicant for an examination to determine his the applicant's fitness to receive a certificate of registration as a registered architect shall be twenty-five dollars ($25.00): established by the board under IC 25-1-8-2.

(b) The fee to be paid by an applicant for a certificate of registration as a registered architect shall be twenty-five dollars ($25.00): established by the board under IC 25-1-8-2.

(c) The fee to be paid for the restoration of an expired certificate of registration as a registered architect shall be one dollar ($1.00) after the certificate has been in default for one (1) month, and an additional one dollar ($1.00) for each succeeding month or fraction thereof of such default but not exceeding a maximum restoration fee of ten dollars ($10.00): Such established under IC 25-1-8-7. The restoration fee shall be in addition to all unpaid renewal fees.

(d) The fee to be paid upon renewal of a certificate of registration shall be fifteen dollars ($15.00): established by the board under IC 25-1-8-2.

(e) The fee to be paid by an applicant for a certificate of registration who is an architect registered or licensed under the laws of another state or territory of the United States, or of a foreign country or province, shall be twenty-five dollars ($25.00): established by the board under IC 25-1-8-2.

SECTION 16. IC 25-4-1-32 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) The registered architects and registered landscape architects investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of this article. The fund shall be administered by the attorney general and the Indiana professional licensing agency.

(b) The expenses of administering the fund shall be paid from the money in the fund.

(c) The treasurer of state shall invest the money in the fund not
currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

    (d) Money in the fund at the end of a state fiscal year does not revert to the state general fund. If the total amount in the fund exceeds five hundred thousand dollars ($500,000) at the end of a state fiscal year after payment of all claims and expenses, the amount that exceeds five hundred thousand dollars ($500,000) reverts to the state general fund.

    (e) Money in the fund is continually appropriated for use by the attorney general and the Indiana professional licensing agency to administer and enforce the provisions of this article and to conduct investigations and take enforcement action against persons violating the provision of this article.

SECTION 17. IC 25-4-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) To qualify for registration as a landscape architect, an applicant must:

(1) submit evidence that the applicant is an individual who is at least eighteen (18) years of age;

(2) submit evidence that the applicant has:

    (A) graduated from an accredited curriculum of landscape architecture presented by a college or school approved by the board; or

    (B) attained before January 1, 2003, at least eight (8) years of actual practical experience in landscape architectural work of a grade and character satisfactory to the board;

(3) submit evidence that the applicant has paid the examination fee and the license application fee set by the board;

(4) provide an affidavit that indicates that the applicant does not have a conviction for:

    (A) an act that would constitute a ground for disciplinary action under IC 25-1-11; or

    (B) a felony that has a direct bearing on the applicant’s ability to practice competently;

(5) pass the examination required by the board under section 4 of this chapter after meeting the requirements in subdivisions (1) through (4); and

(6) submit evidence that the applicant has at least three (3) years of diversified, actual, and practical experience in landscape
architectural work of a grade and character satisfactory to the board.

(b) The board shall issue a certificate of registration under this chapter to an applicant who meets the requirements in this section.

SECTION 18. IC 25-4-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The board shall set the fees for issuance of a certificate of registration to a landscape architect and for the biennial renewal of registration. The fee for registration and for renewal of registration must be based upon the administrative costs of registering and regulating landscape architects. This fee must include the costs for:

(1) office facilities, supplies, and equipment; and
(2) clerical assistance.

(b) Except as provided in IC 25-4-1-32, all fees collected under this chapter shall be paid by the Indiana professional licensing agency to the treasurer of state who shall deposit them in the general fund of the state.

SECTION 19. IC 25-6.1-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Every individual, before acting as an auctioneer, must obtain a license from the commission.

(b) An applicant for a license must:

(1) be at least eighteen (18) years of age;
(2) have completed at least eighty (80) actual hours of auction instruction from a course provider approved by the commission;
(3) not have a conviction for:
   (A) an act which would constitute a ground for disciplinary sanction under IC 25-1-11; or
   (B) a felony that has a direct bearing on the applicant's ability to practice competently.

(c) Auction instruction required under subsection (b) must provide the applicant with knowledge of all of the following:

(1) The value of real estate and of various goods commonly sold at an auction.
(2) Bid calling.
(3) Sale preparation, sale advertising, and sale summary.
(4) Mathematics.
(5) The provisions of this article and the commission's rules.
(6) Any other subject matter approved by the commission.

(d) An individual seeking an initial license as an auctioneer under this article shall file with the commission a completed application on the form prescribed by the commission. When filing an initial application for an auctioneer license, each individual shall:

(1) pay a nonrefundable examination fee of thirty-five dollars ($35) established by the commission under IC 25-1-8-2, and

(2) pay a surcharge under IC 25-6.1-8 for deposit in the auctioneer recovery fund.

(e) When filing an application applying for a renewal of an auctioneer license, each individual shall:

(1) File with the commission a completed application on the form prescribed Apply in a manner required by the commission, including certification by the applicant that the applicant has complied with the requirements of IC 25-6.1-9-8, unless the commission has granted the applicant a waiver under IC 25-6.1-9-9.

(2) Pay the license fee prescribed by section 5 of this chapter.

(f) Upon the receipt of a completed application for an initial or a renewal license, the commission shall examine the application and verify the information contained therein.

(g) An applicant who is seeking an initial license must pass an examination prepared and administered approved by the commission that covers subjects and topics of knowledge required to practice as an auctioneer. The commission shall hold examinations as the commission may prescribe. The examination for an auctioneer's license shall include questions on the applicant's:

(1) ability to read and write;

(2) knowledge of the value of real estate and of various goods commonly sold at an auction;

(3) knowledge of calling;

(4) knowledge of sale preparation, sale advertising, and sale summary;

(5) knowledge of mathematics; and

(6) knowledge of the provisions of this article and the commission's rules.

(h) The commission shall issue an auctioneer's license, in such form as it may prescribe, to each individual who meets all of the
requirements for licensing and pays the appropriate fees.

(i) Auctioneer licenses shall be issued for a term of four (4) years. A license expires at midnight February 28, 2004, on the date established by the licensing agency under IC 25-1-6-4 and every fourth year thereafter, unless renewed before that date. If the license has expired, it may be reinstated not more than one (1) year after the date it expired upon the payment of the renewal fee plus the sum of twenty-five dollars ($25) reinstatement fee established under IC 25-1-8-7 and submission of proof that the applicant has complied with the continuing education requirement. If the license has expired for a period of more than one (1) year, the person must file an application and take the required examination. However, an applicant for restoration reinstatement of an expired license is not required to complete the initial eighty (80) hour education requirement under this section in order to restore reinstate the expired license. The holder of an expired license shall cease to display the original wall certificate at the holder's place of business and shall return the wall certificate to the commission upon notification by the commission of the expiration of the holder's license.

(j) The commission may waive the requirement that a nonresident applicant pass an examination and that the nonresident submit written statements by two (2) individuals, if the nonresident applicant:

(1) is licensed to act as an auctioneer in the state of the applicant's domicile;
(2) submits with the application a duly certified letter of certification issued by the licensing board of the applicant's domiciliary state;
(3) is a resident of a state whose licensing requirements are substantially equal to the requirements of Indiana;
(4) is a resident of a state that grants the same privileges to the licensees of Indiana; and
(5) includes with the application an irrevocable consent that actions may be commenced against the applicant. The consent shall stipulate that service of process or pleadings on the commission shall be taken and held in all courts as valid and binding as if service of process had been made upon the applicant personally within this state. If any process or pleading mentioned in this subsection is served upon the commission, it shall be by
duplicate copies. One (1) of the duplicate copies shall be filed in the office of the commission and one (1) shall be immediately forwarded by the commission by registered or certified mail to the applicant against whom the process or pleadings are directed.

(k) The commission may enter into a reciprocal agreement with another state concerning nonresident applicants.

(l) The commission may, for good cause shown, upon the receipt of an application for a license, issue a temporary permit for such reasonable period of time, not to exceed one (1) year, as the commission deems appropriate. A temporary permit has the same effect as a license and entitles and subjects the permittee to the same rights and obligations as if the individual had obtained a license.

(m) An applicant for a temporary permit must do the following:
   (1) File an examination application.
   (2) Pass the examination at one (1) of the next two (2) regularly scheduled examinations.

(n) An individual who does not pass the examination required under subsection (m) may not be issued a temporary permit.

SECTION 20. IC 25-6.1-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) At the time of obtaining a license under this chapter, the licensee shall pay:
   (1) the license fee prescribed by this section established by the commission under IC 25-1-8-2; and
   (2) a surcharge under IC 25-6.1-8 for deposit in the auctioneer recovery fund.

   (b) The fee for the license issued to any person, auction company, or auction house during each licensing period is seventy dollars ($70).

   (c) The commission may adopt rules that provide for the payment of a proportionate amount of the licensing fee if a license will be issued for less than the full term of the license.

SECTION 21. IC 25-6.1-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The commission may charge the fee established under IC 25-1-8-2 as the cost of providing duplicate licenses to replace lost or destroyed licenses.

   (b) The commission may charge five dollars ($5) as the a fee established under IC 25-1-8-2 for the cost of certified copies of licenses, which may include certified copies of a type and size which can be easily carried on the person of the licensee: verifying a license
to another state.

SECTION 22. IC 25-6.1-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A licensee who is initially licensed in the second fourth year of a renewal period is exempt from the continuing education requirement under this chapter for that renewal period.

SECTION 23. IC 25-7-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) If the board determines that:

1. a person possesses a valid license from another jurisdiction to perform acts that require a license under this article; and
2. the jurisdiction issuing the license imposes substantially equivalent requirements on applicants for the license as are imposed on applicants for an Indiana license;

the board may issue a license to perform those acts in Indiana to the person upon payment of the fee required under 816 IAC 1-3-1 established by the board under IC 25-1-8-2.

(b) This subsection applies only to applications for a barber license under IC 25-7-10. If the jurisdiction issuing the license does not impose substantially equivalent requirements as required under subsection (a)(2), the board may approve a combination of education hours plus actual licensed practice in the other jurisdiction when issuing a license to a person from that jurisdiction. One (1) year of licensed practice is equal to one hundred (100) hours of education to an applicant who has completed a minimum of one thousand (1,000) hours of education.

SECTION 24. IC 25-7-6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. An expired barber license may be restored reinstated by payment of the restoration fee plus all unpaid reinstatement and renewal fees required under IC 25-1-8-2 and IC 25-1-8-7 within five (5) years of the expiration date of the license. After five (5) years from the date that a barber license expires under this section, the person whose license has expired may restore reinstate the license only by:

1. applying for restoration reinstatement of the license;
2. paying the fee fees set forth under IC 25-7-11 and IC 25-1-8-7; and
3. taking the same examination required under IC 25-7-10 for an applicant for a license to practice as a registered barber.
SECTION 25. IC 25-7-6-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) If a person does not receive a satisfactory grade on the examination described in section 14(3) of this chapter, the board may deny the petition to restore reinstatement the license.

(b) The board may restore reinstatement a license held by a person described in subsection (a) if the person complies with rules adopted by the board to permit further examination of the person for license restoration: reinstatement.

SECTION 26. IC 25-7-10-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The board may not:

(1) renew or restore reinstate a work permit; or
(2) grant a person more than one (1) work permit; issued under section 7 of this chapter.

SECTION 27. IC 25-7-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The board shall charge a fee of three hundred dollars ($300) for an application to issue or renew a barber school license. adopt rules under IC 4-22-2 to establish fees for the application, issuance, and renewal of barber school licenses under IC 25-1-8-2.

(b) In addition to the fee charged under subsection (a), the board shall charge a fee for restoring reinstating a barber school license under IC 25-1-8-7.

(c) The fee charged under subsection (b) shall be determined by the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Number of days following expiration of license</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30</td>
<td>$0</td>
</tr>
<tr>
<td>31-180</td>
<td>$150</td>
</tr>
<tr>
<td>181-191</td>
<td>$200</td>
</tr>
</tbody>
</table>

(d) The fee charged under subsection (b) shall be accompanied by all unpaid renewal fees:

(e) A barber school license may not be restored reinstated if at least one hundred ninety-two (192) days have (1) year has passed since the license expired. However, the barber school may obtain a new license by:

(1) making application;
(2) meeting the requirements for licensure; and
(3) paying a fee of four hundred dollars ($400); established by
the board under IC 25-1-8-2.

SECTION 28. IC 25-7-11-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The board shall
charge a fee of forty dollars ($40) to issue or renew an instructor
license.

(b) To restore an expired barber instructor license; the board shall
charge a fee of seventy-five dollars ($75) plus all unpaid renewal fees.

(c) The board shall charge a fee of fifty dollars ($50) for providing
an examination to an applicant for a barber instructor license; adopt
rules under IC 4-22-2 to establish fees related to an instructor's
license under IC 25-1-8-2.

SECTION 29. IC 25-7-11-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall
charge a fee of forty dollars ($40) for issuing or renewing a barber shop
license.

(b) The board shall charge a fee for restoring a barber shop license
that shall be determined by the date that the applicant applies for the
restoration of the license as follows:

<table>
<thead>
<tr>
<th>Number of days following expiration of license</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30</td>
<td>$40</td>
</tr>
<tr>
<td>31-180</td>
<td>$50</td>
</tr>
<tr>
<td>181-191</td>
<td>$100</td>
</tr>
</tbody>
</table>

(c) The fee charged under subsection (b) shall be accompanied by
all unpaid renewal fees; adopt rules under IC 4-22-2 to establish fees
related to barber shop licenses under IC 25-1-8-2.

(d) (b) A barber shop license may not be restored reinstated if at
least one hundred ninety-two (192) days have (1) year has passed
since the license expired. However, the barber shop may obtain a new
license by:

(1) making application;
(2) meeting the requirements for licensure; and
(3) paying a fee of one hundred forty dollars ($140); the fees
established under IC 25-1-8-2.

SECTION 30. IC 25-7-11-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board shall
charge a fee of at least thirty dollars ($30) and not more than fifty dollars ($50) to establish fees under IC 25-1-8-2 for providing an examination to an applicant for a barber license.

(b) The board shall charge a fee of forty dollars ($40) to establish fees under IC 25-1-8-2 for issuing or renewing a barber license.

(c) The board shall charge a fee for restoring established under IC 25-1-8-7 for reinstating a barber license that shall be determined by the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Number of days following expiration of license</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30</td>
<td>$10</td>
</tr>
<tr>
<td>31-181</td>
<td>$50</td>
</tr>
<tr>
<td>182-5 years</td>
<td>$100</td>
</tr>
</tbody>
</table>

(d) The fee charged under subsection (c) shall be accompanied by all unpaid renewal fees.

SECTION 31. IC 25-7-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The board shall charge a fee of ten dollars ($10) to establish fees under IC 25-1-8-2 for issuing a duplicate license.

SECTION 32. IC 25-7-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The board may under IC 4-21.5:

1. refuse to issue, renew, or restore reinstatement a license issued under this article; or
2. suspend or revoke a license issued under this article;

if the board determines that the applicant or license holder has not complied with IC 25-1-11.

SECTION 33. IC 25-8-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. Except as provided in IC 25-8-9-11, the board may, upon application, restore reinstatement a license under this chapter that has expired if the person holding the license:

1. pays any unpaid renewal fees to establish fees under IC 25-1-8-2;
2. pays the license restoration reinstatement fee set forth in IC 25-8-13; established under IC 25-1-8-7;
3. complies with all requirements imposed by this article on an
applicant for an initial license to perform the acts authorized by the license being restored reinstated, other than receiving a satisfactory grade (as defined in section 9 of this chapter) on an examination prescribed by the board; and

(4) fulfills the continuing education requirements under IC 25-8-15.

SECTION 34. IC 25-8-4-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Except as provided in subsection (b), the board may not restore reinstate a license issued under this article if the person holding the license does not petition for license renewal within three (3) years after the expiration of the license, unless that person complies with section 23 of this chapter.

(b) The board may not restore reinstatement:

(1) a cosmetology salon license issued under IC 25-8-5;
(2) an electrology salon license issued under IC 25-8-7.2;
(3) an esthetician salon license issued under IC 25-8-12.6;
(4) a manicurist salon license issued under IC 25-8-7.1; or
(5) a cosmetology school license issued under IC 25-8-7;

unless the license holder submits an application for restoration reinstatement of the license within six (6) months after the date the license expired.

SECTION 35. IC 25-8-4-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. The board may restore reinstatement a license issued under this article held by a person described in section 22(a) of this chapter if the applicant:

(1) receives a satisfactory grade (as defined in section 9 of this chapter) on an examination prescribed by the board;
(2) pays the examination fee set forth in IC 25-8-13;
(3) pays the restoration reinstatement fee set forth in IC 25-1-8-7 established under IC 25-1-8-7; and
(4) complies with all requirements imposed by this article on an applicant for an initial license to perform the acts authorized by the license being restored reinstated.

SECTION 36. IC 25-8-4-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. If a person does not receive a satisfactory grade on the examination described in section 23 of this chapter, the board may not restore reinstatement that person's license
until the person has:

(1) successfully completed the cosmetology school program required for an applicant for a license issued under this article to perform the acts authorized by the license being restored; reinstated;

(2) received a satisfactory grade (as defined in section 9 of this chapter) on an examination prescribed by the board;

(3) paid the examination fee set forth in IC 25-8-13;

(4) paid the license fee set forth in IC 25-8-13; and

(5) complied with all requirements imposed by this article on an applicant for an initial license to perform the acts authorized by the license being restored; reinstated.

SECTION 37. IC 25-8-4-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. If a person does not receive a satisfactory grade on the examination described in section 24(2) of this chapter, the board may deny the petition to restore reinstated the license.

SECTION 38. IC 25-8-4-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. The board may restore reinstated a license held by a person described in section 25 of this chapter if that person complies with any rules adopted by the board to permit further examination of that person for license restoration reinstatement.

SECTION 39. IC 25-8-4-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. If a person holding a license described in section 22(b) of this chapter does not comply with the restoration reinstatement application filing requirements set forth in that section, that person may:

(1) file an application for a new license to operate:
   
   (A) a cosmetology salon;
   
   (B) an electrology salon;
   
   (C) an esthetic salon;
   
   (D) a manicurist salon; or
   
   (E) a cosmetology school;

under this article; and

(2) pay the restoration reinstatement fee set forth in:

   (A) IC 25-8-13-3; or
   
   (B) IC 25-8-13-5(b).
SECTION 40. IC 25-8-9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The board may not renew or 
restore reinstatement a license issued under section 7 of this chapter.

SECTION 41. IC 25-8-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The board shall 
charge a fee of four hundred dollars ($400) established by the board 
under IC 25-1-8-2 for an application to issue or renew a cosmetology 
school license.

(b) The board shall charge a fee established under IC 25-1-8-7 for 
restoring reinstatement a cosmetology school license. The restoration fee 
shall be assessed in addition to the fee charged for renewing the 
license. The fee must be determined according to the date that the 
applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following Expiration of License</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-30</td>
<td>$200</td>
</tr>
<tr>
<td>31-180</td>
<td>300</td>
</tr>
<tr>
<td>More than 180</td>
<td>400</td>
</tr>
</tbody>
</table>

SECTION 42. IC 25-8-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall 
charge a fee of forty dollars ($40) established by the board under 
IC 25-1-8-2 for issuing or renewing:

(1) a cosmetology instructor license;
(2) an esthetics instructor license; or
(3) an electrology instructor license.

(b) The board shall charge a fee established under IC 25-1-8-7 for 
restoring reinstatement an instructor license. The restoration fee shall 
be assessed in addition to the fee charged for renewing the license. The 
fee must be determined according to the date that the applicant applies 
for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following Expiration of License</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-30</td>
<td>$20</td>
</tr>
<tr>
<td>31-180</td>
<td>30</td>
</tr>
<tr>
<td>More than 180</td>
<td>40</td>
</tr>
</tbody>
</table>

SECTION 43. IC 25-8-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board shall
charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing:
   (1) a cosmetology salon license;
   (2) an electrology salon license;
   (3) an esthetic salon license; or
   (4) a manicurist salon license.
(b) The board shall charge a fee established under IC 25-1-8-7 for restoring reinstating:
   (1) a cosmetology salon license;
   (2) an electrology salon license;
   (3) an esthetic salon license; or
   (4) a manicurist salon license.
(c) The fee charged under subsection (b) shall be determined by the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 30</td>
<td>$10</td>
</tr>
<tr>
<td>31 - 180</td>
<td>$50</td>
</tr>
<tr>
<td>181 - 191</td>
<td>$100</td>
</tr>
</tbody>
</table>

SECTION 44. IC 25-8-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The board shall charge a fee of twenty-five dollars ($25) established by the board under IC 25-1-8-2 for providing an examination to an applicant for a master cosmetologist license.
(b) The board shall charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing a master cosmetologist license.
(c) The board shall charge a fee established under IC 25-1-8-7 for restoring reinstating a master cosmetologist license. The restoration fee shall be assessed in addition to the fee charged for renewing the license. The fee must be determined according to the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1</td>
<td>$20</td>
</tr>
<tr>
<td>31 - 180</td>
<td>$30</td>
</tr>
<tr>
<td>More than 180</td>
<td>$40</td>
</tr>
</tbody>
</table>
SECTION 45. IC 25-8-13-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The board shall charge a fee of twenty dollars ($20) established by the board under IC 25-1-8-2 for providing an examination to an applicant for a cosmetologist license.

(b) The board shall charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing a cosmetologist license.

(c) The board shall charge a fee established under IC 25-1-8-7 for restoring reinstating a cosmetologist license. The restoration fee shall be assessed in addition to the fee charged for renewing the license. The fee must be determined according to the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following Expiration of License</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-30</td>
<td>$20</td>
</tr>
<tr>
<td>31-180</td>
<td>$30</td>
</tr>
<tr>
<td>More than 180</td>
<td>$40</td>
</tr>
</tbody>
</table>

(d) The board shall charge a fee of one hundred dollars ($100) established by the board under IC 25-1-8-2 for issuing an Indiana cosmetologist license to a person who holds a license from another jurisdiction that meets the requirements set forth in IC 25-8-4-2.

SECTION 46. IC 25-8-13-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The board shall charge a fee of twenty-five dollars ($25) established by the board under IC 25-1-8-2 for providing an examination to an applicant for an electrologist license.

(b) The board shall charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing an electrologist license.

(c) The board shall charge a fee established under IC 25-1-8-7 for restoring reinstating an electrologist license. The restoration fee shall be assessed in addition to the fee charged for renewing the license. The fee must be determined according to the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following Expiration of License</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-30</td>
<td>$20</td>
</tr>
</tbody>
</table>
(d) The board shall charge a fee of one hundred dollars ($100) established by the board under IC 25-1-8-2 for issuing a license to a person who holds an electrologist license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 47. IC 25-8-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The board shall charge a fee of ten dollars ($10) established by the board under IC 25-1-8-2 for providing an examination to an applicant for a manicurist license.

(b) The board shall charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing a manicurist license.

(c) The board shall charge a fee required under IC 25-1-8-7 for restoring reinstating a manicurist license. The restoration fee shall be assessed in addition to the fee charged for renewing the license. The fee must be determined according to the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following Expiration of License</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-30</td>
<td>$20</td>
</tr>
<tr>
<td>31-180</td>
<td>$30</td>
</tr>
<tr>
<td>More than 180</td>
<td>$40</td>
</tr>
</tbody>
</table>

(d) The board shall charge a fee of one hundred dollars ($100) established by the board under IC 25-1-8-2 for issuing a license to a person who holds a manicurist license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 48. IC 25-8-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The board shall charge a fee of twenty dollars ($20) established by the board under IC 25-1-8-2 for providing an examination to an applicant for a shampoo operator license.

(b) The board shall charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing a shampoo operator license.

(c) The board shall charge a fee established under IC 25-1-8-7 for restoring reinstating a shampoo operator license. The restoration fee
shall be assessed in addition to the fee charged for renewing the license. The fee must be determined according to the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>± 30</td>
<td>$20</td>
</tr>
<tr>
<td>&gt; 31≤ 180</td>
<td>$30</td>
</tr>
<tr>
<td>More than 180</td>
<td>$40</td>
</tr>
</tbody>
</table>

SECTION 49. IC 25-8-13-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The board shall charge a fee of twenty-five dollars ($25) established by the board under IC 25-1-8-2 for providing an examination to an applicant for an esthetician license.

(b) The board shall charge a fee of forty dollars ($40) established by the board under IC 25-1-8-2 for issuing or renewing an esthetician license.

(c) The board shall charge a fee established under IC 25-1-8-7 for restoring reinstating an esthetician license. The restoration fee shall be assessed in addition to the fee charged for renewing the license. The fee must be determined according to the date that the applicant applies for the restoration of the license as follows:

<table>
<thead>
<tr>
<th>Days Following</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>± 30</td>
<td>$20</td>
</tr>
<tr>
<td>&gt; 31≤ 180</td>
<td>$30</td>
</tr>
<tr>
<td>More than 180</td>
<td>$40</td>
</tr>
</tbody>
</table>

(d) The board shall charge a fee of one hundred dollars ($100) established by the board under IC 25-1-8-2 for issuing a license to a person who holds an esthetician license from another jurisdiction that meets the requirements under IC 25-8-4-2.

SECTION 50. IC 25-8-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The board may under IC 4-21.5 refuse to issue, renew, or restore reinstating a license issued under this article if it determines that the applicant or license holder has not complied with IC 25-1-11.

SECTION 51. IC 25-8-15.4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. To obtain a license to operate a tanning facility, a person must do the following:
(1) Submit an application to the board on a form prescribed by the board.
(2) Pay a fee of two hundred dollars ($200), established by the board under IC 25-1-8-2.

SECTION 52. IC 25-8-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. If an inactive cosmetology professional intends to apply for restoration reinstatement of the professional's license, the cosmetology professional shall notify the board of that intent. The board may restore reinstatement the cosmetology professional's license upon notification and receipt of:

(1) an application; and
(2) evidence of completion during the preceding four (4) years of at least sixteen (16) hours of continuing education in a continuing education course approved by the board under IC 25-8-15.

SECTION 53. IC 25-9-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) The commission shall, upon application to the Indiana professional licensing agency, grant licenses to competent referees and judges whose qualifications may be tested by the commission, and the commission may revoke any such license granted to any referee or judge upon such cause as the commission may deem sufficient. Such license must be renewed biennially. No person shall be permitted to act as referee or judge in Indiana unless holding such license.

(b) The application for license as referee, or renewal thereof, shall be accompanied by a fee which shall not be less than twenty-five dollars ($25), established by the commission under IC 25-1-8-2.

(c) The commission shall appoint from among such licensed officials, all officials for all contests held under this chapter.

SECTION 54. IC 25-15-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The board shall restore reinstatement the expired license of an individual who:

(1) was licensed as a funeral director or embalmer;
(2) applies for restoration reinstatement of the funeral director license or embalmer license within two (2) years or four (4) years of the date that the license expired as set by the board;
(3) pays a fee that is equal to:

(A) the fee set by the board for renewal of a funeral director...
license or embalmer license; or
(B) the fee set by the board for renewal of a funeral director license or embalmer license multiplied by the product of two (2) times the number of six (6) month periods that have elapsed from the date that the license expired; whichever is greater; established under IC 25-1-8-7; and
(4) meets the continuing education requirements set by the board.

SECTION 55. IC 25-15-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board shall require a funeral director to obtain ten (10) hours of continuing education credit in any two (2) year period in order to renew or restore reinstating a license under this chapter. The board shall require that continuing education credit be earned in board approved courses or programs on one (1) or more of the following subjects:
(1) Embalming and restorative arts.
(2) Prevention of the spread of infectious disease and compliance with mandatory public health requirements.
(3) Federal and state laws and rules regulating the embalming and funeral professions.
(4) Funeral home management.
(5) Religion.
(6) Natural science.
(7) Grief counseling and the psychological effect of death on survivors.
(b) Continuing education hours earned as a prerequisite to the issuance or maintenance of a professional license other than a funeral director license may not be counted in determining compliance with this section.

SECTION 56. IC 25-15-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The board may restore reinstating the license of:
(1) a person that has allowed a funeral home license to expire only if the person reaps for a funeral home license, pays an additional fee set by the board; established under IC 25-1-8-7, and otherwise meets the requirements in IC 25-15-4-1;
(2) an individual whose funeral director intern license has expired only if the individual reaps for a funeral director intern license, takes another examination, if required by the board, pays
an additional a fee set by the board; established under IC 25-1-8-7, and otherwise meets the requirements in IC 25-15-4-2; or

(3) an individual whose funeral director license has expired after the time set in section 4 of this chapter has run only if the individual reapplyes for a funeral director license, takes another examination, pays an additional a fee set by the board; established under IC 25-1-8-7, and otherwise meets the requirements in IC 25-15-4-3(b).

The board may not restore reinstating an embalmer license or a funeral director license for a person qualified only under IC 25-15-4-3(d) after the time set under section 4 of this chapter has expired.

SECTION 57. IC 25-15-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A funeral director who holds an inactive funeral director license under IC 25-15-4-6 is exempt from continuing education requirements of section 5 of this chapter.

(b) An individual may reactivate an inactive funeral director's license by completing all hours of continuing education required of licensed funeral directors for each year that the license has been classified as inactive. If an individual's license has been inactive for four (4) or more years, the board shall require the individual to pass an examination under IC 25-15-4 before restoring reinstating the individual's license to active status.

(c) An individual who resumes the practice of funeral service or the provision of funeral services to the public under an inactive funeral director license (as described in IC 25-15-4-6) violates this article and the board shall revoke the individual's inactive license.

SECTION 58. IC 25-15-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The board's appointed members may serve only two (2) terms on the board, including prior service either as a member of the state board of funeral service or the state board of embalmers and funeral directors. A member of the board may serve until the member's successor is appointed and qualified under this chapter.

SECTION 59. IC 25-20.2-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A license for a home inspector issued under this article expires two (2) years after the date
of issuance on a date established by the licensing agency under IC 25-1-6-4 and shall be renewed biennially upon payment of the required renewal fees.

SECTION 60. IC 25-20.2-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board shall adopt rules concerning the continuing education required for the renewal of a license under this chapter.

(b) The rules must do the following:

(1) Establish procedures for approving organizations that provide continuing education.

(2) Establish a fee for each hour of continuing education that is required after a license is issued or renewed.

(3) Prescribe the content, duration, and organization of continuing education courses that contribute to the general competence of home inspectors.

SECTION 61. IC 25-21.5-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The board shall enforce and administer this article.

(b) The board shall adopt rules under IC 4-22-2 that are reasonably necessary to implement this article, including the administration of the registered land surveyor and registered land surveyor in training investigative fund established under IC 25-21.5-11-4, and establish standards for the competent practice of land surveying.

SECTION 62. IC 25-21.5-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Except as provided in IC 25-21.5-11-4, the secretary shall receive and account for all money collected under this article and deposit the money in the state general fund with the treasurer of state. All expenses incurred in the administration of this article shall be paid from the state general fund.

SECTION 63. IC 25-21.5-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The board shall determine the amount of registration fees for a land surveyor and certification fees for a land surveyor in training. Except as provided under IC 25-21.5-8-7, the registration and renewal fee for a land surveyor may be not more than fifty dollars ($50) per year.

SECTION 64. IC 25-21.5-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The board shall determine the renewal fee and delinquent fee establish fees under
IC 25-1-8.
SECTION 65. IC 25-21.5-8-7 IS AMENDED TO READ AS follows [effective July 1, 2005]: Sec. 7. (a) The board may adopt rules requiring a land surveyor to obtain continuing education for renewal of a certificate under this chapter.

(b) If the board adopts rules under this section, the rules must do the following:

(1) Establish a fee of two dollars ($2) for each hour of continuing education required after the certificate of registration was issued or renewed.

(2) Require that continuing education fees be paid when the land surveyor's certificate of registration is renewed.

(3) Establish procedures for approving an organization that provides continuing education.

(4) Require an organization that provides an approved continuing education program to supply the following information to the board not more than thirty (30) days after the course is presented:

(A) An alphabetical list of all land surveyors who attended the course.

(B) A certified statement of the hours to be credited to each land surveyor.

(c) If the board adopts rules under this section, the board may adopt rules to do the following:

(1) Allow private organizations to implement the continuing education requirement.

(2) Establish an inactive certificate of registration. If the board adopts rules establishing an inactive certificate, the board must adopt rules that:

(A) do not require the holder of an inactive certificate to obtain continuing education;

(B) prohibit the holder of an inactive certificate from practicing land surveying;

(C) establish requirements for reactivation of an inactive certificate; and

(D) do not require the holder of an inactive certificate to pay the registration and renewal fees required under IC 25-21.5-7-5.
SECTION 66. IC 25-21.5-11-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The registered land surveyor and registered land surveyor in training investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of this article. The fund shall be administered by the attorney general and the licensing agency.

(b) The expenses of administering the fund shall be paid from the money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund. If the total amount in the fund exceeds five hundred thousand dollars ($500,000) at the end of a state fiscal year after payment of all claims and expenses, the amount that exceeds five hundred thousand dollars ($500,000) reverts to the state general fund.

(e) Money in the fund is continually appropriated for use by the attorney general and the licensing agency to administer and enforce the provisions of this article and to conduct investigations and take enforcement action against persons violating the provision of this article.

SECTION 67. IC 25-21.5-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The attorney general shall act as the legal advisor for the board and provide any legal assistance necessary to carry out this article.

(b) The attorney general and the licensing agency may use the registered land surveyor and registered land surveyor in training investigative fund established by IC 25-21.5-11-4 to hire investigators and other employees to enforce the provisions of this article and to investigate and prosecute violations of this article.

SECTION 68. IC 25-23.7-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board shall adopt rules concerning the continuing education required for the renewal of a license under this chapter.
(b) The rules must do the following:

(1) Establish procedures for approving organizations that provide continuing education.

(2) Establish a fee for each hour of continuing education required after a license is issued or renewed.

(3) Prescribe the content, duration, and organization of continuing education courses that contribute to the general competence of installers.

SECTION 69. IC 25-28.5-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Except as otherwise provided in this chapter, any natural person over the age of eighteen (18) years who resides in Indiana and any corporation which satisfies the further requirements of this chapter may be licensed by the commission as a plumbing contractor. Except as otherwise provided by this chapter, any natural person over the age of eighteen (18) years may be licensed by the commission as journeyman plumber.

(b) A person who desires to be licensed as a plumbing contractor or journeyman plumber is eligible for such a license upon the successful taking of the examination provided in section 15 of this chapter.

(c) To qualify for a journeyman plumber examination under subsection (b), an applicant who is an Indiana resident must provide evidence that the applicant has completed at least four (4) years in an apprenticeship program approved by the commission or present to the commission a notarized statement providing evidence that the applicant has at least four (4) years of experience in the plumbing trade in employment as set forth in section 32(2), 32(6), or 32(7) of this chapter. To qualify for a plumbing contractor license examination under subsection (b), an applicant who is an Indiana resident must provide evidence that the applicant has completed at least four (4) years in an apprenticeship program approved by the commission or present to the commission a notarized statement providing evidence that the applicant has at least four (4) years of experience in the plumbing trade in employment as set forth in section 32(2), 32(6), or 32(7) of this chapter, or has worked in a plumbing business under the direction of a licensed plumbing contractor for at least four (4) years.

(d) An applicant who is not an Indiana resident may qualify to take an examination under subsection (b) in the following manner:
(1) If the applicant holds a license in a state that does not have a reciprocity agreement with Indiana, the applicant must present the license to the commission to be eligible to take the examination.

(2) If the applicant resides in a state that does not have licensing requirements, the applicant before taking the examination must meet the appropriate requirements of subsection (b).

(e) If the applicant holds a license in a state that has a reciprocity agreement with Indiana, the appropriate license shall be issued automatically.

SECTION 70. IC 25-28.5-1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Every license or certificate of registration issued under the provisions of this chapter shall expire two (2) years subsequent to the date of its issuance expires on a date established by the licensing agency under IC 25-1-6-4 and shall be renewed biennially thereafter upon payment of the required renewal fees.

(b) Applications for renewal shall be filed with the commission on a in the form and manner provided therefore; no later than thirty (30) days prior to the expiration date of the licensee's or registrant's current license or certificate of registration by the commission. The application shall be accompanied by the required renewal fee. The commission, upon the receipt of the application for renewal and the required renewal fee, shall issue to the renewal applicant a license or certificate of registration in the category said applicant has previously held. Unless a license is renewed, a license issued by the commission expires on the date specified by the licensing agency under IC 25-1-6-4.

SECTION 71. IC 25-28.5-1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. The fees to be charged by and paid to the commission by licensees for all licenses and license renewals thereof shall be established by the commission under IC 25-1-8-2.

SECTION 72. IC 25-28.5-1-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) All fees collected by the commission shall be deposited with the treasurer of state to be deposited by him the treasurer in the state general fund of the state.

(b) All expenses of the commission shall be paid from the state
general fund upon appropriation being made therefor in the manner provided by law for the making of such appropriations.

SECTION 73. IC 25-28.5-2-2.1 is amended to read as follows [effective July 1, 2005]: Sec. 2.1. (a) At the time of initial licensure under this article, each licensee shall pay the following fee fees established by the commission under IC 25-1-8-2 for the following:

(1) Seventy-five dollars ($75) for a plumbing contractor.
(2) Thirty dollars ($30) for a journeyman plumber.

(b) Fees collected under subsection (a) shall be placed in the plumbers recovery fund.

(c) The fee assessed under this section is in addition to any other fee under this article.

SECTION 74. IC 25-30-1-7 is amended to read as follows [effective July 1, 2005]: Sec. 7. (a) An application for license as a private detective must be on a form prescribed by the board accompanied by the license fee as provided by this chapter: established by the board under IC 25-1-8.

(b) The application shall be verified and shall include the following:

(1) The full name and business address of the applicant.
(2) The name under which the applicant intends to do business as a private detective.
(3) If the applicant is a person other than an individual, the full name and residence address of each of its members, partners, officers, and directors, and its managers.
(4) Other information, evidence, statements, or documents required by the board.

SECTION 75. IC 25-30-1-16 is amended to read as follows [effective July 1, 2005]: Sec. 16. (a) Unless a license is renewed, a license and the identification cards of the licensee's employees issued under this chapter expire two (2) years from the date of issuance of the license: on a date specified by the licensing agency under IC 25-1-6-4 and expire biennially after the initial expiration date. An applicant for renewal shall pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) If the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and
becomes invalid without any action taken by the board.

(b) (c) A licensee desiring a renewal license must:

1) file an application for renewal at least thirty (30) days before the expiration of the licensee’s license on a form as prescribed by the board; and

2) meet the license renewal requirements determined by the board.

(c) (d) A license may be reinstated within thirty (30) days after the expiration of the license if the applicant does the following:

1) Files an application for renewal with the board.

2) Meets the license requirements determined by the board.

3) Pays the license and delinquent fees: a fee established under IC 25-1-8-7.

(d) (e) Employee identification cards issued under this chapter expire at the same time as the license referred to in subsection (a).

SECTION 76. IC 25-30-1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The board shall charge and the licensing agency shall collect the following private detective license fees established by the board under IC 25-1-8-7.

1) For issuance or renewal of a private detective license, a fee of one hundred fifty dollars ($150):

2) For identification cards for unlicensed employees issued under section 10(d) of this chapter; a fee of:

(A) ten dollars ($10); or

(B) five dollars ($5) if application for the identification card is made in the second year of the licensee’s license.

3) For reinstatement of a license referred to in section 16(c) of this chapter; a delinquent fee of seventy-five dollars ($75).

(b) All fees collected under this chapter shall go into the general fund and shall be accounted for by the licensing agency.

(c) A license fee shall not be refunded unless a showing is made of ineligibility to receive the license by failure to meet the requirements of this chapter; or by a showing of mistake, inadvertence, or error in the collection of the fee.

SECTION 77. IC 25-31-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The board shall enforce and administer the provisions of this chapter, and adopt rules, not inconsistent with the Constitution and laws of this state, as may be
reasonably necessary for the proper performance of its duties and the regulations of the proceedings before it. The board shall adopt rules establishing standards for the competent practice of engineering and for the administration of the registered professional engineers and registered engineering interns investigative fund established by section 35 of this chapter. Any rulemaking by the board shall be in accordance with IC 4-22-2.

(b) The board shall adopt and have an official seal.

SECTION 78. IC 25-31-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. Except as provided in IC 25-31-1-35, the licensing agency shall receive and account for all money collected under the provisions of this chapter and shall deposit the money with the treasurer of state to be deposited by the treasurer of state in the general fund of the state.

SECTION 79. IC 25-31-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The examination required of all applicants for registration as a professional engineer shall be a written examination which shall be divided into the following two (2) parts, each of eight (8) hours duration:

1. Engineering fundamentals.

The board may adopt rules under IC 4-22-2 establishing additional examination requirements.

(b) The engineering fundamentals portion of the examination shall be designed to test the applicant's knowledge of mathematics and the physical and engineering sciences. The standards of proficiency required shall approximate that attained by graduation in an approved four (4) year engineering curriculum.

(c) The principles and practice of the engineering portion of the examination shall be designed primarily to test the applicant's understanding of, and judgment and ability to apply correctly, the principles of:

1. mathematics;
2. the physical sciences;
3. the engineering sciences; and
4. engineering design analysis and synthesis;

to the practice of professional engineering. A part of the examination may be designed to test the applicant's knowledge and understanding
of the ethical, economic, and legal principles relating to the practices of professional engineering.

(d) An applicant for registration as a professional engineer who holds an engineering intern certificate issued in Indiana or in any other state or territory having equivalent standards may be exempted from the engineering fundamentals portion of the examination.

(e) An applicant must successfully pass the engineering fundamentals portion of the examination before taking the principles and practice portion of the examination.

(f) Examinations shall be held at times and places as determined by the board at least two (2) times each year. Examinations for certification as an engineering intern may be held separately from the examinations for registration as a professional engineer.

(g) An applicant for registration as a professional engineer who is presently registered in another state or territory may be assigned a written examination as the board deems necessary to meet the requirements of this chapter.

(h) An applicant for registration as a professional engineer who fails in the first examination may request to be readmitted for a second examination at either of the next two (2) regularly scheduled examinations. Upon application and at the discretion of the board, an applicant who misses:

(1) the originally scheduled examination; or

(2) the next two (2) regularly scheduled examinations;

may be given permission to appear for another regularly scheduled examination. The amount of fee to be paid for each examination shall be determined by the board under IC 25-1-8-2.

(i) If an applicant who has failed two (2) three (3) or more examinations reapplies and submits evidence of acquiring additional knowledge for the examination, the board may give the applicant approval to take subsequent examinations.

SECTION 80. IC 25-31-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The board shall issue a certificate of registration, upon the payment of the fee prescribed in this chapter, by the board under IC 25-1-8-2, to any applicant who, in the opinion of the board, has satisfactorily met all requirements of this chapter. In the case of a professional engineer, the certificate shall authorize the practice of "professional engineering".
The certificate of registration shall:

(1) show the full name of the registrant;
(2) bear a serial number and date; and
(3) be signed by each member under the seal a designee of the board.

The issuance of any certificate of registration by the board under this chapter is evidence that the individual named on the certificate is entitled to all the rights and privileges of a registered professional engineer from the date on the certificate until it expires or is revoked.

(b) The board shall issue a certificate of enrollment upon the payment of the certificate fee prescribed in this chapter by the board under IC 25-1-8-2 to any applicant who, in the opinion of the board, has satisfactorily met all of the requirements of this chapter. In the case of an engineering intern, the certificate shall state that the applicant has successfully passed the examination in engineering fundamentals and has been enrolled as an engineering intern. The certificate of enrollment shall:

(1) show the full name of the enrollee;
(2) bear a serial number and date; and
(3) be signed by the director of the licensing agency.

The issuance of a certificate of enrollment by the board is evidence that the individual named on the certificate is entitled to all the rights and privileges of an engineering intern while the certificate remains unrevoked or until it expires.

SECTION 81. IC 25-31-1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The biennial period for which renewals are to be made shall extend from the first day of August of an even-numbered year to the last day of July of the next even-numbered year.

(b) A new registrant whose certificate bears a date during the first twelve (12) months of a biennial renewal period is required to pay one-half (1/2) of the biennial renewal fee in addition to and at the time of the payment of the certificate fee to validate the certificate for the last twelve (12) months of the biennial renewal period.

(c) All certificates of registration expire on the last day of July in each even-numbered year and are invalid from that date; unless renewed. The secretary of the board shall send a renewal bill notice by mail to every person registered and in good standing and to those
holding invalid certificates who are delinquent not more than two (2) years. The notice must comply with the provisions of IC 25-1-2-6(c) and include the amount of the renewal fee and delinquent fee, if any, to validate the certificate for the succeeding biennial period. The renewal fee and delinquent fee shall be determined by the board under IC 25-1-8-2.

(a) Unless a certificate is renewed, a certificate issued under this chapter expires on a date specified by the licensing agency under IC 25-1-6-4 and expires biennially after the initial expiration date. An applicant for renewal shall submit an application in the manner prescribed by the board and pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) If the holder of a certificate does not renew the license by the date specified by the licensing agency, the certificate expires and becomes invalid without the board taking any action.

(d) (c) The failure on the part of a registrant to renew a certificate does not deprive the registrant of the right of renewal until the registrant's certificate has remained invalid during two (2) biennial renewal periods if the registrant pays the appropriate delinquent and renewal fees. After two (2) successive biennial renewal periods have elapsed renewal shall be denied.

SECTION 82. IC 25-31-1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. The board may, upon application and payment of a fee established by the board in the board’s rules, issue a certificate of registration as a professional engineer to an individual who holds a valid certificate of registration as a professional engineer, issued to the applicant by the proper authority of any state or territory or possession of the United States if the requirements for registration of professional engineers that the certificate of registration was issued under do not conflict with the provisions of this chapter. In determining the qualifications of an applicant, the board may accept the verified professional record of the applicant that is certified by the National Council of Examiners for Engineers and Surveyors. However, an applicant meets the experience requirement under section 12 of this chapter if the applicant:

(1) has at least three (3) years of engineering work experience
after the applicant graduates from an approved engineering curriculum but before the applicant successfully passes an examination required under section 14 of this chapter; and
(2) has been registered or licensed as a professional engineer in another state for at least ten (10) years.

SECTION 83. IC 25-31-1-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) It is the duty of all law enforcement officers of this state, or any political subdivision, to enforce the provisions of this chapter and to apprehend and prosecute any person who violates any of the provisions of this chapter.
(b) The attorney general shall act as the legal advisor of the board and render any legal assistance as may be necessary in carrying out the provisions of this chapter.
(c) The attorney general and the licensing agency may use the registered professional engineers and registered engineering interns investigative fund established by section 35 of this chapter to hire investigators and other employees to enforce the provisions of this article and to investigate and prosecute violations of this article.

SECTION 84. IC 25-31-1-35 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) The registered professional engineers and registered engineering interns investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of this article. The fund shall be administered by the attorney general and the licensing agency.
(b) The expenses of administering the fund shall be paid from the money in the fund.
(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.
(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund. If the total amount in the fund exceeds five hundred thousand dollars ($500,000) at the end of a state fiscal year after payment of all claims and expenses, the amount that exceeds five hundred thousand dollars ($500,000)
reverts to the state general fund.

(e) Money in the fund is continually appropriated for use by the attorney general and the licensing agency to administer and enforce the provisions of this article and to conduct investigations and take enforcement action against persons violating the provisions of this article.

SECTION 85. IC 25-34.1-3-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) To obtain a salesperson license, an individual must:

1. be at least eighteen (18) years of age before applying for a license and must not have a conviction for:
   (A) an act that would constitute a ground for disciplinary sanction under IC 25-1-11;
   (B) a crime that has a direct bearing on the individual's ability to practice competently; or
   (C) a crime that indicates the individual has the propensity to endanger the public;

2. have successfully completed courses in the principles, practices, and law of real estate, totaling eight (8) semester credit hours, or their equivalent, as a student at an accredited college or university or have successfully completed an approved salesperson course as provided in IC 25-34.1-5-5(a);

3. apply for a license by submitting the application fee prescribed by the commission and an application containing the name, address, and age of the applicant, the name under which the applicant intends to conduct business, the principal broker's address where the business is to be conducted, proof of compliance with subdivision (2), and any other information the commission requires;

4. pass a written examination prepared and administered by the commission or its duly appointed agent; and

5. submit not more than one hundred twenty (120) days after passing the written examination under subdivision (4):
   (A) the license fee of twenty-five dollars ($25) established by the commission under IC 25-1-8-2; and
   (B) a sworn certification of a principal broker that the principal broker intends to associate with the applicant and maintain that association until notice of termination of the
association is given to the commission.

(b) Upon the applicant's compliance with the requirements of subsection (a), the commission shall:

(1) issue a wall certificate in the name of the salesperson to the principal broker who certified the applicant's association with the principal broker; and
(2) issue to the salesperson a pocket identification card which certifies that the salesperson is licensed and indicates the expiration date of the license and the name of the principal broker.

(c) Notice of passing the commission examination serves as a temporary permit to act as a salesperson as soon as the applicant sends, by registered or certified mail with return receipt requested, the license fee and certification as prescribed in subsection (a)(5)(A) and (a)(5)(B). The temporary permit expires the earliest of the following:

(1) The date the license is issued.
(2) The date the applicant's association with the certifying principal broker is terminated.

The temporary permit may not be renewed, extended, reissued, or otherwise effective for any association other than with the initial certifying principal broker.

(d) A salesperson shall:

(1) act under the auspices of the principal broker responsible for that salesperson's conduct under this article;
(2) be associated with only one (1) principal broker;
(3) maintain evidence of licensure in the office, branch office, or sales outlet of the principal broker;
(4) advertise only in the name of the principal broker, with the principal broker's name in letters of advertising larger than that of the salesperson's name; and
(5) not maintain any real estate office apart from that office provided by the principal broker.

(e) Upon termination of a salesperson's association with a principal broker, the salesperson's license shall be returned to the commission within five (5) business days. The commission shall reissue the license to any principal broker whose certification, as prescribed in subsection (a)(5)(B), is filed with the commission, and the commission shall issue a new identification card to the salesperson reflecting that change.
(f) **Unless a license is renewed,** a salesperson license expires at midnight, December 31, of the next odd-numbered year following the year in which the license is issued or last renewed, unless the licensee renews the license prior to expiration by payment of a biennial license fee of twenty-five dollars ($25). An expired license may be reinstated within one hundred twenty (120) days after expiration; by payment of all unpaid license fees together with twenty dollars ($20): If the license is renewed within eighteen (18) months, but more than one hundred twenty (120) days after expiration; the licensee must pay a late fee of one hundred dollars ($100) plus any unpaid license fees; on a date specified by the licensing agency under IC 25-1-6-4 and expires biennially after the initial expiration date. An applicant for renewal shall submit an application in the manner prescribed by the board and pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency. If the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without the board taking any action. If a salesperson fails to reinstate a license within eighteen (18) months after expiration, a license may not be issued unless that salesperson again complies with the requirements of subsection (a)(3), (a)(4), and (a)(5).

(g) A salesperson license may be issued to an individual who is not yet associated with a principal broker but who otherwise meets the requirements of subsection (a). A license issued under this subsection shall be held by the commission in an unassigned status until the date the individual submits the certification of a principal broker required by subsection (a)(5). If the individual does not submit the application for licensure within one hundred twenty (120) days after passing the commission examination, the commission shall void the application and may not issue a license to that applicant unless the applicant again complies with the requirements of subsection (a)(4) through (a)(5).

(h) If an individual holding a salesperson license is not associated with a principal broker for two (2) successive renewal periods, the commission shall notify the individual in writing that the individual's license will become void if the individual does not associate with a principal broker within thirty (30) days from the date the notification is mailed. A void license may not be renewed.

SECTION 86. IC 25-34.1-3-4.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.1. (a) To obtain a broker license, an individual must:

(1) be at least eighteen (18) years of age before applying for a license and must not have a conviction for:
   (A) an act that would constitute a ground for disciplinary sanction under IC 25-1-11;
   (B) a crime that has a direct bearing on the individual’s ability to practice competently; or
   (C) a crime that indicates the individual has the propensity to endanger the public;
(2) have satisfied section 3.1(a)(2) of this chapter and have had continuous active experience for one (1) year immediately preceding the application as a licensed salesperson in Indiana. However, this one (1) year experience requirement may be waived by the commission upon a finding of equivalent experience;
(3) have successfully completed an approved broker course of study as prescribed in IC 25-34.1-5-5(b);
(4) apply for a license by submitting the application fee prescribed by the commission and an application specifying the name, address, and age of the applicant, the name under which the applicant intends to conduct business, the address where the business is to be conducted, proof of compliance with subdivisions (2) and (3), and any other information the commission requires;
(5) pass a written examination prepared and administered by the commission or its duly appointed agent; and
(6) within one hundred twenty (120) days after passing the commission examination, submit the license fee of fifty dollars ($50) established by the commission under IC 25-1-8-2. If an individual applicant fails to file a timely license fee, the commission shall void the application and may not issue a license to that applicant unless that applicant again complies with the requirements of subdivisions (4) and (5) and this subdivision.

(b) To obtain a broker license, a partnership must:

(1) have as partners only individuals who are licensed brokers;
(2) have at least one (1) partner who:
   (A) is a resident of Indiana; or
(B) is a principal broker under IC 25-34.1-4-3(b);
(3) cause each employee of the partnership who acts as a broker or salesperson to be licensed; and
(4) submit the license fee of fifty dollars ($50) established by the commission under IC 25-1-8-2 and an application setting forth the name and residence address of each partner and the information prescribed in subsection (a)(4).

(c) To obtain a broker license, a corporation must:
(1) have a licensed broker:
   (A) residing in Indiana who is either an officer of the corporation or, if no officer resides in Indiana, the highest ranking corporate employee in Indiana with authority to bind the corporation in real estate transactions; or
   (B) who is a principal broker under IC 25-34.1-4-3(b);
(2) cause each employee of the corporation who acts as a broker or salesperson to be licensed; and
(3) submit the license fee of fifty dollars ($50) established by the commission under IC 25-1-8-2, an application setting forth the name and residence address of each officer and the information prescribed in subsection (a)(4), a copy of the certificate of incorporation, and a certificate of good standing of the corporation issued by the secretary of state of Indiana.

(d) To obtain a broker license, a limited liability company must:
(1) if a member-managed limited liability company:
   (A) have as members only individuals who are licensed brokers; and
   (B) have at least one (1) member who is:
      (i) a resident of Indiana; or
      (ii) a principal broker under IC 25-34.1-4-3(b);
(2) if a manager-managed limited liability company, have a licensed broker:
   (A) residing in Indiana who is either a manager of the company or, if no manager resides in Indiana, the highest ranking company officer or employee in Indiana with authority to bind the company in real estate transactions; or
   (B) who is a principal broker under IC 25-34.1-4-3(b);
(3) cause each employee of the limited liability company who acts as a broker or salesperson to be licensed; and
(4) submit the license fee of fifty dollars ($50) established by the commission under IC 25-1-8-2 and an application setting forth the information prescribed in subsection (a)(4), together with:
   (A) if a member-managed company, the name and residence address of each member; or
   (B) if a manager-managed company, the name and residence address of each manager, or of each officer if the company has officers.

(e) Licenses granted to partnerships, corporations, and limited liability companies are issued, expire, are renewed, and are effective on the same terms as licenses granted to individual brokers, except as provided in subsection (h), and except that expiration or revocation of the license of:
   (1) any partner in a partnership or all individuals in a corporation satisfying subsection (c)(1); or
   (2) a member in a member-managed limited liability company or all individuals in a manager-managed limited liability company satisfying subsection (d)(2);
terminates the license of that partnership, corporation, or limited liability company.

(f) Upon the applicant's compliance with the requirements of subsection (a), (b), or (c), the commission shall issue the applicant a broker license and an identification card which certifies the issuance of the license and indicates the expiration date of the license. The license shall be displayed at the broker's place of business.

(g) Notice of passing the commission examination serves as a temporary permit for an individual applicant to act as a broker as soon as the applicant sends, by registered or certified mail with return receipt requested, a timely license fee as prescribed in subsection (a)(6). The temporary permit expires the earlier of one hundred twenty (120) days after the date of the notice of passing the examination or the date a license is issued.

(h) **Unless the license is renewed**, a broker license expires, for individuals, at midnight, December 31 and, for corporations, partnerships, and limited liability companies at midnight, June 30 of the next even-numbered year following the year in which the license is issued or last renewed; unless the licensee renews the license prior to expiration by payment of a biennial license fee of fifty dollars ($50):
An expired license may be reinstated within one hundred twenty (120) days after expiration by payment of all unpaid license fees together with twenty dollars ($20). If the license is renewed within eighteen (18) months, but more than one hundred twenty (120) days after expiration, the licensee must pay a late fee of one hundred dollars ($100) plus any unpaid license fees on a date specified by the licensing agency under IC 25-1-6-4 and expires biennially after the initial expiration date. An applicant for renewal shall submit an application in the manner prescribed by the board and pay the renewal fee established by the commission under IC 25-1-8-2 on or before the renewal date specified by the licensing agency. If the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without the board taking any action. If a broker fails to reinstate a license within eighteen (18) months after expiration, a license may not be issued unless the broker again complies with the requirements of subsection (a)(4), (a)(5), and (a)(6).

(i) A partnership, corporation, or limited liability company may not be a broker-salesperson except as authorized in IC 23-1.5. An individual broker who associates as a broker-salesperson with a principal broker shall immediately notify the commission of the name and business address of the principal broker and of any changes of principal broker that may occur. The commission shall then change the address of the broker-salesperson on its records to that of the principal broker.

SECTION 87. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 25-1-2-9; IC 25-1-11-9.5; IC 25-21.5-8-3.

SECTION 88. [EFFECTIVE JULY 1, 2005] (a) This SECTION applies to the entities listed in IC 25-1-6-3, as amended by this act.

(b) Notwithstanding the requirement under this act that an entity described in subsection (a) must adopt fees, a fee charged by an entity on June 30, 2005, continues in effect until the fee is changed by a rule adopted by the entity. An entity described in subsection (a) shall adopt a rule described in this SECTION before January 1, 2006.

(c) This SECTION expires July 1, 2006.

SECTION 89. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 25-4-1-3, as amended by this act, the board of registration for
architects and landscape architects shall carry out the duties imposed upon it by IC 25-4-1-3, as amended by this act, under interim written guidelines approved by the executive director of the Indiana professional licensing agency.

(b) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted by the board of registration for architects and landscape architects.
   (2) December 31, 2006.

SECTION 90. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 25-21.5-2-14(b), as amended by this act, the state board of registration for land surveyors shall carry out the duties imposed upon it by IC 25-21.5-2-14(b), as amended by this act, under interim written guidelines approved by the executive director of the Indiana professional licensing agency.

(b) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted by the state board of registration for land surveyors.
   (2) December 31, 2006.

SECTION 91. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 25-31-1-7(a), as amended by this act, the state board of registration for professional engineers shall carry out the duties imposed upon it by IC 25-31-1-7(a), as amended by this act, under interim written guidelines approved by the executive director of the Indiana professional licensing agency.

(b) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted by the state board of registration for professional engineers.
   (2) December 31, 2006.
AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-2.5-1-28 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.

SECTION 2. IC 6-2.5-5-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) Sales of food and food ingredients for human consumption are exempt from the state gross retail tax.

(b) For purposes of this section, the term "food and food ingredients for human consumption" includes the following items if sold without eating utensils provided by the seller:

(1) Food sold by a seller whose proper primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries).
(2) Food sold in an unheated state by weight or volume as a single item.
(3) Bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and tortillas.

(c) Except as otherwise provided by subsection (b), for purposes of this section, the term "food and food ingredients for human consumption" does not include:

(1) candy;
(2) alcoholic beverages;
(3) soft drinks;
(4) food sold through a vending machine;
(5) food sold in a heated state or heated by the seller;
(6) two (2) or more food ingredients mixed or combined by the seller for sale as a single item (other than food that is only cut,
repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
(7) food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food); or
(8) tobacco.

SECTION 3. IC 6-2.5-5-39 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) As used in this section, "cargo trailer" means a vehicle:

(1) without motive power;
(2) designed for carrying property;
(3) designed for being drawn by a motor vehicle; and
(4) having a gross vehicle weight rating of at least two thousand two hundred (2,200) pounds.

(b) As used in this section, "recreational vehicle" means a vehicle with or without motive power equipped exclusively for living quarters for persons traveling upon the highways. The term includes a travel trailer, a motor home, a truck camper with a floor and facilities enabling it to be used as a dwelling, and a fifth wheel trailer.

(c) A transaction involving a cargo trailer, a recreational vehicle, or an aircraft is exempt from the state gross retail tax if:

(1) the purchaser is a nonresident;
(2) upon receiving delivery of the cargo trailer, recreational vehicle, or aircraft, the person transports it within thirty (30) days to a destination outside Indiana;
(3) the cargo trailer, recreational vehicle, or aircraft will be titled or registered for use in another state or country; and
(4) the cargo trailer, recreational vehicle, or aircraft will not be titled or registered for use in Indiana.

The amount of the exemption for a cargo trailer or recreational vehicle is determined in subsection (d).

(d) The amount of the exemption for a cargo trailer or a
recreational vehicle under this section is equal to the amount of:
(1) the state gross retail tax that would be imposed on the transaction if the cargo trailer or recreational vehicle were registered in Indiana; minus
(2) the sales, use, or similar tax that would have been imposed on the transaction under the laws of the state or country in which the purchaser affirms the cargo trailer or recreational vehicle will be registered.

The amount of the exemption under this section may not exceed the amount of the state gross retail tax that would be imposed on the transaction if the cargo trailer or recreational vehicle were registered in Indiana. A retail merchant that accepts an exemption claim for a cargo trailer or recreational vehicle under this section shall, within sixty (60) days after the date of the transaction, have on file a copy of the purchaser's title or registration of the cargo trailer or recreational vehicle outside Indiana or pay to the state the amount of the exemption.

(e) Any state gross retail tax due after the application of the exemption provided by this section must be paid to the retail merchant.

(f) A purchaser must claim an exemption under this section by submitting to the retail merchant an affidavit stating the purchaser's intent to:
(1) transport the cargo trailer, recreational vehicle, or aircraft to a destination outside Indiana within thirty (30) days after delivery; and
(2) title or register the cargo trailer, recreational vehicle, or aircraft for use in another state or country.

The department shall prescribe the form of the affidavit. The affidavit must identify the state or country in which the cargo trailer, recreational vehicle, or aircraft will be titled or registered. Within sixty (60) days after the date of the transaction, the purchaser shall provide to the retail merchant a copy of the purchaser's title or registration of the cargo trailer, recreational vehicle, or aircraft outside Indiana.

(g) The department shall provide the information necessary to calculate the amount of an exemption claimed under this section to retail merchants in the business of selling cargo trailers or recreational vehicles.
SECTION 4. IC 6-2.5-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A certified service provider is the agent of a seller, with whom the certified service provider has contracted, for the collection and remittance of sales and use taxes. As the seller's agent, the certified service provider is liable for sales and use tax due each member state on all sales transactions it processes for the seller except as set out in this section. A seller that contracts with a certified service provider is not liable to the state for sales or use tax due on transactions processed by the certified service provider unless the seller misrepresented the type of items it sells or committed fraud. In the absence of probable cause to believe that the seller has committed fraud or made a material misrepresentation, the seller is not subject to audit on the transactions processed by the certified service provider. A seller is subject to audit for transactions not processed by the certified service provider. The member states acting jointly may perform a system check of the seller and review the seller's procedures to determine if the certified service provider's system is functioning properly and the extent to which the seller's transactions are being processed by the certified service provider.

(b) A person that provides a certified automated system is responsible for the proper functioning of that system and is liable to the state for underpayments of tax attributable to errors in the functioning of the certified automated system. A seller that uses a certified automated system remains responsible and is liable to the state for reporting and remitting tax.

(c) A seller that has a proprietary system for determining the amount of tax due on transactions and has signed an agreement establishing a performance standard for that system is liable for the failure of the system to meet the performance standard.

(d) The department shall allow any monetary allowances that are provided by the member states to sellers or certified service providers in exchange for collecting the sales and use taxes as provided in article VI of the agreement.

SECTION 5. [EFFECTIVE JULY 1, 2005] IC 6-2.5-5-39, as added by this act, applies to transactions occurring after June 30, 2005.
AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-10-8-7.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.7. (a) As used in this section, "covered individual" means an individual who is covered under a health care plan.

(b) As used in this section, "health care plan" means:

(1) a self-insurance program established under section 7(b) of this chapter to provide group health coverage; or
(2) a contract entered into under section 7(c) of this chapter to provide health services through a prepaid health care delivery plan.

(c) As used in this section, "health care provider" means a:

(1) physician licensed under IC 25-22.5; or
(2) hospital licensed under IC 16-21;

that provides health care services for surgical treatment of morbid obesity.

(d) As used in this section, "morbid obesity" means:

(1) a weight of at least two (2) times the ideal weight for frame, age, height, and gender, as specified in the 1983 Metropolitan Life Insurance tables;
(2) a body mass index of at least thirty-five (35) kilograms per meter squared, with comorbidity or coexisting medical conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes; or
(3) a body mass index of at least forty (40) kilograms per meter squared without comorbidity.

For purposes of this subsection, body mass index is equal to weight in kilograms divided by height in meters squared.

(e) Except as provided in subsection (f), the state shall provide coverage for nonexperimental, surgical treatment by a health care
provider of morbid obesity:
   (1) that has persisted for at least five (5) years; and
   (2) for which nonsurgical treatment that is supervised by a
   physician has been unsuccessful for at least eighteen (18) 
   consecutive months.

(f) The state may not provide coverage for surgical treatment of 
morbid obesity for a covered individual who is less than twenty-one 
(21) years of age unless two (2) physicians licensed under 
IC 25-22.5 determine that the surgery is necessary to:
   (1) save the life of the covered individual; or
   (2) restore the covered individual's ability to maintain a 
   major life activity (as defined in IC 4-23-29-6);
and each physician documents in the covered individual's medical 
record the reason for the physician's determination.

SECTION 2. IC 16-18-2-240.5 IS ADDED TO THE INDIANA 
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 240.5. "Morbid obesity", for 
purposes of IC 16-40-3, has the meaning set forth in IC 16-40-3-1.

SECTION 3. IC 16-40-3 IS ADDED TO THE INDIANA CODE AS 
A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: 
Chapter 3. Reporting of Deaths or Complications From Morbid 
Obesity Surgeries 
Sec. 1. As used in this chapter, "morbid obesity" means:
   (1) a body mass index of at least thirty-five (35) kilograms per 
   meter squared, with comorbidity or coexisting medical 
   conditions such as hypertension, cardiopulmonary conditions, 
   sleep apnea, or diabetes; or
   (2) a body mass index of at least forty (40) kilograms per 
   meter squared without comorbidity.
For purposes of this section, body mass index is equal to weight in 
kilograms divided by height in meters squared.

Sec. 2. (a) A physician who is licensed under IC 25-22.5 and who 
performs a surgical treatment for the treatment of morbid obesity 
shall:
   (1) monitor the patient for five (5) years following the 
   patient's surgery; and
   (2) report:
(A) to; and
(B) in a manner prescribed by;
the state department any death or serious complication of the
patient.
(b) The report required in subsection (a) must include the
following information:
(1) The gender of the patient.
(2) The name of the physician who performed the surgery.
(3) The location where the surgery was performed.
(4) Information concerning the death or complication and the
circumstances in which the death or complication occurred.

Sec. 3. (a) The state department shall collect and maintain the
information reported to the state department under section 2 of
this chapter.
(b) The reports made under section 2(a)(2) of this chapter are
public records and are subject to public inspection. However, the
state department may not release any information contained in the
reports that the state department determines may reveal the
patient's identity.

Sec. 4. A physician who knowingly violates this chapter may be
subject to disciplinary sanctions under IC 25-1-9 as if the physician
had knowingly violated a rule adopted by the medical licensing
board under IC 25-22.5-2-7.

Sec. 5. The state department shall adopt rules under IC 4-22-2
necessary to implement this chapter.

Sec. 6. This chapter expires June 30, 2010.

SECTION 4. IC 27-8-14.1-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this
chapter, "morbid obesity" means:
(1) a weight of at least two (2) times the ideal weight for frame,
age, height, and gender, as specified in the 1983 Metropolitan
Life Insurance tables;
(2) (1) a body mass index of at least thirty-five (35) kilograms per
meter squared, with comorbidity or coexisting medical conditions
such as hypertension, cardiopulmonary conditions, sleep apnea,
or diabetes; or
(3) (2) a body mass index of at least forty (40) kilograms per
meter squared without comorbidity.
For purposes of this section, body mass index is equal to weight in kilograms divided by height in meters squared.

SECTION 5. IC 27-8-14.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsection (b), an insurer that issues an accident and sickness insurance policy shall offer coverage for nonexperimental, surgical treatment by a health care provider of morbid obesity:

(1) that has persisted for at least five (5) years; and
(2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least eighteen (18) consecutive months.

(b) An insurer that issues an accident and sickness insurance policy may not provide coverage for a surgical treatment of morbid obesity for an insured who is less than twenty-one (21) years of age unless two (2) physicians licensed under IC 25-22.5 determine that the surgery is necessary to:

(1) save the life of the insured; or
(2) restore the insured's ability to maintain a major life activity (as defined in IC 4-23-29-6);

and each physician documents in the insured's medical record the reason for the physician's determination.

SECTION 6. IC 27-13-7-14.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.5. (a) As used in this section, "health care provider" means a:

(1) physician licensed under IC 25-22.5; or
(2) hospital licensed under IC 16-21;

that provides health care services for surgical treatment of morbid obesity.

(b) As used in this section, "morbid obesity" means:

(1) a weight of at least two (2) times the ideal weight for frame, age, height, and gender as specified in the 1983 Metropolitan Life Insurance tables;
(2) (1) a body mass index of at least thirty-five (35) kilograms per meter squared with comorbidity or coexisting medical conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes; or
(3) (2) a body mass index of at least forty (40) kilograms per meter squared without comorbidity.
For purposes of this subsection, body mass index equals weight in kilograms divided by height in meters squared.

(c) Except as provided in subsection (d), a health maintenance organization that provides coverage for basic health care services under a group contract shall offer coverage for nonexperimental, surgical treatment by a health care provider of morbid obesity:

(1) that has persisted for at least five (5) years; and

(2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least eighteen (18) consecutive months.

(d) A health maintenance organization that provides coverage for basic health care services may not provide coverage for surgical treatment of morbid obesity for an enrollee who is less than twenty-one (21) years of age unless two (2) physicians licensed under IC 25-22.5 determine that the surgery is necessary to:

(1) save the life of the enrollee; or

(2) restore the enrollee's ability to maintain a major life activity (as defined in IC 4-23-29-6);

and each physician documents in the enrollee's medical record the reason for the physician's determination.

SECTION 7. [EFFECTIVE JULY 1, 2005] (a) IC 5-10-8-7.7, as amended by this act, applies to a self-insurance program or a contract with a prepaid health care delivery plan that is established, entered into, delivered, amended, or renewed after June 30, 2005.

(b) IC 27-8-14.1-4, as amended by this act, applies to an accident and sickness insurance policy that is issued, delivered, amended, or renewed after June 30, 2005.

(c) IC 27-13-7-14.5, as amended by this act, applies to a health maintenance organization contract that is entered into, delivered, amended, or renewed after June 30, 2005.
AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-3.1-4-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec 2.5. (a) The general assembly makes the following findings pertaining to this section:

1. The aerospace industry is adversely affected by the calculation of qualified research expense credits under this chapter, based on the Internal Revenue Code's treatment of federal defense spending trends in the 1980s.
2. This adverse impact creates a disincentive for making qualified research expenditures in Indiana.
3. Manufacturers of aerospace and jet propulsion equipment have been a major in-state employer of science and engineering graduates from Indiana universities.
4. The presence of a strong aerospace manufacturing base furthers the state's interest in maintaining the viability of a United States government military installation that is used for the design, construction, maintenance, and testing of electronic devices and ordnance.
5. The creation of an alternative qualified research expense credit promotes vital state interests.

(b) This section applies only to a taxpayer that:

1. is primarily engaged in the production of civil and military jet propulsion systems;
2. is certified by the Indiana economic development corporation as an aerospace advanced manufacturer;
3. is a United States Department of Defense contractor; and
4. maintains one (1) or more manufacturing facilities in Indiana employing at least three thousand (3,000) employees in full-time employment positions that pay on average more
than four hundred percent (400%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

(c) A taxpayer that incurs Indiana qualified research expense in a particular taxable year may elect to calculate the research expense tax credit under this section instead of under section 2 of this chapter.

(d) An election under this section applies to the taxable year for which the election is made and all succeeding taxable years unless the election is revoked with the consent of the department. An election must be made in the manner and on the form prescribed by the department.

(e) A credit may be authorized by the Indiana economic development corporation and, if authorized, shall be equal to a percentage determined by the Indiana economic development corporation, not to exceed ten percent (10%), multiplied by:

1. the taxpayer's Indiana qualified research expenses for the taxable year; minus
2. fifty percent (50%) of the taxpayer's average Indiana qualified research expenses for the three (3) taxable years preceding the taxable year for which the credit is being determined.

(f) The credit amount determined in subsection (e) applies to the taxable year for which the determination is made and all succeeding taxable years unless the determination is changed by the Indiana economic development corporation. The duration of a determination made by the Indiana economic development corporation under subsection (e) shall be specified by the Indiana economic development corporation at the time of the determination.

SECTION 2. IC 6-3.1-13-5.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.3. As used in this chapter, "NAICS" refers to the North American Industry Classification System.

SECTION 3. IC 6-3.1-13-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. As used in this chapter, "NAICS industry sector" refers to industries that share the same first two (2) digits of the six (6) digit NAICS code assigned to
industries in the NAICS Manual of the United States Office of Management and Budget.

SECTION 4. IC 6-3.1-13-15, AS AMENDED BY P.L.4-2005, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. This section applies to an application proposing a project to create new jobs in Indiana. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all of the following conditions exist:

1. The applicant's project will create new jobs that were not jobs previously performed by employees of the applicant in Indiana.
2. The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment in Indiana and strengthening the economy of Indiana.
3. Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not creating new jobs in Indiana.
4. Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.
5. The credit is not prohibited by section 16 of this chapter.

6. If the business is located in a community revitalization enhancement district established under IC 36-7-13 or a certified technology park established under IC 36-7-32, the legislative body of the political subdivision establishing the district or park has adopted an ordinance recommending the granting of a credit amount that is at least equal to the credit amount provided in the agreement.

SECTION 5. IC 6-3.1-13-15.5, AS AMENDED BY P.L.4-2005, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15.5. This section applies to an application proposing to retain existing jobs in Indiana. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all the following conditions exist:

1. The applicant's project will retain existing jobs performed by the employees of the applicant in Indiana.
2. The applicant provides evidence that there is at least one (1)
other competing site outside Indiana that is being considered for the project or for the relocation of jobs:

(3) A disparity is identified, using the best available data, in the projected costs for the applicant's project in Indiana compared with the costs for the project in the competing site:

(4) (2) The applicant is engaged in research and development, manufacturing, or business services, (as defined in according to the Standard Industrial Classification NAICS Manual of the United States Office of Management and Budget.

(5) (3) The average compensation (including benefits) provided to the applicant's employees during the applicant's previous fiscal year exceeds:

(A) for an application submitted before January 1, 2006, the average compensation paid during that same period to all employees in the county in which the applicant's business is located by at least five percent (5%); or

(B) for an application submitted after December 31, 2005, the amount specified by the calculation associated with one (1) of the following descriptions that characterizes the number of businesses in the NAICS industry sector to which the applicant's business belongs:

(i) If there is more than one (1) business in the same NAICS industry sector in the county in which the applicant's business is located, determine the average compensation paid during that same period to all employees working in the same NAICS industry sector in the county in which the applicant's business is located multiplied by one hundred five percent (105%).

(ii) If the applicant's business is the only business in the same NAICS industry sector in the county in which the applicant’s business is located but there is more than one (1) business in the same NAICS industry sector in Indiana, determine the average compensation paid during that same period to all employees working in the NAICS industry sector throughout Indiana multiplied by one hundred five percent (105%).

(iii) If the applicant's business is the only business in the same NAICS industry sector in Indiana, determine the
compensation for that same period corresponding to the federal minimum wage multiplied by two hundred percent (200%).

(6) (4) The applicant employs at least two hundred seventy-five (200) employees in Indiana.

(7) (5) The applicant has prepared a plan for the use of the credits under this chapter for:

(A) investment in facility improvements or equipment and machinery upgrades, repairs, or retrofits; or
(B) other direct business related investments, including but not limited to training.

(8) (6) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project, and not receiving the tax credit will increase the likelihood of the applicant reducing jobs in Indiana.

(9) (7) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

(10) (8) The applicant's business and project are economically sound and will benefit the people of Indiana by increasing or maintaining opportunities for employment and strengthening the economy of Indiana.

(11) (9) The communities affected by the potential reduction in jobs or relocation of jobs to another site outside Indiana have committed at least one dollar and fifty cents ($1.50) of local incentives with respect to the retention of jobs for every three dollars ($3) in credits provided under this chapter, in an amount determined by the corporation. For purposes of this subdivision, local incentives include, but are not limited to, cash grants, tax abatements, infrastructure improvements, investment in facility rehabilitation, construction, and training investments.

(12) (10) The credit is not prohibited by section 16 of this chapter.

(11) If the business is located in a community revitalization enhancement district established under IC 36-7-13 or a certified technology park established under IC 36-7-32, the legislative body of the political subdivision establishing the district or park has adopted an ordinance recommending the granting of a credit amount that is at least equal to the credit
amount provided in the agreement.

SECTION 6. IC 6-3.1-13-17, AS AMENDED BY P.L.4-2005, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. In determining the credit amount that should be awarded to an applicant under section 15 of this chapter that proposes a project to create jobs in Indiana, the corporation may take into consideration the following factors:

1. The economy of the county where the projected investment is to occur.
2. The potential impact on the economy of Indiana.
3. The incremental payroll attributable to the project.
4. The capital investment attributable to the project.
5. The amount the average wage paid by the applicant exceeds the average wage paid:
   (A) within the county in which the project will be located, in the case of an application submitted before January 1, 2006; or
   (B) in the case of an application submitted after December 31, 2005:
      (i) to all employees working in the same NAICS industry sector to which the applicant's business belongs in the county in which the applicant's business is located, if there is more than one (1) business in that NAICS industry sector in the county in which the applicant's business is located;
      (ii) to all employees working in the same NAICS industry sector to which the applicant's business belongs in Indiana, if the applicant's business is the only business in that NAICS industry sector in the county in which the applicant's business is located but there is more than one (1) business in that NAICS industry sector in Indiana; or
      (iii) to all employees working in the same county as the county in which the applicant's business is located, if there is no other business in Indiana in the same NAICS industry sector to which the applicant's business belongs.
6. The costs to Indiana and the affected political subdivisions with respect to the project.
7. The financial assistance and incentives that are otherwise
provided by Indiana and the affected political subdivisions.

(8) The extent to which the incremental income tax withholdings attributable to the applicant's project are needed for the purposes of an incremental tax financing fund or industrial development fund under IC 36-7-13 or a certified technology park fund under IC 36-7-32.

As appropriate, the corporation shall consider the factors in this section to determine the credit amount awarded to an applicant for a project to retain existing jobs in Indiana under section 15.5 of this chapter. In the case of an applicant under section 15.5 of this chapter, the corporation shall consider the magnitude of the cost differential between the projected costs for the applicant's project in the competing site outside Indiana and the projected costs for the applicant's project in Indiana.

SECTION 7. IC 6-3.1-13-17, AS AMENDED BY P.L.4-2005, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The corporation shall determine the amount and duration of a tax credit awarded under this chapter. The duration of the credit may not exceed ten (10) taxable years. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which case the excess may, at the discretion of the corporation, be refunded to the taxpayer.

(b) For state fiscal years 2004, and 2005, 2006, and 2007, the aggregate amount of credits awarded under this chapter for projects to retain existing jobs in Indiana may not exceed five million dollars ($5,000,000) per year.

SECTION 8. IC 6-3.1-13-19, AS AMENDED BY P.L.4-2005, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. In the case of a credit awarded for a project to create new jobs in Indiana, the corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

(1) A detailed description of the project that is the subject of the agreement.
(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.
(3) The credit amount that will be allowed for each taxable year.
(4) A requirement that the taxpayer shall maintain operations at the project location for at least two (2) times the number of years as the term of following the last taxable year in which the applicant claims the tax credit or carries over an unused part of the tax credit under section 18 of this chapter. A taxpayer is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.
(5) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.
(6) A requirement that the taxpayer shall annually report to the corporation the number of new employees who are performing jobs not previously performed by an employee, the new income tax revenue withheld in connection with the new employees, and any other information the director needs to perform the director's duties under this chapter.
(7) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (6), and after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.
(8) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.
(9) Any other performance conditions that the corporation determines are appropriate.

SECTION 9. IC 6-3.1-13.19.5, AS AMENDED BY P.L.4-2005, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19.5. (a) In the case of a credit awarded for a project to retain existing jobs in Indiana, the corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:
(1) A detailed description of the business that is the subject of the
agreement.
(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.
(3) The credit amount that will be allowed for each taxable year.
(4) A requirement that the applicant shall maintain operations at the project location for at least two (2) times the number of years as the term of following the last taxable year in which the applicant claims the tax credit or carries over an unused part of the tax credit under section 18 of this chapter. An applicant is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.
(5) A requirement that the applicant shall annually report the following to the corporation:
   (A) The number of employees who are employed in Indiana by the applicant.
   (B) The compensation (including benefits) paid to the applicant's employees in Indiana.
   (C) The amount of the:
      (i) facility improvements;
      (ii) equipment and machinery upgrades, repairs, or retrofits; or
      (iii) other direct business related investments, including training.
(6) A requirement that the applicant shall provide written notification to the director and the corporation not more than thirty (30) days after the applicant makes or receives a proposal that would transfer the applicant's state tax liability obligations to a successor taxpayer.
(7) Any other performance conditions that the corporation determines are appropriate.
(b) An agreement between an applicant and the corporation must be submitted to the budget committee for review and must be approved by
the budget agency before an applicant is awarded a credit under this chapter for a project to retain existing jobs in Indiana.

SECTION 10. IC 6-3.1-13-21, AS AMENDED BY P.L.4-2005, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder or partner of a pass through entity is otherwise entitled under a separate agreement under this chapter. A pass through entity and a shareholder or partner of the pass through entity may not claim more than one (1) credit under the same agreement.

(c) This subsection (d) applies:

(1) only to a pass through entity that is a limited liability company or a limited liability partnership owned wholly or in part by an electric cooperative incorporated under IC 8-1-13; and

(2) if, at the request of the pass through entity, if the corporation finds that the amount of the average wage to be paid by the pass through entity will be at least double the average wage paid:

(A) in the county in which the project will be located, in the case of an application submitted before January 1, 2006; or

(B) in the case of an application submitted after December 31, 2005:

(i) to all employees working in the same NAICS industry sector to which the applicant's business belongs in the county in which the applicant's business is located, if there is more than one (1) business in that NAICS industry sector in the county in which the applicant's business is located;

(ii) to all employees working in the same NAICS industry
sector to which the applicant's business belongs in Indiana, if the applicant's business is the only business in that NAICS industry sector in the county in which the applicant's business is located but there is more than one (1) business in that NAICS industry sector in Indiana; or (iii) to all employees working in the same county as the county in which the applicant's business is located, if there is no other business in Indiana in the same NAICS industry sector to which the applicant's business belongs.

(d) The corporation may determine that:
   (1) the a credit shall be claimed by the pass through entity described in subsection (c); and
   (2) if the credit exceeds the pass through entity's state income tax liability for the taxable year, the excess shall be refunded to the pass through entity.

If the corporation grants a refund directly to a pass through entity under this subsection, the pass through entity shall claim the refund on forms prescribed by the department of state revenue.

SECTION 11. [EFFECTIVE JANUARY 1, 2006] IC 6-3.1-4-2.5, as added by this act, applies to taxable years beginning after December 31, 2005.

SECTION 12. [EFFECTIVE JULY 1, 2005] IC 6-3.1-13-15, IC 6-3.1-13-15.5, IC 6-3.1-13-17, IC 6-3.1-13-18, IC 6-3.1-13-19, IC 6-3.1-13-19.5, and IC 6-3.1-13-21, all as amended by this act, apply only to credits awarded by the Indiana economic development corporation under IC 6-3.1-13 after June 30, 2005. Credits awarded under IC 6-3.1-13 before July 1, 2005, remain subject to the provisions of IC 6-3.1-13 as in effect on June 30, 2005. However, an ordinance that is described in IC 6-3.1-13-15(6) or IC 6-3.1-13-15.5(11), both as amended by this act, and that is adopted before July 1, 2005, is valid to the extent that it applies to credits awarded after June 30, 2005.
AN ACT to amend the Indiana Code concerning elections.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 3-7-32-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. A voter may not submit a registration application by fax or an electronic transmission except as provided in:

(1) IC 3-11-4 concerning an absent uniformed services voter or overseas voter submitting a registration application on the standard form approved under 42 U.S.C. 1973ff(b); or

(2) after December 31, 2005, IC 3-7-26.3.

SECTION 2. IC 3-11-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies, notwithstanding any other provision of this title, to absentee ballot applications for the following:

(1) An absent uniformed services voter.

(2) An address confidentiality program participant (as defined in IC 5-26.5-1-6).

(3) An overseas voter.

(b) A county election board shall make blank absentee ballot applications available for persons covered by this section after November 20 preceding the election to which the application applies. Except as provided in subsection (c), the person may apply for an absentee ballot at any time after the applications are made available.

(c) A person covered by this section may apply for an absentee ballot for the next scheduled primary, general, or special election at any time by filing a standard form approved under 42 U.S.C. 1973ff(b).

(d) If the county election board receives an absentee ballot application from a person described by this section, the circuit court clerk shall mail to the person, free of postage as provided by 39 U.S.C. 3406, all ballots for the election immediately upon receipt of the ballots under sections 13 and 15 of this chapter.
(e) In accordance with 42 U.S.C. 1973ff-3, whenever a voter files
an application for an absentee ballot and indicates on the application
that the voter:

(1) is an absent uniformed services voter or an overseas voter; and
(2) does not expect to be in the county on the next general
election day following the date the application is filed and expects
to remain absent from the county until at least the date of the
second general election following the date the application is filed;
the application is an adequate application for an absentee ballot for
both subsequent general elections and any municipal or special election
conducted during that period. The circuit court clerk and county
election board shall process this application and send general election
absentee ballots to the voter in the same manner as other general
election and special election absentee ballot applications and ballots
are processed and sent under this chapter.

(f) Whenever a voter described in subsection (a)(2) files an
application for a primary election absentee ballot and indicates on the
application that the voter is an address confidentiality program
participant, the application is an adequate application for a general
election absentee ballot under this chapter and an absentee ballot for a
special election conducted during the twelve (12) months following the
date of the application. The circuit court clerk and county election
board shall process this application and send general election and
special election absentee ballots to the voter in the same manner as
other general election and special election absentee ballot applications
and ballots are processed and sent under this chapter.

(g) The name, address, telephone number, and any other identifying
information relating to a program participant (as defined in
IC 5-26.5-1-6) in the address confidentiality program, as contained in
a voting registration record, is declared confidential for purposes of
IC 5-14-3-4(a)(1). The county voter registration office may not disclose
for public inspection or copying a name, an address, a telephone
number, or any other information described in this subsection, as
contained in a voting registration record, except as follows:

(1) To a law enforcement agency, upon request.
(2) As directed by a court order.

(h) The county election board shall by fax (or electronic mail when
authorized under this section) transmit an absentee ballot to and
receive an absentee ballot from an absent uniformed services voter or an overseas voter at the request of the voter. If the voter wants to submit absentee ballots by fax or electronic mail, the voter must separately sign and date a statement on the cover of the fax transmission that states substantively the following: "I understand that by faxing or e-mailing my voted ballot I am voluntarily waiving my right to a secret ballot."

(i) The county election board shall send confirmation to a voter described in subsection (h) that the voter's absentee ballot has been received as follows:

(1) If the voter provides a fax number to which a confirmation may be sent, the county election board shall send the confirmation to the voter at the fax number provided by the voter.
(2) If the voter provides an electronic mail address to which a confirmation may be sent, the county election board shall send the confirmation to the voter at the electronic mail address provided by the voter.
(3) If:
   (A) the voter does not provide a fax number or an electronic mail address; or
   (B) the number or address provided does not permit the board to send the confirmation not later than the end of the first business day after the board receives the voter's absentee ballot;
the county election board shall send the confirmation by United States mail.
The county election board shall send the confirmation required by this subsection not later than the end of the first business day after the county election board receives the voter's absentee ballot.

(j) A county election board may transmit an absentee ballot to an absent uniformed services voter or an overseas voter by electronic mail under a program authorized and administered by the Federal Voting Assistance Program of the United States Department of Defense. A voter described by this section may transmit the voted absentee ballot to a county election board by electronic mail in accordance with the procedures established under this program. An electronic mail message transmitting a voted absentee ballot under this subsection must include an
optically scanned image of the voter’s signature on the statement required under subsection (h).

SECTION 3. IC 3-11-4-8 IS AMENDED TO READ AS FollowS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies to an overseas voter described in IC 3-5-2-34.5(3).

(b) An overseas voter who resides outside the United States and who is no longer a resident of a precinct in Indiana is only entitled to receive absentee ballots for a federal office under this chapter.

(c) A voter described in subsection (a) is considered to be a voter of the Indiana precinct where the voter registration office of the county where the person was domiciled before leaving the United States is located.

SECTION 4. IC 3-11-4-12 IS AMENDED TO READ AS FollowS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The absentee ballots for:

(1) President and Vice President of the United States;
(2) United States Senator;
(3) all state offices; and
(4) the ratification or rejection of a public question to be voted for by the electorate of the entire state or for the retention of a judge of the Indiana court of appeals;

shall be prepared and printed under the direction of the election division:

(b) The election division shall have the ballots printed upon certification of the political party tickets and independent candidates:

(c) Except as provided in subsection (f), ballots prepared under this section must provide space for the voter to cast a write-in ballot:

(d) (a) The election division shall prepare a special absentee ballot for use by:

(1) absent uniformed services voters; and
(2) overseas voters;

who will be outside of the United States on general election day.

(b) The ballot described by subsection (d): subsection (a):

(1) must indicate each state office to be elected by the voters at the general election;
(2) must set forth each public question to be voted for at the general election by the electorate of the entire state;
(3) may not state the name of any political party or candidate for
election;
(4) must permit the voter to write in the name of a political party or a candidate for election to each office; and
(5) must include a notice stating that regular absentee ballots will be mailed to the voter by the county election board as soon as the ballots are available.

(c) Space for write-in voting for an office is not required if there are no declared write-in candidates for that office. However, procedures must be implemented to permit write-in voting for candidates for federal offices.

SECTION 5. IC 3-11-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Except as provided in subsections (b) and (c), the absentee ballots that are prepared and printed under the direction of the election division shall be delivered to the circuit court clerk or the clerk's authorized deputy not less than forty-five (45) days before a general election or twenty-nine (29) days before a special election. The absentee ballots shall be delivered in the same manner that other official ballots are delivered.

(b) This subsection applies to the printing of absentee ballots for a general election in which the names of nominees for President and Vice President of the United States are to be printed on the ballot. The absentee ballots that are prepared and printed under the direction of the election division shall be delivered to the circuit court clerk not later than thirty-eight (38) days before the general election.

(c) An absentee ballot described by section 12(d) of this chapter shall be delivered by the election division to the circuit court clerk or the clerk's authorized deputy not later than the first Monday in June before a general election.

SECTION 6. IC 3-11-4-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. Upon receipt of an application for an absentee ballot, a circuit court clerk shall file the application in the clerk's office and record all of the following:

(1) The voter's name.
(2) The date the application is received.
(3) The date the ballot is sent to the voter.
(4) If mailed, the address to which the ballot is sent.
(5) If transmitted by fax, the fax number to which the ballot is
faxed.

(6) The date the ballot is marked before the clerk or otherwise received from the voter.

(7) The combined total number of absentee ballots sent by the county to absent uniformed services voters and overseas voters.

(8) The total number of absentee ballots returned by voters described in subdivision (7) in time to be counted.

(9) The total number of absentee ballots described in subdivision (7) that were counted in whole or in part.

(10) Any other information that is necessary or advisable.

SECTION 7. IC 3-11-10-1, AS AMENDED BY SEA 15-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A voter voting by absentee ballot shall make and subscribe to the affidavit prescribed by IC 3-11-4-21. The voter then shall, except as provided in subsection (b), do the following:

1. Mark the ballot in the presence of no other person.
2. Fold each ballot separately.
3. Fold each ballot so as to conceal the marking.
4. Enclose each ballot, with the seal and signature of the circuit court clerk on the outside, together with any unused ballot, in the envelope provided.
5. Securely seal the envelope.
6. Do one (1) of the following:
   (A) Mail the envelope to the county election board, with not more than one (1) ballot per envelope.
   (B) Deliver the envelope to the county election board in person.
   (C) Deliver the envelope to a member of the voter's household or a person designated as the attorney in fact for the voter under IC 30-5 for delivery to the county election board:
      (i) in person;
      (ii) by United States mail; or
      (iii) by a bonded courier company.

(b) A voter permitted to transmit the voter's absentee ballots by fax or electronic mail under IC 3-11-4-6 is not required to comply with subsection (a). The individual designated by the circuit court clerk to receive absentee ballots transmitted by fax or electronic mail shall do
the following upon receipt of an absentee ballot transmitted by fax:

1. Note the receipt of the absentee ballot in the records of the circuit court clerk as other absentee ballots received by the circuit court clerk are noted.
2. Fold each ballot received from the voter separately so as to conceal the marking.
3. Enclose each ballot in a blank absentee ballot envelope.
4. Securely seal the envelope.
5. Mark on the envelope: "Absentee Ballot Received by Fax or Electronic Mail".
6. Securely attach to the envelope the faxed affidavit received with the voter's absentee ballots.

(c) Except as otherwise provided in this title, absentee ballots received by fax or electronic mail shall be handled and processed as other absentee ballots received by the circuit court clerk are handled and processed.

SECTION 8. IC 3-11-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Upon receipt of an absentee ballot, a county election board (or the absentee voter board in the office of the circuit court clerk) shall immediately examine the signature of the absentee voter to determine its genuineness.

(b) This subsection does not apply to an absentee ballot cast by a voter permitted to transmit the voter's absentee ballots by fax or electronic mail under IC 3-11-4-6. The board shall compare the signature as it appears upon the envelope containing the absentee ballot with the signature of the voter as it appears upon the application for the absentee ballot. The board may also compare the signature on the ballot envelope with any other admittedly genuine signature of the voter.

(c) This subsection applies to an absentee ballot cast by a voter permitted to transmit the voter's absentee ballots by fax or electronic mail under IC 3-11-4-6. The board shall compare the signature as it appears on the affidavit transmitted with the voter's absentee ballot to the voter's signature as it appears on the application for the absentee ballot. The board may also compare the signature on the affidavit with any other admittedly genuine signature of the voter.

(d) If a member of the absentee voter board questions whether a signature on a ballot envelope or transmitted affidavit is genuine, the matter shall be referred to the county election board for consideration.
under section 5 of this chapter.

SECTION 9. IC 3-11-10-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Each county
election board shall have all absentee ballots delivered to the precinct
election boards at their respective polls on election day.

(b) The absentee ballots shall be delivered during the hours that the
polls are open and in sufficient time to enable the precinct election
boards to vote the ballots during the time the polls are open.

(c) This subsection applies after December 31, 2003. Along with the
absentee ballots delivered to the precinct election boards under
subsection (a), each county election board shall provide a list certified
by the circuit court clerk. This list must state the name of each voter
subject to IC 3-7-33-4.5 who:

1. filed the documentation required by IC 3-7-33-4.5 with the
county voter registration office after the printing of the certified
list under IC 3-7-29 or the poll list under IC 3-11-3-18; and
2. as a result, is entitled to have the voter's absentee ballot
counted if the ballot otherwise complies with this title.

(d) This subsection applies after December 31, 2003. If the county
election board is notified not later than 3 p.m. on election day by the
county voter registration office that a voter subject to IC 3-7-33-4.5 and
not identified in the list certified under subsection (c) has filed
documentation with the office that complies with IC 3-7-33-4.5, the
county election board shall transmit a supplemental certified list to the
appropriate precinct election board. If the board determines that the
supplemental list may not be received before the closing of the polls,
the board shall:

1. attempt to contact the precinct election board to inform the
   board regarding the content of the supplemental list; and
2. file a copy of the supplemental list for that precinct as part of
   the permanent records of the board.

(e) This subsection applies to a special write-in absentee ballot
described in:

1. 42 U.S.C. 1973ff for federal offices; and
2. IC 3-11-4-12(d) IC 3-11-4-12(a) for state offices.
If the county election board receives both a special write-in absentee
ballot and the regular absentee ballot described by IC 3-11-4-12 from
the same voter, the county election board shall reject the special
write-in ballot and deliver only the regular absentee ballot to the precinct election board.

SECTION 10. IC 3-11-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. Subject to section 11 of this chapter, absentee ballots received by mail (or by fax or electronic mail under IC 3-11-4-6) after the county election board has started the final delivery of the ballots to the precincts on election day are considered as arriving too late and need not be delivered to the polls.

SECTION 11. IC 3-11-10-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) If the inspector finds under section 15 of this chapter that any of the following applies, a ballot may not be accepted or counted:

1) The affidavit is insufficient or the ballot has not been endorsed with the initials of:
   (A) the two (2) members of the absentee voter board in the office of the circuit court clerk under IC 3-11-4-19 or section 27 of this chapter;
   (B) the two (2) members of the absentee voter board visiting the voter under section 25(b) of the chapter; or
   (C) the two (2) appointed members of the county election board or their designated representatives under IC 3-11-4-19.

2) A copy of the voter's signature has been furnished to the precinct election board and that the signatures do not correspond or there is no signature.

3) The absentee voter is not a qualified voter in the precinct.

4) The absentee voter has voted in person at the election.

5) The absentee voter has not registered.

6) The ballot is open or has been opened and resealed. This subdivision does not permit an absentee ballot transmitted by fax or electronic mail under IC 3-11-4-6 to be rejected because the ballot was sealed in the absentee ballot envelope by the individual designated by the circuit court to receive absentee ballots transmitted by fax or electronic mail.

7) The ballot envelope contains more than one (1) ballot of any kind for the same office or public question.

8) In case of a primary election, if the absentee voter has not previously voted, the voter failed to execute the proper
declaration relative to age and qualifications and the political party with which the voter intends to affiliate.

(9) The ballot has been challenged and not supported.

(b) Subsection (c) applies whenever a voter with a disability is unable to make a signature:

(1) on an absentee ballot application that corresponds to the voter's signature in the records of the county voter registration office; or

(2) on an absentee ballot secrecy envelope that corresponds with the voter's signature:

(A) in the records of the county voter registration office; or

(B) on the absentee ballot application.

(c) The voter may request that the voter's signature or mark be attested to by:

(1) the absentee voter board under section 25(b) of this chapter;

(2) a member of the voter's household; or

(3) an individual serving as attorney in fact for the voter.

(d) An attestation under subsection (c) provides an adequate basis for an inspector to determine that a signature or mark complies with subsection (a)(2).

SECTION 12. IC 3-11.5-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. Subject to section 7 of this chapter, absentee ballots received by mail (or by fax or electronic mail under IC 3-11-4-6) after noon on election day are considered as arriving too late and may not be counted.

SECTION 13. IC 3-11.5-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) If the absentee ballot counters find under section 11 of this chapter that any of the following applies, the ballots shall be rejected:

(1) The affidavit is insufficient or that the ballot has not been endorsed with the initials of:

(A) the two (2) members of the absentee voter board in the office of the clerk of the circuit court under IC 3-11-4-19 or IC 3-11-10-27;

(B) the two (2) members of the absentee voter board visiting the voter under IC 3-11-10-25; or

(C) the two (2) appointed members of the county election board or their designated representatives under IC 3-11-4-19.
(2) The signatures do not correspond or there is no signature.
(3) The absentee voter is not a qualified voter in the precinct.
(4) The absentee voter has voted in person at the election.
(5) The absentee voter has not registered.
(6) The ballot is open or has been opened and resealed. This subdivision does not permit an absentee ballot transmitted by fax or electronic mail under IC 3-11-4-6 to be rejected because the ballot was sealed in the absentee ballot envelope by the individual designated by the circuit court to receive absentee ballots transmitted by fax or electronic mail.
(7) The ballot envelope contains more than one (1) ballot of any kind for the same office or public question.
(8) In case of a primary election, if the absentee voter has not previously voted, the voter failed to execute the proper declaration relative to age and qualifications and the political party with which the voter intends to affiliate.
(9) The ballot has been challenged and not supported.

(b) Subsection (c) applies whenever a voter with a disability is unable to make a signature:

(1) on an absentee ballot application that corresponds to the voter's signature in the records of the county voter registration office; or
(2) on an absentee ballot security envelope that corresponds with the voter's signature:
   (A) in the records of the county voter registration office; or
   (B) on the absentee ballot application.

(c) The voter may request that the voter's signature or mark be attested to by any of the following:

(1) The absentee voter board under section 22 of this chapter.
(2) A member of the voter's household.
(3) An individual serving as attorney in fact for the voter.
(d) An attestation under subsection (c) provides an adequate basis for the absentee ballot counters to determine that a signature or mark complies with subsection (a)(2).
(e) If the absentee ballot counters are unable to agree on a finding described under this section or section 12 of this chapter, the county election board shall make the finding.
(f) The absentee ballot counters or county election board shall issue
a certificate to a voter whose ballot has been rejected under this section if the voter appears in person before the board not later than 5 p.m. on election day. The certificate must state that the voter’s absentee ballot has been rejected and that the voter may vote in person under section 21 of this chapter if otherwise qualified to vote.

SECTION 14. IC 3-11.5-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section applies to the counting of write-in absentee ballots for:

(1) a federal office received under 42 U.S.C. 1973ff; and

(2) a federal office, state office, or public question under IC 3-11-4-12(d). IC 3-11-4-12(a).

(b) If a voter writes an abbreviation, a misspelling, or other minor variation instead of the correct name of a candidate or political party, that vote shall be counted if the intent of the voter can be determined.

(c) If a voter casts a ballot under this section for President or Vice President and writes in the name of a candidate or political party that has not certified a list of electors under IC 3-10-4-5, the vote for President or Vice President is void. The remaining votes on the ballot may be counted.

(d) IC 3-12-1-7 applies to a ballot subject to this section.

(e) A ballot subject to this section may not be counted if:

(1) the ballot was submitted from within the United States;

(2) the voter’s application for a regular absentee ballot was received by the circuit court clerk or board of registration less than thirty (30) days before the election;

(3) the voter’s completed regular state absentee ballot was received by the circuit court clerk or board of registration by the deadline for receiving absentee ballots under IC 3-11.5-4-7; or

(4) the ballot subject to this section was not received by the circuit court clerk or board of registration by the deadline for receiving absentee ballots under IC 3-11.5-4-7.

SECTION 15. IC 3-12-2-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) This section applies to the counting of write-in absentee ballots for:

(1) a federal office received under 42 U.S.C. 1973ff; and

(2) a federal office, state office, or public question under IC 3-11-4-12(d). IC 3-11-4-12.

(b) If a voter writes an abbreviation, misspelling, or other minor
variation instead of the correct name of a candidate or political party, that vote shall be counted if the intent of the voter can be determined.

(c) If a voter casts a ballot under this section for President or Vice President of the United States and writes in the name of a candidate or political party that has not:

1. certified a list of electors under IC 3-10-4-5; or
2. included a list of electors on the declaration for candidacy filed by a write-in candidate under IC 3-8-2-2.5;
The vote for President or Vice President is void. The remaining votes on the ballot may be counted.

(d) IC 3-12-1-7 applies to a ballot subject to this section.

(e) A ballot subject to this section may not be counted if:

1. the ballot was submitted:
   (A) by an overseas voter who is not an absent uniformed services voter; and
   (B) from within the United States;
2. the voter’s application for a regular absentee ballot was received by the circuit court clerk or board of registration less than thirty (30) days before the election;
3. the voter’s completed regular state absentee ballot was received by the circuit court clerk or county election board of registration by the deadline for receiving absentee ballots under IC 3-11-10-11; or
4. the ballot subject to this section was not received by the circuit court clerk or county election board of registration by the deadline for receiving absentee ballots under IC 3-11-10-11.

SECTION 16. IC 3-12-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) If a ballot card is damaged or defective so that it cannot properly be counted by the automatic tabulating machines, then a remake team composed of one person from each of the major political parties of the county shall have the card prepared for processing so as to record accurately the intention of the voter insofar as it can be ascertained.

(b) If the ballot card voting system is designed to allow the counting and tabulation of votes by the precinct election board, the members of the remake team must be members of the precinct election board in which the ballot was cast.

(c) If necessary, a true, duplicate copy shall be made of the damaged
ballot card in the presence of witnesses and substituted for the damaged card. Similarly, a duplicate ballot card shall be made of a defective card, not including the uncounted votes.

(d) This subsection applies to an absent uniformed services voter or overseas voter permitted to transmit an absentee ballot by fax or electronic mail under IC 3-11-4-6. To facilitate the transmittal and return of the voter's absentee ballot by fax or electronic mail, the county election board may provide the voter with a paper ballot rather than a ballot card. The paper ballot must conform with the requirements for paper ballots set forth in IC 3-10 and IC 3-11. After the voter returns the ballot by fax or electronic mail, a remake team appointed under this section shall prepare a ballot card for processing that accurately records the intention of the voter as indicated on the paper ballot. The ballot card created under this subsection must be marked and counted as a duplicate ballot under sections 6 through 7 of this chapter.

(e) If an automatic tabulating machine fails during the counting and tabulation of votes following the close of the polls, the county election board shall immediately arrange for the repair and proper functioning of the system. The county election board may, by unanimous vote of its entire membership, authorize the counting and tabulation of votes for this election on an automatic tabulating machine approved for use in Indiana by the commission:

(1) until the repair and retesting of the malfunctioning machine; and

(2) whether or not the machine was tested under IC 3-11-13-22.

SECTION 17. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

 SECTION 1. IC 4-33-4-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) An operating agent or a person holding an owner’s license must report annually to the commission the following:

(1) The total dollar amounts and recipients of incentive payments made.
(2) Any other items related to the payments described in subdivision (1) that the commission may require.
(b) The commission shall prescribe, with respect to the report required by subsection (a):

(1) the format of the report;
(2) the deadline by which the report must be filed; and
(3) the manner in which the report must be maintained and filed.

 SECTION 2. IC 5-1-18 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 18. Reports Concerning Bonds and Leases of Political Subdivisions

Sec. 1. As used in this chapter, “bonds” means any bonds, notes, or other evidences of indebtedness, including guaranteed energy savings contracts and advances from the common school fund, whether payable from property taxes, other taxes, revenues, or any other source. However, the term does not include notes, warrants, or other evidences of indebtedness made in anticipation of and to be paid from current revenues of a political subdivision actually levied and in the course of collection for the fiscal year in which the notes, warrants, or other evidences of indebtedness are issued.
Sec. 2. As used in this chapter, "department" refers to the department of local government finance.

Sec. 3. As used in this chapter, "lease" means a lease of real property that is entered into by a political subdivision for a term of at least twelve (12) months, whether payable from property taxes, other taxes, revenues, or any other source.

Sec. 4. As used in this chapter, "lease rentals" means the payments required under a lease.

Sec. 5. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

Sec. 6. A political subdivision that issues bonds or enters into a lease after December 31, 2005, shall supply the department with information concerning the bond issue or lease within twenty (20) days after the issuance of the bonds or execution of the lease.

Sec. 7. (a) Except as provided by subsection (b), the bond issue information required by section 6 of this chapter must be submitted on a form prescribed by the department and must include:

   (1) the par value of the bond issue;
   (2) a schedule of maturities and interest rates;
   (3) the purposes of the bond issue;
   (4) the itemized costs of issuance information, including fees for bond counsel, other legal counsel, underwriters, and financial advisors;
   (5) the type of bonds that are issued; and
   (6) other information as required by the department.

A copy of the official statement and bond covenants, if any, must be supplied with this information.

   (b) The department may establish a procedure that permits a political subdivision or a person acting on behalf of a political subdivision to transfer all or part of the information described in subsection (a) to the department in a uniform format through a secure connection over the Internet or through other electronic means.

Sec. 8. (a) Except as provided by subsection (b), the lease information required by section 6 of this chapter must be submitted on a form prescribed by the department and must include:

   (1) the term of the lease;
(2) the annual and total amount of lease rental payments due under the lease;
(3) the purposes of the lease;
(4) the itemized costs incurred by the political subdivision with respect to the preparation and execution of the lease, including fees for legal counsel and other professional advisors;
(5) if all or part of the lease rental payments are used by the lessor as debt service payments for bonds issued for the acquisition, construction, renovation, improvement, expansion, or use of a building, structure, or other public improvement for the political subdivision:
   (A) the name of the lessor;
   (B) the par value of the bond issue; and
   (C) the purposes of the bond issue; and
(6) other information as required by the department.

(b) The department may establish a procedure that permits a political subdivision or a person acting on behalf of a political subdivision to transfer all or part of the information described in subsection (a) to the department in a uniform format through the Internet or other electronic means, as determined by the department.

Sec. 9. Each political subdivision that has any outstanding bonds or leases shall submit a report to the department before March 1 of 2006 and each year thereafter that includes a summary of all the outstanding bonds of the political subdivision as of January 1 of that year. The report must:
(1) distinguish the outstanding bond issues and leases on the basis of the type of bond or lease, as determined by the department;
(2) include a comparison of the political subdivision's outstanding indebtedness compared to any applicable statutory or constitutional limitations on indebtedness;
(3) include other information as required by the department; and
(4) be submitted on a form prescribed by the department or through the Internet or other electronic means, as determined by the department.

Sec. 10. The department shall:
compile an electronic data base that includes the
information submitted under this chapter; and
(2) after December 31, 2006, post the information submitted
under this chapter on the Internet at least annually.

Sec. 11. Information submitted to the department under this
chapter is a public record that may be inspected and copied under
IC 5-14-3.

Sec. 12. The department may adopt rules under IC 4-22-2 to
carry out the purposes of this chapter.

SECTION 3. IC 6-1.1-4-39 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 39. (a) For
assessment dates after February 28, 2005, except as provided in
subsection subsections (c) and (e), the true tax value of real property
regularly used to rent or otherwise furnish residential accommodations
for periods of thirty (30) days or more and that has more than four (4)
rental units is the lowest valuation determined by applying each of the
following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or
replacement cost of buildings and land improvements as of the
date of valuation together with estimates of the losses in value
that have taken place due to wear and tear, design and plan, or
neighborhood influences.

(2) Sales comparison approach, using data for generally
comparable property.

(3) Income capitalization approach, using an applicable
capitalization method and appropriate capitalization rates that are
developed and used in computations that lead to an indication of
value commensurate with the risks for the subject property use.

(b) The gross rent multiplier method is the preferred method of
valuing:

(1) real property that has at least one (1) and not more than four
(4) rental units; and

(2) mobile homes assessed under IC 6-1.1-7.

(c) A township assessor is not required to appraise real property
referred to in subsection (a) using the three (3) appraisal approaches
listed in subsection (a) if the township assessor and the taxpayer agree
before notice of the assessment is given to the taxpayer under section
22 of this chapter to the determination of the true tax value of the
property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. A taxpayer must verify under penalties for perjury any information provided to the assessor for use in the application of either method.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

SECTION 4. IC 6-1.1-4-41 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 41. (a) For purposes of this section:

1) "low income rental property" means real property used to provide low income housing eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code; and

2) "rental period" means the period during which low income rental property is eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code.

(b) For assessment dates after February 28, 2006, except as provided in subsection (c), the true tax value of low income rental property is the greater of the true tax value:

1) determined using the income capitalization approach; or

2) that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all units in the property for the most recent taxpayer fiscal year that ends before the assessment date.

(c) The department of local government finance may adopt rules under IC 4-22-2 to implement this section.

SECTION 5. IC 6-1.1-12-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 30, 2004 (RETROACTIVE)]: Sec. 41. (a) This section does not apply to assessment years beginning after December 31, 2005.

(b) As used in this section, "assessed value of inventory" means the
assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction allowed under subsection (f).

(c) As used in this section, "county income tax council" means a council established by IC 6-3.5-6-2.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(f) An ordinance may be adopted in a county to provide that a deduction applies to the assessed value of inventory located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of inventory located in the county for the appropriate year of assessment. An ordinance adopted under this subsection must be adopted before January 1 of a calendar year beginning after December 31, 2002. An ordinance adopted under this section in a particular year applies:

(1) if adopted before March 31, 2004, to each subsequent assessment year ending before January 1, 2006; and

(2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-25 or IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after March 30, 2005. However, an ordinance adopted under this section:

(1) before March 31, 2004, may be amended after March 30, 2004; and

(2) before June 1, 2005, may be amended after May 30, 2005; to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

(1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;
(2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or
(3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor shall:

(1) determine the amount of the deduction; and
(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(k) The deduction established in this section must be applied to any inventory assessment made by:

(1) an assessing official;
(2) a county property tax board of appeals; or
(3) the department of local government finance.

SECTION 6. IC 6-1.1-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A taxpayer may obtain a review by the county property tax assessment board of appeals of a county or township official's action with respect to the assessment of the taxpayer's tangible property if the official's action requires the giving of notice to the taxpayer. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for review under this section, including an informal preliminary conference with the county or township official referred to in this subsection; and
(2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) In order to appeal a current assessment and have a change in the assessment effective for the most recent assessment date, the taxpayer must request in writing a preliminary conference with the county or township official referred to in subsection (a):

1. within not later than forty-five (45) days after notice of a change in the assessment is given to the taxpayer; or

2. on or before May 10 of that year;

whichever is later. The county or township official referred to in subsection (a) shall notify the county auditor that the assessment is under appeal. The preliminary conference required under this subsection is a prerequisite to a review by the county property tax assessment board of appeals under subsection (i).

(c) A change in an assessment made as a result of an appeal filed:

1. in the same year that notice of a change in the assessment is given to the taxpayer; and

2. after the time prescribed in subsection (b);

becomes effective for the next assessment date.

(d) A taxpayer may appeal a current real property assessment in a year even if the taxpayer has not received a notice of assessment in the year. If an appeal is filed on or before May 10 of a year in which the taxpayer has not received notice of assessment, a change in the assessment resulting from the appeal is effective for the most recent assessment date. If the appeal is filed after May 10, the change becomes effective for the next assessment date.

(e) The written request for a preliminary conference that is required under subsection (b) must include the following information:

1. The name of the taxpayer.

2. The address and parcel or key number of the property.

3. The address and telephone number of the taxpayer.

(f) The county or township official referred to in subsection (a) shall, within not later than thirty (30) days after the receipt of a written request for a preliminary conference, attempt to hold a preliminary conference with the taxpayer to resolve as many issues as possible by:

1. discussing the specifics of the taxpayer's reassessment;

2. reviewing the taxpayer's property record card;
(3) explaining to the taxpayer how the reassessment was determined;
(4) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the reassessment;
(5) noting and considering objections of the taxpayer;
(6) considering all errors alleged by the taxpayer; and
(7) otherwise educating the taxpayer about:
   (A) the taxpayer’s reassessment;
   (B) the reassessment process; and
   (C) the reassessment appeal process.

Within Not later than ten (10) days after the conference, the county or township official referred to in subsection (a) shall forward to the county auditor and the county property tax assessment board of appeals the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The official and the taxpayer shall each retain a copy of the form for their records.

(g) The form submitted to the county property tax assessment board of appeals under subsection (f) must specify the following:
   (1) The physical characteristics of the property in issue that bear on the assessment determination.
   (2) All other facts relevant to the assessment determination.
   (3) A list of the reasons the taxpayer believes that the assessment determination by the county or township official referred to in subsection (a) is incorrect.
   (4) An indication of the agreement or disagreement by the official with each item listed under subdivision (3).
   (5) The reasons the official believes that the assessment determination is correct.

(h) If after the conference there are no items listed on the form submitted to the county property tax assessment board of appeals under subsection (f) on which there is disagreement:
   (1) the county or township official referred to in subsection (a) shall give notice to the taxpayer, the county property tax assessment board of appeals, and the county assessor of the assessment in the amount agreed to by the taxpayer and the official; and
   (2) the county property tax assessment board of appeals may
reserve the right to change the assessment under IC 6-1.1-13.

(i) If after the conference there are items listed in the form submitted under subsection (f) on which there is disagreement, the county property tax assessment board of appeals shall hold a hearing. The taxpayer and county or township official whose original determination is under review are parties to the proceeding before the board of appeals. Except as provided in subsections (k) and (l), the hearing must be held within not later than ninety (90) days of after the official's receipt of the taxpayer's written request for a preliminary conference under subsection (b). The taxpayer may present the taxpayer's reasons for disagreement with the assessment. The county or township official referred to in subsection (a) must present the basis for the assessment decision on these items to the board of appeals at the hearing and the reasons the taxpayer's appeal should be denied on those items. The board of appeals shall have a written record of the hearing and prepare a written statement of findings and a decision on each item within not later than sixty (60) days of after the hearing, except as provided in subsections (k) and (l).

(j) If the township assessor does not attempt to hold a preliminary conference, the taxpayer may file a request in writing with the county assessor for a hearing before the property tax assessment board of appeals. If the board determines that the county or township official referred to in subsection (a) did not attempt to hold a preliminary conference, the board shall hold a hearing. The taxpayer and the county or township official whose original determination is under review are parties to the proceeding before the board of appeals. The hearing must be held within not later than ninety (90) days of after the receipt by the board of appeals of the taxpayer's hearing request under this subsection. The requirements of subsection (i) with respect to:

1. participation in the hearing by the taxpayer and the township assessor or county assessor; and

2. the procedures to be followed by the county board; apply to a hearing held under this subsection.

(k) This subsection applies to a county having a population of more than three hundred thousand (300,000). In the case of a petition filed after December 31, 2000, the county property tax assessment board of appeals shall:

1. hold its hearing within not later than one hundred eighty
(180) days instead of ninety (90) days after the filing of the petition; and
(2) have a written record of the hearing and prepare a written statement of findings and a decision on each item within not later than one hundred twenty (120) days after the hearing.
(l) This subsection applies to a county having a population of three hundred thousand (300,000) or less. With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the county property tax assessment board of appeals shall:

(1) hold its hearing within not later than one hundred eighty (180) days instead of ninety (90) days after the filing of the petition; and
(2) have a written record of the hearing and prepare a written statement of findings and a decision on each item within not later than one hundred twenty (120) days after the hearing.

(m) The county property tax assessment board of appeals:
(1) may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (i) or (j); and
(2) may amend the form submitted under subsection (f) if the board determines that the amendment is warranted.

(n) Upon receiving a request for a preliminary conference under subsection (b), the county or township official referred to in subsection (a) shall notify the county auditor in writing that the assessment is under appeal. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the appellant’s name and address, the assessed value of the appealed items for the assessment date immediately preceding the assessment date for which the appeal was filed, and the assessed value of the appealed items on the most recent assessment date. If the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected
taxing unit does not affect the validity of the appeal or delay the appeal.

SECTION 7. IC 6-1.1-15-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) The county property tax assessment board of appeals may assess the tangible property in question.

(b) The county property tax assessment board of appeals shall, by mail, give notice of the date fixed for the hearing under section 1(i) of this chapter to the taxpayer, and to the township assessor, the county assessor, and the county auditor. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the following:

1) For those items on which there is disagreement, the assessed value of the appealed items:
   (A) for the assessment date immediately preceding the assessment date for which the appeal was filed; and
   (B) on the most recent assessment date.

2) A statement that a taxing unit receiving the notice from the county auditor under subsection (c) may:
   (A) attend the hearing;
   (B) offer testimony; and
   (C) file an amicus curiae brief in the proceeding.
A taxing unit that receives a notice from the county auditor under subsection (c) is not a party to the appeal.

(c) If, after receiving notice of a hearing under subsection (b), the county auditor determines that the assessed value of the items on which there is disagreement constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

(d) The department of local government finance shall prescribe a form for use by the county property tax assessment board of appeals in processing a review of an assessment determination. The department
shall issue instructions for completion of the form. The form must require the county property tax assessment board of appeals to include a record of the hearing, findings on each item, and indicate agreement or disagreement with each item that is indicated on the form submitted by the taxpayer and the county or township official under section 1(f) of this chapter. The form must also require the county property tax assessment board of appeals to indicate the issues in dispute for each item and its reasons in support of its resolution of those issues.

(d) After the hearing the county property tax assessment board of appeals shall, by mail, give notice of its determination to the taxpayer, the township assessor, and the county assessor, and the county auditor, and any taxing unit entitled to notice of the hearing under subsection (c). The county property tax assessment board of appeals shall include with the notice copies of the forms completed under subsection (c).

SECTION 8. IC 6-1.1-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of a county property tax assessment board of appeals action with respect to the assessment of that taxpayer's tangible property if the county property tax assessment board of appeals' action requires the giving of notice to the taxpayer. A township assessor, county assessor, member of a county property tax assessment board of appeals, or county property tax assessment board of appeals that made the original determination under appeal under this section is a party to the review under this section to defend the determination. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the taxpayer's opportunity for review under this section; and
(2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) A township assessor or county assessor may obtain a review by the Indiana board of any assessment which the township assessor or the county assessor has made, upon which the township assessor or the county assessor has passed, or which has been made over the township assessor's or the county assessor's protest.

(c) In order to obtain a review by the Indiana board under this section, the party must file a petition for review with the appropriate county assessor within not later than thirty (30) days after the notice
of the county property tax assessment board of appeals action is given to the taxpayer.

(d) The Indiana board shall prescribe the form of the petition for review of an assessment determination by the county property tax assessment board of appeals. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. An appeal of such a determination must be made on the form prescribed by the Indiana board. The form must require the petitioner to specify the following:

(1) If the county or township official held a preliminary conference under section 1(f) of this chapter, the items listed in section 1(g)(1) and 1(g)(2) of this chapter.
(2) The reasons why the petitioner believes that the assessment determination by the county property tax assessment board of appeals is erroneous.

(e) The county assessor shall transmit the petition for review to the Indiana board within not later than ten (10) days after it is filed.

(f) If a township assessor or a member of the county property tax assessment board of appeals files a petition for review under this section concerning the assessment of a taxpayer's property, the county assessor must send a copy of the petition to the taxpayer. The county assessor shall transmit the petition for review to the Indiana board not later than ten (10) days after the petition is filed.

SECTION 9. IC 6-1.1-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may:

(1) assign:
   (A) full;
   (B) limited; or
   (C) no;
   evidentiary value to the assessed valuation of tangible property determined by stipulation submitted as evidence of a comparable sale; and
(2) correct any errors that may have been made, and adjust the assessment in accordance with the correction.
(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing, by mail, to the taxpayer and to the appropriate township assessor, county assessor, and county auditor. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the following:

1. The action of the county property tax assessment board of appeals with respect to the appealed items.
2. A statement that a taxing unit receiving the notice from the county auditor under subsection (c) may:
   A. attend the hearing; and
   B. offer testimony.

A taxing unit that receives a notice from the county auditor under subsection (c) is not a party to the appeal. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing. The property tax assessment board of appeals that made the determination under appeal under this section may, with the approval of the county executive, file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the property tax assessment board of appeals in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment is under appeal is subject to assessment by that taxing unit.

(c) If, after receiving notice of a hearing under subsection (b), the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

(d) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section
3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

(e) The Indiana board shall prescribe a form for use in processing petitions for review of actions by the county property tax assessment board of appeals. The Indiana board shall issue instructions for completion of the form. The form must require the Indiana board to indicate agreement or disagreement with each item that is:

1. if the county or township official held a preliminary conference under section 1(f) of this chapter, indicated on the petition submitted under that section by the taxpayer and the official; and
2. included in the county property tax assessment board of appeals' findings, record, and determination under section 2.1(c) of this chapter.

The form must also require the Indiana board to indicate the issues in dispute and its reasons in support of its resolution of those issues.

(f) After the hearing the Indiana board shall give the petitioner, the township assessor, the county assessor, and the county auditor, and the affected taxing units required to be notified under subsection (c):

1. notice, by mail, of its final determination;
2. a copy of the form completed under subsection (e); and
3. notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(g) Except as provided in subsection (h), the Indiana board shall conduct a hearing not later than nine (9) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(h) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board, excluding any time due to a delay
reasonably caused by the petitioner.

(g) (i) Except as provided in subsection (h), (j), the Indiana board shall make a determination not later than the later of:

(1) ninety (90) days after the hearing; or
(2) the date set in an extension order issued by the Indiana board.

(h) (j) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the Indiana board shall make a determination not later than the later of:

(1) one hundred eighty (180) days after the hearing; or
(2) the date set in an extension order issued by the Indiana board.

(i) (k) Except as provided in subsection (n), (p), the Indiana board may not extend the final determination date under subsection (g) or (h) by more than one hundred eighty (180) days. If the Indiana board fails to make a final determination within the time allowed by this subsection, the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to make a final determination; or
(2) petition for judicial review under section 5(g) of this chapter.

(j) (l) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.

(k) (m) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county property tax assessment board of appeals in support of those issues only if all persons participating in the hearing required under subsection (a) agree to the limitation. A person participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county property tax assessment board of appeals.

(l) (n) The Indiana board:

(1) may require the parties to the appeal to file not more than five (5) business days before the date of the hearing required under
subsection (a) documentary evidence or summaries of statements of testimonial evidence; and
(2) may require the parties to the appeal to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(m) A party to a proceeding before the Indiana board shall provide to another party to the proceeding the information described in subsection (n) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (l).

(n) The county assessor may:
(1) appear as an additional party if the notice of appearance is filed before the review proceeding; or
(2) with the approval of the township assessor, represent the township assessor;
in a review proceeding under this section.
(q) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:
(1) order that a final determination under this subsection has no precedential value; or
(2) specify a limited precedential value of a final determination under this subsection.

SECTION 10. IC 6-1.1-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Not later than fifteen (15) days after the Indiana board gives notice of its final determination under section 4 of this chapter to the party or the maximum allowable time for the issuance of a final determination by the Indiana board under section 4 of this chapter expires, a party to the proceeding may request a rehearing before the Indiana board. The Indiana board may conduct a rehearing and affirm or modify its final determination, giving the same notices after the rehearing as are required by section 4 of this chapter. The Indiana board has fifteen (15)
days after receiving a petition for a rehearing to determine whether to
grant a rehearing. Failure to grant a rehearing not later than fifteen (15)
days after receiving the petition shall be treated as a final determination
to deny the petition. A petition for a rehearing does not toll the time in
which to file a petition for judicial review unless the petition for
rehearing is granted. If the Indiana board determines to rehear a final
determination, the Indiana board:

(1) may conduct the additional hearings that the Indiana board
determines necessary or review the written record without
additional hearings; and

(2) shall issue a final determination not later than ninety (90) days
after notifying the parties that the Indiana board will rehear the
final determination.

If of the Indiana board fails to make a final determination within the
time allowed under subdivision (2), the entity that initiated the petition
for rehearing may take no action and wait for the Indiana board to make
a final determination or petition for judicial review under subsection
(g).

(b) A person may petition for judicial review of the final
determination of the Indiana board regarding the assessment of that
person’s tangible property. The action shall be taken to the tax court
under IC 4-21.5-5. Petitions for judicial review may be consolidated at
the request of the appellants if it can be done in the interest of justice.
The property tax assessment board of appeals that made the
determination under appeal under this section may, with the approval
of the county executive, file an amicus curiae brief in the review
proceeding under this section. The expenses incurred by the property
tax assessment board of appeals in filing the amicus curiae brief shall
be paid from the property reassessment fund under IC 6-1.1-4-27.5. In
addition, the executive of a taxing unit may file an amicus curiae brief
in the review proceeding under this section if the property whose
assessment is under appeal is subject to assessment by that taxing unit.
The department of local government finance may intervene in an action
taken under this subsection if the interpretation of a rule of the
department is at issue in the action. A township assessor, county
assessor, member of a county property tax assessment board of appeals,
or county property tax assessment board of appeals that made the
original assessment determination under appeal under this section is a
party to the review under this section to defend the determination.

(c) Except as provided in subsection (g), to initiate a proceeding for judicial review under this section, a person must take the action required by subsection (b) not later than:

1. forty-five (45) days after the Indiana board gives the person notice of its final determination, unless a rehearing is conducted under subsection (a); or
2. thirty (30) days after the Indiana board gives the person notice under subsection (a) of its final determination, if a rehearing is conducted under subsection (a) or the maximum time elapses for the Indiana board to make a determination under this section.

(d) The failure of the Indiana board to conduct a hearing within the period prescribed in section 4(f) or 4(h) or 4(i) of this chapter does not constitute notice to the person of an Indiana board final determination.

(e) The county executive may petition for judicial review to the tax court in the manner prescribed in this section upon request by the county assessor, or the elected township assessor, or an affected taxing unit. If an appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.

(f) If the county executive determines upon a request under this subsection to not appeal to the tax court:

1. the entity described in subsection (b) that made the original determination under appeal under this section may take an appeal to the tax court in the manner prescribed in this section using funds from that entity's budget; and
2. the petitioner may not be represented by the attorney general in an action described in subdivision (1).

(g) If the maximum time elapses for the Indiana board to give notice of its final determination under subsection (a) or section 4 of this chapter, a person may initiate a proceeding for judicial review by taking the action required by subsection (b) at any time after the maximum time elapses. If:

1. a judicial proceeding is initiated under this subsection; and
2. the Indiana board has not issued a determination;

the tax court shall determine the matter de novo.

SECTION 11. IC 6-1.1-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) If the assessment
of tangible property is corrected by the department of local government finance or the county property tax assessment board of appeals under section 8 of this chapter, the owner of the property has a right to appeal the final determination of the corrected assessment to the Indiana board. The county executive also has a right to appeal the final determination of the reassessment by the department of local government finance or the county property tax assessment board of appeals but only upon request by the county assessor, or the elected township assessor, or an affected taxing unit. If the appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.

(b) An appeal under this section must be initiated in the manner prescribed in section 3 of this chapter or IC 6-1.5-5.

SECTION 12. IC 6-1.1-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds to be received from the state or the federal government for:

(1) poor relief; township assistance;
(2) unemployment relief;
(3) old age pensions; or
(4) other funds which may at any time be made available under "The Economic Security Act" or under any other federal act which provides for civil and public works projects.

(b) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue that the political subdivision will receive under a development agreement (as defined in IC 36-1-8-9.5) for and during the budget year for which the budget is being formulated. Revenue received under a development agreement may not be used to reduce the political subdivision's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political
subdivision for a particular year.

SECTION 13. IC 6-1.1-17-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) This section applies:

(1) to each governing body of a taxing unit that is not comprised of a majority of officials who are elected to serve on the governing body; and

(2) if the proposed property tax levy:

(A) for the taxing unit (other than a public library) for the ensuing calendar year is more than five percent (5%) greater than the property tax levy for the taxing unit for the current calendar year; or

(B) for the operating budget of a public library for the ensuing calendar year is more than five percent (5%) greater than the property tax levy for the operating budget of the public library for the current calendar year.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include a school corporation.

(c) This subsection does not apply to a public library. If:

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted at least fourteen (14) days before the city or town fiscal body is required to hold budget approval hearings under this chapter.

(d) This subsection does not apply to a public library. If subsection (c) does not apply, the governing body of the taxing unit shall submit its proposed budget and property tax levy to the county fiscal body in the county where the taxing unit has the most assessed valuation. The proposed budget and levy shall be submitted at least fourteen (14) days before the county fiscal body is required to hold budget approval hearings under this chapter.

(e) This subsection applies to a public library. The library board of a public library subject to this section shall submit its proposed
budget and property tax levy to the fiscal body designated under IC 36-12-14.

(f) Subject to subsection (g), the fiscal body of the city, town, or county (whichever applies) or the fiscal body designated under IC 36-12-14 (in the case of a public library) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(g) A fiscal body's review under subsection (f) is limited to the proposed operating budget of the public library and the proposed property tax levy for the library's operating budget.

SECTION 14. IC 6-1.1-33.5-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Not later than May 1 of each calendar year, the division of data analysis shall:

1. prepare a report that includes:
   (A) each political subdivision's total amount of expenditures per person during the immediately preceding calendar year, based on the political subdivision's population determined by the most recent federal decennial census; and
   (B) based on the information prepared for all political subdivisions under clause (A), the highest, lowest, median, and average amount of expenditures per person for each type of political subdivision throughout Indiana.

2. post the report on the web site maintained by the department of local government finance; and

3. file the report:
   (A) with the governor; and
   (B) in an electronic format under IC 5-14-6 with the general assembly.

The report must be presented in a format that is understandable to the average individual and that permits easy comparison of the information prepared for each political subdivision under subdivision (1)(A) to the statewide information prepared for that type of political subdivision under subdivision (1)(B).

(b) The department of local government finance shall organize the report under subsection (a) to present together the information
derived from each type of political subdivision.

SECTION 15. IC 6-1.5-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) After receiving a petition for review that is filed under a statute listed in section 1(a) of this chapter, the Indiana board shall, at its earliest opportunity:

(1) conduct a hearing; or
(2) cause a hearing to be conducted by an administrative law judge.

The Indiana board may determine to conduct the hearing under subdivision (1) on its own motion or on request of a party to the appeal.

(b) In its resolution of a petition, the Indiana board may:

(1) assign:
   (A) full;
   (B) limited; or
   (C) no;

evidentiary value to the assessed valuation of tangible property determined by stipulation submitted as evidence of a comparable sale; and

(2) correct any errors that may have been made, and adjust the assessment in accordance with the correction.

(c) The Indiana board shall give notice of the date fixed for the hearing by mail to:

(1) the taxpayer;
(2) the department of local government finance; and
(3) the appropriate:
   (A) township assessor;
   (B) county assessor; and
   (C) county auditor.

(d) With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notices required under subsection (c) must include the following:

(1) The action of the department of local government finance with respect to the appealed items.

(2) A statement that a taxing unit receiving the notice from the county auditor under subsection (e) may:
   (A) attend the hearing;
   (B) offer testimony; and
   (C) file an amicus curiae brief in the proceeding.
A taxing unit that receives a notice from the county auditor under subsection (e) is not a party to the appeal.

(e) If, after receiving notice of a hearing under subsection (c), the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

(f) The Indiana board shall give the notices required under subsection (c) at least thirty (30) days before the day fixed for the hearing.

SECTION 16. IC 6-1.5-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. After the hearing, the Indiana board shall give the petitioner, the township assessor, the county assessor, the county auditor, the affected taxing units required to be notified under section 2(e) of this chapter, and the department of local government finance:

(1) notice, by mail, of its final determination, findings of fact, and conclusions of law; and
(2) notice of the procedures the petitioner or the department of local government finance must follow in order to obtain court review of the final determination of the Indiana board.

SECTION 17. IC 6-3.1-1-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETOACTIVE)]: Sec. 3. A taxpayer (as defined in the following laws), pass through entity (as defined in the following laws), or shareholder, partner, or member of a pass through entity may not be granted more than one (1) tax credit under the following laws for the same project:

(1) IC 6-3.1-10 (enterprise zone investment cost credit).
(2) IC 6-3.1-11 (industrial recovery tax credit).
(3) IC 6-3.1-11.5 (military base recovery tax credit).
(4) IC 6-3.1-11.6 (military base investment cost credit).
(5) IC 6-3.1-13.5 (capital investment tax credit).
(6) IC 6-3.1-19 (community revitalization enhancement
district tax credit).
(7) IC 6-3.1-24 (venture capital investment tax credit).
(8) IC 6-3.1-26 (Hoosier business investment tax credit).

If a taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity has been granted more than one (1) tax credit for the same project, the taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity must elect to apply only one (1) of the tax credits in the manner and form prescribed by the department.

SECTION 18. IC 6-3.1-26-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 5.5. As used in this chapter, "motion picture or audio production" means a:

(1) feature length film;
(2) video;
(3) television series;
(4) commercial;
(5) music video or an audio recording; or
(6) corporate production;

for any combination of theatrical, television, or other media viewing or as a television pilot. The term does not include a motion picture that is obscene (as described in IC 35-49-2-1) or television coverage of news or athletic events.

SECTION 19. IC 6-3.1-26-8, AS AMENDED BY P.L.4-2005, SECTION 103, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. (a) As used in this chapter, "qualified investment" means the amount of the taxpayer's expenditures in Indiana for:

(1) the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing, distribution, transportation, or logistical distribution equipment;
(2) the purchase of new computers and related equipment;
(3) costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing, distribution, transportation, or logistical distribution facilities;
(4) onsite infrastructure improvements;
(5) the construction of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, or finishing, distribution, transportation, or logistical distribution facilities;

(6) costs associated with retooling existing machinery and equipment; and

(7) costs associated with the construction of special purpose buildings and foundations for use in the computer, software, biological sciences, or telecommunications industry; and

(8) costs associated with the purchase, before January 1, 2008, of machinery, equipment, or special purpose buildings used to make motion pictures or audio productions;

that are certified by the corporation under this chapter as being eligible for the credit under this chapter.

(b) The term does not include property that can be readily moved outside Indiana.

SECTION 20. IC 6-3.1-26-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. (a) The total amount of a tax credit claimed for a taxable year under this chapter equals thirty percent (30%) of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year.

(b) In the taxable year in which a taxpayer makes a qualified investment, the taxpayer may claim a credit under this chapter in an amount equal to the lesser of:

(1) thirty percent (30%) of the amount of the qualified investment;

(2) the taxpayer's state tax liability growth.

The taxpayer may carry forward any unused credit.

SECTION 21. IC 6-3.1-26-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) A taxpayer may carry forward an unused credit for the number of years determined by the corporation, not more than to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the taxpayer makes the qualified investment.

(b) The amount that a taxpayer may carry forward to a particular taxable year under this section equals the lesser of the following:

(1) The taxpayer's state tax liability growth:
(2) The unused part of a credit allowed under this chapter.

(c) A taxpayer may:
(1) claim a tax credit under this chapter for a qualified investment; and
(2) carry forward a remainder for one (1) or more different qualified investments;
in the same taxable year.

(d) The total amount of each tax credit claimed under this chapter may not exceed thirty percent (30%) of the qualified investment for which the tax credit is claimed.

SECTION 22. IC 6-3.1-26-16, AS AMENDED BY P.L.4-2005, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. If a pass through entity does not have state tax liability growth against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:
(1) the tax credit determined for the pass through entity for the taxable year; multiplied by
(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

SECTION 23. IC 6-3.1-26-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all the following conditions exist:
(1) The applicant has conducted business in Indiana for at least one (1) year immediately preceding the date the application is received;
(2) (1) The applicant's project will raise the total earnings of employees of the applicant in Indiana.
(2) (2) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana.
(4) (3) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of employees in Indiana.
(5) (4) Awarding the tax credit will result in an overall positive
fiscal impact to the state, as certified by the budget agency using the best available data.

(6) (5) The credit is not prohibited by section 19 of this chapter.

(7) (6) The average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

SECTION 24. IC 6-3.5-7-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 31, 2005 (RETROACTIVE)]: Sec. 25. (a) This section applies only to a county that has adopted an ordinance under IC 6-1.1-12-41(f).

(b) For purposes of this section, "imposing entity" means the entity that adopted the ordinance under IC 6-1.1-12-41(f).

(c) The imposing entity may adopt an ordinance to provide for the use of the certified distribution described in section 16(c) of this chapter for the purpose provided in subsection (e). A county income tax council that adopts an ordinance under this subsection shall use the procedures set forth in IC 6-3.5-6 concerning the adoption of an ordinance for the imposition of the county option income tax. Except as provided in subsection (j), an ordinance must be adopted under this subsection after January 1 but before April 1 of a calendar year. The ordinance may provide for an additional rate under section 5(p) of this chapter. An ordinance adopted under this subsection:

(1) first applies to the certified distribution described in section 16(c) of this chapter made in the calendar year that immediately succeeds the calendar year in which the ordinance is adopted;

(2) must specify the calendar years to which the ordinance applies; and

(3) must specify that the certified distribution must be used to provide for:

(A) uniformly applied increased homestead credits as provided in subsection (f); or

(B) allocated increased homestead credits as provided in subsection (h).

An ordinance adopted under this subsection may be combined with an ordinance adopted under section 26 of this chapter.

(d) If an ordinance is adopted under subsection (c), the percentage
of the certified distribution specified in the ordinance for use for the purpose provided in subsection (e) shall be:

(1) retained by the county auditor under subsection (g); and
(2) used for the purpose provided in subsection (e) instead of the purposes specified in the capital improvement plans adopted under section 15 of this chapter.

(e) If an ordinance is adopted under subsection (c), the imposing entity shall use the certified distribution described in section 16(c) of this chapter to increase the homestead credit allowed in the county under IC 6-1.1-20.9 for a year to offset the effect on homesteads in the county resulting from a county deduction for inventory under IC 6-1.1-12-41.

(f) If the imposing entity specifies the application of uniform increased homestead credits under subsection (c)(3)(A), the county auditor shall, for each calendar year in which an increased homestead credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit percentage for the year;
(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and
(3) the increased percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(g) The increased percentage of homestead credit determined by the county auditor under subsection (f) applies uniformly in the county in the calendar year for which the increased percentage is determined.

(h) If the imposing entity specifies the application of allocated increased homestead credits under subsection (c)(3)(B), the county auditor shall, for each calendar year in which an increased homestead credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit for the year; and
(2) an increased percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of increased homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-41 in the
taxing district for the immediately preceding year's assessment
date bears to the total inventory assessed value deducted under
IC 6-1.1-12-41 in the county for the immediately preceding year's
assessment date.

(i) The county auditor shall retain from the payments of the county's
certified distribution an amount equal to the revenue lost, if any, due to
the increase of the homestead credit within the county. The money shall
be distributed to the civil taxing units and school corporations of the
county:

(1) as if the money were from property tax collections; and
(2) in such a manner that no civil taxing unit or school
corporation will suffer a net revenue loss because of the
allowance of an increased homestead credit.

(j) An entity authorized to adopt:

(1) an ordinance under subsection (c); and
(2) an ordinance under IC 6-1.1-12-41(f);

may consolidate the two (2) ordinances. The limitation under
subsection (c) that an ordinance must be adopted after January 1 of a
calendar year does not apply if a consolidated ordinance is adopted
under this subsection. However, notwithstanding subsection (c)(1),
the ordinance must state that it first applies to certified
distributions in the calendar year in which property taxes are
initially affected by the deduction under IC 6-1.1-12-41.

SECTION 25. IC 6-3.5-7-25.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 25.5. Subject to the approval of
the imposing entity, the county auditor may adjust the increased
percentage of homestead credit determined under section 25(h)(2)
of this chapter if the county auditor determines that the adjustment
is necessary to achieve an equitable reduction of property taxes
among the homesteads in the county.

SECTION 26. IC 6-3.5-7-26 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) This section
applies only to homestead credits for property taxes first due and
payable after calendar year 2006.

(b) For purposes of this section, "adopting entity" means:

(1) the entity that adopts an ordinance under IC 6-1.1-12-41(f); or
(2) any other entity that may impose a county economic
development income tax under section 5 of this chapter.

(c) An adopting entity may adopt an ordinance to provide for the use of the certified distribution described in section 16(c) of this chapter for the purpose provided in subsection (e). An adopting entity that adopts an ordinance under this subsection shall use the procedures set forth in IC 6-3.5-6 concerning the adoption of an ordinance for the imposition of the county option income tax. An ordinance must be adopted under this subsection after January 1 but before April 1 of a calendar year. The ordinance may provide for an additional rate under section 5(p) of this chapter. An ordinance adopted under this subsection:

(1) first applies to the certified distribution described in section 16(c) of this chapter made in the later of the calendar year that immediately succeeds the calendar year in which the ordinance is adopted or calendar year 2007; and
(2) must specify that the certified distribution must be used to provide for:

(A) uniformly applied increased homestead credits as provided in subsection (f); or
(B) allocated increased homestead credits as provided in subsection (h).

An ordinance adopted under this subsection may be combined with an ordinance adopted under section 25 of this chapter.

(d) If an ordinance is adopted under subsection (c), the percentage of the certified distribution specified in the ordinance for use for the purpose provided in subsection (e) shall be:

(1) retained by the county auditor under subsection (i); and
(2) used for the purpose provided in subsection (e) instead of the purposes specified in the capital improvement plans adopted under section 15 of this chapter.

(e) If an ordinance is adopted under subsection (c), the adopting entity shall use the certified distribution described in section 16(c) of this chapter to increase the homestead credit allowed in the county under IC 6-1.1-20.9 for a year to offset the effect on homesteads in the county resulting from the statewide deduction for inventory under IC 6-1.1-12-42.

(f) If the imposing entity specifies the application of uniform increased homestead credits under subsection (c)(2)(A), the county auditor shall, for each calendar year in which an increased homestead
credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit percentage for the year;
(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and
(3) the increased percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(g) The increased percentage of homestead credit determined by the county auditor under subsection (f) applies uniformly in the county in the calendar year for which the increased percentage is determined.

(h) If the imposing entity specifies the application of allocated increased homestead credits under subsection (c)(2)(B), the county auditor shall, for each calendar year in which an increased homestead credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit for the year; and
(2) **except as provided in subsection (j)**, an increased percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of increased homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the immediately preceding year's assessment date bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the immediately preceding year's assessment date.

(i) The county auditor shall retain from the payments of the county's certified distribution an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. The money shall be distributed to the civil taxing units and school corporations of the county:

(1) as if the money were from property tax collections; and
(2) in such a manner that no civil taxing unit or school corporation will suffer a net revenue loss because of the allowance of an increased homestead credit.

(j) **Subject to the approval of the imposing entity, the county auditor may adjust the increased percentage of homestead credit**
determined under subsection (h)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the homesteads in the county.

SECTION 27. IC 36-12-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 14. Review of Budgets of Appointed Boards

Sec. 1. Before an appointed library board described in IC 6-1.1-17-20(a)(2)(B) may impose a property tax levy for the operating budget of a public library for the ensuing calendar year that is more than five percent (5%) greater than the property tax levy for the operating budget of the public library for the current calendar year, the library board must submit its proposed budget and property tax levy to the appropriate fiscal body under section 2 of this chapter.

Sec. 2. An appointed library board subject to section 1 of this chapter shall submit its proposed operating budget and property tax levy for the operating budget to the following fiscal body at least fourteen (14) days before the first meeting of the county board of tax adjustment under IC 6-1.1-29-4:

(1) If the library district is located entirely within the corporate boundaries of a municipality, the fiscal body of the municipality.

(2) If the library district:
   (A) is not described by subdivision (1); and
   (B) is located entirely within the boundaries of a township; the fiscal body of the township.

(3) If the library district is not described by subdivision (1) or (2), the fiscal body of each county in which the library district is located.

SECTION 28. IC 36-1-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Each unit that receives:

(1) tax revenue under IC 4-33-12-6 or IC 4-33-13; or

(2) revenue under an agreement to share a city's or county's part of the tax revenue received under IC 4-33-12 or IC 4-33-13 by another unit; or

(3) revenue under a development agreement (as defined in
section 9.5 of this chapter); may establish a riverboat fund. Money in the fund may be used for any legal or corporate purpose of the unit.

(b) The riverboat fund established under subsection (a) shall be administered by the unit's treasurer, and the expenses of administering the fund shall be paid from money in the fund. Money in the fund not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of a particular fiscal year does not revert to the unit's general fund.

SECTION 29. IC 36-1-8-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.5. (a) As used in this section, "development agreement" means an agreement between a licensed owner (as defined in IC 4-33-2-13) and a unit setting forth the licensed owner's financial commitments to support economic development in the unit.

(b) Funds received by a unit under a development agreement are public funds (as defined in IC 5-13-4-20).

(c) Funds received under a development agreement:
   (1) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;
   (2) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and
   (3) are considered miscellaneous revenue.

SECTION 30. IC 36-7-13-3.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.4. (a) Except as provided in subsection (b), as used in this chapter, "income tax incremental amount" means the remainder of:
   (1) the aggregate amount of state and local income taxes paid by employees employed in a district with respect to wages earned for work in the district for a particular state fiscal year; minus
   (2) the sum of the:
      (A) income tax base period amount; and
      (B) tax credits awarded by the economic development for
a growing economy board under IC 6-3.1-13 to businesses operating in a district as the result of wages earned for work in the district for the state fiscal year; as determined by the department of state revenue under section 14 of this chapter.

(b) For purposes of a district designated under section 12.1 of this chapter, "income tax incremental amount" means seventy-five percent (75%) of the amount described in subsection (a).

SECTION 31. IC 36-7-13-10.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) This section applies only to a county that meets the following conditions:

1) The county's annual rate of unemployment has been above the average annual statewide rate of unemployment during at least three (3) of the preceding five (5) years.

2) The median income of the county has:
   (A) declined over the preceding ten (10) years; or
   (B) has grown at a lower rate than the average annual statewide growth in median income during at least three (3) of the preceding five (5) years.

3) The population of the county (as determined by the legislative body of the county) has declined over the preceding ten (10) years.

(b) Except as provided in section 10.7 of this chapter, in a county described in subsection (a), the legislative body of the county may adopt an ordinance designating an unincorporated part or unincorporated parts of the county as a district, and the legislative body of a municipality located within the county may adopt an ordinance designating a part or parts of the municipality as a district, if the legislative body finds all of the following:

1) The area to be designated as a district contains a building or buildings that:
   (A) have a total of at least fifty thousand (50,000) square feet of usable interior floor space; and
   (B) are vacant or will become vacant due to the relocation of the employer or the cessation of operations on the site by the employer.

2) Significantly fewer persons are employed in the area to be designated as a district than were employed in the area during the
year that is ten (10) years previous to the current year.
(3) There are significant obstacles to redevelopment in the area due to any of the following problems:
   (A) Obsolete or inefficient buildings.
   (B) Aging infrastructure or inefficient utility services.
   (C) Utility relocation requirements.
   (D) Transportation or access problems.
   (E) Topographical obstacles to redevelopment.
   (F) Environmental contamination or remediation.

(c) A legislative body adopting an ordinance under subsection (b) shall designate the duration of the district. However, a district must terminate not later than fifteen (15) years after the income tax incremental amount or gross retail incremental amount is first allocated to the district.

(d) Except as provided in section 10.7 of this chapter, upon adoption of an ordinance designating a district, the legislative body shall:
   (1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
   (2) file the following information with each taxing unit in the county where the district is located:
      (A) A copy of the notice required by subdivision (1).
      (B) A statement disclosing the impact of the district, including the following:
         (i) The estimated economic benefits and costs incurred by the district, as measured by increased employment and anticipated growth of property assessed values.
         (ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the district.

(e) Upon completion of the actions required by subsection (d), the legislative body shall submit the ordinance to the budget committee for review and recommendation to the budget agency. If the budget agency fails to take action on an ordinance designating a district within one hundred twenty (120) days after the date that the ordinance is submitted to the budget committee, the designation of the district by the ordinance is considered approved.

(f) Except as provided in section 10.7 of this chapter, when considering the designation of a district by an ordinance adopted under
this section, the budget committee and the budget agency must make the following findings before approving the designation of the district:

(1) The area to be designated as a district meets the conditions necessary for the designation as a district.

(2) The designation of the district will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the district.

(g) Except as provided in section 10.7 of this chapter, the income tax incremental amount and the gross retail incremental amount may not be allocated to the district until the designation of the district by the local ordinance is approved under this section.

SECTION 32. IC 36-7-13-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) If a municipal or county executive has submitted an application to an advisory commission on industrial development requesting that an area be designated as a district under this chapter and the advisory commission has compiled and prepared the information required under section 11 of this chapter concerning the area, the advisory commission may adopt a resolution designating the area as a district if it makes the findings described in subsection (b), (c), (d), or (e). In a county described in subsection (c), an advisory commission may designate more than one district under subsection (c).

(b) For an area located in a county having a population of more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000), an advisory commission may adopt a resolution designating a particular area as a district only after finding all of the following:

(1) The area contains a building or buildings:
   (A) with at least one million (1,000,000) square feet of usable interior floor space; and
   (B) that is or are vacant or will become vacant due to the relocation of an employer.

(2) At least one thousand (1,000) fewer persons are employed in the area than were employed in the area during the year that is ten (10) years previous to the current year.

(3) There are significant obstacles to redevelopment of the area due to any of the following problems:
   (A) Obsolete or inefficient buildings.
(B) Aging infrastructure or inefficient utility services.
(C) Utility relocation requirements.
(D) Transportation or access problems.
(E) Topographical obstacles to redevelopment.
(F) Environmental contamination.

(4) The unit has expended, appropriated, pooled, set aside, or pledged at least one hundred thousand dollars ($100,000) for purposes of addressing the redevelopment obstacles described in subdivision (3).

(5) The area is located in a county having a population of more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000).

(c) For a county having a population of more than one hundred eighteen thousand (118,000) but less than one hundred twenty thousand (120,000), an advisory commission may adopt a resolution designating not more than two (2) areas as districts. An advisory commission may designate an area as a district only after finding the following:

(1) The area meets either of the following conditions:
   (A) The area contains a building with at least seven hundred ninety thousand (790,000) square feet, and at least eight hundred (800) fewer people are employed in the area than were employed in the area during the year that is fifteen (15) years previous to the current year.
   (B) The area contains a building with at least three hundred eighty-six thousand (386,000) square feet, and at least four hundred (400) fewer people are employed in the area than were employed in the area during the year that is fifteen (15) years previous to the current year.

(2) The area is located in or is adjacent to an industrial park.

(3) There are significant obstacles to redevelopment of the area due to any of the following problems:
   (A) Obsolete or inefficient buildings.
   (B) Aging infrastructure or inefficient utility services.
   (C) Utility relocation requirements.
   (D) Transportation or access problems.
   (E) Topographical obstacles to redevelopment.
   (F) Environmental contamination.
(4) The area is located in a county having a population of more than one hundred eighteen thousand (118,000) but less than one hundred twenty thousand (120,000).

(d) For an area located in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), an advisory commission may adopt a resolution designating a particular area as a district only after finding all of the following:

1. The area contains a building or buildings:
   A. with at least one million five hundred thousand (1,500,000) square feet of usable interior floor space; and
   B. that is or are vacant or will become vacant.

2. At least eighteen thousand (18,000) fewer persons are employed in the area at the time of application than were employed in the area before the time of application.

3. There are significant obstacles to redevelopment of the area due to any of the following problems:
   A. Obsolete or inefficient buildings.
   B. Aging infrastructure or inefficient utility services.
   C. Utility relocation requirements.
   D. Transportation or access problems.
   E. Topographical obstacles to redevelopment.
   F. Environmental contamination.

4. The unit has expended, appropriated, pooled, set aside, or pledged at least one hundred thousand dollars ($100,000) for purposes of addressing the redevelopment obstacles described in subdivision (3).

5. The area is located in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(e) For an area located in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000), an advisory commission may adopt a resolution designating a particular area as a district only after finding all of the following:

1. The area contains a building or buildings:
   A. with at least eight hundred thousand (800,000) gross square feet; and
   B. having leasable floor space, at least fifty percent (50%) of which is or will become vacant.
(2) There are significant obstacles to redevelopment of the area due to any of the following problems:
   (A) Obsolete or inefficient buildings as evidenced by a decline of at least seventy-five percent (75%) in their assessed valuation during the preceding ten (10) years.
   (B) Transportation or access problems.
   (C) Environmental contamination.
(3) At least four hundred (400) fewer persons are employed in the area than were employed in the area during the year that is fifteen (15) years previous to the current year.
(4) The area has been designated as an economic development target area under IC 6-1.1-12.1-7.
(5) The unit has appropriated, pooled, set aside, or pledged at least two hundred fifty thousand dollars ($250,000) for purposes of addressing the redevelopment obstacles described in subdivision (2).
(6) The area is located in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

(f) The advisory commission, or the county or municipal legislative body, in the case of a district designated under section 10.5 of this chapter, shall designate the duration of the district. However, a district must terminate not later than fifteen (15) years after the income tax incremental amount or gross retail incremental amount is first allocated to the district.

(g) Upon adoption of a resolution designating a district, the advisory commission shall:
   (1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
   (2) file the following information with each taxing unit in the county where the district is located:
      (A) A copy of the notice required by subdivision (1).
      (B) A statement disclosing the impact of the district, including the following:
         (i) The estimated economic benefits and costs incurred by the district, as measured by increased employment and anticipated growth of property assessed values.
         (ii) The anticipated impact on tax revenues of each
taxing unit.
The notice must state the general boundaries of the district.

(h) Upon completion of the actions required by subsection (g), the advisory commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. If the budget agency fails to take action on a resolution designating a district within one hundred twenty (120) days after the date that the resolution is submitted to the budget committee, the designation of the district by the resolution is considered approved.

(i) When considering a resolution, the budget committee and the budget agency must make the following findings:

1. The area to be designated as a district meets the conditions necessary for designation as a district.
2. The designation of the district will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the district.

(j) The income tax incremental amount and the gross retail incremental amount may not be allocated to the district until the resolution is approved under this section.

SECTION 33. IC 36-7-13-12.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.1. (a) If the executive of a city described in section 10.1(a) of this chapter has submitted an application to an advisory commission on industrial development requesting that an area be designated as a district under this chapter and the advisory commission has compiled and prepared the information required under section 11 of this chapter concerning the area, the advisory commission may adopt a resolution designating the area as a district if it finds the following:

1. That the redevelopment of the area in the district will:
   (A) promote significant opportunities for the gainful employment of its citizens;
   (B) attract a major new business enterprise to the area; or
   (C) retain or expand a significant business enterprise within the area.
2. That there are significant obstacles to redevelopment of the area due to any of the following problems:
   (A) Obsolete or inefficient buildings.
   (B) Aging infrastructure or ineffective utility services.
(C) Utility relocation requirements.
(D) Transportation or access problems.
(E) Topographical obstacles to redevelopment.
(F) Environmental contamination.
(G) Lack of development or cessation of growth.
(H) Deterioration of improvements or character of occupancy, age, obsolescence, or substandard buildings.
(I) Other factors that have impaired values or prevent a normal development of property or use of property.

(b) To address the obstacles identified in subsection (a)(2), the city may make expenditures for:

1. the acquisition of land;
2. interests in land;
3. site improvements;
4. infrastructure improvements;
5. buildings;
6. structures;
7. rehabilitation, renovation, and enlargement of buildings and structures;
8. machinery;
9. equipment;
10. furnishings;
11. facilities;
12. administration expenses associated with such a project;
13. operating expenses; or
14. substance removal or remedial action to the area.

(c) In addition to the findings described in subsection (a), an advisory commission must also find that the city described in section 10.1(a) of this chapter has expended, appropriated, pooled, set aside, or pledged at least two hundred fifty thousand dollars ($250,000) for purposes of addressing the redevelopment obstacles described in subsection (a)(2).

(d) The advisory commission shall designate the duration of the district. However, a district must terminate not later than fifteen (15) years after the income tax incremental amount or gross retail incremental amount is first allocated to the district under this chapter.

(e) Upon adoption of a resolution designating a district, the advisory commission shall:
(1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and

(2) file the following information with each taxing unit in the county where the district is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement disclosing the impact of the district, including the following:

(i) The estimated economic benefits and costs incurred by the district, as measured by increased employment and anticipated growth of property assessed values.

(ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the district.

(f) Upon completion of the actions required by subsection (e), the advisory commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. If the budget agency fails to take action on a resolution designating a district within one hundred twenty (120) days after the date that the resolution is submitted to the budget committee, the designation of the district by the resolution is considered approved.

(g) When considering a resolution, the budget committee and the budget agency must make the following findings:

(1) The area to be designated as a district meets the conditions necessary for designation as a district.

(2) The designation of the district will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the district.

(h) The income tax incremental amount and the gross retail incremental amount may not be allocated to the district until the resolution is approved under this section.

SECTION 34. IC 36-7-13-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) If an advisory commission on industrial development designates a district under section 12 or 12.1 of this chapter or if the legislative body of a county or municipality adopts an ordinance designating a district under section 10.5 of this chapter, the advisory commission, or the legislative body in the case of a district designated under section 10.5 of this chapter, shall send a certified copy of the resolution or ordinance designating
the district to the department of state revenue by certified mail and
shall include with the resolution a complete list of the following:

1. Employers in the district.
2. Street names and the range of street numbers of each street in
   the district.
3. Federal tax identification number of each business in the
district.
4. The street address of each employer.
5. Name, telephone number, and electronic mail address (if
   available) of a contact person for each employer.

(b) The advisory commission, or the legislative body in the case of
a district designated under section 10.5 of this chapter, shall update the
list:

1. before July 1 of each year; or
2. within fifteen (15) days after the date that the budget agency
   approves a petition to modify the boundaries of the district under
   section 12.5 of this chapter.

(c) Not later than sixty (60) days after receiving a copy of the
resolution or ordinance designating a district, the department of state
revenue shall determine the gross retail base period amount and the
income tax base period amount.

(d) Not later than sixty (60) days after receiving a certification of a
district's modified boundaries under section 12.5(c) of this chapter, the
department shall recalculate the gross retail base period amount and the
income tax base period amount for a district modified under section
12.5 of this chapter.

SECTION 35. IC 36-7-13-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 14. (a) Before the first business day in October of each year, the
department shall calculate the income tax incremental amount and the
gross retail incremental amount for the preceding state fiscal year for
each district designated under this chapter.

(b) Businesses operating in the district shall report, in the
manner and in the form prescribed by the department, information
that the department determines necessary to calculate incremental
gross retail, use, and income taxes.

(b) (c) Not later than sixty (60) days after receiving a certification of a
district's modified boundaries under section 12.5(c) of this chapter,
the department shall recalculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for a district modified under section 12.5 of this chapter.

SECTION 36. IC 36-7-31-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Upon adoption of a resolution establishing a tax area under section 14 of this chapter, the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than ten (10) sixty (60) days after receipt of a resolution and shall make a recommendation on the resolution to the budget agency.

(b) Upon adoption of a resolution changing the boundaries of a tax area under section 14 of this chapter, the commission shall:
   (1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
   (2) file the following information with each taxing unit in the county in which the district is located:
      (A) A copy of the notice required by subdivision (1).
      (B) A statement disclosing the impact of the district, including the following:
         (i) The estimated economic benefits and costs incurred by the district, as measured by increased employment and anticipated growth of property assessed values.
         (ii) The anticipated impact on tax revenues of each taxing unit.

   The notice must state the general boundaries of the district.

   (c) Upon completion of the actions required by subsection (b), the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than sixty (60) days after receipt of a resolution and shall make a recommendation on the resolution to the budget agency.

SECTION 37. IC 36-7-31.3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Upon adoption of a resolution establishing a tax area under section 10 of this chapter, the designating body shall submit the resolution to the budget committee for review and recommendation to the budget agency.

(b) Upon adoption of a resolution changing the boundaries of a
tax area under section 10 of this chapter, the commission shall:

(1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and

(2) file the following information with each taxing unit in the county where the district is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement disclosing the impact of the district, including the following:

(i) The estimated economic benefits and costs incurred by the district, as measured by increased employment and anticipated growth of property assessed values.

(ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the district.

(c) Upon completion of the actions required by subsection (b), the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than sixty (60) days after receipt of a resolution and shall make a recommendation on the resolution to the budget agency.

SECTION 38. IC 36-7-32-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. As used in this chapter, "gross retail incremental amount" means the remainder of:

(1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the territory comprising a certified technology park during a state fiscal year; minus

(2) the gross retail base period amount; as determined by the department of state revenue.

SECTION 39. IC 36-7-32-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the total amount of state adjusted gross income taxes, county adjusted gross income tax, county option income taxes, and county economic development income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for
work in the territory comprising the certified technology park for a particular state fiscal year; minus
(2) the sum of the:
   (A) income tax base period amount; and
   (B) tax credits awarded by the economic development for a growing economy board under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

SECTION 40. IC 6-3.1-26-10 IS REPEALED [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)].

SECTION 41. [EFFECTIVE UPON PASSAGE] (a) An ordinance that:
   (1) is adopted under IC 6-1.1-12-41 or IC 6-3.5-7-25 after March 30, 2004, and before the passage of this act; and
   (2) would have been valid if this act had been enacted before the time the ordinance was adopted;

shall be treated as valid to the same extent as if this act had been enacted before the ordinance was adopted.

(b) The department of local government finance may adopt interim rules in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1 to govern the determination of deductions, the processing of personal property tax returns, and the calculation of the assessed valuation of each taxpayer in cases in which:
   (1) the personal property of the taxpayer is eligible for a deduction under IC 6-1.1-12-41, as amended by this act, as the result of the adoption of an ordinance under IC 6-1.1-12-41, as amended by this act, after March 30, 2004; and
   (2) the taxpayer did not take the deduction on the taxpayer's personal property tax return.

The rules may include special procedures and filing dates for filing an amended return.

(c) An interim rule adopted under subsection (b) expires on the earliest of the following:
   (1) The date that the department of local government finance adopts an interim rule under subsection (b) to supersede a rule previously adopted under subsection (b).
(2) The date that the department of local government finance adopts a permanent rule under IC 4-22-2 to supersede a rule previously adopted under subsection (b).

(3) The date that the department of local government finance adopts under subsection (b) or IC 4-22-2 a repeal of a rule previously adopted under subsection (b).


SECTION 42. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]

(a) IC 6-3.1-26-5.5, IC 6-3.1-26-14, IC 6-3.1-26-15, and IC 6-3.1-26-18, all as amended by this act, apply only to credits awarded by the Indiana economic development corporation under IC 6-3.1-26 after May 14, 2005. Credits awarded under IC 6-3.1-26 before May 15, 2005, remain subject to the provisions of IC 6-3.1-26 as in effect on May 14, 2005.

(b) IC 6-3.1-26-8, as amended by this act, applies to taxable years beginning after December 31, 2004.

SECTION 43. [EFFECTIVE JULY 1, 2005] IC 6-3.5-7-26, as amended by this act, applies only to property taxes first due and payable after December 31, 2006.

SECTION 44. [EFFECTIVE JULY 1, 2005] IC 6-3.5-7-25.5, as added by this act, applies only to property taxes first due and payable after December 31, 2005.

SECTION 45. [EFFECTIVE UPON PASSAGE]

(a) IC 36-7-13-10.5, IC 36-7-13-12.1, IC 36-7-13-13, IC 36-7-31-12, and IC 36-7-31.3-11, all as amended by this act, apply only to districts established or expanded after June 30, 2005.

(b) IC 36-7-13-14, as amended by this act, applies to taxable years beginning after December 31, 2004.

(c) IC 36-7-13-3.4, as amended by this act, and IC 36-7-32-8.5, as added by this act, apply only to distributions for a community revitalization enhancement district or certified technology park as the result of wages and salary earned for work in the community revitalization enhancement district or certified technology park after June 30, 2005.

SECTION 46. [EFFECTIVE UPON PASSAGE](a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) For purposes of this SECTION:

(1) "fiscal body" has the meaning set forth in IC 36-1-2-6;

(2) "settlement amount" means an amount that:
   (A) exceeds ten million dollars ($10,000,000); and
   (B) is received by the county auditor on behalf of a county and the political subdivisions in the county in 2005 or 2006 as a result of the settlement of one (1) or more cases before the Indiana tax court concerning the property tax assessments of tangible property that are the basis for determination of property taxes payable by a taxpayer in the county for one (1) or more calendar years that precede 2006; and

(3) "subsequent year's taxes" means the property taxes imposed by a political subdivision on tangible property in the political subdivision, other than property taxes imposed on tangible property for which a taxpayer that paid all or part of the settlement amount is liable, for property taxes first due and payable in the calendar year that immediately succeeds the calendar year in which the settlement amount is received.

(c) The fiscal body of a political subdivision may adopt an ordinance:
   (1) before September 1, 2005, to direct the county auditor to use the part of a settlement amount attributable to the political subdivision to apply a credit against the subsequent year's taxes for property taxes first due and payable in 2006; and
   (2) before September 1, 2006, to direct the county auditor to use the part of a settlement amount attributable to the political subdivision to apply a credit against the subsequent year's taxes for property taxes first due and payable in 2007.

The total amount of the credits applied under this subsection must equal the part of the settlement amount received by the political subdivision in the immediately preceding calendar year. The settlement amount received must be used to replace the amount of property tax revenue lost due to the allowance of the credit in the political subdivision. The county auditor shall retain the settlement amount and distribute the money to the political subdivisions in the county as though the money were property tax collections and in such a manner that a political subdivision does not suffer a net revenue loss due to the allowance of the credit under this subsection.
(d) A credit under subsection (c) applies as a percentage of the liability for property taxes before the application of the credits under IC 6-1.1-20.9 and IC 6-1.1-21. The percentage applicable in a taxing district that is attributable to a political subdivision in which the taxing district is located is determined under the last step of the following steps:

STEP ONE: Determine the total assessed value of tangible property (after the application of all applicable deductions under IC 6-1.1), other than tangible property for which a taxpayer that paid all or part of the settlement amount is liable for property taxes, in the political subdivision that is the basis for the subsequent year's taxes.

STEP TWO: Determine the total assessed value of tangible property (after the application of all applicable deductions under IC 6-1.1), other than tangible property for which a taxpayer that paid all or part of the settlement amount is liable for property taxes, in the taxing district that constitutes a part of the total assessed value that is the basis for the subsequent year's taxes.

STEP THREE: Determine the quotient of the total assessed value determined under STEP TWO divided by the total assessed value determined under STEP ONE.

STEP FOUR: Determine the product of:

(A) the part of a settlement amount attributable to the political subdivision; multiplied by

(B) the quotient determined in STEP THREE.

STEP FIVE: Determine the total property tax levy in the taxing district for the subsequent year's taxes, before the application of the credits under IC 6-1.1-20.9 and IC 6-1.1-21.

STEP SIX: Determine the quotient of:

(A) the product determined under STEP FOUR; divided by

(B) the remainder determined under STEP FIVE;

expressed as a percentage.

The total credit percentage applicable in a taxing district is the sum of the percentages determined under STEP SIX with respect to all political subdivisions in which the taxing district is located.

(e) If a fiscal body adopts an ordinance under subsection (c):

(1) the part of the settlement amount attributable to the
political subdivision is set aside in a separate fund of the political subdivision for the sole purpose of dedicating the money in the fund to providing credits under subsection (c); (2) money in the separate fund does not become part of the political subdivision’s levy excess fund under IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7; and (3) for the year in which the subsequent year’s taxes are first due and payable, the total county tax levy under IC 6-1.1-21-2(g) is reduced by the part of the settlement amount attributable to the political subdivision that, notwithstanding subdivisions (1) and (2), would have been deposited in the political subdivision’s levy excess fund under IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7.

(f) This SECTION expires January 1, 2008.

SECTION 47. An emergency is declared for this act.

P.L.200-2005
[S.498. Approved May 11, 2005.]

AN ACT to amend the Indiana Code concerning civil procedure and local government.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 34-28-5-1, AS AMENDED BY HEA 1113-2005, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) An action to enforce a statute defining an infraction shall be brought in the name of the state of Indiana by the prosecuting attorney for the judicial circuit in which the infraction allegedly took place. However, if the infraction allegedly took place on a public highway (as defined in IC 9-25-2-4) that runs on and along a common boundary shared by two (2) or more judicial circuits, a prosecuting attorney for any judicial circuit sharing the common boundary may bring the action. (b) An action to enforce an ordinance shall be brought in the name
of the municipal corporation. The municipal corporation need not prove that it or the ordinance is valid unless validity is controverted by affidavit.

(c) Actions under this chapter (or IC 34-4-32 before its repeal):
(1) shall be conducted in accordance with the Indiana Rules of Trial Procedure; and
(2) must be brought within two (2) years after the alleged conduct or violation occurred.

(d) The plaintiff in an action under this chapter must prove the commission of an infraction or ordinance violation by a preponderance of the evidence.

(e) The complaint and summons described in IC 9-30-3-6 may be used for any infraction or ordinance violation.

(f) This subsection does not apply to an offense or violation under IC 9-24-6 involving the operation of a commercial motor vehicle. The prosecuting attorney or the attorney for a municipal corporation may establish a deferral program for deferring actions brought under this section. Actions may be deferred under this section if:
(1) the defendant in the action agrees to conditions of a deferral program offered by the prosecuting attorney or the attorney for a municipal corporation;
(2) the defendant in the action agrees to pay to the clerk of the court an initial user's fee and monthly user's fee set by the prosecuting attorney or the attorney for the municipal corporation in accordance with IC 33-37-4-2(e);
(3) the terms of the agreement are recorded in an instrument signed by the defendant and the prosecuting attorney or the attorney for the municipal corporation;
(4) the defendant in the action agrees to pay a fee of seventy dollars ($70) to the clerk of court if the action involves a moving traffic offense (as defined in IC 9-13-2-110);
(5) the agreement is filed in the court in which the action is brought; and
(6) if the deferral program is offered by the prosecuting attorney, the prosecuting attorney electronically transmits information required by the prosecuting attorneys council concerning the withheld prosecution to the prosecuting attorneys council, in a manner and format designated by the prosecuting attorneys.
council. When a defendant complies with the terms of an agreement filed under this subsection (or IC 34-4-32-1(f) before its repeal), the prosecuting attorney or the attorney for the municipal corporation shall request the court to dismiss the action. Upon receipt of a request to dismiss an action under this subsection, the court shall dismiss the action. An action dismissed under this subsection (or IC 34-4-32-1(f) before its repeal) may not be refilled.

(g) If a judgment is entered against a defendant in an action to enforce an ordinance, the defendant may perform community restitution or service (as defined in IC 35-41-1-4.6) instead of paying a monetary judgment for the ordinance violation as described in section 4(e) of this chapter if:

1. the:
   (A) defendant; and
   (B) attorney for the municipal corporation;
   agree to the defendant's performance of community restitution or service instead of the payment of a monetary judgment;

2. the terms of the agreement described in subdivision (1):
   (A) include the amount of the judgment the municipal corporation requests that the defendant pay under section 4(e) of this chapter for the ordinance violation if the defendant fails to perform the community restitution or service provided for in the agreement as approved by the court; and
   (B) are recorded in a written instrument signed by the defendant and the attorney for the municipal corporation;

3. the agreement is filed in the court where the judgment was entered; and

4. the court approves the agreement.

If a defendant fails to comply with an agreement approved by a court under this subsection, the court shall require the defendant to pay up to the amount of the judgment requested in the action under section 4(e) of this chapter as if the defendant had not entered into an agreement under this subsection.

SECTION 2. IC 34-28-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A judgment of up to ten thousand dollars ($10,000) may be entered for a violation
constituting a Class A infraction.

(b) A judgment of up to one thousand dollars ($1,000) may be entered for a violation constituting a Class B infraction.

c) A judgment of up to five hundred dollars ($500) may be entered for a violation constituting a Class C infraction.

(d) A judgment of up to twenty-five dollars ($25) may be entered for a violation constituting a Class D infraction.

e) Subject to section 1(g) of this chapter, a judgment:

(1) up to the amount requested in the complaint; and

(2) not exceeding any limitation under IC 36-1-3-8;

may be entered for an ordinance violation.

SECTION 3. IC 34-28-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The violations clerk or deputy violations clerk shall:

(1) accept:

(A) written appearances;

(B) waivers of trial;

(C) admissions of violation;

(D) declarations of nolo contendere for moving traffic violations;

(E) payments of judgments (including costs) in traffic violation cases; and

(F) deferral agreements made under section 1(f) of this chapter (or IC 34-4-32-1(f) before its repeal) and deferral program fees prescribed under IC 33-37-4-2(e); and

(G) community restitution or service agreements made under section 1(g) of this chapter;

(2) issue receipts and account for any judgments (including costs) collected; and

(3) pay the judgments (including costs) collected to the appropriate unit of government as provided by law.

SECTION 4. IC 36-1-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Subject to subsection (b), a unit does not have the following:

(1) The power to condition or limit its civil liability, except as expressly granted by statute.

(2) The power to prescribe the law governing civil actions between private persons.
(3) The power to impose duties on another political subdivision, except as expressly granted by statute.
(4) The power to impose a tax, except as expressly granted by statute.
(5) The power to impose a license fee greater than that reasonably related to the administrative cost of exercising a regulatory power.
(6) The power to impose a service charge or user fee greater than that reasonably related to reasonable and just rates and charges for services.
(7) The power to regulate conduct that is regulated by a state agency, except as expressly granted by statute.
(8) The power to prescribe a penalty for conduct constituting a crime or infraction under statute.
(9) The power to prescribe a penalty of imprisonment for an ordinance violation.
(10) The power to prescribe a penalty of a fine as follows:
   (A) More than ten thousand dollars ($10,000) for the violation of an ordinance or a regulation concerning air emissions adopted by a county that has received approval to establish an air program under IC 13-17-12-6.
   (B) For a violation of any other ordinance:
      (i) more than two thousand five hundred dollars ($2,500) for any other a first violation of the ordinance; and
      (ii) except as provided in subsection (c), more than seven thousand five hundred dollars ($7,500) for a second or subsequent violation of the ordinance.
(11) The power to invest money, except as expressly granted by statute.
(12) The power to order or conduct an election, except as expressly granted by statute.
(b) A township does not have the following, except as expressly granted by statute:
   (1) The power to require a license or impose a license fee.
   (2) The power to impose a service charge or user fee.
   (3) The power to prescribe a penalty.
   (c) Subsection (a)(10)(B)(ii) does not apply to the violation of an ordinance that regulates traffic or parking.
AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 22-3-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) Every employer and every employee, except as stated in IC 22-3-2 through IC 22-3-6, shall comply with the provisions of IC 22-3-2 through IC 22-3-6 respectively to pay and accept compensation for personal injury or death by accident arising out of and in the course of the employment, and shall be bound thereby.

(b) IC 22-3-2 through IC 22-3-6 does not apply to railroad employees engaged in train service as:

1. engineers;
2. firemen;
3. conductors;
4. brakemen;
5. flagmen;
6. baggagemen; or
7. foremen in charge of yard engines and helpers assigned thereto.

(c) IC 22-3-2 through IC 22-3-6 does not apply to employees of municipal corporations in Indiana who are members of:

1. the fire department or police department of any such municipality; and
2. a firefighters' pension fund or of a police officers' pension fund.

However, if the common council elects to purchase and procure worker's compensation insurance to insure said employees with respect to medical benefits under IC 22-3-2 through IC 22-3-6, the medical provisions of IC 22-3-2 through IC 22-3-6 apply to members of the fire department or police department of any such municipal corporation who are also members of a firefighters' pension fund or a police
officers' pension fund.

(d) IC 22-3-2 through IC 22-3-6 do not apply to the following:

(1) A person who enters into an independent contractor agreement with a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to perform youth coaching services on a part-time basis.

(2) A nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the corporation enters into an independent contractor agreement with a person for the performance of youth coaching services on a part-time basis.

(e) When any municipal corporation purchases or procures worker's compensation insurance covering members of the fire department or police department who are also members of a firefighters' pension fund or a police officers' pension fund, and pays the premium or premiums for such insurance, the payment of such premiums is a legal and allowable expenditure of funds of any municipal corporation.

(f) Except as provided in subsection (f), subsection (g), where the common council has procured worker's compensation insurance under this section, any member of such fire department or police department employed in the city carrying such worker's compensation insurance under this section is limited to recovery of medical and surgical care, medicines, laboratory, curative and palliative agents and means, x-ray, diagnostic and therapeutic services to the extent that such services are provided for in the worker's compensation policy procured by such city, and shall not also recover in addition to that policy for such same benefits provided in IC 36-8-4.

(g) If the medical benefits provided under a worker's compensation policy procured by the common council terminate for any reason before the police officer or firefighter is fully recovered, the common council shall provide medical benefits that are necessary until the police officer or firefighter is no longer in need of medical care.

(h) The provisions of IC 22-3-2 through IC 22-3-6 apply to:

(1) members of the Indiana general assembly; and

(2) field examiners of the state board of accounts.
SECTION 2. IC 22-3-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) IC 22-3-2 through IC 22-3-6 shall not apply to:

1. casual laborers (as defined in IC 22-3-6-1); nor
2. farm or agricultural employees; nor
3. household employees; nor
4. a person who enters into an independent contractor agreement with a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to perform youth coaching services on a part-time basis.

IC 22-3-2 through IC 22-3-6 do not apply to the employers or contractors of such persons listed in this subsection.

(b) An employer who is exempt under this section from the operation of the compensation provisions of this chapter may at any time waive such exemption and thereby accept the provisions of this chapter by giving notice as provided in subsection (c).

(c) The notice of acceptance referred to in subsection (b) shall be given thirty (30) days prior to any accident resulting in injury or death, provided that if any such injury occurred less than thirty (30) days after the date of employment, notice of acceptance given at the time of employment shall be sufficient notice thereof. The notice shall be in writing or print in a substantial form prescribed by the worker's compensation board and shall be given by the employer by posting the same in a conspicuous place in the plant, shop, office, room, or place where the employee is employed, or by serving it personally upon him: the employee; and shall be given by the employee by sending the same in registered letter addressed to the employer at his the employer's last known residence or place of business, or by giving it personally to the employer, or any of his the employer's agents upon whom a summons in civil actions may be served under the laws of the state.

(d) A copy of the notice in prescribed form shall also be filed with the worker's compensation board, within five (5) days after its service in such manner upon the employee or employer.

SECTION 3. IC 22-3-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) As used in this section, "person" does not include:

1. an owner who contracts for performance of work on the
owner's owner occupied residential property; or
(2) a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the corporation enters into an independent contractor agreement with a person for the performance of youth coaching services on a part-time basis.

(b) The state, any political division thereof, any municipal corporation, any corporation, limited liability company, partnership, or person, contracting for the performance of any work exceeding one thousand dollars ($1,000) in value by a contractor subject to the compensation provisions of IC 22-3-2 through IC 22-3-6, without exacting from such contractor a certificate from the worker's compensation board showing that such contractor has complied with section 5 of this chapter, IC 22-3-5-1, and IC 22-3-5-2, shall be liable to the same extent as the contractor for compensation, physician's fees, hospital fees, nurse's charges, and burial expenses on account of the injury or death of any employee of such contractor, due to an accident arising out of and in the course of the performance of the work covered by such contract.

(c) Any contractor who shall sublet any contract for the performance of any work, to a subcontractor subject to the compensation provisions of IC 22-3-2 through IC 22-3-6, without obtaining a certificate from the worker's compensation board showing that such subcontractor has complied with section 5 of this chapter, IC 22-3-5-1, and IC 22-3-5-2, shall be liable to the same extent as such subcontractor for the payment of compensation, physician's fees, hospital fees, nurse's charges, and burial expenses on account of the injury or death of any employee of such subcontractor due to an accident arising out of and in the course of the performance of the work covered by such subcontract.

(d) The state, any political division thereof, any municipal corporation, any corporation, limited liability company, partnership, person, or contractor paying compensation, physician's fees, hospital fees, nurse's charges, or burial expenses under this section may recover the amount paid or to be paid from any person who, independently of such provisions, would have been liable for the payment thereof and may, in addition, recover the litigation expenses and attorney's fees incurred in the action before the worker's compensation board as well
as the litigation expenses and attorney's fees incurred in an action to collect the compensation, medical expenses, and burial expenses.

(c) Every claim filed with the worker's compensation board under this section shall be instituted against all parties liable for payment. The worker's compensation board, in an award under subsection (b), shall fix the order in which said parties shall be exhausted, beginning with the immediate employer, and, in an award under subsection (c), shall determine whether the subcontractor has the financial ability to pay the compensation and medical expenses when due and, if not, shall order the contractor to pay the compensation and medical expenses.

SECTION 4. IC 22-3-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. In all cases of the death of an employee from an injury by an accident arising out of and in the course of the employee's employment under such circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such employee, not exceeding six thousand five hundred dollars ($6,000). ($7,500).

SECTION 5. IC 22-3-6-1, AS AMENDED BY HEA1288-2005, SECTION 182, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. In IC 22-3-2 through IC 22-3-6, unless the context otherwise requires:

(a) "Employer" includes the state and any political subdivision, any municipal corporation within the state, any individual or the legal representative of a deceased individual, firm, association, limited liability company, or corporation or the receiver or trustee of the same, using the services of another for pay. A parent corporation and its subsidiaries shall each be considered joint employers of the corporation's, the parent's, or the subsidiaries' employees for purposes of IC 22-3-2-6 and IC 22-3-3-31. Both a lessor and a lessee of employees shall each be considered joint employers of the employees provided by the lessor to the lessee for purposes of IC 22-3-2-6 and IC 22-3-3-31. If the employer is insured, the term includes the employer's insurer so far as applicable. However, the inclusion of an employer's insurer within this definition does not allow an employer's insurer to avoid payment for services rendered to an employee with the approval of the employer. The term also includes an employer that provides on-the-job training under the federal School to Work
Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth in IC 22-3-2-2.5. The term does not include a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the corporation enters into an independent contractor agreement with a person for the performance of youth coaching services on a part-time basis.

(b) "Employee" means every person, including a minor, in the service of another, under any contract of hire or apprenticeship, written or implied, except one whose employment is both casual and not in the usual course of the trade, business, occupation, or profession of the employer.

(1) An executive officer elected or appointed and empowered in accordance with the charter and bylaws of a corporation, other than a municipal corporation or governmental subdivision or a charitable, religious, educational, or other nonprofit corporation, is an employee of the corporation under IC 22-3-2 through IC 22-3-6.

(2) An executive officer of a municipal corporation or other governmental subdivision or of a charitable, religious, educational, or other nonprofit corporation may, notwithstanding any other provision of IC 22-3-2 through IC 22-3-6, be brought within the coverage of its insurance contract by the corporation by specifically including the executive officer in the contract of insurance. The election to bring the executive officer within the coverage shall continue for the period the contract of insurance is in effect, and during this period, the executive officers thus brought within the coverage of the insurance contract are employees of the corporation under IC 22-3-2 through IC 22-3-6.

(3) Any reference to an employee who has been injured, when the employee is dead, also includes the employee’s legal representatives, dependents, and other persons to whom compensation may be payable.

(4) An owner of a sole proprietorship may elect to include the owner as an employee under IC 22-3-2 through IC 22-3-6 if the owner is actually engaged in the proprietorship business. If the owner makes this election, the owner must serve upon the owner’s insurance carrier and upon the board written notice of the
election. No owner of a sole proprietorship may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. If the owner of a sole proprietorship is an independent contractor in the construction trades and does not make the election provided under this subdivision, the owner must obtain an affidavit of exemption under IC 22-3-2-14.5.

(5) A partner in a partnership may elect to include the partner as an employee under IC 22-3-2 through IC 22-3-6 if the partner is actually engaged in the partnership business. If a partner makes this election, the partner must serve upon the partner's insurance carrier and upon the board written notice of the election. No partner may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. If a partner in a partnership is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain an affidavit of exemption under IC 22-3-2-14.5.

(6) Real estate professionals are not employees under IC 22-3-2 through IC 22-3-6 if:
   (A) they are licensed real estate agents;
   (B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
   (C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

(7) A person is an independent contractor in the construction trades and not an employee under IC 22-3-2 through IC 22-3-6 if the person is an independent contractor under the guidelines of the United States Internal Revenue Service.

(8) An owner-operator that provides a motor vehicle and the services of a driver under a written contract that is subject to IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor carrier is not an employee of the motor carrier for purposes of IC 22-3-2 through IC 22-3-6. The owner-operator may elect to be covered and have the owner-operator's drivers covered under a worker's compensation insurance policy or authorized self-insurance that insures the motor carrier if the owner-operator pays the premiums as requested by the motor carrier. An election...
by an owner-operator under this subdivision does not terminate
the independent contractor status of the owner-operator for any
purpose other than the purpose of this subdivision.
(9) A member or manager in a limited liability company may elect
to include the member or manager as an employee under
IC 22-3-2 through IC 22-3-6 if the member or manager is actually
engaged in the limited liability company business. If a member or
manager makes this election, the member or manager must serve
upon the member's or manager's insurance carrier and upon the
board written notice of the election. A member or manager may
not be considered an employee under IC 22-3-2 through IC 22-3-6
until the notice has been received.
(10) An unpaid participant under the federal School to Work
Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the
extent set forth in IC 22-3-2-2.5.
(11) A person who enters into an independent contractor
agreement with a nonprofit corporation that is recognized as
tax exempt under Section 501(c)(3) of the Internal Revenue
Code (as defined in IC 6-3-1-11(a)) to perform youth coaching
services on a part-time basis is not an employee for purposes
of IC 22-3-2 through IC 22-3-6.
(c) "Minor" means an individual who has not reached seventeen
(17) years of age.
(1) Unless otherwise provided in this subsection, a minor
employee shall be considered as being of full age for all purposes
of IC 22-3-2 through IC 22-3-6.
(2) If the employee is a minor who, at the time of the accident, is
employed, required, suffered, or permitted to work in violation of
IC 20-33-3-35, the amount of compensation and death benefits,
as provided in IC 22-3-2 through IC 22-3-6, shall be double the
amount which would otherwise be recoverable. The insurance
carrier shall be liable on its policy for one-half (1/2) of the
compensation or benefits that may be payable on account of the
injury or death of the minor, and the employer shall be liable for
the other one-half (1/2) of the compensation or benefits. If the
employee is a minor who is not less than sixteen (16) years of age
and who has not reached seventeen (17) years of age and who at
the time of the accident is employed, suffered, or permitted to
work at any occupation which is not prohibited by law, this subdivision does not apply.

(3) A minor employee who, at the time of the accident, is a student performing services for an employer as part of an approved program under IC 20-37-2-7 shall be considered a full-time employee for the purpose of computing compensation for permanent impairment under IC 22-3-3-10. The average weekly wages for such a student shall be calculated as provided in subsection (d)(4).

(4) The rights and remedies granted in this subsection to a minor under IC 22-3-2 through IC 22-3-6 on account of personal injury or death by accident shall exclude all rights and remedies of the minor, the minor's parents, or the minor's personal representatives, dependents, or next of kin at common law, statutory or otherwise, on account of the injury or death. This subsection does not apply to minors who have reached seventeen (17) years of age.

(d) "Average weekly wages" means the earnings of the injured employee in the employment in which the employee was working at the time of the injury during the period of fifty-two (52) weeks immediately preceding the date of injury, divided by fifty-two (52), except as follows:

(1) If the injured employee lost seven (7) or more calendar days during this period, although not in the same week, then the earnings for the remainder of the fifty-two (52) weeks shall be divided by the number of weeks and parts thereof remaining after the time lost has been deducted.

(2) Where the employment prior to the injury extended over a period of less than fifty-two (52) weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee earned wages shall be followed, if results just and fair to both parties will be obtained. Where by reason of the shortness of the time during which the employee has been in the employment of the employee's employer or of the casual nature or terms of the employment it is impracticable to compute the average weekly wages, as defined in this subsection, regard shall be had to the average weekly amount which during the fifty-two (52) weeks previous to the
injury was being earned by a person in the same grade employed at the same work by the same employer or, if there is no person so employed, by a person in the same grade employed in the same class of employment in the same district.

(3) Wherever allowances of any character made to an employee in lieu of wages are a specified part of the wage contract, they shall be deemed a part of his the employee's earnings.

(4) In computing the average weekly wages to be used in calculating an award for permanent impairment under IC 22-3-3-10 for a student employee in an approved training program under IC 20-37-2-7, the following formula shall be used. Calculate the product of:

(A) the student employee's hourly wage rate; multiplied by
(B) forty (40) hours.

The result obtained is the amount of the average weekly wages for the student employee.

(e) "Injury" and "personal injury" mean only injury by accident arising out of and in the course of the employment and do not include a disease in any form except as it results from the injury.

(f) "Billing review service" refers to a person or an entity that reviews a medical service provider's bills or statements for the purpose of determining pecuniary liability. The term includes an employer's worker's compensation insurance carrier if the insurance carrier performs such a review.

(g) "Billing review standard" means the data used by a billing review service to determine pecuniary liability.

(h) "Community" means a geographic service area based on zip code districts defined by the United States Postal Service according to the following groupings:

(1) The geographic service area served by zip codes with the first three (3) digits 463 and 464.
(2) The geographic service area served by zip codes with the first three (3) digits 465 and 466.
(3) The geographic service area served by zip codes with the first three (3) digits 467 and 468.
(4) The geographic service area served by zip codes with the first three (3) digits 469 and 479.
(5) The geographic service area served by zip codes with the first
three (3) digits 460, 461 (except 46107), and 473.

(6) The geographic service area served by the 46107 zip code and zip codes with the first three (3) digits 462.

(7) The geographic service area served by zip codes with the first three (3) digits 470, 471, 472, 474, and 478.

(8) The geographic service area served by zip codes with the first three (3) digits 475, 476, and 477.

(i) "Medical service provider" refers to a person or an entity that provides medical services, treatment, or supplies to an employee under IC 22-3-2 through IC 22-3-6.

(j) "Pecuniary liability" means the responsibility of an employer or the employer's insurance carrier for the payment of the charges for each specific service or product for human medical treatment provided under IC 22-3-2 through IC 22-3-6 in a defined community, equal to or less than the charges made by medical service providers at the eightieth percentile in the same community for like services or products.

SECTION 6. IC 22-3-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Every employer and every employee, except as stated in this chapter, shall comply with this chapter, requiring the employer and employee to pay and accept compensation for disablement or death by occupational disease arising out of and in the course of the employment, and shall be bound thereby.

(b) This chapter does not apply to the following:

(1) A person who enters into an independent contractor agreement with a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to perform youth coaching services on a part-time basis.

(2) A nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the corporation enters into an independent contractor agreement with a person for the performance of youth coaching services on a part-time basis.

(b) (c) This chapter does not apply to employees of municipal corporations in Indiana who are members of:

(1) the fire department or police department of any such municipality; and
(2) a firefighters' pension fund or a police officers' pension fund. However, if the common council elects to purchase and procure worker's occupational disease insurance to insure said employees with respect to medical benefits under this chapter, the medical provisions apply to members of the fire department or police department of any such municipal corporation who are also members of a firefighters' pension fund or a police officers' pension fund.

(e) (d) When any municipal corporation purchases or procures worker's occupational disease insurance covering members of the fire department or police department who are also members of a firefighters' pension fund or a police officers' pension fund and pays the premium or premiums for the insurance, the payment of the premiums is a legal and allowable expenditure of funds of any municipal corporation.

(d) (e) Except as provided in subsection (e), subsection (f), where the common council has procured worker's occupational disease insurance as provided under this section, any member of the fire department or police department employed in the city carrying the worker's occupational disease insurance under this section is limited to recovery of medical and surgical care, medicines, laboratory, curative and palliative agents and means, x-ray, diagnostic and therapeutic services to the extent that the services are provided for in the worker's occupational disease policy so procured by the city, and may not also recover in addition to that policy for the same benefits provided in IC 36-8-4.

(e) (f) If the medical benefits provided under a worker's occupational disease policy procured by the common council terminate for any reason before the police officer or firefighter is fully recovered, the common council shall provide medical benefits that are necessary until the police officer or firefighter is no longer in need of medical care.

(f) (g) Nothing in this section affects the rights and liabilities of employees and employers had by them prior to April 1, 1963, under this chapter.

SECTION 7. IC 22-3-7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) As used in this chapter, "employer" includes the state and any political subdivision, any municipal corporation within the state, any individual or the legal
representative of a deceased individual, firm, association, limited liability company, or corporation or the receiver or trustee of the same, using the services of another for pay. A parent corporation and its subsidiaries shall each be considered joint employers of the corporation’s, the parent’s, or the subsidiaries’ employees for purposes of sections 6 and 33 of this chapter. Both a lessor and a lessee of employees shall each be considered joint employers of the employees provided by the lessor to the lessee for purposes of sections 6 and 33 of this chapter. The term also includes an employer that provides on-the-job training under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth under section 2.5 of this chapter. If the employer is insured, the term includes his the employer’s insurer so far as applicable. However, the inclusion of an employer’s insurer within this definition does not allow an employer’s insurer to avoid payment for services rendered to an employee with the approval of the employer. The term does not include a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the corporation enters into an independent contractor agreement with a person for the performance of youth coaching services on a part-time basis.

(b) As used in this chapter, "employee" means every person, including a minor, in the service of another, under any contract of hire or apprenticeship written or implied, except one whose employment is both casual and not in the usual course of the trade, business, occupation, or profession of the employer. For purposes of this chapter the following apply:

(1) Any reference to an employee who has suffered disablement, when the employee is dead, also includes his the employee’s legal representative, dependents, and other persons to whom compensation may be payable.

(2) An owner of a sole proprietorship may elect to include himself the owner as an employee under this chapter if he the owner is actually engaged in the proprietorship business. If the owner makes this election, he the owner must serve upon his the owner’s insurance carrier and upon the board written notice of the election. No owner of a sole proprietorship may be considered an employee under this chapter unless the notice has been
received. If the owner of a sole proprietorship is an independent contractor in the construction trades and does not make the election provided under this subdivision, the owner must obtain an affidavit of exemption under section 34.5 of this chapter.

(3) A partner in a partnership may elect to include himself the partner as an employee under this chapter if he the partner is actually engaged in the partnership business. If a partner makes this election, he the partner must serve upon his the partner's insurance carrier and upon the board written notice of the election. No partner may be considered an employee under this chapter until the notice has been received. If a partner in a partnership is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain an affidavit of exemption under section 34.5 of this chapter.

(4) Real estate professionals are not employees under this chapter if:

(A) they are licensed real estate agents;
(B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
(C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

(5) A person is an independent contractor in the construction trades and not an employee under this chapter if the person is an independent contractor under the guidelines of the United States Internal Revenue Service.

(6) An owner-operator that provides a motor vehicle and the services of a driver under a written contract that is subject to IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor carrier is not an employee of the motor carrier for purposes of this chapter. The owner-operator may elect to be covered and have the owner-operator's drivers covered under a worker's compensation insurance policy or authorized self-insurance that insures the motor carrier if the owner-operator pays the premiums as requested by the motor carrier. An election by an owner-operator under this subdivision does not terminate the independent contractor status of the owner-operator for any purpose other than
the purpose of this subdivision.
(7) An unpaid participant under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the extent set forth under section 2.5 of this chapter.

(8) A person who enters into an independent contractor agreement with a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to perform youth coaching services on a part-time basis is not an employee for purposes of this chapter.

(c) As used in this chapter, "minor" means an individual who has not reached seventeen (17) years of age. A minor employee shall be considered as being of full age for all purposes of this chapter. However, if the employee is a minor who, at the time of the last exposure, is employed, required, suffered, or permitted to work in violation of the child labor laws of this state, the amount of compensation and death benefits, as provided in this chapter, shall be double the amount which would otherwise be recoverable. The insurance carrier shall be liable on its policy for one-half (1/2) of the compensation or benefits that may be payable on account of the disability or death of the minor, and the employer shall be wholly liable for the other one-half (1/2) of the compensation or benefits. If the employee is a minor who is not less than sixteen (16) years of age and who has not reached seventeen (17) years of age, and who at the time of the last exposure is employed, suffered, or permitted to work at any occupation which is not prohibited by law, the provisions of this subsection prescribing double the amount otherwise recoverable do not apply. The rights and remedies granted to a minor under this chapter on account of disease shall exclude all rights and remedies of the minor, his parents, his personal representatives, dependents, or next of kin at common law, statutory or otherwise, on account of any disease.

(d) This chapter does not apply to casual laborers as defined in subsection (b), nor to farm or agricultural employees, nor to household employees, nor to railroad employees engaged in train service as engineers, firemen, conductors, brakemen, flagmen, baggagemen, or foremen in charge of yard engines and helpers assigned thereto, nor to their employers with respect to these employees. Also, this chapter does not apply to employees or their employers with respect to
employments in which the laws of the United States provide for compensation or liability for injury to the health, disability, or death by reason of diseases suffered by these employees.

(e) As used in this chapter, "disablement" means the event of becoming disabled from earning full wages at the work in which the employee was engaged when last exposed to the hazards of the occupational disease by the employer from whom the employee claims compensation or equal wages in other suitable employment, and "disability" means the state of being so incapacitated.

(f) For the purposes of this chapter, no compensation shall be payable for or on account of any occupational diseases unless disablement, as defined in subsection (e), occurs within two (2) years after the last day of the last exposure to the hazards of the disease except for the following:

1. In all cases of occupational diseases caused by the inhalation of silica dust or coal dust, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within three (3) years after the last day of the last exposure to the hazards of the disease.

2. In all cases of occupational disease caused by the exposure to radiation, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within two (2) years from the date on which the employee had knowledge of the nature of the employee's occupational disease or, by exercise of reasonable diligence, should have known of the existence of such disease and its causal relationship to the employee's employment.

3. In all cases of occupational diseases caused by the inhalation of asbestos dust, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within three (3) years after the last day of the last exposure to the hazards of the disease if the last day of the last exposure was before July 1, 1985.

4. In all cases of occupational disease caused by the inhalation of asbestos dust in which the last date of the last exposure occurs on or after July 1, 1985, and before July 1, 1988, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within twenty (20) years after the last day of the last exposure.

5. In all cases of occupational disease caused by the inhalation
of asbestos dust in which the last date of the last exposure occurs on or after July 1, 1988, no compensation shall be payable unless disablement (as defined in subsection (e)) occurs within thirty-five (35) years after the last day of the last exposure.

(g) For the purposes of this chapter, no compensation shall be payable for or on account of death resulting from any occupational disease unless death occurs within two (2) years after the date of disablement. However, this subsection does not bar compensation for death:

1. where death occurs during the pendency of a claim filed by an employee within two (2) years after the date of disablement and which claim has not resulted in a decision or has resulted in a decision which is in process of review or appeal; or
2. where, by agreement filed or decision rendered, a compensable period of disability has been fixed and death occurs within two (2) years after the end of such fixed period, but in no event later than three hundred (300) weeks after the date of disablement.

(h) As used in this chapter, "billing review service" refers to a person or an entity that reviews a medical service provider's bills or statements for the purpose of determining pecuniary liability. The term includes an employer's worker's compensation insurance carrier if the insurance carrier performs such a review.

(i) As used in this chapter, "billing review standard" means the data used by a billing review service to determine pecuniary liability.

(j) As used in this chapter, "community" means a geographic service area based on zip code districts defined by the United States Postal Service according to the following groupings:

1. The geographic service area served by zip codes with the first three (3) digits 463 and 464.
2. The geographic service area served by zip codes with the first three (3) digits 465 and 466.
3. The geographic service area served by zip codes with the first three (3) digits 467 and 468.
4. The geographic service area served by zip codes with the first three (3) digits 469 and 479.
5. The geographic service area served by zip codes with the first three (3) digits 460, 461 (except 46107), and 473.
(6) The geographic service area served by the 46107 zip code and zip codes with the first three (3) digits 462.

(7) The geographic service area served by zip codes with the first three (3) digits 470, 471, 472, 474, and 478.

(8) The geographic service area served by zip codes with the first three (3) digits 475, 476, and 477.

(k) As used in this chapter, "medical service provider" refers to a person or an entity that provides medical services, treatment, or supplies to an employee under this chapter.

(l) As used in this chapter, "pecuniary liability" means the responsibility of an employer or the employer's insurance carrier for the payment of the charges for each specific service or product for human medical treatment provided under this chapter in a defined community, equal to or less than the charges made by medical service providers at the eightieth percentile in the same community for like services or products.

SECTION 8. IC 22-3-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. In all cases of the death of an employee from an occupational disease arising out of and in the course of the employee's employment under such circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such employee, not exceeding six seven thousand five hundred dollars ($6,000)

SECTION 9. IC 22-3-7-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) As used in this section, "person" does not include:

(1) an owner who contracts for performance of work on the owner's owner occupied residential property; or

(2) a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the corporation enters into an independent contractor agreement with a person for the performance of youth coaching services on a part-time basis.

(b) Every employer bound by the compensation provisions of this chapter, except the state, counties, townships, cities, towns, school cities, school towns, school townships, other municipal corporations,
state institutions, state boards, and state commissions, shall insure the payment of compensation to the employer's employees and their dependents in the manner provided in this chapter, or procure from the worker's compensation board a certificate authorizing the employer to carry such risk without insurance. While that insurance or certificate remains in force, the employer, or those conducting the employer's business, and the employer's occupational disease insurance carrier shall be liable to any employee and the employee's dependents for disablement or death from occupational disease arising out of and in the course of employment only to the extent and in the manner specified in this chapter.

(c) Every employer who, by election, is bound by the compensation provisions of this chapter, except those exempted from the provisions by subsection (b), shall:

(1) insure and keep insured the employer's liability under this chapter in some corporation, association, or organization authorized to transact the business of worker's compensation insurance in this state; or

(2) furnish to the worker's compensation board satisfactory proof of the employer's financial ability to pay the compensation in the amount and manner and when due as provided for in this chapter. In the latter case the board may require the deposit of an acceptable security, indemnity, or bond to secure the payment of compensation liabilities as they are incurred.

(d) Every employer required to carry insurance under this section shall file with the worker's compensation board in the form prescribed by it, within ten (10) days after the termination of the employer's insurance by expiration or cancellation, evidence of the employer's compliance with subsection (c) and other provisions relating to the insurance under this chapter. The venue of all criminal actions under this section lies in the county in which the employee was last exposed to the occupational disease causing disablement. The prosecuting attorney of the county shall prosecute all violations upon written request of the board. The violations shall be prosecuted in the name of the state.

(e) Whenever an employer has complied with subsection (c) relating to self-insurance, the worker's compensation board shall issue to the employer a certificate which shall remain in force for a period fixed by
the board, but the board may, upon at least thirty (30) days notice, and a hearing to the employer, revoke the certificate, upon presentation of satisfactory evidence for the revocation. After the revocation, the board may grant a new certificate to the employer upon the employer's petition, and satisfactory proof of the employer's financial ability.

(f)(1) Subject to the approval of the worker's compensation board, any employer may enter into or continue any agreement with the employer's employees to provide a system of compensation, benefit, or insurance in lieu of the compensation and insurance provided by this chapter. A substitute system may not be approved unless it confers benefits upon employees and their dependents at least equivalent to the benefits provided by this chapter. It may not be approved if it requires contributions from the employees unless it confers benefits in addition to those provided under this chapter, which are at least commensurate with such contributions.

(f)(2) The substitute system may be terminated by the worker's compensation board on reasonable notice and hearing to the interested parties, if it appears that the same is not fairly administered or if its operation shall disclose latent defects threatening its solvency, or if for any substantial reason it fails to accomplish the purpose of this chapter. On termination, the board shall determine the proper distribution of all remaining assets, if any, subject to the right of any party in interest to take an appeal to the court of appeals.

(g)(1) No insurer shall enter into or issue any policy of insurance under this chapter until its policy form has been submitted to and approved by the worker's compensation board. The board shall not approve the policy form of any insurance company until the company shall file with it the certificate of the insurance commissioner showing that the company is authorized to transact the business of worker's compensation insurance in Indiana. The filing of a policy form by any insurance company or reciprocal insurance association with the board for approval constitutes on the part of the company or association a conclusive and unqualified acceptance of each of the compensation provisions of this chapter, and an agreement by it to be bound by the compensation provisions of this chapter.

(g)(2) All policies of insurance companies and of reciprocal insurance associations, insuring the payment of compensation under this chapter, shall be conclusively presumed to cover all the employees
and the entire compensation liability of the insured under this chapter in all cases in which the last day of the exposure rendering the employer liable is within the effective period of such policy.

(g)(3) Any provision in any such policy attempting to limit or modify the liability of the company or association insuring the same shall be wholly void.

(g)(4) Every policy of any company or association shall be deemed to include the following provisions:

"(A) The insurer assumes in full all the obligations to pay physician's fees, nurse's charges, hospital supplies, burial expenses, compensation or death benefits imposed upon or accepted by the insured under this chapter.

(B) This policy is subject to the provisions of this chapter relative to the liability of the insured to pay physician's fees, nurse's charges, hospital services, hospital supplies, burial expenses, compensation or death benefits to and for such employees, the acceptance of such liability by the insured, the adjustment, trial and adjudication of claims for such physician's fees, nurse's charges, hospital services, hospital supplies, burial expenses, compensation, or death benefits.

(C) Between this insurer and the employee, notice to or knowledge of the occurrence of the disablement on the part of the insured (the employer) shall be notice or knowledge thereof, on the part of the insurer. The jurisdiction of the insured (the employer) for the purpose of this chapter is the jurisdiction of this insurer, and this insurer shall in all things be bound by and shall be subject to the awards, judgments and decrees rendered against the insured (the employer) under this chapter.

(D) This insurer will promptly pay to the person entitled to the same all benefits conferred by this chapter, including all physician's fees, nurse's charges, hospital services, hospital supplies, burial expenses, and all installments of compensation or death benefits that may be awarded or agreed upon under this chapter. The obligation of this insurer shall not be affected by any default of the insured (the employer) after disablement or by any default in giving of any notice required by this policy, or otherwise. This policy is a direct promise by this insurer to the person entitled to physician's fees, nurse's charges, fees for
hospital services, charges for hospital services, charges for hospital supplies, charges for burial, compensation, or death benefits, and shall be enforceable in the name of the person.

(E) Any termination of this policy by cancellation shall not be effective as to employees of the insured covered hereby unless at least thirty (30) days prior to the taking effect of such cancellation, a written notice giving the date upon which such termination is to become effective has been received by the worker's compensation board of Indiana at its office in Indianapolis, Indiana.

(F) This policy shall automatically expire one (1) year from the effective date of the policy, unless the policy covers a period of three (3) years, in which event, it shall automatically expire three (3) years from the effective date of the policy. The termination either of a one (1) year or a three (3) year policy, is effective as to the employees of the insured covered by the policy.”.

(g)(5) All claims for compensation, nurse's charges, hospital services, hospital supplies, physician's fees, or burial expenses may be made directly against either the employer or the insurer or both, and the award of the worker's compensation board may be made against either the employer or the insurer or both.

(g)(6) If any insurer shall fail to pay any final award or judgment (except during the pendency of an appeal) rendered against it, or its insured, or, if it shall fail to comply with this chapter, the worker's compensation board shall revoke the approval of its policy forms, and shall not accept any further proofs of insurance from it until it shall have paid the award or judgment or complied with this chapter, and shall have resubmitted its policy form and received the approval of the policy by the industrial board.

(h) No policy of insurance covering the liability of an employer for worker's compensation shall be construed to cover the liability of the employer under this chapter for any occupational disease unless the liability is expressly accepted by the insurance carrier issuing the policy and is endorsed in that policy. The insurance or security in force to cover compensation liability under this chapter shall be separate from the insurance or security under IC 22-3-2 through IC 22-3-6. Any insurance contract covering liability under either part of this article need not cover any liability under the other.
(i) For the purpose of complying with subsection (c), groups of employers are authorized to form mutual insurance associations or reciprocal or interinsurance exchanges subject to any reasonable conditions and restrictions fixed by the department of insurance. This subsection does not apply to mutual insurance associations and reciprocal or interinsurance exchanges formed and operating on or before January 1, 1991, which shall continue to operate subject to the provisions of this chapter and to such reasonable conditions and restrictions as may be fixed by the worker’s compensation board.

(j) Membership in a mutual insurance association or a reciprocal or interinsurance exchange so proved, together with evidence of the payment of premiums due, is evidence of compliance with subsection (c).

(k) Any person bound under the compensation provisions of this chapter, contracting for the performance of any work exceeding one thousand dollars ($1,000) in value, in which the hazard of an occupational disease exists, by a contractor subject to the compensation provisions of this chapter without exacting from the contractor a certificate from the worker's compensation board showing that the contractor has complied with subsections (b), (c), and (d), shall be liable to the same extent as the contractor for compensation, physician's fees, hospital fees, nurse's charges, and burial expenses on account of the injury or death of any employee of such contractor, due to occupational disease arising out of and in the course of the performance of the work covered by such contract.

(l) Any contractor who sublets any contract for the performance of any work to a subcontractor subject to the compensation provisions of this chapter, without obtaining a certificate from the worker's compensation board showing that the subcontractor has complied with subsections (b), (c), and (d), is liable to the same extent as the subcontractor for the payment of compensation, physician's fees, hospital fees, nurse's charges, and burial expense on account of the injury or death of any employee of the subcontractor due to occupational disease arising out of and in the course of the performance of the work covered by the subcontract.

(m) A person paying compensation, physician's fees, hospital fees, nurse's charges, or burial expenses, under subsection (k) or (l), may recover the amount paid or to be paid from any person who would
otherwise have been liable for the payment thereof and may, in addition, recover the litigation expenses and attorney's fees incurred in the action before the worker's compensation board as well as the litigation expenses and attorney's fees incurred in an action to collect the compensation, medical expenses, and burial expenses.

(n) Every claim filed with the worker's compensation board under this section shall be instituted against all parties liable for payment. The worker's compensation board, in an award under subsection (k), shall fix the order in which such parties shall be exhausted, beginning with the immediate employer and, in an award under subsection (l), shall determine whether the subcontractor has the financial ability to pay the compensation and medical expenses when due and, if not, shall order the contractor to pay the compensation and medical expenses.

P.L.202-2005
[S.536. Approved May 11, 2005.]

AN ACT to amend the Indiana Code concerning labor and safety and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-28-27 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 27. Skills 2016 Training Fund
Sec. 1. This chapter expires December 31, 2008.
Sec. 2. As used in this chapter, "fund" refers to the skills 2016 training fund established by section 3 of this chapter.
Sec. 3. (a) The skills 2016 training fund is established to do the following:
(1) Administer the costs of the skills 2016 training program established under IC 22-4-10.5.
(2) Undertake any program or activity that furthers the purposes of IC 22-4-10.5.
(3) Refund skills 2016 training assessments erroneously collected and deposited in the fund.

(b) The money in the fund shall be allocated as follows:

1. An amount to be determined annually shall be set aside for the payment of refunds from the fund.
2. The remainder of the money in the fund shall be allocated to employers or consortia for incumbent worker training grants that enable workers to obtain recognizable credentials or certifications and transferable employment skills that improve employer competitiveness.

(c) Special consideration shall be given to the state educational institution established under IC 20-12-61 to be the provider of the training funded under this chapter whenever the state educational institution:

1. meets the identified training needs of an employer or a consortium with an existing credentialing or certification program; and
2. is the most cost effective provider.

(d) For the incumbent worker training grants described in subsection (b), the department of workforce development shall do the following:

1. Provide grant applications to interested employers and consortia.
2. Accept completed applications for the grants.
3. Obtain all information necessary or appropriate to determine whether an applicant qualifies for a grant, including information concerning:
   A. the applicant;
   B. the training to be offered;
   C. the training provider; and
   D. the workers to be trained.
4. Prepare summaries or other reports to assist the secretary of commerce in reviewing the grant applications.

(e) The department of workforce development shall forward the grant applications and other information collected or received by the department under subsection (d) to the secretary of commerce who shall allocate the money in the fund in accordance with subsections (b) and (c), after considering the information provided by the department of workforce development.
(f) The corporation shall enter into an agreement with the department of workforce development for the department of workforce development to administer the fund using money appropriated from the fund.

(g) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(h) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(i) The fund consists of the following:

(1) Assessments deposited in the fund.

(2) Earnings acquired through the use of money belonging to the fund.

(3) Money deposited in the fund from any other source.

(4) Interest and penalties collected.

(j) Any balance in the fund does not lapse but is available continuously to the corporation for expenditures for the program established under IC 22-4-10.5 consistent with this chapter, after considering any information concerning an expenditure provided by the department of workforce development.

SECTION 2. IC 22-4-10.5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. This chapter expires December 31, 2008.

SECTION 3. IC 22-4-10.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The skills 2016 training program is to be administered by the department of workforce development Indiana economic development corporation in the manner prescribed by IC 22-4-18.3. IC 5-28-27.

(b) The Indiana economic development corporation shall enter into an agreement with the department of workforce development for the department of workforce development to administer the fund.

SECTION 4. IC 22-4-10.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) After making the deposit required by subsection (b). The department shall deposit skills 2016 training assessments paid to the department under this chapter in the skills 2016 training fund established by IC 22-4-24.5-1.
IC 5-28-27-3.

(b) After June 30, 2003, unless the board approves a lesser amount, the department annually shall deposit the first four hundred fifty thousand dollars ($450,000) in skills training assessments paid to the department under this chapter in the special employment and training services fund established by IC 22-4-25-1 for the training and counseling assistance described in IC 22-4-25-1(f).

SECTION 5. IC 22-4-25-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, and amounts deposited as required by IC 22-4-10.5-7(b), shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the board for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. No expenditure of this fund shall be made unless and until the board finds that no other funds are available or can properly be used to finance such expenditures, except that expenditures from said fund may be made for the purpose of acquiring lands and buildings or for the erection of buildings on lands so acquired which are deemed necessary by the board for the proper administration of this article. The board
shall order the transfer of such funds or the payment of any such
obligation or expenditure and such funds shall be paid by the treasurer
of state on requisition drawn by the board directing the auditor of state
to issue the auditor's warrant therefor. Any such warrant shall be drawn
by the state auditor based upon vouchers certified by the board or the
commissioner. The money in this fund is hereby specifically made
available to replace within a reasonable time any money received by
this state pursuant to 42 U.S.C. 502, as amended, which, because of
any action or contingency, has been lost or has been expended for
purposes other than or in amounts in excess of those approved by the
bureau of employment security. The money in this fund shall be
continuously available to the board for expenditures in accordance with
the provisions of this section and shall not lapse at any time or be
transferred to any other fund, except as provided in this article. Nothing
in this section shall be construed to limit, alter, or amend the liability
of the state assumed and created by IC 22-4-28, or to change the
procedure prescribed in IC 22-4-28 for the satisfaction of such liability,
except to the extent that such liability may be satisfied by and out of the
funds of such special employment and training services fund created
by this section.

(b) The board, subject to the approval of the budget agency and
governor, is authorized and empowered to use all or any part of the
funds in the special employment and training services fund for the
purpose of acquiring suitable office space for the department by way
of purchase, lease, contract, or in any part thereof to purchase land and
erect thereon such buildings as the board determines necessary or to
assist in financing the construction of any building erected by the state
or any of its agencies wherein available space will be provided for the
department under lease or contract between the department and the
state or such other agency. The commissioner may transfer from the
employment and training services administration fund to the special
employment and training services fund amounts not exceeding funds
specifically available to the commissioner for that purpose equivalent
to the fair, reasonable rental value of any land and buildings acquired
for its use until such time as the full amount of the purchase price of
such land and buildings and such cost of repair and maintenance
thereof as was expended from the special employment and training
services fund has been returned to such fund.
(c) The board may also transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of space used by the department in any building erected by the state or any of its agencies until such time as the department's proportionate amount of the purchase price of such building and the department's proportionate amount of such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(d) Whenever the balance in the special employment and training services fund is deemed excessive by the board, the board shall order payment into the unemployment insurance benefit fund of the amount of the special employment and training services fund deemed to be excessive.

(e) Subject to the approval of the board, the commissioner may use not more than five million dollars ($5,000,000) during a program year for training provided by the state educational institution established under IC 20-12-61 to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training. Of the money allocated for training programs under this subsection, fifty percent (50%) is designated for industrial programs, and the remaining fifty (50%) percent is designated for building trade programs.

(f) The commissioner shall allocate an amount not to exceed four hundred fifty thousand dollars ($450,000) annually for training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department of workforce development for individuals who:

1. have been unemployed for at least four (4) weeks;
2. are not otherwise eligible for training and counseling assistance under any other program; and
3. are not participating in programs that duplicate those programs described in subsection (e).

Training or counseling provided under IC 22-4-14-2 does not excuse the claimant from complying with the requirements of IC 22-4-14-3. Eligibility for training and counseling assistance under this subsection shall not be determined until after the fourth week of eligibility for
unemployment training compensation benefits. The training and counseling assistance programs funded by this subsection must be approved by the United States Department of Labor's Bureau of Apprenticeship Training.

SECTION 6. IC 22-4-32-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) At any time within four (4) years after the date upon which any contributions, skills 2016 training assessments under IC 22-4-10.5-3, or interest thereon were paid, an employing unit which has paid such contributions, skills 2016 training assessments, or interest thereon may make application for a refund of such contributions, skills 2016 training assessments, or an adjustment thereon in connection with subsequent contribution payments or skills 2016 training assessments. The commissioner shall thereupon determine whether or not such contribution or skills 2016 training assessment, or interest or any portion thereof was erroneously paid or wrongfully assessed and notify the employing unit in writing of its decision.

(b) Such decision shall constitute the initial determination referred to in section 4 of this chapter and shall be subject to hearing and review as provided in sections 1 through 15 of this chapter.

(c) The commissioner may grant such application in whole or in part and may allow the employing unit to make an adjustment thereof without interest in connection with subsequent contribution payments or skills 2016 training assessments. If such adjustment cannot be made, the commissioner may refund such amounts, without interest, from the fund. For like cause and within the same period, adjustments or refund may be made on the commissioner's own initiative. Any adjustments or refunds of interest or penalties collected for contributions due under IC 22-4-10-1 shall be charged to and paid from the special employment and training services fund created by IC 22-4-25. Any adjustments or refunds of interest or penalties collected for skills 2016 training assessments due under IC 22-4-10.5-3 shall be charged to and paid from the skills 2016 training fund established by IC 22-4-24.5-1.

(d) If any assessment has become final by virtue of a decision of a liability administrative law judge with the result that no proceeding for judicial review as provided in this article was instituted, no refund or adjustment with respect to such assessment shall be made.
SECTION 7. IC 22-4.5-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. "Youth council" refers to an advisory committee to a regional board under IC 22-4.5-3-4.

SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 22-4-18.3; IC 22-4-24.5-1; IC 22-4.5-2-5; IC 22-4.5-3-4.

SECTION 9. [EFFECTIVE UPON PASSAGE] On the effective date of this act:

(1) the skills 2016 training fund; and
(2) all the money in the skills 2016 training fund; established by IC 22-4-24.5-1 (repealed by this act) are transferred to the Indiana economic development corporation and deposited in the skills 2016 training fund established by IC 5-28-27-3, as added by this act, and administered by the department of workforce development under an agreement between the Indiana economic development corporation and the department of workforce development.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the department of workforce development established by IC 22-4.1-2-1.
(b) The department shall examine the adoption of a life long learning accounts program to encourage life long learning practices by individuals:

(1) whose principal place of employment is in Indiana; or
(2) who are unemployed and seeking work in Indiana.
(c) The study described in subsection (b) must include the following:

(1) A fiscal analysis of any proposed program, including an assessment of the effectiveness of a proposed program to:

(A) retain jobs;
(B) increase income; and
(C) increase the tax base;
in Indiana.

(2) An estimate of the extent to which a proposed program may increase life long learning practices.

(3) Other issues or topics the department considers necessary or appropriate to prepare the report required by subsection
(h).
(d) The study described in subsection (b) may also include a review of the practices and experiences of other states or political subdivisions with programs similar to any program considered by the department.
(e) The department may partner with a public or private group to conduct all or any part of the study described in subsection (b).
(f) Notwithstanding IC 5-28-27-3(b), as added by this act, the department may receive an allocation not to exceed fifty thousand dollars ($50,000) from the skills 2016 training fund established by IC 5-28-27-3, as added by this act, to conduct the study described in subsection (b).
(g) Subject to the approval of the budget agency, the department may receive and accept gifts and other donations from any public or private source for use in conducting all or any part of the study described in subsection (b).
(h) The department shall report to the legislative council, not later than November 1, 2005, in an electronic format under IC 5-14-6, the results of the study described in subsection (b) and the department's recommendations, including any proposed legislation, if the department's report includes a finding that a lifelong learning accounts program should be implemented on a permanent basis.
(i) This SECTION expires January 1, 2006.
SECTION 11. An emergency is declared for this act.
Sec. 11. The council shall do the following:

(1) Identify the public infrastructure and other community support necessary:
   (A) to improve mission efficiencies; and
   (B) for the development and expansion; of military bases in Indiana.

(2) Identify existing and potential impacts of encroachment on military bases in Indiana.

(3) Identify potential state and local government actions that can:
   (A) minimize the impacts of encroachment on; and
   (B) enhance the long term potential of; military bases.

(4) Identify opportunities for collaboration among:
   (A) the state, including the military department of the state;
   (B) political subdivisions;
   (C) military contractors; and
   (D) academic institutions;

to enhance the economic potential of military bases and the economic benefits of military bases to the state.

(5) Review state policies, including funding and legislation, to identify actions necessary to prepare for the United States Department of Defense Efficient Facilities Initiative scheduled to begin in 2005.

(6) Study how governmental entities outside Indiana have addressed issues regarding encroachment and partnership formation described in this section.

(7) With respect to a multicounty federal military base under IC 36-7-30.5:
   (A) vote to require the establishment of the development authority under IC 36-7-30.5, if necessary; and
   (B) advise and submit recommendations to a development authority board appointed under IC 36-7-30.5.

SECTION 2. IC 5-28-26 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 26. Global Commerce Center Pilot Program
Sec. 1. As used in this chapter, "base assessed value" means:

(1) the net assessed value of all the taxable property located in
a global commerce center as finally determined for the assessment date immediately preceding the effective date of the allocation provision of a resolution adopted under section 18 of this chapter; plus
(2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Sec. 2. As used in this chapter, "district" means the Eastern Indiana Economic Development District.

Sec. 3. As used in this chapter, "high technology activity" has the meaning set forth in IC 36-7-32-7.

Sec. 4. As used in this chapter, "hub" means a regional economic development project that is:
(1) selected by a district for development as a global commerce center; and
(2) designated as a global commerce center under this chapter.

Sec. 5. As used in this chapter, "income tax base period amount" means the total amount of the following taxes paid by employees employed in the territory comprising a global commerce center with respect to wages and salary earned for work in the global commerce center for the state fiscal year that precedes the date on which the global commerce center was designated under section 12 of this chapter:
(1) The county adjusted gross income tax.
(2) The county option income tax.
(3) The county economic development income tax.

Sec. 6. As used in this chapter, "income tax incremental amount" means the remainder of:
(1) the total amount of county adjusted gross income tax, county option income taxes, and county economic development income taxes paid by employees employed in the territory comprising the global commerce center with respect to wages and salary earned for work in the territory comprising the global commerce center for a particular state fiscal year; minus
(2) the income tax base period amount;
as determined by the department of state revenue.

Sec. 7. As used in this chapter, "public facilities" includes a street, a road, a bridge, a storm water or sanitary sewer, a sewage treatment facility, a facility designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, a drainage system, a retention basin, a pretreatment facility, a waterway, a waterline, a water storage facility, a rail line, an electric, gas, telephone or other communications line or any other type of utility line or pipeline, or another similar or related structure or improvement, together with necessary easements for the structure or improvement. Except for rail lines, utility lines, or pipelines, the structures or improvements described in this section must be either owned or used by a public agency, functionally connected to similar or supporting facilities owned or used by a public agency, or designed and dedicated for use by, for the benefit of, or for the protection of the health, welfare, or safety of the public generally, whether or not used by a single business entity. Any road, street, or bridge must be continuously open to public access. A public facility must be located on public property or in a public, utility, or transportation easement or right-of-way.

Sec. 8. As used in this chapter, "spoke" means an economic development project that is:

1. located within the area served by a district;
2. undertaken to support the activities of a hub; and
3. treated as a global commerce center under this chapter upon the approval of the district board and fiscal body of the county in which the project is located.

Sec. 9. As used in this chapter, "tax increment revenues" means the property taxes attributable to the assessed value of property located in a global commerce center in excess of the base assessed value.

Sec. 10. As used in this chapter, "unit" means a county, city, or town.

Sec. 11. The corporation may do the following:

1. Designate a global commerce center pilot program under section 12 of this chapter.
2. Establish a procedure by which the global commerce center pilot program may be monitored and evaluated on an annual basis.
(3) Promote the global commerce center pilot program.

Sec. 12. (a) If a district applies to the corporation to have part of the area served by the district designated as a global commerce center, the corporation may approve the district's application if the corporation determines that the district's proposed global commerce center meets the following criteria:

1. The proposed global commerce center is well suited for the development of a hub and its supporting spokes.
2. The proposed global commerce center has the support of the surrounding community.
3. The proposed global commerce center is well suited for the development of at least one (1) of the following:
   A. A high technology activity.
   B. Advanced manufacturing.
   C. Transportation, distribution, and logistics.
   D. Agribusiness.

(b) The corporation may adopt rules under IC 4-22-2 specifying application procedures.

(c) A global commerce center designated under this section must include a hub. The boundaries of the global commerce center are not required to be contiguous. Only one (1) global commerce center pilot program may be designated under this section.

Sec. 13. If a global commerce center is designated under section 12 of this chapter, an unlimited number of spokes may be added to the global commerce center at the discretion of the fiscal bodies of the counties served by the district and the district board.

Sec. 14. (a) After a global commerce center is designated under section 12 of this chapter, the district shall send to the department of state revenue:

1. A certified copy of the designation of the global commerce center under section 12 of this chapter; and
2. A complete list of the employers in the global commerce center and the street names and the range of street numbers of each street in the global commerce center.

The district shall update the list provided under subdivision (2) before July 1 of each year.

(b) Not later than sixty (60) days after receiving a copy of the designation of the global commerce center, the department of state revenue shall determine the gross retail base period amount and
the income tax base period amount.

Sec. 15. Before the first business day in October of each year, the department of state revenue shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for each global commerce center designated under this chapter.

Sec. 16. (a) The treasurer of state shall establish an incremental tax financing fund for each global commerce center designated under this chapter. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) The total amount of the following taxes paid by employees employed in the global commerce center with respect to wages earned for work in the global commerce center shall be deposited in the incremental tax financing fund established for a global commerce center until the amount deposited equals the income tax incremental amount:

(1) The county adjusted gross income tax.
(2) The county option income tax.
(3) The county economic development income tax.

(c) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a global commerce center shall be distributed to the district that administers the global commerce center for deposit in the regional economic development fund established under section 19 of this chapter.

Sec. 17. (a) A county fiscal body in which a hub or spoke is located may allocate three percent (3%) of the tax increment revenues attributable to the hub or spoke to the district if the county fiscal body adopts a resolution under subsection (b).

(b) The county fiscal body may adopt a resolution designating a hub or spoke as an allocation area for purposes of the allocation and distribution of the amount of property taxes described in subsection (a).

(c) After adoption of the resolution under subsection (b), the county fiscal body shall:

(1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
(2) file the following information with each taxing unit that
has authority to levy property taxes in the geographic area where the global commerce center is located:

(A) A copy of the notice required by subdivision (1).
(B) A statement disclosing the impact of the global commerce center, including the following:
   (i) The estimated economic benefits and costs incurred by the global commerce center, as measured by increased employment and anticipated growth of real property assessed values.
   (ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the global commerce center and must state that written remonstrances may be filed with the county fiscal body until the time designated for the hearing. The notice must also name the place, date, and time when the county fiscal body will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed allocation area and will determine the public utility and benefit of the proposed allocation area. The county fiscal body shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing. All persons affected in any manner by the hearing, including all taxpayers within the county, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the county fiscal body affecting the allocation area if the county fiscal body gives the notice required by this section.

(d) At the hearing, which may be recessed and reconvened periodically, the county fiscal body shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the county fiscal body shall take final action in determining the public utility and benefit of the proposed allocation area confirming, modifying and confirming, or rescinding the resolution. The final action taken by the county fiscal body shall be recorded and is final and conclusive.

Sec. 18. (a) A unit may issue bonds for the purpose of providing
public facilities under this chapter.

(b) The bonds are payable from any funds available to the unit.
(c) The bonds shall be authorized by a resolution of the unit.
(d) The terms and form of the bonds shall be set out either in the resolution or in a form of trust indenture approved by the resolution.
(e) The bonds must mature within fifty (50) years.
(f) The unit shall sell the bonds at public or private sale upon terms determined by the district.
(g) All money received from any bonds issued under this chapter shall be applied solely to the payment of the cost of providing public facilities within a global commerce center, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include the cost of:

1. planning and development of the public facilities and all related buildings, facilities, structures, and improvements;
2. acquisition of a site and clearing and preparing the site for construction;
3. equipment, facilities, structures, and improvements that are necessary or desirable to make the public facilities suitable for use and operation;
4. architectural, engineering, consultant, and attorney’s fees;
5. incidental expenses in connection with the issuance and sale of bonds;
6. reserves for principal and interest;
7. interest during construction and for a period thereafter determined by the district, but not to exceed five (5) years;
8. financial advisory fees;
9. insurance during construction;
10. municipal bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and
11. in the case of refunding or refinancing, payment of the principal of, redemption premiums, if any, for, and interest on, the bonds being refunded or refinanced.

(h) A unit that issues bonds under this section may enter an interlocal agreement with any other unit located in the area served by the district in which the global commerce center is designated. A party to an agreement under this section may pledge any of its revenues, including taxes or allocated taxes under IC 36-7-14, to
the bonds or lease rental obligations of another party to the agreement.

Sec. 19. (a) The district shall establish a regional economic development fund.

(b) The fund consists of:

1. revenues received under section 16 of this chapter;
2. property taxes allocated to the district under section 17 of this chapter; and
3. any other funds made available to the district for the purposes of economic development within a global commerce center.

(c) Money in the fund may be used to:

1. provide rent subsidies to businesses locating in the global commerce center; and
2. maintain, improve, and expand economic development projects located in a global commerce center and the surrounding communities.

Sec. 20. A global commerce center expires fifteen (15) years after it is designated by the corporation.

Sec. 21. (a) The corporation may revoke the corporation's designation of a global commerce center pilot program at the discretion of the corporation.

(b) Notwithstanding a revocation made under subsection (a), a debt or an obligation incurred during the period in which the global commerce center pilot program was in effect remains valid and payable.

SECTION 3. IC 6-2.5-4-5, AS AMENDED BY HEA 1250-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) As used in this section, a "power subsidiary" means a corporation which is owned or controlled by one (1) or more public utilities that furnish or sell electrical energy, natural or artificial gas, water, steam, or steam heat and which produces power exclusively for the use of those public utilities.

(b) A power subsidiary or a person engaged as a public utility is a retail merchant making a retail transaction when the subsidiary or person furnishes or sells electrical energy, natural or artificial gas, water, steam, or steam heating service to a person for commercial or domestic consumption.
(c) Notwithstanding subsection (b), a power subsidiary or a person engaged as a public utility is not a retail merchant making a retail transaction in any of the following transactions:

1. The power subsidiary or person provides, installs, constructs, services, or removes tangible personal property which is used in connection with the furnishing of the services or commodities listed in subsection (b).

2. The power subsidiary or person sells the services or commodities listed in subsection (b) to another public utility or power subsidiary described in this section or a person described in section 6 of this chapter.

3. The power subsidiary or person sells the services or commodities listed in subsection (b) to a person for use in manufacturing, mining, production, refining, oil extraction, mineral extraction, irrigation, agriculture, or horticulture. However, this exclusion for sales of the services and commodities only applies if the services are consumed as an essential and integral part of an integrated process that produces tangible personal property and those sales are separately metered for the excepted uses listed in this subdivision, or if those sales are not separately metered but are predominately used by the purchaser for the excepted uses listed in this subdivision.

4. The power subsidiary or person sells the services or commodities listed in subsection (b) and all the following conditions are satisfied:

   A. The services or commodities are sold to a business that after June 30, 2004:
      i. relocates all or part of its operations to a facility; or
      ii. expands all or part of its operations in a facility; located in a military base (as defined in IC 36-7-30-1(c)), a military base reuse area established under IC 36-7-30, the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)), or a military base recovery site designated under IC 6-3.1-11.5, or a qualified military base enhancement area established under IC 36-7-34.

   B. The business uses the services or commodities in the facility described in clause (A) not later than five (5) years
after the operations that are relocated to the facility or expanded in the facility commence.

(C) The sales of the services or commodities are separately metered for use by the relocated or expanded operations.

(D) In the case of a business that uses the services or commodities in a qualified military base enhancement area, the business must satisfy at least one (1) of the following criteria:

(i) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(ii) The business is a United States Department of Defense contractor.

(iii) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the United States Department of Defense.

However, this subdivision does not apply to a business that substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations in an area described in this subdivision, unless the department determines that the business had existing operations in the area described in this subdivision and that the operations relocated to the area are an expansion of the business's operations in the area.

SECTION 4. IC 6-3-2-1.5, AS AMENDED BY HEA 1250-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. (a) As used in this section, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));
(2) a military base reuse area established under IC 36-7-30;
(3) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or
(4) a military base recovery site designated under IC 6-3.1-11.5; or
(5) a qualified military base enhancement area established under IC 36-7-34.

(b) Except as provided in subsection (c), a tax at the rate of five
percent (5%) of adjusted gross income is imposed on that part of the adjusted gross income of a corporation that is derived from sources within a qualified area if the corporation locates all or part of its operations in a qualified area during the taxable year, as determined under subsection (e). The tax rate under this section applies to the taxable year in which the corporation locates its operations in the qualified area and to the next succeeding four (4) taxable years. In the case of a corporation that locates all or part of its operations in a qualified military base enhancement area, the tax rate imposed under this section applies to the corporation only if the corporation meets at least one (1) of the following criteria:

(1) The corporation is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).
(2) The corporation is a United States Department of Defense contractor.
(3) The corporation and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the corporation and the United States Department of Defense.

(c) A taxpayer is not entitled to the tax rate described in subsection (b) to the extent that the taxpayer substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations within the qualified area, unless:

(1) the taxpayer had existing operations in the qualified area; and
(2) the operations relocated to the qualified area are an expansion of the taxpayer's operations in the qualified area.

(d) A determination under subsection (c) that a taxpayer is not entitled to the tax rate provided by this section as a result of a substantial reduction or cessation of operations applies to the taxable year in which the substantial reduction or cessation occurs and in all subsequent years. Determinations under this section shall be made by the department of state revenue.

(e) The department of state revenue:

(1) shall adopt rules under IC 4-22-2 to establish a procedure for determining the part of a corporation's adjusted gross income that was derived from sources within a qualified area; and
(2) may adopt other rules that the department considers necessary
for the implementation of this chapter.

SECTION 5. IC 6-3.1-11.6-2, AS AMENDED BY HEA 1250-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this chapter, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));
(2) a military base reuse area established under IC 36-7-30;
(3) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or
(4) a military base recovery site designated under IC 6-3.1-11.5;
or
(5) a qualified military base enhancement area established under IC 36-7-34.

SECTION 6. IC 6-3.1-11.6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. (a) Subject to subsection (c), a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that taxable year.

(b) The amount of the credit to which a taxpayer is entitled is the percentage determined under section 12 of this chapter multiplied by the amount of the qualified investment made by the taxpayer during the taxable year.

(c) This subsection applies to a taxpayer making a qualified investment in a business located in a qualified military base enhancement area. To qualify for a credit under this chapter, the taxpayer's qualified investment must be in a business that satisfies at least one (1) of the following criteria:

(1) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).
(2) The business is a United States Department of Defense contractor.
(3) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the United States Department of Defense.

SECTION 7. IC 36-1-7-15 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) This section applies only to political subdivisions in the following:

(1) A city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(2) A county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000).

(3) A county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

(b) (a) As used in this section, "economic development entity" means a department of redevelopment organized under IC 36-7-14, a department of metropolitan development under IC 36-7-15.1, a port authority organized under IC 8-10-5, or an airport authority organized under IC 8-22-3.

(c) (b) Notwithstanding section 2 of this chapter, two (2) or more economic development entities may enter into a written agreement under section 3 of this chapter if the agreement is requested by the executive of a city or county described in subsection (a) and if the agreement is approved by each entity's governing body. and by the executive of a city or county described in subsection (a).

(d) (c) A party to an agreement under this section may do one (1) or more of the following:

(1) Except as provided in subsection (e), (d), grant one (1) or more of its powers to another party to the agreement.

(2) Exercise any power granted to it by a party to the agreement.

(3) Pledge any of its revenues, including taxes or allocated taxes under IC 36-7-14, IC 36-7-15.1, or IC 8-22-3.5, to the bonds or lease rental obligations of another party to the agreement under IC 5-1-14-4.

(e) (d) An economic development entity may not grant to another entity the power to tax or to establish an allocation area under IC 8-22-3.5, or IC 36-7-14-39, or IC 36-7-15.1.

(f) (e) An agreement under this section does not have to comply with section 3(a)(5) or 4 of this chapter.

(g) (f) An action to challenge the validity of an agreement under this section must be brought within thirty (30) days after the agreement has been approved by all the parties to the agreement. After that period has
passed, the agreement is not contestable for any cause.

SECTION 8. IC 36-7-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) To provide money for the purposes set forth in section 3 of this chapter, the unit shall create a special revolving fund to be known as the industrial development fund, into which any available and unappropriated money of the unit may be transferred by the unit's legislative body.

(b) The legislative body may also by ordinance levy a tax not to exceed one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed value of all personal and real property within its jurisdiction. The proceeds of this tax shall be deposited in the industrial development fund. The unit may collect the tax as other municipal or county taxes are collected, or may set up a system for the collection and enforcement of the tax in the unit. The proceeds of the tax may be used for any purpose authorized by this chapter and may be pledged for the payment of principal and interest on bonds or other obligations issued under this chapter.

SECTION 9. IC 36-7-13-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) Two (2) or more:

1. advisory commissions; or
2. legislative bodies;

or any combination of advisory commissions and legislative bodies may enter into a written agreement under this section to jointly undertake economic development projects.

(b) A party to an agreement under this section may do one (1) or more of the following:

1. Except as provided in subsection (c), grant one (1) or more of its powers to another party to the agreement.
2. Exercise any power granted to it by a party to the agreement.
3. Pledge any of its revenues to the bonds or lease rental obligations of another party to the agreement under IC 5-1-14-4.

(c) A party to an agreement under this section may not grant another party to the agreement the power to tax or to establish a district under this chapter.
(d) An action to challenge the validity of an agreement under this section must be brought not more than thirty (30) days after the agreement has been approved by all the parties to the agreement. After that period has passed, the agreement is not contestable for any cause.

SECTION 10. IC 36-7-13-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. An agreement described in section 21 of this chapter must provide for the following:

(1) The duration of the agreement.
(2) The purpose of the agreement.
(3) The manner of financing, staffing, and supplying the joint undertaking and of establishing and maintaining a budget for the joint undertaking.
(4) The methods that may be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon partial or complete termination of the agreement.
(5) The manner of acquiring, holding, and disposing of real and personal property used in the joint undertaking.
(6) Any other appropriate matters.

SECTION 11. IC 36-7-30.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 30.5. Development of Multicounty Federal Military Bases

Sec. 1. This chapter applies only to a military base that is located in more than two (2) counties.

Sec. 2. As used in sections 23 and 29 of this chapter, "bonds" means bonds, notes, evidences of indebtedness, or other obligations issued by the development authority in the name of a unit.

Sec. 3. As used in this chapter, "council" refers to the military base planning council established under IC 4-3-21-3.

Sec. 4. As used in this chapter, "development authority" means a military base development authority established under section 8 of this chapter.

Sec. 5. As used in this chapter, "military base" means a United States government military base or other military installation that is:
(1) scheduled for closing or realignment; or
(2) completely or partially inactive or closed.

Sec. 6. As used in this chapter, "military base property" means real and personal property that is currently or was formerly part of a military base and is subject to development or reuse.

Sec. 7. (a) The planning, replanning, rehabilitation, development, redevelopment, and other preparation for development or reuse of military bases and military base property are public and governmental functions that cannot be accomplished through the ordinary operations of private enterprise because of the following:

(1) The provisions of federal law that provide for the expeditious and affordable transfer of military base property to an entity established by local government for these purposes.
(2) The necessity for requiring the proper use of the land to best serve the interests of the unit and its citizens.
(3) The costs of the projects.

(b) The planning, replanning, rehabilitation, development, redevelopment, and other preparation for development or reuse will do the following:

(1) Benefit the public health, safety, morals, and welfare.
(2) Increase the economic well-being of counties represented on the development authority and the state.
(3) Serve to protect and increase property values in the counties represented on the development authority and the state.

(c) The planning, replanning, rehabilitation, development, redevelopment, and other preparation for development or reuse of military bases and military base property under this chapter are public uses and purposes for which public money may be spent and private property may be acquired.

(d) A development authority and all appropriate units shall, to the extent feasible under this chapter and consistent with the needs of the development authority and the units, provide a maximum opportunity for development or reuse of federal military bases by private enterprise or state and local government.

(e) This section shall be liberally construed to carry out the purposes of this section.
Sec. 8. (a) If the council, by the affirmative votes of a majority of the voting members of the council, votes to require that a development authority should be established under this chapter, the development authority shall be established.

(b) A unit may not create a reuse authority under IC 36-7-30 for all or part of a military base that is:

(1) governed by this chapter; and

(2) located within the boundaries of the unit.

Sec. 9. A development authority established under this chapter shall be governed by a board of nine (9) members to be known as the "Crane Development Authority".

Sec. 10. (a) The nine (9) members of a development authority shall be appointed as follows:

(1) Two (2) members shall be appointed by the county executive of Greene County.

(2) Two (2) members shall be appointed by the county executive of Lawrence County.

(3) Two (2) members shall be appointed by the county executive of Martin County.

(4) One (1) member shall be appointed by the county executive of Daviess County.

(5) One (1) member shall be appointed by the county executive of Monroe County.

(6) One (1) member shall be appointed by the county executive of Orange County.

Sec. 11. (a) Each member of a military base development authority shall serve the longer of:

(1) three (3) years beginning with the first day of January after the member's appointment; or

(2) until the member's successor has been appointed and qualified.

If a vacancy occurs, a successor shall be appointed in the same manner as the original member. The successor shall serve for the remainder of the vacated term.

(b) Each member of a development authority, before beginning the member's duties, shall take and subscribe an oath of office in the usual form, to be endorsed on the certificate of the member's appointment. The endorsed certificate must be promptly filed with the clerk for the unit that the member serves.
(c) Each member of a development authority, before beginning
the member's duties, shall execute a bond payable to the state, with
surety to be approved by the executive of the unit. The bond must be:

(1) in the penal sum of fifteen thousand dollars ($15,000); and
(2) conditioned on the faithful performance of the duties of the
member's office and the accounting for all money and
property that may come into the member's hands or under
the member's control.

(d) A member of a development authority must be:

(1) at least eighteen (18) years of age; and
(2) a resident of the county responsible for the member's
appointment.

(e) If a member ceases to be qualified under this section, the
member forfeits the member's office.

(f) Members of a development authority are not entitled to
salaries but are entitled to reimbursement for expenses necessarily
incurred in the performance of their duties.

Sec. 12. (a) The development authority members shall hold a
meeting for the purpose of organization not later than thirty (30)
days after they are appointed and, after that, each year on the first
day in January that is not a Saturday, Sunday, or legal holiday.
The members shall choose one (1) of their members as president,
another as vice president, and another as secretary-treasurer.
These officers shall perform the duties usually concerning their
offices and shall serve from the date of their election until their
successors are elected and qualified.

(b) Except as otherwise provided in this chapter, the
secretary-treasurer shall be responsible for the funds and accounts
of the development authority. The development authority may:

(1) employ personnel for compensation to assist the
secretary-treasurer; or
(2) designate or appoint a fiscal officer of a county responsible
for appointing one (1) or more development authority
members to perform the duties that are delegated by the
development authority and accepted by the fiscal officer.

(c) The members of a development authority may adopt rules
and bylaws the members consider necessary for:

(1) the proper conduct of proceedings;
(2) carrying out of the members’ duties; and
(3) safeguarding the money and property placed in the members’ custody by this chapter.

In addition to the annual meeting, the members may by resolution or in accordance with the rules and bylaws prescribe the date and manner of notice of other regular or special meetings.

(d) Five (5) members of the development authority constitute a quorum. The concurrence of five (5) members is necessary to authorize an action.

Sec. 13. A member of a military base development authority may be summarily removed from office at any time by the county executive that appointed the member.

Sec. 14. The development authority shall do the following:

(1) Investigate, study, and survey the area surrounding and the real property and structures that are part of the military base.

(2) Investigate, study, and determine the means by which military base property may be developed or reused by private enterprise to promote economic development within counties represented on the development authority or by state and local government to otherwise benefit the welfare of the citizens of the counties represented on the development authority.

(3) Promote the development of military base property in the manner that best serves the interests of the state and its inhabitants.

(4) Cooperate with the departments and agencies of units and of other governmental entities, including the state and the federal government, in the manner that best serves the purposes of this chapter.

(5) Make findings and reports on their activities under this section, and keep the reports available for inspection by the public.

(6) Select and acquire military base property to be developed or reused by private enterprise or state or local government under this chapter.

(7) Transfer acquired military base property and other real and personal property to private enterprise or state or local government in the manner that best serves the social and
economic interests of the state and the state's inhabitants.

(8) Consider recommendations made by the council concerning the operations of the development authority.

Sec. 15. The development authority may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal military base property or interest in real military base property or other real or personal property located within the corporate boundaries of a unit that contains all or part of the military base.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of real or personal military base property or other real and personal property to private enterprise or state or local government, on the terms and conditions that the development authority considers best for the state and the state's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired from a military base to a department of a unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for the purposes of this chapter.

(5) Repair and maintain structures acquired for the purposes of this chapter.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired from a military base.

(7) Survey or examine any land to determine whether it should be acquired for the purpose of this chapter and to determine the value of the land.

(8) Appear before any other department or agency of a unit or any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for the purposes of this chapter; or

(B) any development area within the jurisdiction of the development authority.

(9) Institute or defend in the name of the development
authority any civil action.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the development authority.

(11) Exercise the power of eminent domain within military base property in the manner prescribed by section 21 of this chapter.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, and other consultants that are necessary or desired by the authority in exercising its powers or carrying out its responsibilities under this chapter.

(13) Appoint clerks, guards, laborers, and other employees the development authority considers advisable.

(14) Prescribe the duties and regulate the compensation of employees of the development authority.

(15) Provide a pension and retirement system for employees of the development authority.

(16) Discharge and appoint successors to employees of the development authority.

(17) Rent offices for use of the development authority or accept the use of offices furnished by a unit.

(18) Equip the offices of the development authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Expend on behalf of the counties represented on the development authority all or any part of the money of the development authority.

(20) Design, order, contract for, construct, reconstruct, improve, or renovate the following:

   (A) Local public improvements or structures that are necessary for the development of military base property.

   (B) Any structure that enhances the development, economic development, or reuse of military base property.

(21) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Provide financial assistance, in the manner that best
serves the purposes of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the state.

(23) Enter into contracts for providing police, fire protection, and utility services to the military base development area.

(24) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the development authority and the execution of the power of the development authority under this chapter.

(25) Adopt a seal.

(26) Take any action necessary to implement the purposes of the development authority.

Sec. 16. (a) The development authority shall adopt a plan for the:

(1) rehabilitation;
(2) development;
(3) redevelopment; and
(4) reuse;

of military base property to be acquired from the federal government upon the closure or scheduled closure of the military base.

(b) In conjunction with the plan adopted under subsection (a), the development authority may adopt a resolution declaring that a geographic area is a military base development area and approving the plan if it makes the following findings:

(1) All or part of a military base is located in the military base development area.
(2) The plan for the military base development area will accomplish the public purposes of this chapter, supported by specific findings of fact to be adopted by the development authority.
(3) The public health and welfare will be benefitted by accomplishment of the plan for the military base development area.
(4) The plan for the military base development area conforms to other development and redevelopment plans for the counties represented on the development authority.
(c) A military base development area may include territory within military base property. However, a military base development area may not include any area of land that constitutes part of an economic development area, a blighted area, or an urban renewal area under IC 36-7-14.

(d) The resolution must state:
   (1) the general boundaries of the area; and
   (2) that the development authority proposes to acquire all the interests in the land within the boundaries, with certain designated exceptions, if any.

(e) For the purpose of adopting a resolution under subsection (b), it is sufficient to describe the boundaries of the area by its location in relation to public ways or streams, or otherwise, as determined by the development authority. Property excepted from the acquisition may be described by street numbers or location.

Sec. 17. (a) After adoption of a resolution under section 16 of this chapter, the development authority shall submit the resolution and supporting data to the plan commission of an affected unit or other body charged with the duty of developing a general plan for the unit, if there is such a body. The plan commission may determine whether the resolution and the development plan conform to the plan of development for the unit and approve or disapprove the resolution and plan proposed. The development authority may amend or modify the resolution and proposed plan to conform to the requirements of a plan commission. A plan commission shall issue a written order approving or disapproving the resolution and military base development plan, and may with the consent of the development authority rescind or modify the order.

(b) The determination that a geographic area is a military base development area must be approved by an affected unit's legislative body.

(c) After receipt of all orders and approvals required under subsections (a) and (b), the development authority shall publish notice of the adoption and the substance of the resolution in accordance with IC 5-3-1. The notice must name a date when the development authority will receive and hear remonstrances and objections from persons interested in or affected by the proceedings concerning the proposed project and will determine
the public utility and benefit of the proposed project. All persons affected in any manner by the hearing shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the development authority by the notice given under this section.

(d) At the hearing under subsection (c), which may be adjourned from time to time, the development authority shall:
   (1) hear all persons interested in the proceedings; and
   (2) consider all written remonstrances and objections that have been filed.

After considering the evidence presented, the development authority shall take final action determining the public utility and benefit of the proposed project, and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the development authority is final and conclusive, except that an appeal may be taken in the manner prescribed by section 19 of this chapter.

Sec. 18. (a) The development authority must conduct a public hearing before amending a resolution or plan for a military base development area. The development authority shall give notice of the hearing in accordance with IC 5-3-1. The notice must do the following:
   (1) Set forth the substance of the proposed amendment.
   (2) State the time and place where written remonstrances against the proposed amendment may be filed.
   (3) Set forth the date, time, and place of the hearing.
   (4) State that the development authority will hear any person who has filed a written remonstrance during the filing period set forth in subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) If the development authority proposes to amend a resolution or plan, the development authority is not required to have evidence or make findings that were required for the establishment of the original military base development area. However, the development authority must make the following findings before approving the amendment:
   (1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and
the purposes of this chapter.

(2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for an affected unit.

(d) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the development authority must use the procedure provided for the original establishment of areas and must comply with sections 16 through 17 of this chapter.

(e) At the hearing on the amendments, the development authority shall consider written remonstrances that are filed. The action of the development authority on the amendment is final and conclusive, except that an appeal of the development authority's action may be taken under section 19 of this chapter.

Sec. 19. (a) A person who filed a written remonstrance with the development authority under section 17 or 18 of this chapter and is aggrieved by the final action taken may, not more than ten (10) days after that final action, file in the office of the clerk of an appropriate circuit or superior court a copy of the order of the development authority and person's remonstrances against that order, together with the person's bond conditioned to pay the costs of the person's appeal if the appeal is determined against the person. The only ground of remonstrance that the court may hear is whether the proposed project will be of public utility and benefit. The burden of proof is on the remonstrator.

(b) An appeal under this section shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined not more than thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the remonstrances and may confirm the final action of the development authority or sustain the remonstrances. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

Sec. 20. (a) If:

(1) an appeal is not taken; or

(2) an appeal is taken but is unsuccessful;
the development authority shall proceed with the plan to the extent that money is available for that purpose.

(b) Negotiations for the purchase of property may be carried on
directly by the development authority, by its employees, or by expert negotiators. However, an option, a contract, or an understanding relative to the purchase of real property is not binding on the development authority until approved and accepted by the development authority in writing. Payment for the property purchased shall be made when and as directed by the development authority but only on delivery of proper instruments conveying the title or interest of the owner to the development authority or its designee.

(c) The acquisition of real and personal property by the development authority under this chapter is not subject to the provisions of IC 5-22, IC 36-1-10.5, or any other statutes governing the purchase of property by public bodies or their agencies.

Sec. 21. (a) If the development authority considers it necessary to acquire real property in or serving a development area by the exercise of the power of eminent domain, the development authority shall adopt a resolution setting out its determination to exercise that power and directing its attorney to file a petition on behalf of the development authority in the circuit or superior court of the county in which the property is situated. The resolution must be approved by the legislative body of the affected unit before the petition is filed.

(b) Eminent domain proceedings under this section are governed by IC 32-24 and other applicable statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired under this section. However, property belonging to the state or a political subdivision may not be acquired without the consent of the state or the political subdivision.

(c) The court having jurisdiction shall direct the clerk of the circuit court to execute a deed conveying the title of real property acquired under this section to the development authority for the use and benefit of the development authority.

Sec. 22. (a) The development authority may proceed with the clearing and replanning of the area described in the resolution before the acquisition of all of the area. The development authority may also proceed with the repair and maintenance of buildings that have been acquired and are not to be cleared. This clearance, repair, and maintenance may be carried out by labor employed
directly by the development authority or by contract. Contracts for clearance may provide that the contractor is entitled to retain and dispose of salvaged material, as a part of the contract price or on the basis of stated prices for the amounts of the various materials actually salvaged.

(b) All contracts for material or labor under this section shall be let under IC 36-1.

(c) To the extent the development authority undertakes to engage in the planning and rezoning of the real property acquired, in the opening, closing, relocation, and improvement of public ways, and in the construction, relocation, and improvement of levees, sewers, parking facilities, and utility services, the development authority shall proceed in the same manner as private owners of the property. The development authority may negotiate with the proper officers and agencies of the unit to secure the proper orders, approvals, and consents.

(d) Construction work required in connection with improvements in the area described in the resolution may be carried out by the following:

1. The appropriate municipal or county department or agency.
2. The development authority, if:
   A. all plans, specifications, and drawings are approved by the appropriate department or agency; and
   B. the statutory procedures for the letting of contracts by the appropriate department or agency are followed by the development authority.

(e) The development authority may pay any charges or assessments made on account of orders, approvals, consents, and construction work under this section, or may agree to pay the assessments in installments as provided by statute in the case of private owners. The development authority may do the following:

1. By special waiver filed with the appropriate municipal works board or county executive, waive the statutory procedure and notices required by law in order to create valid liens on private property.
2. Cause any assessments to be spread on a different basis than that provided by statute.

(f) The real property acquired under this chapter may not be set
aside and dedicated for public ways, parking facilities, sewers, levees, parks, or other public purposes until the development authority has obtained the consent and approval of the department or agency under whose jurisdiction the property will be placed.

(g) The development authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 36-1-11 or any other statute governing the disposition of public property. A conveyance under this section may not be made until the agreed consideration has been paid, unless the development authority passes a resolution expressly providing that the consideration does not have to be paid before the conveyance is made. The resolution may provide for a mortgage or other security. All deeds, leases, land sale contracts, or other conveyances shall be:

(1) executed in the name of the development authority; and
(2) signed by the president or vice president of the development authority and attested by the secretary-treasurer.

A seal is not required on these instruments or any other instruments executed in the name of the development authority. Proceeds from the sale, lease, or other disposition of property may be deposited in any fund and used for any purpose allowed under this chapter, as directed by the development authority.

Sec. 23. (a) In addition to other methods of raising money for property acquisition, redevelopment, reuse, or economic development activities in or directly serving or benefiting a military base development area, and in anticipation of the taxes allocated under section 30 of this chapter, other revenues of the district, or any combination of these sources, the development authority may by resolution issue the bonds of the development authority.

(b) The secretary-treasurer of the development authority shall prepare the bonds. The seal of the development authority must be impressed on the bonds or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the president of the development authority and attested by the secretary-treasurer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in
accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of a unit but are an indebtedness of only the development authority. The bonds and interest are payable, as set forth in the bond resolution of the development authority, from any of the following:

(1) The tax proceeds allocated under section 30 of this chapter.
(2) Other revenues available to the development authority.
(3) A combination of the methods stated in subdivisions (1) through (2).

The bonds issued under this section may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the development authority, the development authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the development authority and properties becoming available to the development authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the development authority. The development authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the development authority that are payable solely from revenues of the development authority shall contain a statement to
that effect in the form of the bond.

Sec. 24. (a) A development authority may enter into a lease of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term of not more than fifty (50) years. The lease may provide for payments to be made by the development authority from taxes allocated under section 30 of this chapter, any other revenues available to the development authority, or any combination of these sources.

(b) A lease may provide that payments by the development authority to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the development authority only after a public hearing by the development authority at which all interested parties are provided the opportunity to be heard. After the public hearing, the development authority may adopt a resolution authorizing the execution of the lease on behalf of the unit if the development authority finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the development authority must be approved by the fiscal body of the appropriate unit.

(d) A development authority entering into a lease payable from allocated taxes under section 30 of this chapter or other available funds of the development authority may do the following:

   (1) Pledge the revenue to make payments under the lease under IC 5-1-14-4.

   (2) Establish a special fund to make the payments.

   (e) Lease payments may be limited to money in the special fund so that the obligations of the development authority to make the lease rental payments are not considered a debt of a unit or the district for purposes of the Constitution of the State of Indiana.

   (f) Except as provided in this section, approvals of any governmental body or agency are not required before the development authority may enter into a lease under this section.

   (g) If a development authority exercises an option to buy a
leased facility from a lessor, the development authority may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the development authority through auction, appraisal, or negotiation. If the facility is sold at auction, after appraisal or through negotiation, the development authority shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought not more than fifteen (15) days after the hearing.

(h) Notwithstanding this section, a development authority may negotiate and enter into leases of property from the United States or any department or agency of the United States without complying with the requirements of this section.

Sec. 25. (a) Any of the following persons may lease facilities referred to in section 24 of this chapter to a development authority under this chapter:

(1) A for-profit or nonprofit corporation organized under Indiana law or admitted to do business in Indiana.
(2) A partnership, an association, a limited liability company, or a firm.
(3) An individual.
(4) A redevelopment authority established under IC 36-7-14.5.

(b) Notwithstanding any other law, a lessor under this section and section 24 of this chapter is a qualified entity for purposes of IC 5-1.4.

(c) Notwithstanding any other law, a military base development facility leased by the development authority under this chapter from a lessor borrowing bond proceeds from a unit under IC 36-7-12 is an economic development facility for purposes of IC 36-7-11.9-3 and IC 36-7-12.

(d) Notwithstanding IC 36-7-12-25 and IC 36-7-12-26, payments by a development authority to a lessor described in subsection (c) may be made from sources set forth in section 24 of this chapter if the payments and the lease are structured to prevent the lease obligation from constituting a debt of a unit or the district for purposes of the Constitution of the State of Indiana.

Sec. 26. (a) Notwithstanding any other law, the legislative body of a unit may pledge revenues received or to be received by the unit
from:

(1) the unit's distributive share of the county adjusted gross income tax under IC 6-3.5-1.1;
(2) the unit's distributive share of the county option income tax under IC 6-3.5-6;
(3) the unit's distributive share of the county economic development income tax under IC 6-3.5-7;
(4) any other source legally available to the unit for the purposes of this chapter; or
(5) any combination of revenues under subdivisions (1) through (4);

in any amount to pay amounts payable under section 23 or 24 of this chapter.

(b) The legislative body may covenant to adopt an ordinance to increase its tax rate under the county adjusted gross income tax, county option income tax, county economic development income tax, or any other revenues at the time it is necessary to raise funds to pay any amounts payable under section 23 or 24 of this chapter.

(c) The development authority may pledge revenues received or to be received from any source legally available to the development authority for the purposes of this chapter in any amount to pay amounts payable under section 23 or 24 of this chapter.

(d) The pledge or covenant under this section may be for:

(1) the term of the bonds issued under section 23 of this chapter;
(2) the term of a lease entered into under section 24 of this chapter; or
(3) for a shorter period as determined by the legislative body.

Money pledged by the legislative body under this section shall be considered revenues or other money available to the development authority under sections 23 through 24 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant as long as any bonds issued under section 23 of this chapter are outstanding or as long as any lease entered into under section 24 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

Sec. 27. (a) All proceeds from the sale of bonds under section 23 of this chapter shall be kept as a separate and specific fund to pay the expenses incurred in connection with the property acquisition,
redevelopment, reuse, and economic development of the military base development area. The fund shall be known as the military base development district capital fund.

(b) All gifts or donations that are given or paid to the development authority or to a unit for military base development purposes shall be promptly deposited to the credit of the military base development district general fund unless otherwise directed by the grantor. The development authority may use these gifts and donations for the purposes of this chapter.

Sec. 28. (a) All payments from any of the funds established by this chapter shall be made by warrants drawn by the secretary-treasurer or the secretary-treasurer's agent under section 12 of this chapter on vouchers of the development authority signed by the president or vice president and the secretary-treasurer or executive director. An appropriation is not necessary, but all money raised under this chapter is considered appropriated to the respective purposes stated and is under the control of the development authority. The development authority has complete and exclusive authority to expend the money for the purposes provided.

(b) Each fund established by this chapter is a continuing fund.

Sec. 29. (a) To finance activities authorized under this chapter, the development authority may apply for and accept advances, short term and long term loans, grants, contributions, and any other form of financial assistance from the federal government, or from any of its agencies. The development authority may also enter into and carry out contracts and agreements in connection with that financial assistance upon the terms and conditions that the development authority considers reasonable and appropriate, if those terms and conditions are not inconsistent with the purposes of this chapter. The provisions of a contract or an agreement in regard to the handling, deposit, and application of project funds, as well as all other provisions, are valid and binding on the development authority, notwithstanding any other provision of this chapter.

(b) The development authority may issue and sell bonds, notes, or warrants to the federal government to evidence short term or long term loans made under this section, without notice of sale being given or a public offering being made.
(c) Notwithstanding the provisions of this chapter or any other law, the bonds, notes, or warrants issued by the development authority under this section may:

1. be in the amounts, form, or denomination;
2. be either coupon or registered;
3. carry conversion or other privileges;
4. have a rank or priority;
5. be of such description;
6. be secured, subject to other provisions of this section, in such manner;
7. bear interest at a rate or rates;
8. be payable as to both principal and interest in a medium of payment, at time or times, which may be upon demand, and at a place or places;
9. be subject to terms of redemption, with or without premium;
10. contain or be subject to any covenants, conditions, and provisions; and
11. have any other characteristics;

that the development authority considers reasonable and appropriate.

(d) Bonds, notes, or warrants issued under this section are not an indebtedness of a unit or taxing district within the meaning of any constitutional or statutory limitation of indebtedness. The bonds, notes, or warrants are not payable from or secured by a levy of taxes, but are payable only from and secured only by any combination of:

1. income;
2. funds;
3. properties of the project becoming available to the development authority under this chapter; or
4. any other legally available revenues of the development authority;
as the development authority specifies in the resolution authorizing their issuance.

(e) Bonds, notes, or warrants issued under this section are exempt from taxation for all purposes.

(f) Bonds, notes, or warrants issued under this section must be executed by the appropriate officers of a development authority.
and must be attested by the appropriate officers of a development authority.

(g) Following the adoption of the resolution authorizing the issuance of bonds, notes, or warrants under this section, the development authority shall certify a copy of that resolution to the officers who have duties with respect to bonds, notes, or warrants of the development authority. At the proper time, the development authority shall deliver to the officers the unexecuted bonds, notes, or warrants prepared for execution in accordance with the resolution.

(h) All bonds, notes, or warrants issued under this section shall be sold by the officers of a development authority who have duties with respect to the sale of bonds, notes, or warrants of the development authority. If an officer whose signature appears on any bonds, notes, or warrants issued under this section leaves office before their delivery, the signature remains valid and sufficient for all purposes as if the officer had remained in office until the delivery.

(i) If at any time during the life of a loan contract or agreement under this section the development authority may obtain loans for the purposes of this section from sources other than the federal government at interest rates not less favorable than provided in the loan contract or agreement, and if the loan contract or agreement allows, the development authority may do so and may pledge the loan contract and any rights under the contract as security for the repayment of the loans obtained from other sources. A loan under this subsection may be evidenced by bonds, notes, or warrants issued and secured in the same manner as provided in this section for loans from the federal government. The bonds, notes, or warrants may be sold at either public or private sale, as the development authority considers appropriate.

(j) Money obtained from the federal government or from other sources under this section, and money that is required by a contract or an agreement under this section to be used for project expenditure purposes, repayment of survey and planning advances, or repayment of temporary or definitive loans, may be expended by the development authority without regard to any law concerning the making and approval of budgets, appropriations, and expenditures.
(k) Bonds, notes, or warrants issued under this section are declared to be issued for an essential public and governmental purpose.

Sec. 30. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base development area to which an allocation provision of a declaratory resolution adopted under section 16 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment to the declaratory resolution, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 16 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 18 of this chapter. The allocation provision may apply to all or part of
the military base development area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

1. Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
   (B) the base assessed value;

   shall be allocated to and, when collected, paid into the funds of the respective taxing units.

2. Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the development authority and, when collected, paid into an allocation fund for that allocation area that may be used by the development authority and only to do one (1) or more of the following:
   (A) Pay the principal of and interest and redemption premium on any obligations incurred by the development authority or any other entity for the purpose of financing or refinancing military base development or reuse activities in or directly serving or benefitting that allocation area.
   (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the development authority, including lease rental revenues.
   (C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.
   (D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefitting that allocation area.
   (E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the development authority. This credit equals the amount determined under the following STEPS for each taxpayer.
in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by
(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; by
(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter in the same year.

(F) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefitting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and
(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The
reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the development authority.

(3) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the appropriate county auditor of the amount, if any, of the amount of excess property taxes that the development authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1). The development authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (2) or lessors under section 24 of this chapter. Property taxes received by a taxing unit under this subdivision are eligible for the property tax replacement credit provided under IC 6-1.1-21.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base development district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the military base development district for payment as set forth in subsection (b)(2).
(e) Notwithstanding any other law, each assessor shall, upon petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

1) the assessed value of the property as valued without regard to this section; or

2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the development authority shall create funds as specified in this subsection. A development authority that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. The development authority shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A development authority that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The development authority that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or for other
purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to an allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base development district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the military base development district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

Sec. 31. (a) As used in this section, "depreciable personal property" refers to:

(1) all or any part of the designated taxpayer's depreciable personal property that is located in the allocation area; and
(2) all or any part of the other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area;

that is designated as depreciable personal property for purposes of this section by the development authority in a declaratory resolution adopted or amended under section 16 or 18 of this chapter.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the development authority in a declaratory resolution adopted or amended under section 16 or 18 of this chapter, and with respect to which the development authority finds that taxes to be derived from the depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of the personal property, are needed to pay debt service or provide security for bonds issued or to be issued under section 23 of this chapter or make payments or provide security on
leases payable or to be payable under section 24 of this chapter in order to provide local public improvements or structures for a particular allocation area.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 30(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of the designated taxpayers in accordance with the procedures and limitations set forth in this section and section 30 of this chapter. If a modification is included in the resolution, for purposes of section 30 of this chapter, the term "base assessed value" with respect to the depreciable personal property means the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding the adoption date of the modification, as adjusted under section 30(b) of this chapter.

Sec. 32. (a) As used in this section, "allocation area" has the meaning set forth in section 30 of this chapter.

(b) As used in this section, "taxing district" has the meaning set forth in IC 6-1.1-1-20.

(c) Subject to subsection (e) and except a provided in subsection (h), each taxpayer in an allocation area is entitled to an additional credit for taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable in May and November of that year. Except as provided in subsection (h), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2). This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.
STEP THREE: Multiply:
(A) the STEP TWO quotient; by
(B) the total amount of the taxpayer’s taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that would have been allocated to an allocation fund under section 30 of this chapter had the additional credit described in this section not been given.

The additional credit reduces the amount of proceeds allocated to the military base development district and paid into an allocation fund under section 30(b)(2) of this chapter.

(d) If the additional credit under subsection (c) is not reduced under subsection (e) or (f), the credit for property tax replacement under IC 6-1.1-21-5 and the additional credit under subsection (c) shall be computed on an aggregate basis for all taxpayers in a taxing district that contains all or part of an allocation area. The credit for property tax replacement under IC 6-1.1-21-5 and the additional credit under subsection (c) shall be combined on the tax statements sent to each taxpayer.

(e) Upon the recommendation of the development authority, the municipal legislative body of an affected municipality or the county executive of an affected county may by resolution provide that the additional credit described in subsection (c):
(1) does not apply in a specified allocation area; or
(2) is to be reduced by a uniform percentage for all taxpayers in a specified allocation area.

(f) If the municipal legislative body or county executive determines that granting the full additional credit under subsection (c) would adversely affect the interests of the holders of bonds or other contractual obligations that are payable from allocated tax proceeds in that allocation area in a way that would create a reasonable expectation that those bonds or other contractual obligations would not be paid when due, the municipal legislative body or county executive must adopt a resolution under subsection (e) to deny the additional credit or reduce the credit to a level that creates a reasonable expectation that the bonds or other obligations will be paid when due. A resolution adopted under subsection (e) denies or reduces the additional credit for property taxes first due and payable in the allocation area in any year following the year in which the resolution is adopted.
(g) A resolution adopted under subsection (e) remains in effect until rescinded by the body that originally adopted the resolution. However, a resolution may not be rescinded if the rescission would adversely affect the interests of the holders of bonds or other obligations that are payable from allocated tax proceeds in that allocation area in a way that would create a reasonable expectation that the principal of or interest on the bonds or other obligations would not be paid when due. If a resolution is rescinded and no other resolution is adopted, the additional credit described in subsection (c) applies to property taxes first due and payable in the allocation area in each year following the year in which the resolution is rescinded.

(h) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (c) for the taxes (as defined in IC 6-1.1-21-2) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2).

Sec. 33. Notwithstanding any other law, utility services provided within the military base development district are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation by a utility facility in existence and operating on July 1, 1995, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

Sec. 34. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

(1) Assessed value.
(2) Owner.
(3) Person.
(4) Personal property.
(5) Property taxation.
(6) Tangible property.
(7) Township assessor.

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) The general assembly finds the following:
   (1) That the closing of a military base in a unit results in an increased cost to the unit of providing governmental services to the area formerly occupied by the military base.
   (2) That military base property held by a development authority is exempt from property taxation, resulting in the lack of an adequate tax base to support the increased governmental services.
   (3) That to restore this tax base and provide a proper allocation of the cost of providing governmental services the fiscal body of the unit should be authorized to collect PILOTS from the development authority.
   (4) That the appropriate maximum PILOTS would be the amount of the property taxes that would be paid if the tangible property were not exempt.

(d) The fiscal body of the unit may adopt an ordinance to require a development authority to pay PILOTS at times set forth in the ordinance with respect to tangible property of which the development authority is the owner or the lessee and that is exempt from property taxes. The ordinance remains in full force and effect until repealed or modified by the fiscal body.

(e) The PILOTS must be calculated so that the PILOTS do not exceed the amount of property taxes that would have been levied by the fiscal body for the unit upon the tangible property described in subsection (d) if the property were not exempt from property taxation.

(f) PILOTS shall be imposed as are property taxes and shall be based on the assessed value of the tangible property described in subsection (d). The township assessors shall assess the tangible property described in subsection (d) as though the property were not exempt. The development authority shall report the value of
personal property in a manner consistent with IC 6-1.1-3.

(g) Notwithstanding any other law, a development authority is authorized to pay PILOTS imposed under this section from any legally available source of revenues. The development authority may consider these payments to be operating expenses for all purposes.

(h) PILOTS shall be deposited in the general fund of the unit and used for any purpose for which the general fund may be used.

(i) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as property taxes for purposes of all procedural and substantive provisions of law.

Sec. 35. (a) Notwithstanding any other law, a development authority may:

(1) impose conditions on the development of any property in a development area; and

(2) require the payment of development fees or other fees by private persons to pay, defray, or mitigate the costs of the construction, operation, and maintenance of infrastructure that is required or needed to serve the development, redevelopment, and reuse of property within the development area.

(b) Before a development authority may impose conditions under subsection (a)(1), the development authority shall adopt a written resolution finding that the conditions to be imposed are:

(1) necessary to carry out at least one (1) of the purposes of this chapter; and

(2) reasonably related in nature and extent to the impact upon the development, redevelopment, and reuse of the property upon which the conditions are imposed.

(c) Before a development authority may impose fees under subsection (a)(2), the development authority shall adopt a written resolution finding that:

(1) the infrastructure for which the fees are to be imposed is necessary to carry out at least one (1) of the purposes of this chapter and is required or needed to serve the development, redevelopment, and reuse of the property within the development area; and

(2) the fees to be imposed are reasonably related in nature and
extent to the impact upon the infrastructure attributable to
the development, redevelopment, and reuse of the property
within the development area upon which the fees are imposed.
(d) Conditions imposed under subsection (a)(1) must be
approved by the plan commission of the unit or other body
responsible for developing a general plan for the unit. To approve
the conditions, the plan commission or other body shall adopt a
written resolution making the same findings required to be made
by the development authority under subsection (b).
(e) Fees imposed under subsection (a)(2) must be deposited in
the appropriate fund of the unit responsible for constructing,
operating, and maintaining the particular infrastructure for which
the fee has been imposed.

Sec. 36. A person who knowingly:
(1) applies any money raised under this chapter to any
purpose other than those permitted by this chapter; or
(2) fails to follow the voucher and warrant procedure
prescribed by this chapter in expending any money raised
under this chapter;
commits a Class C felony.

SECTION 12. IC 36-7-32-10, AS AMENDED BY P.L.4-2005,
SECTION 143, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A unit may apply to the
Indiana economic development corporation for designation of all or
part of the territory within the jurisdiction of the unit’s redevelopment
commission as a certified technology park and to enter into an
agreement governing the terms and conditions of the designation. The
application must be in a form specified by the Indiana economic
development corporation and must include information the corporation
determines necessary to make the determinations required under
section 11 of this chapter.

(b) This subsection applies only to a unit in which a certified
technology park designated before January 1, 2005, is located. A
unit may apply to the Indiana economic development corporation
for permission to expand the unit’s certified technology park to
include territory that is adjacent to the unit’s certified technology
park but located in another county. The corporation shall grant the
unit permission to expand the certified technology park if the unit
and the redevelopment commission having jurisdiction over the adjacent territory approve the proposed expansion in a resolution. A certified copy of each resolution approving the proposed expansion must be attached to the application submitted under this subsection.

SECTION 13. IC 36-7-32-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) Each redevelopment commission that establishes a certified technology park under this chapter shall establish a certified technology park fund to receive:

(1) property tax proceeds allocated under section 17 of this chapter; and
(2) money distributed to the redevelopment commission under section 22 of this chapter.

(b) Money deposited in the certified technology park fund may be used by the redevelopment commission only for one (1) or more of the following purposes:

(1) Acquisition, improvement, preparation, demolition, disposal, construction, reconstruction, remediation, rehabilitation, restoration, preservation, maintenance, repair, furnishing, and equipping of public facilities.
(2) Operation of public facilities described in section 9(2) of this chapter.
(3) Payment of the principal of and interest on any obligations that are payable solely or in part from money deposited in the fund and that are incurred by the redevelopment commission for the purpose of financing or refinancing the development of public facilities in the certified technology park.
(4) Establishment, augmentation, or restoration of the debt service reserve for obligations described in subdivision (3).
(5) Payment of the principal of and interest on bonds issued by the unit to pay for public facilities in or serving the certified technology park.
(6) Payment of premiums on the redemption before maturity of bonds described in subdivision (3).
(7) Payment of amounts due under leases payable from money deposited in the fund.
(8) Reimbursement to the unit for expenditures made by it for
public facilities in or serving the certified technology park.

(9) Payment of expenses incurred by the redevelopment commission for public facilities that are in the certified technology park or serving the certified technology park.

(10) For any purpose authorized by an agreement between redevelopment commissions entered into under section 26 of this section.

(c) The certified technology park fund may not be used for operating expenses of the redevelopment commission.

SECTION 14. IC 36-7-32-26 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) Two (2) or more redevelopment commissions may enter into a written agreement under this section to jointly undertake economic development projects in the certified technology parks established by the redevelopment commissions that are parties to the agreement.

(b) A party to an agreement under this section may do one (1) or more of the following:

(1) Except as provided in subsection (c), grant one (1) or more of its powers to another party to the agreement.

(2) Exercise any power granted to it by a party to the agreement.

(3) Pledge any of its revenues, including taxes or allocated taxes under section 17 of this chapter, to the bonds or lease rental obligations of another party to the agreement under IC 5-1-14-4.

(c) A redevelopment commission may not grant to another redevelopment commission the power to tax or to establish an allocation area under this chapter.

(d) An action to challenge the validity of an agreement under this section must be brought not more than thirty (30) days after the agreement has been approved by all the parties to the agreement. After that period has passed, the agreement is not contestable for any cause.

SECTION 15. IC 36-7-32-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. An agreement described in section 26 of this chapter must provide for the following:
(1) The duration of the agreement.
(2) The purpose of the agreement.
(3) The manner of financing, staffing, and supplying the joint undertaking and of establishing and maintaining a budget for the joint undertaking.
(4) The methods that may be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon partial or complete termination of the agreement.
(5) The manner of acquiring, holding, and disposing of real and personal property used in the joint undertaking.
(6) Any other appropriate matters.

SECTION 16. IC 36-7-34 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 34. Qualified Military Base Enhancement Area

Sec. 1. "Area" refers to a qualified military base enhancement area established by this chapter.

Sec. 2. As used in this chapter, "technology park" refers to a certified technology park established under IC 36-7-32.

Sec. 3. "Qualified military base" means a United States government military installation that:

(1) has an area of at least sixty thousand (60,000) acres; and
(2) is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

Sec. 4. A qualified military base enhancement area is established for each technology park located within a radius of five (5) miles of a qualified military base. The geographic area of the qualified military base enhancement area is the geographic area of the technology park.

Sec. 5. The department of commerce shall do the following:

(1) Coordinate area development activities.
(2) Serve as a catalyst for area development.
(3) Promote each area to outside groups and individuals.
(4) Establish a formal line of communication with businesses in each area.
(5) Act as a liaison between businesses and local governments for any development activity that may affect each area.
(6) Act as a liaison between each area and residents of nearby
communities.

SECTION 17. [EFFECTIVE JULY 1, 2005] (a) The counties served by the Eastern Indiana Economic Development District comprise an area that:

1. is at a competitive disadvantage for economic development due to the area's rural character;
2. faces unique challenges because the area borders another state;
3. consistently ranks among the highest areas in unemployment in Indiana; and
4. is served by an interstate highway and rail infrastructure that is well suited for the development of a proposed global commerce center.

(b) These special circumstances require legislation particular to the counties.

SECTION 18. [EFFECTIVE JANUARY 1, 2006] (a) IC 6-2.5-4-5, as amended by this act, applies to services or commodities sold after December 31, 2005, to a business located in a qualified military base enhancement area established under IC 36-7-34, as added by this act.

(b) IC 6-3-2-1.5, as amended by this act, applies to taxable years beginning after December 31, 2005.

(c) IC 6-3.1-11.6-2 and IC 6-3.1-11.6-9, both as amended by this act, apply to taxable years beginning after December 31, 2005.

SECTION 19. [EFFECTIVE JULY 1, 2005] (a) The department of environmental management shall give priority to permit applications that concern:

1. current or former United States government military bases or other military installations; and
2. the destruction, reclamation, recycling, reprocessing, or demilitarization of ordnance and other explosive materials.

(b) This SECTION expires July 1, 2008.

SECTION 20. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 16-18-2-106.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 106.3. For purposes of IC 16-42-3 and IC 16-42-22, "electronic signature" means an electronic sound, symbol, or process:

(1) attached to or logically associated with an electronically transmitted prescription or order; and

(2) executed or adopted by a person;

with the intent to sign the electronically transmitted prescription or order.

SECTION 2. IC 16-18-2-106.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 106.4. For purposes of IC 16-42-3, IC 16-42-19, and IC 16-42-22, "electronically transmitted" or "electronic transmission" means the transmission of a prescription in electronic form. The term does not include transmission of a prescription by facsimile.

SECTION 3. IC 16-28-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A health facility that possesses unused medication that meets the requirements of IC 25-26-13-25(i)(1) through IC 25-26-13-25(j)(6):

(1) shall return medication that belonged to a Medicaid recipient; and

(2) may return other unused medication;

to the pharmacy that dispensed the medication.

SECTION 4. IC 16-42-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies to a drug intended for use by humans that:
(1) is a habit forming drug to which section 4(4) of this chapter applies;
(2) because of:
   (A) the drug’s toxicity or other potential for harmful effect;
   (B) the method of the drug’s use; or
   (C) the collateral measures necessary to the drug’s use;
   is not safe for use except under the supervision of a practitioner licensed by law to administer the drug; or
(3) is limited by an approved application under Section 505 of the Federal Act or section 7 or 8 of this chapter to use under the professional supervision of a practitioner licensed by law to administer the drug.

(b) A drug described in subsection (a) may be dispensed only:
   (1) upon a written or an electronically transmitted prescription of a practitioner licensed by law to administer the drug;
   (2) upon an oral prescription of the practitioner that is reduced promptly to writing and filed by the pharmacist or pharmacist intern (as defined in IC 25-26-13-2); or
   (3) by refilling a written or oral prescription if the refilling is authorized by the prescriber either in the original prescription, by an electronically transmitted order that is recorded in an electronic format, or by oral order that is reduced promptly to writing or is entered into an electronic format and filed by the pharmacist or pharmacist intern (as defined in IC 25-26-13-2).

(c) If a prescription for a drug described in subsection (a) does not indicate how many times the prescription may be refilled, if any, the prescription may not be refilled unless the pharmacist is subsequently authorized to do so by the practitioner.

(d) The act of dispensing a drug contrary to subsection (a), (b), or (c) is considered to be an act that results in a drug being misbranded while held for sale.

(e) A drug dispensed by filling or refilling a written or oral prescription of a practitioner licensed by law to administer the drug is exempt from the requirements of section 4(2), 4(3), 4(4), 4(5), 4(6), 4(7), 4(8), and 4(9) of this chapter if the drug bears a label containing the following:
   (1) The name and address of the dispenser.
   (2) The serial number and date of the prescription or of the
prescription's filling.
(3) The name of the drug's prescriber and, if stated in the prescription, the name of the patient.
(4) The directions for use and cautionary statements, if any, contained in the prescription.
This exemption does not apply to any drugs dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail or to a drug dispensed in violation of subsection (a), (b), (c), or (d).

(f) The state department may adopt rules to remove drugs subject to section 4(4) of this chapter, section 7 of this chapter, or section 8 of this chapter from the requirements of subsections (a) through (d) when the requirements are not necessary for the protection of public health. Drugs removed from the prescription requirements of the Federal Act by regulations issued under the Federal Act may also, by rules adopted by the state department, be removed from the requirement of subsections (a) through (d).

(g) A drug that is subject to subsections (a) through (d) is considered to be misbranded if at any time before dispensing the drug's label fails to bear the statement "Caution: Federal Law Prohibits Dispensing Without Prescription" or "Caution: State Law Prohibits Dispensing Without Prescription". A drug to which subsections (a) through (d) do not apply is considered to be misbranded if, at any time before dispensing, the drug's label bears the caution statement described in this subsection.

(h) This section does not relieve a person from a requirement prescribed by or under authority of law with respect to drugs included within the classifications of narcotic drugs or marijuana as defined in the applicable federal and state laws relating to narcotic drugs and marijuana.

(i) A drug may be dispensed under subsection (b) upon an electronically transmitted prescription only to the extent permitted by federal law.

SECTION 5. IC 16-42-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Sections 7 and 8 of this chapter do not apply to the following:

(1) To a drug dispensed on a written or an electronically transmitted prescription signed by or with an electronic
signature of a physician, dentist, or veterinarian (except a drug dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail) if the physician, dentist, or veterinarian is licensed by law to administer the drug, and the drug bears a label containing the name and place of business of the dispenser, the serial number and date of the prescription, and the name of the physician, dentist, or veterinarian.

(2) To a drug exempted by rule of the state department and that is intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety and effectiveness of drugs.

(3) To a drug sold in Indiana or introduced into intrastate commerce at any time before the enactment of the Federal Act, if the drug's labeling contained the same representations concerning the conditions of the drug's use.

(4) To any drug that is licensed under the Public Health Service Act of July 1, 1944 (58 Stat. 682, as amended; 42 U.S.C. 201 et seq.) or under the Animal Virus-Serum Toxin Act of March 4, 1913 (13 Stat. 832; 21 U.S.C. 151 et seq.).

(5) To a drug subject to section 4(10) of this chapter.

(b) Rules exempting drugs intended for investigational use under subsection (a)(2) may, within the discretion of the state department among other conditions relating to the protection of the public health, provide for conditioning the exemption upon the following:

(1) The submission to the state department, before any clinical testing of a new drug is undertaken, of reports by the manufacturer or the sponsor of the investigation of the drug or preclinical tests, including tests on animals, of the drug adequate to justify the proposed clinical testing.

(2) The manufacturer or the sponsor of the investigation of a new drug proposed to be distributed to investigators for clinical testing obtaining a signed agreement from each of the investigators that patients to whom the drug is administered will be under the manufacturer's or sponsor's personal supervision or under the supervision of investigators responsible to the manufacturer or sponsor and that the manufacturer or sponsor will not supply the drug to any other investigator or to clinics for administration to human beings.
(3) The establishment and maintenance of the records and the making of the reports to the state department by the manufacturer or the sponsor of the investigation of the drug of data (including analytical reports by investigators) obtained as the result of the investigational use of the drug that the state department finds will enable the state department to evaluate the safety and effectiveness of the drug if an application is filed under section 8 of this chapter.

(c) Rules exempting drugs intended for investigational use under subsection (a)(2) must provide that the exemption is conditioned upon the manufacturer or the sponsor of the investigation requiring that experts using the drugs for investigational purposes certify to the manufacturer or sponsor that the experts will inform any human beings to whom the drugs or any controls used in connection with the drugs are being administered that the drugs are being used for investigational purposes and will obtain the consent of the human beings or their representatives, except where they consider it not feasible or, in their professional judgment, contrary to the best interests of the human beings.

(d) This section does not require a clinical investigator to submit directly to the state department reports on the investigational use of drugs. The regulations adopted under Section 505(i) of the Federal Act are the rules in Indiana. The state may adopt rules, whether or not in accordance with regulations promulgated under the Federal Act.

SECTION 6. IC 16-42-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. As used in this chapter, "prescription" means:

(1) a written order to or for an ultimate user for a drug or device containing the name and address of the patient, the name and strength or size of the drug or device, the amount to be dispensed, adequate directions for the proper use of the drug or device by the patient, and the name of the practitioner, issued and signed by a practitioner; or

(2) an order transmitted by other means of communication from a practitioner that is:

(A) immediately reduced to writing by the pharmacist, pharmacist or pharmacist intern (as defined in IC 25-26-13-2); or
for an electronically transmitted prescription:
(i) has the electronic signature of the practitioner; and
(ii) is recorded by the pharmacist in an electronic format.

SECTION 7. IC 16-42-19-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. Except as authorized under IC 25-26-13-25(c), IC 25-26-13-25(d), a person may not refill a prescription or drug order for a legend drug except in the manner designated on the prescription or drug order or by the authorization of the practitioner.

SECTION 8. IC 16-42-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "customer" means the individual for whom a prescription is written or electronically transmitted or the individual's representative.

SECTION 9. IC 16-42-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Each written prescription issued by a practitioner must have two (2) signature lines printed at the bottom of the prescription form, one (1) of which must be signed by the practitioner for the prescription to be valid. Under the blank line on the left side of the form must be printed the words "Dispense as written." Under the blank line on the right side of the form must be printed the words "May substitute."
(b) Each electronically transmitted prescription issued by a practitioner must:
(1) have an electronic signature; and
(2) include the electronically transmitted instructions "Dispense as written." or "May substitute."

SECTION 10. IC 16-42-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) For substitution to occur for a prescription other than a prescription filled under the Medicaid program (42 U.S.C. 1396 et seq.), the children's health insurance program established under IC 12-17.6-2, or the Medicare program (42 U.S.C. 1395 et seq.):
(1) the practitioner must:
(A) sign on the line under which the words "May substitute" appear; or
(B) for an electronically transmitted prescription,
electronically transmit the instruction "May substitute."; and
(2) the pharmacist must inform the customer of the substitution.

(b) This section does not authorize any substitution other than substitution of a generically equivalent drug product.

SECTION 11. IC 16-42-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. If the practitioner communicates instructions to the pharmacist orally or electronically, the pharmacist shall:

(1) indicate the instructions in the pharmacist's own handwriting on the written copy of the prescription order; or
(2) record the electronically transmitted instructions in an electronic format.

SECTION 12. IC 16-42-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) If a prescription is filled under the Medicaid program (42 U.S.C. 1396 et seq.), the children's health insurance program established under IC 12-17.6-2, or the Medicare program (42 U.S.C. 1395 et seq.), the pharmacist shall substitute a generically equivalent drug product and inform the customer of the substitution if the substitution would result in a lower price unless:

(1) the words "Brand Medically Necessary" are:
   (A) written in the practitioner's own writing on the form; or
   (B) electronically transmitted with an electronically transmitted prescription; or
(2) the practitioner has indicated that the pharmacist may not substitute a generically equivalent drug product by:
   (A) orally stating that a substitution is not permitted; or
   (B) for an electronically transmitted prescription, indicating with the electronic prescription that a substitution is not permitted.

(b) If a practitioner orally states that a generically equivalent drug product may not be substituted, the practitioner must subsequently forward to the pharmacist a written or electronically transmitted prescription with the "Brand Medically Necessary" instruction appropriately indicated in the physician's own handwriting.

(c) This section does not authorize any substitution other than substitution of a generically equivalent drug product.
SECTION 13. IC 16-42-22-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. The pharmacist shall record on the prescription in writing or in an electronic format for an electronically transmitted prescription the name of the manufacturer or distributor, or both, of the actual drug product dispensed under this chapter.

SECTION 14. IC 25-26-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

"Board" means the Indiana board of pharmacy.

"Controlled drugs" are those drugs on schedules I through V of the Federal Controlled Substances Act or on schedules I through V of IC 35-48-2.

"Counseling" means effective communication between a pharmacist and a patient concerning the contents, drug to drug interactions, route, dosage, form, directions for use, precautions, and effective use of a drug or device to improve the therapeutic outcome of the patient through the effective use of the drug or device.

"Dispensing" means issuing one (1) or more doses of a drug in a suitable container with appropriate labeling for subsequent administration to or use by a patient.

"Drug" means:

(1) articles or substances recognized in the official United States Pharmacopoeia, official National Formulary, official Homeopathic Pharmacopoeia of the United States, or any supplement to any of them;
(2) articles or substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or animals;
(3) articles other than food intended to affect the structure or any function of the body of man or animals; or
(4) articles intended for use as a component of any article specified in subdivisions (1) through (3) and devices.

"Drug order" means a written order in a hospital or other health care institution for an ultimate user for any drug or device, issued and signed by a practitioner, or an order transmitted by other means of communication from a practitioner, which is immediately reduced to writing by the pharmacist, registered nurse, or other licensed health care practitioner authorized by the hospital or institution. The order
shall contain the name and bed number of the patient; the name and strength or size of the drug or device; unless specified by individual institution policy or guideline, the amount to be dispensed either in quantity or days; adequate directions for the proper use of the drug or device when it is administered to the patient; and the name of the prescriber.

"Drug regimen review" means the retrospective, concurrent, and prospective review by a pharmacist of a patient's drug related history that includes the following areas:

1. Evaluation of prescriptions or drug orders and patient records for drug allergies, rational therapy contradictions, appropriate dose and route of administration, appropriate directions for use, or duplicative therapies.
2. Evaluation of prescriptions or drug orders and patient records for drug-drug, drug-food, drug-disease, and drug-clinical laboratory interactions.
3. Evaluation of prescriptions or drug orders and patient records for adverse drug reactions.
4. Evaluation of prescriptions or drug orders and patient records for proper utilization and optimal therapeutic outcomes.

"Drug utilization review" means a program designed to measure and assess on a retrospective and prospective basis the proper use of drugs.

"Device" means an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, or other similar or related article including any component part or accessory, which is:

1. recognized in the official United States Pharmacopoeia, official National Formulary, or any supplement to them;
2. intended for use in the diagnosis of disease or other conditions or the cure, mitigation, treatment, or prevention of disease in man or other animals; or
3. intended to affect the structure or any function of the body of man or other animals and which does not achieve any of its principal intended purposes through chemical action within or on the body of man or other animals and which is not dependent upon being metabolized for the achievement of any of its principal intended purposes.

"Electronic data intermediary" means an entity that provides the infrastructure that connects a computer system or another
electronic device used by a prescribing practitioner with a computer system or another electronic device used by a pharmacy to facilitate the secure transmission of:

1. an electronic prescription order;
2. a refill authorization request;
3. a communication; and
4. other patient care information;

between a practitioner and a pharmacy.

"Electronic signature" means an electronic sound, symbol, or process:

1. attached to or logically associated with a record; and
2. executed or adopted by a person;

with the intent to sign the record.

"Electronically transmitted" or "electronic transmission" means the transmission of a prescription in electronic form. The term does not include the transmission of a prescription by facsimile.

"Investigational or new drug" means any drug which is limited by state or federal law to use under professional supervision of a practitioner authorized by law to prescribe or administer such drug.

"Legend drug" has the meaning set forth in IC 16-18-2-199.

"License" and "permit" are interchangeable and mean a written certificate from the Indiana board of pharmacy for the practice of pharmacy or the operation of a pharmacy.

"Nonprescription drug" means a drug that may be sold without a prescription and that is labeled for use by a patient in accordance with state and federal laws.

"Person" means any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, or municipality, or a legal representative or agent, unless this chapter expressly provides otherwise.

"Practitioner" has the meaning set forth in IC 16-42-19-5.

"Pharmacist" means a person licensed under this chapter.

"Pharmacist extern" means a pharmacy student enrolled full time in an approved school of pharmacy and who is working in a school sponsored, board approved program related to the practice of pharmacy.

"Pharmacist intern" means a person who is working to secure
additional hours of practice and experience prior to making application for a license to practice as a pharmacist.

"Pharmacy" means any facility, department, or other place where prescriptions are filled or compounded and are sold, dispensed, offered, or displayed for sale and which has as its principal purpose the dispensing of drug and health supplies intended for the general health, welfare, and safety of the public, without placing any other activity on a more important level than the practice of pharmacy.

"The practice of pharmacy" or "the practice of the profession of pharmacy" means a patient oriented health care profession in which pharmacists interact with and counsel patients and with other health care professionals concerning drugs and devices used to enhance patients' wellness, prevent illness, and optimize the outcome of a drug or device, by accepting responsibility for performing or supervising a pharmacist intern, a pharmacist extern, or an unlicensed person under section 18(a)(4) of this chapter to do the following acts, services, and operations:

1. The offering of or performing of those acts, service operations, or transactions incidental to the interpretation, evaluation, and implementation of prescriptions or drug orders.
2. The compounding, labeling, administering, dispensing, or selling of drugs and devices, including radioactive substances, whether dispensed under a practitioner's prescription or drug order or sold or given directly to the ultimate consumer.
3. The proper and safe storage and distribution of drugs and devices.
4. The maintenance of proper records of the receipt, storage, sale, and dispensing of drugs and devices.
5. Counseling, advising, and educating patients, patients' caregivers, and health care providers and professionals, as necessary, as to the contents, therapeutic values, uses, significant problems, risks, and appropriate manner of use of drugs and devices.
6. Assessing, recording, and reporting events related to the use of drugs or devices.
7. Provision of the professional acts, professional decisions, and professional services necessary to maintain all areas of a patient's pharmacy related care as specifically authorized to a pharmacist.
under this article.

"Prescription" means a written order or an order transmitted by other means of communication from a practitioner to or for an ultimate user for any drug or device containing the name and address of the patient; the name and strength or size of the drug or device; the amount to be dispensed; adequate directions for the proper use of the drug or device by the patient; and the name of the practitioner issued and, if the prescription is in written form; signed by a practitioner:

"Prescription" means a written order or an order transmitted by other means of communication from a practitioner to or for an ultimate user for any drug or device containing:

(1) the name and address of the patient;
(2) the date of issue;
(3) the name and strength or size (if applicable) of the drug or device;
(4) the amount to be dispensed (unless indicated by directions and duration of therapy);
(5) adequate directions for the proper use of the drug or device by the patient;
(6) the name of the practitioner; and
(7) the signature of the practitioner if the prescription:
(A) is in written form, the signature of the practitioner; or
(B) is in electronic form, the electronic signature of the practitioner.

"Qualifying pharmacist" means the pharmacist who will qualify the pharmacy by being responsible to the board for the legal operations of the pharmacy under the permit.

"Record" means all papers, letters, memoranda, notes, prescriptions, drug orders, invoices, statements, patient medication charts or files, computerized records, or other written indicia, documents, or objects which are used in any way in connection with the purchase, sale, or handling of any drug or device.

"Sale" means every sale and includes:
(1) manufacturing, processing, transporting, handling, packaging, or any other production, preparation, or repackaging;
(2) exposure, offer, or any other proffer;
(3) holding, storing, or any other possession;
(4) dispensing, giving, delivering, or any other supplying; and
(5) applying, administering, or any other using.

SECTION 15. IC 25-26-13-4, AS AMENDED BY HEA 1098-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board may:

(1) promulgate rules and regulations under IC 4-22-2 for implementing and enforcing this chapter;
(2) establish requirements and tests to determine the moral, physical, intellectual, educational, scientific, technical, and professional qualifications for applicants for pharmacists' licenses;
(3) refuse to issue, deny, suspend, or revoke a license or permit or place on probation or fine any licensee or permittee under this chapter;
(4) regulate the sale of drugs and devices in the state of Indiana;
(5) impound, embargo, confiscate, or otherwise prevent from disposition any drugs, medicines, chemicals, poisons, or devices which by inspection are deemed unfit for use or would be dangerous to the health and welfare of the citizens of the state of Indiana; the board shall follow those embargo procedures found in IC 16-42-1-18 through IC 16-42-1-31, and persons may not refuse to permit or otherwise prevent members of the board or their representatives from entering such places and making such inspections;
(6) prescribe minimum standards with respect to physical characteristics of pharmacies, as may be necessary to the maintenance of professional surroundings and to the protection of the safety and welfare of the public;
(7) subject to IC 25-1-7, investigate complaints, subpoena witnesses, schedule and conduct hearings on behalf of the public interest on any matter under the jurisdiction of the board;
(8) prescribe the time, place, method, manner, scope, and subjects of licensing examinations which shall be given at least twice annually; and
(9) perform such other duties and functions and exercise such other powers as may be necessary to implement and enforce this chapter.

(b) The board shall adopt rules under IC 4-22-2 for the following:

(1) Establishing standards for the competent practice of
(2) Establishing the standards for a pharmacist to counsel individuals regarding the proper use of drugs.

(3) Establishing standards and procedures before January 1, 2006, to ensure that a pharmacist:
   (A) has entered into a contract that accepts the return of expired drugs with; or
   (B) is subject to a policy that accepts the return of expired drugs of:
       a wholesaler, manufacturer, or agent of a wholesaler or manufacturer concerning the return by the pharmacist to the wholesaler, the manufacturer, or the agent of expired legend drugs or controlled drugs. In determining the standards and procedures, the board may not interfere with negotiated terms related to cost, expenses, or reimbursement charges contained in contracts between parties, but may consider what is a reasonable quantity of a drug to be purchased by a pharmacy. The standards and procedures do not apply to vaccines that prevent influenza, medicine used for the treatment of malignant hyperthermia, and other drugs determined by the board to not be subject to a return policy. An agent of a wholesaler or manufacturer must be appointed in writing and have policies, personnel, and facilities to handle properly returns of expired legend drugs and controlled substances.

(c) The board may grant or deny a temporary variance to a rule it has adopted if:
   (1) the board has adopted rules which set forth the procedures and standards governing the grant or denial of a temporary variance; and
   (2) the board sets forth in writing the reasons for a grant or denial of a temporary variance.

(d) The board shall adopt rules and procedures, in consultation with the medical licensing board, concerning the electronic transmission of prescriptions. The rules adopted under this subsection must address the following:
   (1) Privacy protection for the practitioner and the practitioner’s patient.
   (2) Security of the electronic transmission.
(3) A process for approving electronic data intermediaries for the electronic transmission of prescriptions.
(4) Use of a practitioner's United States Drug Enforcement Agency registration number.
(5) Protection of the practitioner from identity theft or fraudulent use of the practitioner's prescribing authority.

SECTION 16. IC 25-26-13-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. (a) All original prescriptions, whether in written or electronic format, shall be numbered and maintained in numerical and chronological order, or in a manner approved by the board and accessible for at least two (2) years in the pharmacy. A prescription transmitted from a practitioner by means of communication other than writing must immediately be reduced to writing or recorded in an electronic format by the pharmacist. The files shall be open for inspection to any member of the board or its duly authorized agent or representative.

(b) A prescription may be electronically transmitted from the practitioner by computer or another electronic device to a pharmacy that is licensed under this article or any other state or territory. An electronic data intermediary that is approved by the board:

(1) may transmit the prescription information between the prescribing practitioner and the pharmacy;
(2) may archive copies of the electronic information related to the transmissions as necessary for auditing and security purposes; and
(3) must maintain patient privacy and confidentiality of all archived information as required by applicable state and federal laws.

(b) (c) Except as provided in subsection (d), a prescription for any drug, the label of which bears either the legend, "Caution: Federal law prohibits dispensing without prescription" or "Rx Only", may not be refilled without written, electronically transmitted, or oral authorization of a licensed practitioner.

(c) (d) A prescription for any drug, the label of which bears either the legend, "Caution: Federal law prohibits dispensing without prescription" or "Rx Only", may be refilled by a pharmacist one (1) time without the written, electronically transmitted, or oral
authorization of a licensed practitioner if all of the following conditions are met:

1. The pharmacist has made every reasonable effort to contact the original prescribing practitioner or the practitioner's designee for consultation and authorization of the prescription refill.
2. The pharmacist believes that, under the circumstances, failure to provide a refill would be seriously detrimental to the patient's health.
3. The original prescription authorized a refill but a refill would otherwise be invalid for either of the following reasons:
   A. All of the authorized refills have been dispensed.
   B. The prescription has expired under subsection (f)(g).
4. The prescription for which the patient requests the refill was:
   A. originally filled at the pharmacy where the request for a refill is received and the prescription has not been transferred for refills to another pharmacy at any time; or
   B. filled at or transferred to another location of the same pharmacy or its affiliate owned by the same parent corporation if the pharmacy filling the prescription has full access to prescription and patient profile information that is simultaneously and continuously updated on the parent corporation's information system.
5. The drug is prescribed for continuous and uninterrupted use and the pharmacist determines that the drug is being taken properly in accordance with IC 25-26-16.
6. The pharmacist shall document the following information regarding the refill:
   A. The information required for any refill dispensed under subsection (d)(e).
   B. The dates and times that the pharmacist attempted to contact the prescribing practitioner or the practitioner's designee for consultation and authorization of the prescription refill.
   C. The fact that the pharmacist dispensed the refill without the authorization of a licensed practitioner.
7. The pharmacist notifies the original prescribing practitioner of the refill and the reason for the refill by the practitioner's next business day after the refill has been made by the pharmacist.
(8) Any pharmacist initiated refill under this subsection may not be for more than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day. However, a pharmacist may dispense a drug in an amount greater than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day if:

(A) the drug is packaged in a form that requires the pharmacist to dispense the drug in a quantity greater than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day; or

(B) the pharmacist documents in the patient's record the amount of the drug dispensed and a compelling reason for dispensing the drug in a quantity greater than the minimum amount necessary to supply the patient through the prescribing practitioner's next business day.

(9) Not more than one (1) pharmacist initiated refill is dispensed under this subsection for a single prescription.

(10) The drug prescribed is not a controlled substance.

A pharmacist may not refill a prescription under this subsection if the practitioner has designated on the prescription form the words "No Emergency Refill".

(d) When refilling a prescription, the refill record shall include:

(1) the date of the refill;

(2) the quantity dispensed if other than the original quantity; and

(3) the dispenser's identity on:
(A) the original prescription form; or
(B) another board approved, uniformly maintained, readily retrievable record.

(e) The original prescription form or the other board approved record described in subsection (d) must indicate by the number of the original prescription the following information:

(1) The name and dosage form of the drug.

(2) The date of each refill.

(3) The quantity dispensed.

(4) The identity of the pharmacist who dispensed the refill.

(5) The total number of refills for that prescription.

(f) A prescription is valid for not more than one (1) year after the original date of issue.
A pharmacist may not knowingly dispense a prescription after the demise of the practitioner, unless in the pharmacist's professional judgment it is in the best interest of the patient's health. A pharmacist may not knowingly dispense a prescription after the demise of the patient. A pharmacist or a pharmacy shall not resell, reuse, or redistribute a medication that is returned to the pharmacy after being dispensed unless the medication:

1. was dispensed to a patient:
   - (A) residing in an institutional facility (as defined in 856 IAC 1-28.1-1(6)); or
   - (B) in a hospice program under IC 16-25;
2. was properly stored and securely maintained according to sound pharmacy practices;
3. is returned unopened and:
   - (A) was dispensed in the manufacturer's original:
     - (i) bulk, multiple dose container with an unbroken tamper resistant seal; or
     - (ii) unit dose package; or
   - (B) was packaged by the dispensing pharmacy in a:
     - (i) multiple dose blister container; or
     - (ii) unit dose package;
4. was dispensed by the same pharmacy as the pharmacy accepting the return;
5. is not expired; and
6. is not a controlled substance (as defined in IC 35-48-1-9), unless the pharmacy holds a Type II permit (as described in section 17 of this chapter).

A pharmacist may use the pharmacist's professional judgment as to whether to accept medication for return under this section.
A pharmacist who violates subsection (c) commits a Class A infraction.

SECTION 17. IC 25-26-13-25.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.5. A prescription may be transmitted electronically from a practitioner to a pharmacy only through the use of an electronic data intermediary approved by the board.
SECTION 18. IC 25-26-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. As used in this chapter, "prescription" means a written order or an order transmitted by other means of communication that is immediately reduced to writing by the pharmacist or, for electronically transmitted orders, recorded in an electronic format from an optometrist to or for an ultimate user for a drug or device, containing:

1) the name and address of the patient;
2) the date of issue;
3) the name and strength or size (if applicable) of the drug or device;
4) the amount to be dispensed (unless indicated by directions and duration of therapy);
5) adequate directions for the proper use of the drug or device by the patient;
6) the name and certification number of the prescribing optometrist; and
7) the signature of the optometrist if the prescription:
   (A) is in written form, the signature of the optometrist; or
   (B) is in electronic form, the electronic signature of the optometrist.

SECTION 19. IC 25-26-20-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsections (b) and (c), unadulterated drugs that meet the requirements set forth in IC 25-26-13-25(i) IC 25-26-13-25(j) may be donated without a prescription or drug order to the regional drug repository program by the following:

1) A pharmacist or pharmacy.
2) A wholesale drug distributor.
3) A hospital licensed under IC 16-21.
4) A health care facility (as defined in IC 16-18-2-161).
5) A hospice.
6) A practitioner.

(b) An unadulterated drug that:
1) was returned under IC 25-26-13-25; and
2) was prescribed for a Medicaid recipient;
may not be donated under this section unless the Medicaid program has been credited for the product cost of the drug as provided in policies
under the Medicaid program.

(c) A controlled drug may not be donated under this section.

SECTION 20. IC 27-13-38-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Subject to IC 16-42-22:

(1) a pharmacist shall not substitute; and
(2) a health maintenance organization shall not require the substitution of;

a different single source brand name drug for a single source brand name drug written on a prescription form or electronically transmitted to a pharmacy unless the substitution is approved by the prescribing provider.

SECTION 21. IC 35-48-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Except for dosages medically required for a period of not more than forty-eight (48) hours that are dispensed by or on the direction of a practitioner or medication dispensed directly by a practitioner, other than a pharmacy, to an ultimate user, no controlled substance in schedule II may be dispensed without the written prescription of a practitioner.

(b) In emergency situations, as defined by rule of the board, schedule II drugs may be dispensed upon oral prescription of a practitioner, reduced promptly to writing and filed by the pharmacy. Prescriptions shall be retained in conformity with the requirements of section 7 of this chapter. No prescription for a schedule II substance may be refilled.

(c) Except for dosages medically required for a period of not more than forty-eight (48) hours that are dispensed by or on the direction of a practitioner, or medication dispensed directly by a practitioner, other than a pharmacy, to an ultimate user, a controlled substance included in schedule III or IV, which is a prescription drug as determined under IC 16-42-19, shall not be dispensed without a written or oral prescription of a practitioner. The prescription shall not be filled or refilled more than six (6) months after the date thereof or be refilled more than five (5) times, unless renewed by the practitioner. Prescriptions for schedule III, IV, and V controlled substances may be transmitted by facsimile from the practitioner or the agent of the practitioner to a pharmacy. The facsimile prescription is equivalent to an original prescription to the extent permitted under
federal law.
(d) A controlled substance included in schedule V shall not be distributed or dispensed other than for a medical purpose.

SECTION 22. IC 35-48-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this chapter, "identification number" refers to the following:

(1) The unique number contained on any of the following:
   (A) A valid driver's license of a recipient or a recipient's representative issued under Indiana law or the law of any other state.
   (B) A recipient's or a recipient's representative's valid military identification card.
   (C) A valid identification card of a recipient or a recipient's representative issued by:
      (i) the bureau of motor vehicles and as described in IC 9-24-16-3; or
      (ii) any other state and that is similar to the identification card issued by the bureau of motor vehicles.
   (D) If the recipient is an animal:
      (i) the valid driver's license issued under Indiana law or the law of any other state;
      (ii) the valid military identification card; or
      (iii) the valid identification card issued by the bureau of motor vehicles and described in IC 9-24-16-3 or a valid identification card of similar description that is issued by any other state;
   of the animal's owner.

(2) The identification number or phrase designated by the central repository.

SECTION 23. IC 35-48-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The advisory committee shall provide for a controlled substance prescription monitoring program that includes the following components:

(1) Each time a controlled substance designated by the advisory committee under IC 35-48-2-5 through IC 35-48-2-10 is dispensed, the dispenser shall transmit to the central repository the following information:
   (A) The recipient's name.
(B) The recipient's or the recipient representative's identification number or the identification number or phrase designated by the central repository.
(C) The recipient's date of birth.
(D) The national drug code number of the controlled substance dispensed.
(E) The date the controlled substance is dispensed.
(F) The quantity of the controlled substance dispensed.
(G) The number of days of supply dispensed.
(H) The dispenser's United States Drug Enforcement Agency registration number.
(I) The prescriber's United States Drug Enforcement Agency registration number.
(J) An indication as to whether the prescription was transmitted to the pharmacist orally or in writing.

(2) The information required to be transmitted under this section must be transmitted not more than fifteen (15) days after the date on which a controlled substance is dispensed.

(3) A dispenser shall transmit the information required under this section by:
   (A) an electronic device compatible with the receiving device of the central repository;
   (B) a computer diskette;
   (C) a magnetic tape; or
   (D) a pharmacy universal claim form;

that meets specifications prescribed by the advisory committee.

(4) The advisory committee may require that prescriptions for controlled substances be written on a one (1) part form that cannot be duplicated. However, the advisory committee may not apply such a requirement to prescriptions filled at a pharmacy with a Type II permit (as described in IC 25-26-13-17) and operated by a hospital licensed under IC 16-21, or prescriptions ordered for and dispensed to bona fide enrolled patients in facilities licensed under IC 16-28. The committee may not require multiple copy prescription forms and serially numbered prescription forms for any prescriptions written. The committee may not require different prescription forms for any individual drug or group of drugs. Prescription forms required under this
subdivision must be jointly approved by the committee and by the Indiana board of pharmacy established by IC 25-26-13-3.

(5) The costs of the program.

---

AN ACT concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "board members" refers to the members of a board referred to in subsection (b).

(b) At least three (3) board members from each of the following boards shall meet as required under subsection (e):

1. The state psychology board established under IC 25-33-1-3.
2. The social worker, marriage and family therapist, and mental health counselor board established under IC 25-23.6-2-1.

An equal number of members from each board must be present at a meeting held under subsection (e).

(c) Each board specified under subsection (b) shall elect a board member to serve as a co-chair of a meeting required under subsection (e). The board members shall meet at the call of the co-chairs. The co-chairs shall:

1. provide reasonable notice of a meeting to the board members; and
2. preside over a meeting.

(d) For a meeting under this SECTION, board members are entitled to receive the per diem allowed under IC 25-33-1-3 and IC 25-23.6-2-3 governing the respective boards specified in subsection (b).

(e) The board members shall meet at least one (1) time before
July 1, 2005, to establish, for recommendation to the legislative council:

(1) definitions of:
   (A) the term "diagnosis";
   (B) the term "assessment";
   (C) the term "psychological testing"; and
   (D) the term "appraisal instrument"; and

(2) criteria that an individual regulated by a board specified in subsection (b) should be required to meet to be authorized to:
   (A) perform an assessment;
   (B) determine a diagnosis;
   (C) perform psychological testing; and
   (D) use or administer an appraisal instrument.

(f) The board members who meet as required in subsection (e) shall submit to the legislative council not later than October 1, 2005, a report that includes the following:
   (1) Each date the board members met.
   (2) A summary of the discussions that occurred at each meeting.
   (3) A statement of the issues, definitions, criteria, or language that has been agreed upon by a majority of the board members as required under subsection (e).
   (4) A statement of any remaining issues, definitions, criteria, or language that has not been agreed upon by a majority of the board members.
   (5) Any other information requested by the legislative council.

The report must be in an electronic format under IC 5-14-6.

(g) This SECTION expires June 30, 2006.

SECTION 2. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 25-33-1-3(g) and IC 25-33-1-14, the state psychology board may not adopt new rules to establish, maintain, and update a list of restricted psychology tests and instruments (as defined in IC 25-33-1-14(b)) until after December 31, 2005.

(b) This SECTION does not effect any rules adopted by the state psychology board before the passage of this act.

(c) This SECTION expires June 30, 2006.

SECTION 3. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 25-1-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The centralization of staff, functions, and services contemplated by this chapter shall be done in such a way as to enhance the health professions bureau's Indiana professional licensing agency's ability to:

(1) make maximum use of data processing as a means of more efficient operation; and
(2) provide more services and carry out functions of superior quality.

SECTION 2. IC 25-1-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

(1) "Agency" means the Indiana professional licensing agency established by section 3 of this chapter.
(2) "Board" means any agency, board, advisory committee, or group included in section 3 of this chapter.

SECTION 3. IC 25-1-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is established the health professions bureau: Indiana professional licensing agency. The bureau agency shall perform all administrative functions, duties, and responsibilities assigned by law or rule to the executive director, secretary, or other statutory administrator of the following:

(1) Board of chiropractic examiners (IC 25-10-1).
(2) State board of dentistry (IC 25-14-1).
(3) Indiana state board of health facility administrators (IC 25-19-1).
(4) Medical licensing board of Indiana (IC 25-22.5-2).
(5) Indiana state board of nursing (IC 25-23-1).
(6) Indiana optometry board (IC 25-24).
(7) Indiana board of pharmacy (IC 25-26).
(8) Board of podiatric medicine (IC 25-29-2-1).
(9) Board of environmental health specialists (IC 25-32).
(10) Speech-language pathology and audiology board (IC 25-35.6-2).
(11) State psychology board (IC 25-33).
(12) Indiana board of veterinary medical examiners (IC 15-5-1.1).
(13) Controlled substances advisory committee (IC 35-48-2-1).
(14) Committee of hearing aid dealer examiners (IC 25-20).
(15) Indiana physical therapy committee (IC 25-27).
(16) Respiratory care committee (IC 25-34.5).
(17) Occupational therapy committee (IC 25-23.5).
(18) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).
(19) Physician assistant committee (IC 25-27.5).
(20) Indiana athletic trainers board (IC 25-5.1-2-1).
(21) Indiana dietitians certification board (IC 25-14.5-2-1).
(22) Indiana hypnotist committee (IC 25-20.5-1-7).

(b) Nothing in this chapter may be construed to give the bureau policy making authority, which authority remains with each board.

SECTION 4. IC 25-1-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The bureau shall employ necessary staff, including specialists and professionals, to carry out the administrative duties and functions of the boards, including but not limited to:

(1) notice of board meetings and other communication services;
(2) recordkeeping of board meetings, proceedings, and actions;
(3) recordkeeping of all persons licensed, regulated, or certified by a board;
(4) administration of examinations; and
(5) administration of license or certificate issuance or renewal.

(b) In addition the bureau:

(1) shall prepare a consolidated statement of the budget requests of all the boards in section 3 of this chapter;
(2) may coordinate licensing or certification renewal cycles, examination schedules, or other routine activities to efficiently
utilize bureau agency staff, facilities, and transportation resources, and to improve accessibility of board functions to the public; and

(3) may consolidate, where feasible, office space, recordkeeping, and data processing services.

(c) In administering the renewal of licenses or certificates under this chapter, the bureau agency shall send a notice of the upcoming expiration of a license or certificate to each holder of a license or certificate at least sixty (60) days before the expiration of the license or certificate. The notice must inform the holder of the license or certificate of the need to renew and the requirement of payment of the renewal fee. If this notice of expiration is not sent by the bureau agency, the holder of the license or certificate is not subject to a sanction for failure to renew if, once notice is received from the bureau agency, the license or certificate is renewed within forty-five (45) days after receipt of the notice.

(d) In administering an examination for licensure or certification, the bureau agency shall make the appropriate application forms available at least thirty (30) days before the deadline for submitting an application to all persons wishing to take the examination.

(e) The bureau agency may require an applicant for license renewal to submit evidence proving that:

(1) the applicant continues to meet the minimum requirements for licensure; and

(2) the applicant is not in violation of:

(A) the statute regulating the applicant's profession; or

(B) rules adopted by the board regulating the applicant's profession.

(f) The bureau agency shall process an application for renewal of a license or certificate:

(1) not later than ten (10) days after the bureau agency receives all required forms and evidence; or

(2) within twenty-four (24) hours after the time that an applicant for renewal appears in person at the bureau agency with all required forms and evidence.

This subsection does not require the bureau agency to issue a renewal license or certificate to an applicant if subsection (g) applies.

(g) The bureau agency may delay issuing a license renewal for up
to ninety (90) days after the renewal date for the purpose of permitting the board to investigate information received by the bureau agency that the applicant for renewal may have committed an act for which the applicant may be disciplined. If the bureau agency delays issuing a license renewal, the bureau agency shall notify the applicant that the applicant is being investigated. Except as provided in subsection (h), before the end of the ninety (90) day period, the board shall do one (1) of the following:

(1) Deny the license renewal following a personal appearance by the applicant before the board.
(2) Issue the license renewal upon satisfaction of all other conditions for renewal.
(3) Issue the license renewal and file a complaint under IC 25-1-7.
(4) Request the office of the attorney general to conduct an investigation under subsection (i) if, following a personal appearance by the applicant before the board, the board has good cause to believe that there has been a violation of IC 25-1-9-4 by the applicant.
(5) Upon agreement of the applicant and the board and following a personal appearance by the applicant before the board, renew the license and place the applicant on probation status under IC 25-1-9-9.

(h) If an individual fails to appear before the board under subsection (g), the board may take action on the applicant's license allowed under subsection (g)(1), (g)(2) or (g)(3).

(i) If the board makes a request under subsection (g)(4), the office of the attorney general shall conduct an investigation. Upon completion of the investigation, the office of the attorney general may file a petition alleging that the applicant has engaged in activity described in IC 25-1-9-4. If the office of the attorney general files a petition, the board shall set the matter for a hearing. If, after the hearing, the board finds the practitioner violated IC 25-1-9-4, the board may impose sanctions under IC 25-1-9-9. The board may delay issuing the renewal beyond the ninety (90) days after the renewal date until a final determination is made by the board. The applicant's license remains valid until the final determination of the board is rendered unless the renewal is denied or the license is summarily suspended under IC 25-1-9-10.
(j) The license of the applicant for a license renewal remains valid during the ninety (90) day period unless the license renewal is denied following a personal appearance by the applicant before the board before the end of the ninety (90) day period. If the ninety (90) day period expires without action by the board, the license shall be automatically renewed at the end of the ninety (90) day period.

(k) Notwithstanding any other statute, the bureau agency may stagger license or certificate renewal cycles. However, if a renewal cycle for a specific board or committee is changed, the bureau agency must obtain the approval of the affected board or committee.

(l) An application for a license, certificate, registration, or permit is abandoned without an action of the board, if the applicant does not complete the requirements to complete the application within one (1) year after the date on which the application was filed. However, the board may, for good cause shown, extend the validity of the application for additional thirty (30) day periods. An application submitted after the abandonment of an application is considered a new application.

SECTION 5. IC 25-1-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The bureau agency shall be administered by an executive director appointed by the governor who shall serve at the will and pleasure of the governor.

(b) The executive director must be qualified by experience and training.

(c) The term "executive director" or "secretary", or any other statutory term for the administrative officer of a board listed in section 3 of this chapter, means the executive director of the bureau agency or the executive director's designee.

(d) The executive director is the chief fiscal officer of the bureau agency and is responsible for hiring of all staff, and for procurement of all services and supplies in accordance with IC 5-22. The executive director and the employees of the bureau agency are subject to IC 4-15-1.8 but are not under IC 4-15-2. The executive director may appoint not to exceed three (3) deputy directors, who must be qualified to work for the boards which are served by the bureau agency.

(e) The executive director shall execute a bond payable to the state, with surety to consist of a surety or guaranty corporation qualified to do business in Indiana, in an amount fixed by the state board of accounts, conditioned upon the faithful performance of duties and the accounting
for all money and property that come into the executive director's hands or under the executive director's control. The executive director may likewise cause any employee of the bureau to execute a bond if that employee receives, disburses, or in any way handles funds or property of the bureau. The costs of any such bonds shall be paid from funds available to the bureau.

(f) The executive director may present to the general assembly legislative recommendations regarding operations of the bureau and the boards it serves, including adoption of four (4) year license or certificate renewal cycles wherever feasible.

(g) The executive director may execute orders, subpoenas, continuances, and other legal documents on behalf of a board or committee when requested to do so by the board or committee.

(h) The executive director or the executive director's designee may, upon request of a board or committee, provide advice and technical assistance on issues that may be presented to the boards or committees.

SECTION 6. IC 25-1-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The executive director may designate certain employees of the bureau to represent the executive director of the bureau at the board meetings, proceedings, or other activities of the board.

(b) The executive director shall assign staff to individual boards and shall work with the boards to ensure efficient utilization and placement of staff.

SECTION 7. IC 25-1-5-10, AS AMENDED BY HEA 1137-2005, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) As used in this section, "provider" means an individual licensed, certified, registered, or permitted by any of the following:

1. Board of chiropractic examiners (IC 25-10-1).
2. State board of dentistry (IC 25-14-1).
3. Indiana state board of health facility administrators (IC 25-19-1).
4. Medical licensing board of Indiana (IC 25-22.5-2).
5. Indiana state board of nursing (IC 25-23-1).
7. Indiana board of pharmacy (IC 25-26).
8. Board of podiatric medicine (IC 25-29-2-1).
(9) Board of environmental health specialists (IC 25-32-1).
(10) Speech-language pathology and audiology board (IC 25-35.6-2).
(11) State psychology board (IC 25-33).
(12) Indiana board of veterinary medical examiners (IC 15-5-1.1).
(13) Indiana physical therapy committee (IC 25-27).
(14) Respiratory care committee (IC 25-34.5).
(15) Occupational therapy committee (IC 25-23.5).
(16) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).
(17) Physician assistant committee (IC 25-27.5).
(18) Indiana athletic trainers board (IC 25-5.1-2-1).
(19) Indiana dietitians certification board (IC 25-14.5-2-1).
(20) Indiana hypnotist committee (IC 25-20.5-1-7).

(b) The bureau agency shall create and maintain a provider profile for each provider described in subsection (a).

(c) A provider profile must contain the following information:
   (1) The provider's name.
   (2) The provider's license, certification, registration, or permit number.
   (3) The provider's license, certification, registration, or permit type.
   (4) The date the provider's license, certification, registration, or permit was issued.
   (5) The date the provider's license, certification, registration, or permit expires.
   (6) The current status of the provider's license, certification, registration, or permit.
   (7) The provider's city and state of record.
   (8) A statement of any disciplinary action taken against the provider within the previous ten (10) years by a board or committee described in subsection (a).

(d) The bureau agency shall make provider profiles available to the public.

(e) The computer gateway administered by the office of technology established by IC 4-13.1-2-1 shall make the information described in subsection (c)(1), (c)(2), (c)(3), (c)(6), (c)(7), and (c)(8) generally available to the public on the Internet.
(f) The bureau agency may adopt rules under IC 4-22-2 to implement this section.

SECTION 8. IC 25-1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter:

"Board" means any agency, board, advisory committee, or group included in section 3 of this chapter.

"Licensing agency" means the Indiana professional licensing agency created by section 3 of this chapter: IC 25-1-5-3.

SECTION 9. IC 25-1-6-3, AS AMENDED BY SEA 139-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is established The Indiana professional licensing agency The licensing agency shall perform all administrative functions, duties, and responsibilities assigned by law or rule to the executive director, secretary, or other statutory administrator of the following:

1. Indiana board of accountancy (IC 25-2.1-2-1).
2. Board of registration for architects and landscape architects (IC 25-4-1-2).
3. Indiana auctioneer commission (IC 25-6.1-2-1).
4. State board of barber examiners (IC 25-7-5-1).
5. State boxing commission (IC 25-9-1).
6. State board of cosmetology examiners (IC 25-8-3-1).
8. State board of registration for professional engineers (IC 25-31-1-3).
9. Indiana plumbing commission (IC 25-28.5-1-3).
10. Indiana real estate commission (IC 25-34.1).
11. Real estate appraiser licensure and certification board (IC 25-34.1-8-1).
12. Private detectives licensing board (IC 25-30-1-5.1).
14. Manufactured home installer licensing board (IC 25-23.7).
15. Home inspectors licensing board (IC 25-20.2-3-1).

(b) Nothing in this chapter may be construed to give the licensing agency policy making authority, which remains with each board.

SECTION 10. IC 25-1-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The bureau
licensing agency and the boards may allow the department of state revenue access to the name of each person who:

(1) is licensed under this chapter or IC 25-1-5; or
(2) has applied for a license under this chapter or IC 25-1-5.

(b) If the department of state revenue notifies the bureau licensing agency that a person is on the most recent tax warrant list, the bureau licensing agency may not issue or renew the person's license until:

(1) the person provides to the bureau licensing agency a statement from the department of revenue that the person's delinquent tax liability has been satisfied; or
(2) the bureau licensing agency receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

SECTION 11. IC 25-1-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Subsection (b)(1) does not apply to:

(1) a complaint filed by:
   (A) a member of any of the boards listed in section 1 of this chapter; or
   (B) the health professions bureau; Indiana professional licensing agency; or
(2) a complaint filed under IC 25-1-5-4.

(b) The director has the following duties and powers:

(1) The director shall make an initial determination as to the merit of each complaint. A copy of a complaint having merit shall be submitted to the board having jurisdiction over the licensee's regulated occupation, that board thereby acquiring jurisdiction over the matter except as otherwise provided in this chapter.

(2) The director shall through any reasonable means notify the licensee of the nature and ramifications of the complaint and of the duty of the board to attempt to resolve the complaint through negotiation.

(3) The director shall report any pertinent information regarding the status of the complaint to the complainant.

(4) The director may investigate any written complaint against a licensee. The investigation shall be limited to those areas in which there appears to be a violation of statutes governing the regulated occupation.
(5) **The director** has the power to subpoena witnesses and to send for and compel the production of books, records, papers, and documents for the furtherance of any investigation under this chapter. The circuit or superior court located in the county where the subpoena is to be issued shall enforce any such subpoena by the director.

SECTION 12. IC 25-1-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section does not apply to:

1. a complaint filed by:
   1. a member of any of the boards listed in section 1 of this chapter; or
   2. the health professions bureau: Indiana professional licensing agency; or
2. a complaint filed under IC 25-1-5-4.

(b) If, at any time before the director files his the director's recommendations with the attorney general, the board files with the director a statement signed by the licensee and the complainant that the complaint has been resolved, the director shall not take further action. For a period of thirty (30) days after the director has notified the board and the licensee that a complaint has been filed, the division shall not conduct any investigation or take any action whatsoever, unless requested by the board. If, during the thirty (30) days, the board requests an extension of the thirty (30) day time period, the director shall grant it for a period not exceeding an additional twenty (20) days. If at any time during the thirty (30) day period or an extension thereof, the board notifies the director of its intention not to proceed further to resolve the complaint, the division may proceed immediately under this chapter. For every purpose of this section, a board may designate a board member or staff member to act on behalf of or in the name of the board.

SECTION 13. IC 25-1-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) As used in this section, "board" has the meaning set forth in IC 25-1-4-0.3.

(b) This section does not apply to a license, certificate, or registration that has been revoked or suspended.

(c) Notwithstanding any other law regarding the reinstatement of a delinquent or lapsed license, certificate, or registration, the holder of
a license, certificate, or registration that was issued by the board that is three (3) years or less delinquent must be reinstated upon meeting the following requirements:

(1) Submission of the holder's completed renewal application.
(2) Payment of the current renewal fee established by the board under section 2 of this chapter.
(3) Payment of a reinstatement fee established by the health professions bureau, Indiana professional licensing agency.
(4) If a law requires the holder to complete continuing education as a condition of renewal, the holder shall provide the board with a sworn statement, signed by the holder, that the holder has fulfilled the continuing education requirements required by the board for the current renewal period.

(d) Notwithstanding any other law regarding the reinstatement of a delinquent or lapsed license, certificate, or registration, unless a statute specifically does not allow a license, certificate, or registration to be reinstated if it has lapsed for more than three (3) years, the holder of a license, certificate, or registration that was issued by the board that is more than three (3) years delinquent must be reinstated upon meeting the following requirements:

(1) Submission of the holder's completed renewal application.
(2) Payment of the current renewal fee established by the board under section 2 of this chapter.
(3) Payment of a reinstatement fee equal to the current initial application fee.
(4) If a law requires the holder to complete continuing education as a condition of renewal, the holder shall provide the board with a sworn statement, signed by the holder, that the holder has fulfilled the continuing education requirements required by the board for the current renewal period.
(5) Complete such remediation and additional training as deemed appropriate by the board given the lapse of time involved.
(6) Any other requirement that is provided for in statute or rule that is not related to fees.

SECTION 14. IC 25-1-9-6.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.9. In addition to the actions listed under section 4 of this chapter that subject a practitioner to disciplinary sanctions, a practitioner is subject to the exercise of
disciplinary sanctions under section 9 of this chapter if, after a hearing, the board finds that the practitioner has:

(1) failed to provide information requested by the bureau; Indiana professional licensing agency; or

(2) knowingly provided false information to the bureau; Indiana professional licensing agency;

for a provider profile required under IC 25-1-5-10.

SECTION 15. IC 25-1-5-8 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 16. [EFFECTIVE JULY 1, 2005] (a) The rules adopted by the health professions bureau before July 1, 2005, and in effect on June 30, 2005, shall be treated after June 30, 2005, as the rules of the Indiana professional licensing agency.

(b) On July 1, 2005, the Indiana professional licensing agency becomes the owner of all of the property of the health professions bureau. An appropriation made to the health professions bureau shall be treated after June 30, 2005, as an appropriation to the Indiana professional licensing agency.

(c) Any reference in a law, a rule, a license, a registration, a certification, or an agreement to the health professions bureau shall be treated after June 30, 2005, as a reference to the Indiana professional licensing agency.

SECTION 17. [EFFECTIVE JULY 1, 2005] (a) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to make conforming statutory changes, as needed, to reconcile the statutes with this act.

(b) This SECTION expires June 30, 2007.
AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-3.5-1.1-1.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units and school corporations in the county, the allocation amount for a civil taxing unit or school corporation is the amount determined using the following formula:

STEP ONE: Determine the sum of the total property taxes being collected by the civil taxing unit or school corporation during the calendar year of the distribution.

STEP TWO: Determine the sum of the following:
(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).
(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).
(C) The proceeds of any property that are:
   (i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and
   (ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:
(A) the STEP THREE amount; plus
(B) the civil taxing unit's or school corporation's certified distribution for the previous calendar year.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit or school corporation if:

(1) the debt obligation was issued; and

(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit or school corporation if:

(1) the lease was issued; and

(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

SECTION 2. IC 6-3.5-1.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Revenue derived from the imposition of the county adjusted gross income tax shall, in
the manner prescribed by this section, be distributed to the county that
imposed it. The amount to be distributed to a county during an ensuing
calendar year equals the amount of county adjusted gross income tax
revenue that the department, after reviewing the recommendation of the
budget agency, determines has been:

(1) received from that county for a taxable year ending before the
calendar year in which the determination is made; and
(2) reported on an annual return or amended return processed by
the department in the state fiscal year ending before July 1 of the
calendar year in which the determination is made;
as adjusted (as determined after review of the recommendation of the
budget agency) for refunds of county adjusted gross income tax made
in the state fiscal year.

(b) Before August 2 of each calendar year, the department, after
reviewing the recommendation of the budget agency, shall certify to the
county auditor of each adopting county the amount determined under
subsection (a) plus the amount of interest in the county’s account that
has accrued and has not been included in a certification made in a
preceding year. The amount certified is the county’s “certified
distribution” for the immediately succeeding calendar year. The amount
certified shall be adjusted under subsections (c), (d), (e), (f), and (g).
The department shall provide with the certification an informative
summary of the calculations used to determine the certified
distribution.

(c) The department shall certify an amount less than the amount
determined under subsection (b) if the department, after reviewing the
recommendation of the budget agency, determines that the reduced
distribution is necessary to offset overpayments made in a calendar
year before the calendar year of the distribution. The department, after
reviewing the recommendation of the budget agency, may reduce the
amount of the certified distribution over several calendar years so that
any overpayments are offset over several years rather than in one (1)
lump sum.

(d) The department, after reviewing the recommendation of the
budget agency, shall adjust the certified distribution of a county to
correct for any clerical or mathematical errors made in any previous
certification under this section. The department, after reviewing the
recommendation of the budget agency, may reduce the amount of the
certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide the county with the distribution required under section 10(b) of this chapter.

(f) This subsection applies to a county that:

1. initially imposes the county adjusted gross income tax; or
2. increases the county adjusted income tax rate;

under this chapter in the same calendar year in which the department makes a certification under this section. The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The department shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c).

(g) The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide the county with the distribution required under section 3.3 of this chapter beginning not later than the tenth month after the month in which additional revenue from the tax authorized under section 3.3 of this chapter is initially collected.

SECTION 3. IC 6-3.5-1.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. (a) The part of a county's certified distribution for a calendar year that is to be used as property tax replacement credits shall be allocated by the county auditor among the civil taxing units and school corporations of the county.

(b) Except as provided in section 13 of this chapter, the amount of property tax replacement credits that each civil taxing unit and school corporation in a county is entitled to receive during a calendar year equals the product of:

1. that part of the county's certified distribution that is dedicated to providing property tax replacement credits for that same calendar year; multiplied by
2. a fraction:
(A) The numerator of the fraction equals the sum of the total property taxes being collected by the civil taxing unit or school corporation during that calendar year, plus with respect to a civil taxing unit, the amount of federal revenue sharing funds and certified shares received by it during that calendar year to the extent that they are used to reduce its property tax levy below the limit imposed by IC 6-1.1-18.5 for that same calendar year, allocation amount for the civil taxing unit or school corporation during that calendar year.

(B) The denominator of the fraction equals the sum of the total property taxes being collected by all civil taxing units and school corporations, plus the amount of federal revenue sharing funds and certified shares received by all civil taxing units in the county to the extent that they are used to reduce the civil taxing units' property tax levies below the limits imposed by IC 6-1.1-18.5 for that same calendar year, allocation amounts for all the civil taxing units and school corporations of the county for that calendar year.

(c) The department of local government finance shall provide each county auditor with the amount of property tax replacement credits that each civil taxing unit and school corporation in the auditor’s county is entitled to receive under this section. The county auditor shall then certify to each civil taxing unit and school corporation the amount of property tax replacement credits it is entitled to receive (after adjustment made under section 13 of this chapter) under this section during that calendar year. The county auditor shall also certify these distributions to the county treasurer.

SECTION 4. IC 6-3.5-1.1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 14. (a) In determining the amount of property tax replacement credits civil taxing units and school corporations of a county are entitled to receive during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property that was assessed in that county.

(b) If a civil taxing unit or a school corporation is located in more than one (1) county and receives property tax replacement credits from one (1) or more of the counties, then the property tax replacement credits received from each county shall be used only to reduce the
property tax rates that are imposed within the county that distributed the property tax replacement credits.

(c) A civil taxing unit shall treat any property tax replacement credits that it receives or is to receive during a particular calendar year as a part of its property tax levy for that same calendar year for purposes of fixing its budget and for purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

(d) Subject to subsection (e), if a civil taxing unit or school corporation of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which property tax replacement credits are being distributed, the civil taxing unit or school corporation is entitled to use the property tax replacement credits distributed to the civil taxing unit or school corporation for any purpose for which a property tax levy could be used.

(e) A school corporation shall treat any property tax replacement credits that the school corporation receives or is to receive during a particular calendar year as a part of its property tax levy for its general fund, debt service fund, capital projects fund, transportation fund, school bus replacement fund, and special education preschool fund in proportion to the levy for each of these funds for that same calendar year for purposes of fixing its budget and for purposes of the property tax levy limits imposed by IC 6-1.1-19. A school corporation shall allocate the property tax replacement credits described in this subsection to all five (5) six (6) funds in proportion to the levy for each fund.

SECTION 5. IC 6-3.5-1.1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 15. (a) As used in this section, "attributed levy" "attributed allocation amount" of a civil taxing unit for a calendar year means the sum of:

(1) the ad valorem property tax levy of the civil taxing unit that is currently being collected at the time the allocation is made; plus the allocation amount of the civil taxing unit for that calendar year; plus

(2) the current ad valorem property tax levy of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus
(3) the amount of federal revenue sharing funds and certified shares that were used by the civil taxing unit (or any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit) to reduce its ad valorem property tax levies below the limits imposed by IC 6-1.1-18.5; plus
(4) (3) in the case of a county, an amount equal to the property taxes imposed by the county in 1999 for the county’s welfare fund and welfare administration fund.

(b) The part of a county’s certified distribution that is to be used as certified shares shall be allocated only among the county’s civil taxing units. Each civil taxing unit of a county is entitled to receive a percentage of the certified shares to be distributed in the county equal to the ratio of its attributed levy to the total attributed levies of all civil taxing units of the county-certified share during a calendar year in an amount determined in STEP TWO of the following formula:

STEP ONE: Divide:
(A) the attributed allocation amount of the civil taxing unit during that calendar year; by
(B) the sum of the attributed allocation amounts of all the civil taxing units of the county during that calendar year.

STEP TWO: Multiply the part of the county’s certified distribution that is to be used as certified shares by the STEP ONE amount.

(c) The local government tax control board established by IC 6-1.1-18.5-11 shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (b)(2), (a)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed levy allocation amount of its own. The local government tax control board shall certify the attributed levy allocation amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of the auditor’s county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the
calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed levy allocation amount.

SECTION 6. IC 6-3.5-6-1.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units in the county, the allocation amount for a civil taxing unit is the amount determined using the following formula:

STEP ONE: Determine the total property taxes that are first due and payable to the civil taxing unit during the calendar year of the distribution plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP TWO: Determine the sum of the following:

(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).

(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).

(C) The proceeds of any property that are:
    (i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and
    (ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the civil taxing unit or school corporation's certified distribution for the previous calendar year.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation
is not deducted from the allocation amount for a civil taxing unit if:

(1) the debt obligation was issued; and
(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit if:

(1) the lease was issued; and
(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if it had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

SECTION 7. IC 6-3.5-6-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Revenue derived from the imposition of the county option income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of county option income tax revenue that the department, after reviewing the recommendation of the budget agency, determines has been:

(1) received from that county for a taxable year ending in a
calendar year preceding the calendar year in which the
determination is made; and
(2) reported on an annual return or amended return processed by
the department in the state fiscal year ending before July 1 of the
calendar year in which the determination is made;
as adjusted (as determined after review of the recommendation of the
budget agency) for refunds of county option income tax made in the
state fiscal year.

(b) Before August 2 of each calendar year, the department, after
reviewing the recommendation of the budget agency, shall certify to the
county auditor of each adopting county the amount determined under
subsection (a) plus the amount of interest in the county's account that
has accrued and has not been included in a certification made in a
preceding year. The amount certified is the county's "certified
distribution" for the immediately succeeding calendar year. The amount
certified shall be adjusted, as necessary, under subsections (c), (d), and
(e). The department shall provide with the certification an informative
summary of the calculations used to determine the certified
distribution.

(c) The department shall certify an amount less than the amount
determined under subsection (b) if the department, after reviewing the
recommendation of the budget agency, determines that the reduced
distribution is necessary to offset overpayments made in a calendar
year before the calendar year of the distribution. The department, after
reviewing the recommendation of the budget agency, may reduce the
amount of the certified distribution over several calendar years so that
any overpayments are offset over several years rather than in one (1)
lump sum.

(d) The department, after reviewing the recommendation of the
budget agency, shall adjust the certified distribution of a county to
correct for any clerical or mathematical errors made in any previous
certification under this section. The department, after reviewing the
recommendation of the budget agency, may reduce the amount of the
certified distribution over several calendar years so that any adjustment
under this subsection is offset over several years rather than in one (1)
lump sum.

(e) This subsection applies to a county that:

(1) initially imposed a **county option income** tax; or
(2) increases the county option income tax rate;
under this chapter in the same calendar year in which the department
makes a certification under this section. The department, after
reviewing the recommendation of the budget agency, shall adjust the
certified distribution of a county to provide for a distribution in the
immediately following calendar year and in each calendar year
thereafter. The department shall provide for a full transition to
certification of distributions as provided in subsection (a)(1) through
(a)(2) in the manner provided in subsection (c).

(f) One-twelfth (1/12) of each adopting county's certified
distribution for a calendar year shall be distributed from its account
established under section 16 of this chapter to the appropriate county
treasurer on the first day of each month of that calendar year.

(g) Upon receipt, each monthly payment of a county's certified
distribution shall be allocated among, distributed to, and used by the
civil taxing units of the county as provided in sections 18 and 19 of this
chapter.

(h) All distributions from an account established under section 16
of this chapter shall be made by warrants issued by the auditor of state
to the treasurer of state ordering the appropriate payments.

SECTION 8. IC 6-3.5-6-18 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 18. (a) The
revenue a county auditor receives under this chapter shall be used to:

(1) replace the amount, if any, of property tax revenue lost due to
the allowance of an increased homestead credit within the county;
(2) fund the operation of a public communications system and
computer facilities district as provided in an election, if any, made
by the county fiscal body under IC 36-8-15-19(b);
(3) fund the operation of a public transportation corporation as
provided in an election, if any, made by the county fiscal body
under IC 36-9-4-42;
(4) make payments permitted under IC 36-7-15.1-17.5;
(5) make payments permitted under subsection (i); and
(6) make distributions of distributive shares to the civil taxing
units of a county.

(b) The county auditor shall retain from the payments of the county's
certified distribution, an amount equal to the revenue lost, if any, due
to the increase of the homestead credit within the county. This money
shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (i), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county’s certified distribution for that same calendar year. The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:

1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by

2) A fraction. The numerator of the fraction equals the total property taxes that are first due and payable to the civil taxing unit during the calendar year in which the month falls; plus; for a county, an amount equal to the property taxes imposed by the county in 1999 for the county’s welfare fund and welfare administration fund; allocation amount for the civil taxing unit for the calendar year in which the month falls. The denominator of the fraction equals the sum of the total property taxes that are first due and payable to all civil taxing units of the county during the calendar year in which the month falls; plus an amount equal to the property taxes imposed by the county in 1999 for the county’s welfare fund and welfare administration fund; allocation amounts of all the civil taxing units of the county for the calendar year in which the month falls.

(f) The department of local government finance shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor’s county is entitled to receive monthly under this section.

(g) Notwithstanding subsection (e), if a civil taxing unit of an adopting county does not impose a property tax levy that is first due
and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

1. The amount to be distributed as distributive shares during that month; multiplied by
2. A fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

SECTION 9. IC 6-3.5-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Revenue derived from the imposition of the county economic development income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it.

(b) Before August 2 of each calendar year, the department, after reviewing the recommendation of the budget agency, shall certify to the county auditor of each adopting county the sum of the amount of county economic development income tax revenue that the department determines has been:
(1) received from that county for a taxable year ending before the
calendar year in which the determination is made; and
(2) reported on an annual return or amended return processed by
the department in the state fiscal year ending before July 1 of the
calendar year in which the determination is made;
as adjusted (as determined after review of the recommendation of the
budget agency) for refunds of county economic development income
tax made in the state fiscal year plus the amount of interest in the
county's account that has been accrued and has not been included in a
certification made in a preceding year. The amount certified is the
county's certified distribution, which shall be distributed on the dates
specified in section 16 of this chapter for the following calendar year.
The amount certified shall be adjusted under subsections (c), (d), (e),
(f), and (g). The department shall provide with the certification an
informative summary of the calculations used to determine the certified
distribution.

(c) The department shall certify an amount less than the amount
determined under subsection (b) if the department, after reviewing the
recommendation of the budget agency, determines that the reduced
distribution is necessary to offset overpayments made in a calendar
year before the calendar year of the distribution. The department, after
reviewing the recommendation of the budget agency, may reduce the
amount of the certified distribution over several calendar years so that
any overpayments are offset over several years rather than in one (1)
lump sum.

(d) After reviewing the recommendation of the budget agency, the
department shall adjust the certified distribution of a county to correct
for any clerical or mathematical errors made in any previous
certification under this section. The department, after reviewing the
recommendation of the budget agency, may reduce the amount of the
certified distribution over several calendar years so that any adjustment
under this subsection is offset over several years rather than in one (1)
lump sum.

(e) The department, after reviewing the recommendation of the
budget agency, shall adjust the certified distribution of a county to
provide the county with the distribution required under section 16(b)
of this chapter.

(f) The department, after reviewing the recommendation of the
budget agency, shall adjust the certified distribution of a county to provide the county with the amount of any tax increase imposed under section 25 or 26 of this chapter to provide additional homestead credits as provided in those provisions.

(g) This subsection applies to a county that:

(1) initially imposed the county economic development income tax; or

(2) increases the county economic development income rate;

under this chapter in the same calendar year in which the department makes a certification under this section. The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The department shall provide for a full transition to certification of distributions as provided in subsection (b)(1) through (b)(2) in the manner provided in subsection (c).

SECTION 10. [EFFECTIVE JANUARY 1, 2006] (a) The definitions in IC 6-3.5 apply throughout this SECTION.

(b) IC 6-3.5-1.1-12, IC 6-3.5-1.1-14, and IC 6-3.5-1.1-15, all as amended by this act, and IC 6-3.5-1.1-1.1, as added by this act, apply to the allocation among the civil taxing units and school corporations of the certified distribution of county adjusted gross income tax revenue made to a county for a year beginning after December 31, 2005.

(c) IC 6-3.5-6-18, as amended by this act, and IC 6-3.5-6-1.1, as added by this act, apply to the allocation among the civil taxing units of the certified distribution of county option income tax revenue made to a county for a year beginning after December 31, 2005.

SECTION 11. [EFFECTIVE UPON PASSAGE] Notwithstanding IC 6-3.5-6-17(b) and IC 6-3.5-7-11(b), the department of state revenue shall, before August 2, 2005, adjust the certified distribution of a county made on or before August 2, 2004, in accordance with IC 6-3.5-6-17(e) and IC 6-3.5-7-11(g), both as amended by this act.

SECTION 12. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning environment.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-1.1-45.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 45.5. Brownfield Tax Reduction or Waiver

Sec. 1. As used in this chapter:
(1) "board" refers to the county property tax assessment board of appeals;
(2) "brownfield" has the meaning set forth in IC 13-11-2-19.3;
(3) "contaminant" has the meaning set forth in IC 13-11-2-42;
(4) "delinquent tax liability" means:
   (A) delinquent property taxes;
   (B) delinquent special assessments;
   (C) interest;
   (D) penalties; and
   (E) costs;
assessed against a brownfield and entered on the tax duplicate that a person seeks to have waived or reduced by filing a petition under section 2 of this chapter;
(5) "department" refers to the department of local government finance, unless the specific reference is to the department of environmental management; and
(6) "fiscal body" refers to the fiscal body of:
   (A) the city if the brownfield is located in a city;
   (B) the town if the brownfield is located in a town; or
   (C) the county if the brownfield is not located in a city or town.

Sec. 2. A person that owns or desires to own a brownfield may file a petition with the county auditor seeking a reduction or waiver of the delinquent tax liability. The petition must:
(1) be on a form:
   (A) prescribed by the state board of accounts; and
   (B) approved by the department;

(2) state:
   (A) the amount of the delinquent tax liability; and
   (B) when the delinquent tax liability arose;

(3) describe:
   (A) the manner in which; and
   (B) when;

the petitioner acquired or proposes to acquire the brownfield;

(4) describe the conditions existing on the brownfield that
   have prevented the sale or the transfer of title to the county;

(5) describe the plan of the petitioner for:
   (A) addressing any contaminants on the brownfield; and
   (B) the intended use of the brownfield;

(6) include the date by which the plan referred to in
   subdivision (5) will be completed;

(7) include a statement from the department of environmental
   management that the property is a brownfield;

(8) state whether the petitioner:
   (A) has had an ownership interest in an entity that
       contributed; or
   (B) has contributed;

   to the contaminant or contaminants on the brownfield;

(9) state whether any part of the delinquent tax liability can
   reasonably be collected from a person other than the
   petitioner;

(10) state that the petitioner seeks:
    (A) a waiver of the delinquent tax liability; or
    (B) a reduction of the delinquent tax liability in a specified
        amount; and

(11) be accompanied by a fee in an amount established by the
    county auditor for:
    (A) completing a title search; and
    (B) processing the petition.

Sec. 3. On receipt of a petition under section 2 of this chapter,
the county auditor shall determine whether the petition is
complete. If the petition is not complete, the county auditor shall
return the petition to the petitioner and describe the defects in the
petition. The petitioner may correct the defects and file the completed petition with the county auditor. On receipt of a complete petition, the county auditor shall forward a copy of the complete petition to:

1. the assessor of the township in which the brownfield is located;
2. the owner, if different from the petitioner;
3. all persons that have, as of the date of the filing of the petition, a substantial property interest of public record in the brownfield;
4. the board;
5. the fiscal body;
6. the department of environmental management; and
7. the department.

Sec. 4. On receipt of a complete petition as provided under sections 2 and 3 of this chapter, the board shall at its earliest opportunity conduct a public hearing on the petition. The board shall give notice of the date, time, and place fixed for the hearing:

1. by mail to:
   A. the petitioner;
   B. the owner, if different from the petitioner;
   C. all persons that have, as of the date the petition was filed, a substantial interest of public record in the brownfield; and
   D. the assessor of the township in which the brownfield is located; and
2. under IC 5-3-1.

Sec. 5. (a) Subject to section 8(g) of this chapter, the board may recommend that the department grant the petition or that the department approve a reduction of the delinquent tax liability in an amount less than the amount sought by the petitioner if the board determines that:

1. the brownfield was acquired or is proposed to be acquired as a result of:
   A. sale or abandonment in a bankruptcy proceeding;
   B. foreclosure or a sheriff's sale;
   C. receivership; or
   D. purchase from a political subdivision;
2. the plan referred to in section 2(5) of this chapter is in the
best interest of the community;
(3) the waiver or reduction of the delinquent tax liability:
   (A) is in the public interest; and
   (B) will facilitate development or use of the brownfield;
(4) the petitioner:
   (A) has not had an ownership interest in an entity that
       contributed; and
   (B) has not contributed;
   to the contaminant or contaminants on the brownfield;
(5) the department of environmental management has
   determined that the property is a brownfield;
(6) if the petitioner is the owner of the brownfield, the
   delinquent tax liability sought to be waived or reduced arose
   before the petitioner's acquisition of the brownfield; and
(7) no part of the delinquent tax liability can reasonably be
   collected from a person other than the owner of the
   brownfield.

(b) After the hearing and completion of any additional
   investigation of the brownfield or of the petitioner that the board
   considers necessary, the board shall:
   (1) give notice, by mail, to the parties listed in section 4(1) of
       this chapter of the board's recommendation that:
       (A) the fiscal body deny the petition; or
       (B) the department:
          (i) deny the petition;
          (ii) waive the delinquent tax liability, subject to section
                8(g) of this chapter; or
          (iii) reduce the delinquent tax liability by a specified
                 amount, subject to section 8(g) of this chapter; and
   (2) forward to the department and the fiscal body a copy of:
       (A) the board's recommendation; and
       (B) the documents submitted to or collected by the board
           at the public hearing or during the course of the board's
           investigation of the brownfield or of the petitioner.

Sec. 6. (a) The fiscal body shall at a regularly scheduled
   meeting:
   (1) review the petition and all other materials submitted by
       the board under section 5 of this chapter; and
   (2) determine whether to:
(A) deny the petition;
(B) recommend that the department waive the delinquent tax liability, subject to section 8(g) of this chapter; or
(C) recommend that the department reduce the delinquent tax liability by a specified amount, subject to section 8(g) of this chapter.

The fiscal body may recommend a reduction of the delinquent tax liability in an amount that differs from the amount of reduction recommended by the board.

(b) The fiscal body shall:
   (1) publish notice under IC 5-3-1 of its consideration of the petition under this section; and
   (2) forward to the department written notice of its action under this section.

Sec. 7. (a) On receipt by the department of a recommendation by the fiscal body to waive or reduce the delinquent tax liability, the department shall:
   (1) review:
      (A) the petition and all other materials submitted by the board; and
      (B) the notice received from the fiscal body; and
   (2) subject to subsection (b), determine whether to:
      (A) deny the petition;
      (B) waive the delinquent tax liability, subject to section 8(g) of this chapter; or
      (C) reduce the delinquent tax liability by a specified amount, subject to section 8(g) of this chapter.

The department may reduce the delinquent tax liability in an amount that differs from the amount of reduction recommended by the board or the fiscal body.

(b) The department's determination to waive or reduce the delinquent tax liability under subsection (a) is subject to the limitation in section 8(f)(2) of this chapter.

Sec. 8. (a) The department shall give notice of its determination under section 7 of this chapter and the right to seek an appeal of the determination by mail to:
   (1) the petitioner;
   (2) the owner, if different from the petitioner;
   (3) all persons that have, as of the date the petition was filed
under section 2 of this chapter, a substantial property interest of public record in the brownfield;
(4) the assessor of the township in which the brownfield is located;
(5) the board;
(6) the fiscal body; and
(7) the county auditor.

(b) A person aggrieved by a determination of the department under section 7 of this chapter may obtain an additional review by the department and a public hearing by filing a petition for review with the county auditor of the county in which the brownfield is located not more than thirty (30) days after the department gives notice of the determination under subsection (a). The county auditor shall transmit the petition to the department not more than ten (10) days after the petition is filed.

(c) On receipt by the department of a petition for review, the department shall set a date, time, and place for a hearing. At least ten (10) days before the date fixed for the hearing, the department shall give notice by mail of the date, time, and place fixed for the hearing to:

(1) the person that filed the appeal;
(2) the petitioner;
(3) the owner, if different from the petitioner;
(4) all persons that have, as of the date the petition is filed, a substantial interest of public record in the brownfield;
(5) the assessor of the township in which the brownfield is located;
(6) the board;
(7) the fiscal body; and
(8) the county auditor.

(d) After the hearing, the department shall give the parties listed in subsection (c) notice by mail of the final determination of the department. The department's final determination under this subsection is subject to the limitations in subsections (f)(2) and (g).

(e) The petitioner under section 2 of this chapter shall provide to the county auditor reasonable proof of ownership of the brownfield:

(1) if a petition is not filed under subsection (b), at least thirty (30) days but not more than one hundred twenty (120) days
after notice is given under subsection (a); or
(2) after notice is given under subsection (d) but not more than ninety (90) days after notice is given under subsection (d).

(f) The county auditor:
(1) shall, subject to subsection (g), reduce or remove the delinquent tax liability on the tax duplicate in the amount stated in:
   (A) if a petition is not filed under subsection (b), the determination of the department under section 7 of this chapter; or
   (B) the final determination of the department under this section;
   not more than thirty (30) days after receipt of the proof of ownership required in subsection (e); and
(2) may not reduce or remove any delinquent tax liability on the tax duplicate if the petitioner under section 2 of this chapter fails to provide proof of ownership as required in subsection (e).

(g) A reduction or removal of delinquent tax liability under subsection (f) applies until the county auditor makes a determination under this subsection. After the date referred to in section 2(6) of this chapter, the county auditor shall determine if the petitioner successfully completed the plan described in section 2(5) of this chapter by that date. If the county auditor determines that the petitioner completed the plan by that date, the reduction or removal of delinquent tax liability under subsection (f) becomes permanent. If the county auditor determines that the petitioner did not complete the plan by that date, the county auditor shall restore to the tax duplicate the delinquent taxes reduced or removed under subsection (f), along with interest in the amount that would have applied if the delinquent taxes had not been reduced or removed.

Sec. 9. As provided in IC 6-1.5-5-1, a petitioner under section 2 of this chapter may initiate an appeal of the department’s final determination under section 8 of this chapter by filing a petition with the county assessor not more than forty-five (45) days after the department gives the petitioner notice of the final determination.

SECTION 2. IC 6-1.5-5-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The Indiana board shall conduct impartial review of all appeals of final determinations of the department of local government finance made under the following:

1. IC 6-1.1-8.
2. IC 6-1.1-14-11.
3. IC 6-1.1-16.
4. IC 6-1.1-26-2.
5. IC 6-1.1-45-6.

(b) Each notice of final determination issued by the department of local government finance under a statute listed in subsection (a) must give the taxpayer notice of:
1. the opportunity for review under this section; and
2. the procedures the taxpayer must follow in order to obtain review under this section.

(c) Except as provided in subsection (e), in order to obtain a review by the Indiana board under this section, the taxpayer must file a petition for review with the appropriate county assessor not later than forty-five (45) days after the notice of the department of local government finance's action is given to the taxpayer.

(d) The county assessor shall transmit a petition for review under subsection (c) to the Indiana board not later than ten (10) days after the petition is filed.

(e) In order to obtain a review by the Indiana board of an appeal of a final determination of the department of local government finance under IC 6-1.1-8-30, the public utility company must follow the procedures in IC 6-1.1-8-30.

SECTION 3. IC 6-3.1-23-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under:

1. IC 6-2.5 (the state gross retail and use tax);
2. IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
3. IC 6-5-3 (the financial institutions tax); and
4. IC 27-1-18-2 (the insurance premiums tax);

for a listed tax (as defined in IC 6-8.1-1-1), as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.
SECTION 4. IC 6-3.1-23-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 5. (a) A taxpayer is entitled to a credit equal to the amount determined under section 6 of this chapter against the taxpayer's state tax liability for a taxable year if the following requirements are satisfied:

(1) The taxpayer does the following:

(A) Makes a qualified investment in that taxable year.
(B) Makes a good faith attempt to recover the costs of the environmental damages from the liable parties.
(C) Submits a plan to the legislative body that describes the following to the Indiana development finance authority:
   (i) describes a description of the taxpayer's proposed redevelopment of the property.
   (ii) indicates the sources and amounts of money to be used for the remediation and proposed redevelopment of the property.
   (iii) estimates an estimate of the value of the remediation and proposed redevelopment.
   (iv) A description documenting any good faith attempts to recover the costs of the environmental damages from liable parties.
   (v) Proof of appropriate zoning for the intended reuse.
   (vi) A letter supporting the proposed project and redevelopment from the legislative body.
   (vii) The documentation described in subsection (b).
(D) Certifies to the legislative body that the taxpayer:
   (i) has never had an ownership interest in an entity that contributed; and
   (ii) has not contributed to contamination (as defined in IC 13-11-2-43) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management and the Indiana development finance authority.

(2) The legislative body, after holding a public hearing of which notice was given under IC 5-3-1, adopts a resolution:

(A) determining that:
   (i) the estimate of the value of the remediation and proposed
redevelopment included in the plan under subdivision (1)(C)(iii) is reasonable for projects of that nature; and
(ii) the plan submitted under subdivision (1)(C) is in the best interest of the community;
(B) determining that the taxpayer:
(i) has never had an ownership interest in an entity that contributed; and
(ii) has not contributed;
to contamination (as defined in IC 13-11-2-43) that is the subject of the voluntary remediation; as determined under the written standards adopted by the department of environmental management and the Indiana development finance authority; and
(C) approving the credit:
(3) (2) The department determines under section 15 of this chapter that the taxpayer’s return claiming the credit is filed with the department before the maximum amount of credits allowed under this chapter is met.
(b) In determining whether the redevelopment is in the best interest of the community, the legislative body must consider; among other things; whether the proposed development promotes:
(1) the development of housing;
(2) the development of green space;
(3) the development of high technology businesses; or
(4) the creation or retention of high paying jobs.
(b) The documentation referred to in subsection (a)(1)(B)(vii) consists of information reflecting that the taxpayer:
(1) has never had an ownership interest in an entity that caused or contributed to; and
(2) has not caused or contributed to;
the release or threatened release of a hazardous substance, a contaminant, petroleum, or a petroleum product that is the subject of the remediation.
(c) The Indiana development finance authority shall:
(1) determine whether the taxpayer meets the requirements of subsection (a)(1); and
(2) if the taxpayer meets the requirements of subsection (a)(1), certify to the taxpayer that the taxpayer is eligible for the
credit allowed under this chapter.

SECTION 5. IC 6-3.1-23-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 6. The amount of the credit allowed under this chapter with respect to each brownfield site is equal to the lesser of:

1. one hundred thousand dollars ($100,000); or
2. the sum of:
   A. ten percent (10%) multiplied by the first one hundred thousand dollars ($100,000) of qualified investment made by the taxpayer during the taxable year; plus
   B. fifty percent (50%) multiplied by the amount of the qualified investment made by the taxpayer during the taxable year that exceeds one hundred thousand dollars ($100,000).

SECTION 6. IC 6-3.1-23-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 12. (a) To be entitled to a credit under this chapter, a taxpayer must request the department of environmental management and the Indiana development finance authority to determine if costs incurred in a voluntary remediation involving a brownfield are qualified investments.

(b) The request under subsection (a) must be made before the costs are incurred.

(c) Upon receipt of a request under subsection (a), the department of environmental management and the Indiana development finance authority shall:

1. examine the costs; under the standards adopted by the department of environmental management; and
2. certify any costs that the department and the authority determine to be a qualified investment.

(d) Upon completion of a voluntary remediation for which costs have been certified as a qualified investment under subsection (c), the taxpayer:

1. shall notify the department of environmental management; and
2. shall request from the department of environmental management:
   A. with respect to voluntary remediation conducted under
IC 13-25-5, the certificate of completion issued by the commissioner under IC 13-25-5-16 for the voluntary remediation work plan under which the costs certified under subsection (c)(2) were incurred; or
(B) with respect to voluntary remediation not conducted under IC 13-25-5, a certification of the costs incurred for the voluntary remediation that are consistent with the costs certified under subsection (c)(2).

SECTION 7. IC 6-3.1-23-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 13. (a) To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department of state revenue.

(b) The taxpayer shall submit the following to the department of state revenue:

(1) The certification of the qualified investment by the department of environmental management and the Indiana development finance authority under section 12(c) of this chapter.

(2) Either:
(A) an official copy of the certification referred to in section 12(d)(2)(A) of this chapter; or
(B) the certification issued by the department of environmental management in response to a request under section 12(d)(2)(B) of this chapter.

(3) Proof of payment of the certified qualified investment.

(4) A copy of the legislative body's resolution adopted under section 5(a)(2) of this chapter.

(5) Information that the department determines is necessary for the calculation of the credit provided by this chapter.

SECTION 8. IC 6-3.1-23-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 15. (a) The amount of tax credits allowed under this chapter may not exceed one two million dollars ($1,000,000) ($2,000,000) in a state fiscal year unless the Indiana development finance authority determines under subsection (e) that money is available for additional tax credits in a particular state fiscal year. However, if the maximum amount of
tax credits allowed under this subsection exceeds the amount available in the subaccount of the environmental remediation revolving loan fund (IC 13-19-5), the maximum amount of tax credits allowed under this subsection is reduced to the amount available.

(b) The department shall record the time of filing of each return claiming a credit under section 13 of this chapter and shall, except as provided in subsection (c), grant the credit to the taxpayer, if the taxpayer otherwise qualifies for a tax credit under this chapter, in the chronological order in which the return is filed in the state fiscal year.

(c) If the total credits approved under this section equal the maximum amount allowable in a state fiscal year, a return claiming the credit filed later in that same fiscal year may not be approved. However, if an applicant for whom a credit has been approved fails to file the information required by section 13 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to the next eligible applicant or applicants until the total amount has been allowed. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

(d) The department of state revenue shall report the total credits granted under this chapter for each state fiscal year to the Indiana development finance authority. The Indiana development finance authority shall transfer to the state general fund an amount equal to the total credits granted from the subaccount of the environmental remediation revolving loan fund (IC 13-19-5).

(e) At the end of each state fiscal year, the Indiana development finance authority may determine whether money is available in the subaccount of the environmental remediation revolving loan fund (IC 13-19-5) to provide tax credits in excess of the amount set forth in subsection (a) in the subsequent state fiscal year.

(f) Before December 31 June 30 of each year, the Indiana development finance authority may assess the demand for tax credits under this chapter and determine whether the need for other brownfield activities is greater than the need for tax credits. If the Indiana development finance authority determines that the need for other brownfield activities is greater than the need for tax credits, the authority may set aside up to three-fourths (3/4) of the amount of allowable tax credits for the subsequent state fiscal year and use it for
other brownfield projects.

(g) Except as provided in subsection (h), the Indiana development finance authority may use money set aside under subsection (f) for any permissible purpose.

(h) Money specifically appropriated for tax credits may not be set aside for another use.

SECTION 9. IC 6-3.1-23-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 16. A tax credit may not be allowed under this chapter for a taxable year that begins after December 31, 2005. However, this section does not affect the ability of a taxpayer to carry forward the excess of a tax credit claimed for a taxable year that begins before January 1, 2006, under section 11 of this chapter.

SECTION 10. IC 13-11-2-150 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 150. (a) "Owner", for purposes of IC 13-23 (except as provided in subsections (b) and (c)) means:

1. for an underground storage tank that:
   (A) was:
     (1) in use on November 8, 1984; or
     (2) brought into use after November 8, 1984;
   (B) for the storage, use, or dispensing of regulated substances, a person who owns the underground storage tank; or
   (C) for an underground storage tank that (B) is:
     (1) in use before November 8, 1984; but
     (2) no longer in use on November 8, 1984;
   (D) a person who owned the tank immediately before the discontinuation of the tank's use; or
   (E) a person who conveyed ownership or control of the underground storage tank to a political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government because of:
     (1) bankruptcy;
     (2) foreclosure;
     (3) tax delinquency, including a conveyance under IC 6-1.1-24 or IC 6-1.1-25;
     (4) abandonment;
     (5) the exercise of eminent domain, including any purchase
of property once an offer to purchase has been tendered under IC 32-24-1-5;
(F) receivership;
(G) other circumstances in which a political subdivision or unit of federal or state government involuntarily acquired ownership or control because of the political subdivision's or unit's function as sovereign; or
(H) any other means to conduct remedial actions on a brownfield;
if the person was a person described in subdivision (1) immediately before the person conveyed ownership or control of the underground storage tank.
(b) "Owner", for purposes of IC 13-23-13, does not include a person who:
(1) does not participate in the management of an underground storage tank;
(2) is otherwise not engaged in the:
   (A) production;
   (B) refining; and
   (C) marketing;
   of regulated substances; and
(3) holds indicia of ownership primarily to protect the owner's security interest in the tank.
(c) "Owner", for purposes of IC 13-23, does not include a political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government that acquired ownership or control of an underground storage tank because of:
(1) bankruptcy;
(2) foreclosure;
(3) tax delinquency, including an acquisition under IC 6-1.1-24 or IC 6-1.1-25;
(4) abandonment;
(5) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;
(6) receivership;
(7) other circumstances in which the political subdivision or unit of federal or state government involuntarily acquired ownership or control because of the political subdivision's or
unit's function as sovereign;
(8) transfer from another political subdivision or unit of federal or state government; or
(9) any other means to conduct remedial actions on a brownfield;
unless the political subdivision or unit of federal or state government causes or contributes to the release or threatened release of a substance, in which case the political subdivision or unit of federal or state government is subject to IC 13-23 in the same manner and to the same extent as a nongovernmental entity under IC 13-23.

SECTION 11. IC 13-11-2-151 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 151. (a) "Owner or operator", for purposes of IC 13-24-1, means the following:

(1) For a petroleum facility, a person who owns or operates the facility.

(2) For a petroleum facility where title or control has been conveyed because of:
   (A) bankruptcy;
   (B) foreclosure;
   (C) tax delinquency, including a conveyance under IC 6-1.1-24 or IC 6-1.1-25;
   (D) abandonment; or
   (E) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;
   (F) receivership;
   (G) other circumstances in which a political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government involuntarily acquired title or control because of the political subdivision's or unit's function as sovereign; or
   (H) a similar any other means to conduct remedial actions on a brownfield;
to a political subdivision or unit of federal or state or local government, a person who owned, operated, or otherwise controlled the petroleum facility immediately before title or control was conveyed.
(b) Subject to subsection (c), the term does not include a political subdivision or unit of federal or state or local government that acquired ownership or control involuntarily of the facility through:
   (1) bankruptcy;
   (2) foreclosure;
   (2) (3) tax delinquency, including an acquisition under IC 6-1.1-24 or IC 6-1.1-25;
   (3) (4) abandonment; or
   (5) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;
   (6) receivership;
   (4) (7) other circumstances in which the political subdivision or unit of federal or state government unit involuntarily acquired title because of the political subdivision's or unit's function as sovereign;
   (8) transfer from another political subdivision or unit of federal or state government; or
   (9) any other means to conduct remedial actions on a brownfield.

(c) The term includes a political subdivision or unit of federal or state or local government that causes or contributes to the release or threatened release of a substance, in which case the political subdivision or unit of federal or state or local government is subject to IC 13-24-1:
   (1) in the same manner; and
   (2) to the same extent;

as a nongovernmental entity under IC 13-24-1.

(d) The term does not include a person who:
   (1) does not participate in the management of a petroleum facility;
   (2) is otherwise not engaged in the:
      (A) production;
      (B) refining; and
      (C) marketing;
   of petroleum; and
   (3) holds evidence of ownership in a petroleum facility, primarily to protect the owner's security interest in the petroleum facility.

SECTION 12. IC 13-11-2-245 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 245. (a) "Vehicle", for purposes of IC 13-17-5, refers to a vehicle required to be registered with the bureau of motor vehicles and required to have brakes. The term does not include the following:

(1) Farm tractors.
(2) Implements of husbandry.
(3) Farm tractors used in transportation.
(4) Mobile homes (house trailers).
(5) Trailers weighing not more than three thousand (3,000) pounds.
(6) Antique motor vehicles.

(b) "Vehicle", for purposes of IC 13-18-12, means a device used to transport a tank.

(c) "Vehicle", for purposes of IC 13-20-4, refers to a municipal waste collection and transportation vehicle.

(d) "Vehicle", for purposes of IC 13-20-13-7, means a motor vehicle, a farm tractor (as defined in IC 9-13-2-56(a) or IC 9-13-2-56(b)), an implement of husbandry (as defined in IC 9-13-2-77), a semitrailer (as defined in IC 9-13-2-164(a) or IC 9-13-2-164(b)), and types of equipment, machinery, implements, or other devices used in transportation, manufacturing, agriculture, construction, or mining. The term does not include the following:

(1) a lawn and garden tractor that is propelled by a motor of not more than twenty (20) horsepower.
(2) A semitrailer.

(e) "Vehicle", for purposes of IC 13-20-14, has the meaning set forth in IC 9-13-2-196.

SECTION 13. IC 13-25-4-8, AS AMENDED BY P.L.25-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in subsection (b), (c), or (d), a person that is liable under Section 107(a) of CERCLA (42 U.S.C. 9607(a)) for:

(1) the costs of removal or remedial action incurred by the commissioner consistent with the national contingency plan;
(2) the costs of any health assessment or health effects study carried out by or on behalf of the commissioner under Section 104(i) of CERCLA (42 U.S.C. 9604(i)); or
(3) damages for:
(A) injury to;
(B) destruction of; or
(C) loss of;

natural resources of Indiana;
is liable, in the same manner and to the same extent, to the state under this section.

(b) The exceptions provided by Sections 107(b), 107(q), and 107(r) of CERCLA (42 U.S.C. 9607(b)) to liability otherwise imposed by Section 107(a) of CERCLA (42 U.S.C. 9607(a)) are equally applicable to any liability otherwise imposed under subsection (a).

(c) Notwithstanding any liability imposed by the environmental management laws, a lender, a secured or unsecured creditor, or a fiduciary is not liable under the environmental management laws, in connection with the release or threatened release of a hazardous substance from a facility unless the lender, the fiduciary, or creditor has participated in the management of the hazardous substance at the facility.

(d) Notwithstanding any liability imposed by the environmental management laws, the liability of a fiduciary for a release or threatened release of a hazardous substance from a facility that is held by the fiduciary in its fiduciary capacity may be satisfied only from the assets held by the fiduciary in the same estate or trust as the facility that gives rise to the liability.

(e) Except as provided in subsection (g), a political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government is not liable to the state under this section for costs or damages associated with the presence of a hazardous substance on, in, or at a property in which the political subdivision or unit of federal or state government acquired an interest in the property because of:

1. under IC 6-1.1-24 or IC 6-1.1-25; bankruptcy; abandonment; or other circumstances in which the political subdivision involuntarily acquired an interest in the property; or
2. to conduct remedial actions on a brownfield; after the hazardous substance was disposed of or placed on; in; or at the property;
3. foreclosure;
4. tax delinquency, including an acquisition under IC 6-1.1-24 or IC 6-1.1-25;
(4) abandonment;
(5) the exercise of eminent domain, including any purchase of
property once an offer to purchase has been tendered under
IC 32-24-1-5;
(6) receivership;
(7) other circumstances in which the political subdivision or
unit of federal or state government involuntarily acquired an
interest in the property because of the political subdivision's
or unit's function as sovereign;
(8) transfer from another political subdivision or unit of
federal or state government; or
(9) any other means to conduct remedial actions on a
brownfield.

(f) If a transfer of an interest in property as described in
subsection (e) occurs, a person who owned, operated, or otherwise
controlled the property immediately before the political
subdivision or unit of federal or state government acquired the
interest in the property remains liable under this section:
(1) in the same manner; and
(2) to the same extent;
as the person was liable immediately before the person's interest
in the property was acquired by the political subdivision or unit of
federal or state government.

(g) Notwithstanding subsection (e), a political subdivision or
unit of federal or state government that causes or contributes to
the release or threatened release of a hazardous substance on, in,
or at a property remains subject to this section:
(1) in the same manner; and
(2) to the same extent;
as a nongovernmental entity under this section.

SECTION 14. IC 34-13-3-3, AS AMENDED BY HEA 1288-2005,
SECTION 218, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 3. A governmental entity or an
employee acting within the scope of the employee's employment is not
liable if a loss results from the following:
(1) The natural condition of unimproved property.
(2) The condition of a reservoir, dam, canal, conduit, drain, or
similar structure when used by a person for a purpose that is not
foreseeable.
(3) The temporary condition of a public thoroughfare or extreme sport area that results from weather.
(4) The condition of an unpaved road, trail, or footpath, the purpose of which is to provide access to a recreation or scenic area.
(5) The design, construction, control, operation, or normal condition of an extreme sport area, if all entrances to the extreme sport area are marked with:
   (A) a set of rules governing the use of the extreme sport area;
   (B) a warning concerning the hazards and dangers associated with the use of the extreme sport area; and
   (C) a statement that the extreme sport area may be used only by persons operating extreme sport equipment.
This subdivision shall not be construed to relieve a governmental entity from liability for the continuing duty to maintain extreme sports areas in a reasonably safe condition.
(6) The initiation of a judicial or an administrative proceeding.
(7) The performance of a discretionary function; however, the provision of medical or optical care as provided in IC 34-6-2-38 shall be considered as a ministerial act.
(8) The adoption and enforcement of or failure to adopt or enforce a law (including rules and regulations), unless the act of enforcement constitutes false arrest or false imprisonment.
(9) An act or omission performed in good faith and without malice under the apparent authority of a statute which is invalid if the employee would not have been liable had the statute been valid.
(10) The act or omission of anyone other than the governmental entity or the governmental entity's employee.
(11) The issuance, denial, suspension, or revocation of, or failure or refusal to issue, deny, suspend, or revoke any permit, license, certificate, approval, order, or similar authorization, where the authority is discretionary under the law.
(12) Failure to make an inspection, or making an inadequate or negligent inspection, of any property, other than the property of a governmental entity, to determine whether the property complied with or violates any law or contains a hazard to health or safety.
(13) Entry upon any property where the entry is expressly or impliedly authorized by law.
(14) Misrepresentation if unintentional.
(15) Theft by another person of money in the employee's official custody, unless the loss was sustained because of the employee's own negligent or wrongful act or omission.
(16) Injury to the property of a person under the jurisdiction and control of the department of correction if the person has not exhausted the administrative remedies and procedures provided by section 7 of this chapter.
(17) Injury to the person or property of a person under supervision of a governmental entity and who is:
   (A) on probation; or
   (B) assigned to an alcohol and drug services program under IC 12-23, a minimum security release program under IC 11-10-8, a pretrial conditional release program under IC 35-33-8, or a community corrections program under IC 11-12.
(18) Design of a highway (as defined in IC 9-13-2-73) if the claimed loss occurs at least twenty (20) years after the public highway was designed or substantially redesigned; except that this subdivision shall not be construed to relieve a responsible governmental entity from the continuing duty to provide and maintain public highways in a reasonably safe condition.
(19) Development, adoption, implementation, operation, maintenance, or use of an enhanced emergency communication system.
(20) Injury to a student or a student's property by an employee of a school corporation if the employee is acting reasonably under a discipline policy adopted under IC 20-33-8-7(b).
(21) An error resulting from or caused by a failure to recognize the year 1999, 2000, or a subsequent year, including an incorrect date or incorrect mechanical or electronic interpretation of a date, that is produced, calculated, or generated by:
   (A) a computer;
   (B) an information system; or
   (C) equipment using microchips;
that is owned or operated by a governmental entity. However, this
subdivision does not apply to acts or omissions amounting to gross negligence, willful or wanton misconduct, or intentional misconduct. For purposes of this subdivision, evidence of gross negligence may be established by a party by showing failure of a governmental entity to undertake an effort to review, analyze, remediate, and test its electronic information systems or by showing failure of a governmental entity to abate, upon notice, an electronic information system error that caused damage or loss. However, this subdivision expires June 30, 2003.

(22) An act or omission performed in good faith under the apparent authority of a court order described in IC 35-46-1-15.1 that is invalid, including an arrest or imprisonment related to the enforcement of the court order, if the governmental entity or employee would not have been liable had the court order been valid.

(23) An act taken to investigate or remediate hazardous substances, petroleum, or other pollutants associated with a brownfield (as defined in IC 13-11-2-19.3) unless:
(A) the loss is a result of reckless conduct; or
(B) the governmental entity was responsible for the initial placement of the hazardous substances, petroleum, or other pollutants on the brownfield.

SECTION 15. [EFFECTIVE UPON PASSAGE] (a) The environmental quality service council shall:
(1) investigate methods to increase research, development, production, and use of alternative fuels, including:
(A) biofuels such as biodiesel, ethanol, and other agricultural based alternatives to petroleum based fuels;
(B) clean coal technology;
(C) wind and solar power;
(D) waste tires; and
(E) other sources of renewable energy;
(2) give priority consideration to review of energy projects and policies that will provide maximum economic and environmental benefits to Indiana;
(3) include recommendations on the matters considered under this SECTION in the council's 2005 final report to the general assembly; and
(4) provide the council's 2005 final report to:
   (A) the commissioner of agriculture; and
   (B) the Indiana economic development corporation.
(b) This SECTION expires January 1, 2006.
   (b) The department of state revenue shall implement this act to allow the application of the statutes referred to in subsection (a), all as amended by this act, to reportable periods beginning after December 31, 2004.
SECTION 17. An emergency is declared for this act.

P.L.209-2005
[H.1057. Approved May 11, 2005.]
AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 9-30-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The operator of (a)
This section does not apply to the following:
   (1) A container possessed by a person who is in the:
      (A) passenger compartment of a motor vehicle designed, maintained, or used primarily for the transportation of persons for compensation; or
      (B) living quarters of a house coach or house trailer.
   (2) A container located in a fixed center console or other similar fixed compartment that is locked.
   (3) A container located:
      (A) behind the last upright seat; or
      (B) in an area not normally occupied by a person; in a motor vehicle that is not equipped with a trunk.
(b) A person in a motor vehicle who has an alcohol concentration equivalent to at least four-hundredths (0.04) gram of alcohol per one hundred (100) milliliters of the blood, or per two hundred ten (210) liters of the breath, and who, while the motor vehicle is in operation knowingly allows or while the motor vehicle is located on the right-of-way of a public highway, possesses a container:

(1) that has been opened;
(2) that has a broken seal; or
(3) from which some of the contents have been removed; to be in the passenger compartment of the motor vehicle commits a Class B Class C infraction. If a person is found to have a previous unrelated judgment under this section or a previous unrelated conviction or judgment under IC 9-30-5 within twelve (12) months before a violation that results in a judgment under this chapter, the court may recommend the person's driving privileges be suspended for not more than one (+1) year:

(c) A violation of this section is not considered a moving traffic violation:

(1) for purposes of IC 9-14-3; and
(2) for which points are assessed by the bureau under the point system.

P.L.210-2005
[H.1073. Approved May 11, 2005.]

AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-14-3-4, AS AMENDED BY P.L.173-2003, SECTION 5, AND AS AMENDED BY P.L.200-2003, SECTION 3, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]; Sec. 4. (a) The following public records are excepted from section 3 of this chapter and may not be disclosed by a public agency, unless access to the records is specifically required by
a state or federal statute or is ordered by a court under the rules of
discovery:

(1) Those declared confidential by state statute.
(2) Those declared confidential by rule adopted by a public
agency under specific authority to classify public records as
confidential granted to the public agency by statute.
(3) Those required to be kept confidential by federal law.
(4) Records containing trade secrets.
(5) Confidential financial information obtained, upon request,
from a person. However, this does not include information that is
filed with or received by a public agency pursuant to state statute.
(6) Information concerning research, including actual research
documents, conducted under the auspices of an institution of
higher education, including information:
   (A) concerning any negotiations made with respect to the
research; and
   (B) received from another party involved in the research.
(7) Grade transcripts and license examination scores obtained as
part of a licensure process.
(8) Those declared confidential by or under rules adopted by the
supreme court of Indiana.
(9) Patient medical records and charts created by a provider,
unless the patient gives written consent under IC 16-39.
(10) Application information declared confidential by the
twenty-first century research and technology fund board under
IC 4-4-5.1.
(11) A photograph, a video recording, or an audio recording of an
autopsy, except as provided in IC 36-2-14-10.
(12) A social security number contained in the records of a
public agency.

(b) Except as otherwise provided by subsection (a), the following
public records shall be excepted from section 3 of this chapter at the
discretion of a public agency:

(1) Investigatory records of law enforcement agencies. However,
certain law enforcement records must be made available for
inspection and copying as provided in section 5 of this chapter.
(2) The work product of an attorney representing, pursuant to
state employment or an appointment by a public agency:
(A) a public agency;
(B) the state; or
(C) an individual.
(3) Test questions, scoring keys, and other examination data used in administering a licensing examination, examination for employment, or academic examination before the examination is given or if it is to be given again.
(4) Scores of tests if the person is identified by name and has not consented to the release of the person's scores.
(5) The following:
(A) Records relating to negotiations between the department of commerce, Indiana economic development corporation, the Indiana development finance authority, the film commission, the Indiana business modernization and technology corporation, or economic development commissions with industrial, research, or commercial prospects, if the records are created while negotiations are in progress.
(B) Notwithstanding clause (A), the terms of the final offer of public financial resources communicated by the department of commerce, Indiana economic development corporation, the Indiana development finance authority, the Indiana film commission, the Indiana business modernization and technology corporation, or economic development commissions to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.
(C) When disclosing a final offer under clause (B), the department of commerce Indiana economic development corporation shall certify that the information being disclosed accurately and completely represents the terms of the final offer.
(6) Records that are intra-agency or interagency advisory or deliberative material, including material developed by a private contractor under a contract with a public agency, that are expressions of opinion or are of a speculative nature, and that are communicated for the purpose of decision making.
(7) Diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal.

(8) Personnel files of public employees and files of applicants for public employment, except for:

   (A) the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first and last employment of present or former officers or employees of the agency;

   (B) information relating to the status of any formal charges against the employee; and

   (C) information concerning the factual basis for a disciplinary action in which final action has been taken and that resulted in the employee being disciplined, suspended, demoted, or discharged.

   However, all personnel file information shall be made available to the affected employee or the employee's representative. This subdivision does not apply to disclosure of personnel information generally on all employees or for groups of employees without the request being particularized by employee name.

(9) Minutes or records of hospital medical staff meetings.

(10) Administrative or technical information that would jeopardize a record keeping or security system.

(11) Computer programs, computer codes, computer filing systems, and other software that are owned by the public agency or entrusted to it and portions of electronic maps entrusted to a public agency by a utility.

(12) Records specifically prepared for discussion or developed during discussion in an executive session under IC 5-14-1.5-6.1. However, this subdivision does not apply to that information required to be available for inspection and copying under subdivision (8).

(13) The work product of the legislative services agency under personnel rules approved by the legislative council.

(14) The work product of individual members and the partisan staffs of the general assembly.

(15) The identity of a donor of a gift made to a public agency if:

   (A) the donor requires nondisclosure of the donor's identity as
(16) Library or archival records:
(A) which can be used to identify any library patron; or
(B) deposited with or acquired by a library upon a condition that the records be disclosed only:
   (i) to qualified researchers;
   (ii) after the passing of a period of years that is specified in the documents under which the deposit or acquisition is made; or
   (iii) after the death of persons specified at the time of the acquisition or deposit.

However, nothing in this subdivision shall limit or affect contracts entered into by the Indiana state library pursuant to IC 4-1-6-8.

(17) The identity of any person who contacts the bureau of motor vehicles concerning the ability of a driver to operate a motor vehicle safely and the medical records and evaluations made by the bureau of motor vehicles staff or members of the driver licensing medical advisory board regarding the ability of a driver to operate a motor vehicle safely. However, upon written request to the commissioner of the bureau of motor vehicles, the driver must be given copies of the driver's medical records and evaluations.

(18) School safety and security measures, plans, and systems, including emergency preparedness plans developed under 511 IAC 6.1-2-2.5.

(19) A record or a part of a record, the public disclosure of which would have a reasonable likelihood of threatening public safety by exposing a vulnerability to terrorist attack. A record described under this subdivision includes:
   (A) a record assembled, prepared, or maintained to prevent, mitigate, or respond to an act of terrorism under IC 35-47-12-1 or an act of agricultural terrorism under IC 35-47-12-2;
   (B) vulnerability assessments;
   (C) risk planning documents;
   (D) needs assessments;
   (E) threat assessments;
(F) domestic preparedness strategies;
(G) the location of community drinking water wells and surface water intakes;
(H) the emergency contact information of emergency responders and volunteers;
(I) infrastructure records that disclose the configuration of critical systems such as communication, electrical, ventilation, water, and wastewater systems; and
(J) detailed drawings or specifications of structural elements, floor plans, and operating, utility, or security systems, whether in paper or electronic form, of any building or facility located on an airport (as defined in IC 8-21-1-1) that is owned, occupied, leased, or maintained by a public agency. A record described in this clause may not be released for public inspection by any public agency without the prior approval of the public agency that owns, occupies, leases, or maintains the airport. The submitting public agency that owns, occupies, leases, or maintains the airport:

(i) is responsible for determining whether the public disclosure of a record or a part of a record has a reasonable likelihood of threatening public safety by exposing a vulnerability to terrorist attack; and
(ii) must identify a record described under item (i) and clearly mark the record as "confidential and not subject to public disclosure under IC 5-14-3-4(b)(19)(J) without approval of (insert name of submitting public agency)."

This subdivision does not apply to a record or portion of a record pertaining to a location or structure owned or protected by a public agency in the event that an act of terrorism under IC 35-47-12-1 or an act of agricultural terrorism under IC 35-47-12-2 has occurred at that location or structure, unless release of the record or portion of the record would have a reasonable likelihood of threatening public safety by exposing a vulnerability of other locations or structures to terrorist attack.

(20) The following personal information concerning a customer of a municipally owned utility (as defined in IC 8-1-2-1):

(A) Telephone number.
(B) Address.
(C) Social Security number.

(21) The following personal information about a complainant contained in records of a law enforcement agency:

(A) Telephone number.
(B) The complainant's address. However, if the complainant's address is the location of the suspected crime, infraction, accident, or complaint reported, the address shall be made available for public inspection and copying.

(c) Nothing contained in subsection (b) shall limit or affect the right of a person to inspect and copy a public record required or directed to be made by any statute or by any rule of a public agency.

(d) Notwithstanding any other law, a public record that is classified as confidential, other than a record concerning an adoption, shall be made available for inspection and copying seventy-five (75) years after the creation of that record.

(e) Notwithstanding subsection (d) and section 7 of this chapter:

(1) public records subject to IC 5-15 may be destroyed only in accordance with record retention schedules under IC 5-15; or
(2) public records not subject to IC 5-15 may be destroyed in the ordinary course of business.

SECTION 2. IC 6-6-1.1-903 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 903. (a) A person is entitled to a refund of gasoline tax paid on gasoline purchased or used for the following purposes:

(1) Operating stationary gas engines.
(2) Operating equipment mounted on motor vehicles, whether or not operated by the engine propelling the motor vehicle.
(3) Operating a tractor used for agricultural purposes.
(3.1) Operating implements of husbandry (as defined in IC 9-13-2-77).
(4) Operating motorboats or aircraft.
(5) Cleaning or dyeing.
(6) Other commercial use, except propelling motor vehicles operated in whole or in part on an Indiana public highway.
(7) Operating a taxicab (as defined in section 103 of this chapter).

(b) If a refund is not issued within ninety (90) days of filing of the
verified statement and all supplemental information required by IC 6-6-1.1-904.1, the department shall pay interest at the rate established by IC 6-8.1-9 computed from the date of filing of the verified statement and all supplemental information required by the department until a date determined by the administrator that does not precede by more than thirty (30) days the date on which the refund is made.

SECTION 3. IC 6-6-5-7.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.9. (a) As used in this section, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123(a).

(b) Notwithstanding any other law, and for calendar year 2006, the registration fee for a passenger motor vehicle that is registered in Indiana in calendar year 2005 shall be at the rate as set forth in IC 9-29-5-1 with no reduction for any partial calendar month that has elapsed since the regular annual registration date in calendar year 2005.

(c) This section expires January 1, 2007.

SECTION 4. IC 8-2.1-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) 49 CFR Parts 382 through 387, 390 through 393, and 395 through 398 is incorporated into Indiana law by reference, and, except as provided in subsections (d), (e), (f), and (g), must be complied with by an interstate and intrastate motor carrier of persons or property throughout Indiana. Intrastate motor carriers subject to compliance reviews under 49 CFR 385 shall be selected according to criteria determined by the superintendent which must include but is not limited to factors such as previous history of violations found in roadside compliance checks and other recorded violations. However, the provisions of 49 CFR 395 that regulate the hours of service of drivers, including requirements for the maintenance of logs, do not apply to a driver of a truck that is registered by the bureau of motor vehicles and used as a farm truck under IC 9-18, or a vehicle operated in intrastate construction or construction related service, or the restoration of public utility services interrupted by an emergency. Except as provided in subsection (i), intrastate motor carriers not operating under authority issued by the United States Department of Transportation shall comply with the requirements of 49 CFR 390.21(b)(3) by registering with the
department of state revenue as an intrastate motor carrier and displaying the certification number issued by the department of state revenue preceded by the letters "IN". Except as provided in subsection (i), all other requirements of 49 CFR 390.21 apply equally to interstate and intrastate motor carriers.

(b) 49 CFR 107 subpart (F) and subpart (G), 171 through 173, 177 through 178, and 180, is incorporated into Indiana law by reference, and every:

(1) private carrier;
(2) common carrier;
(3) contract carrier;
(4) motor carrier of property, intrastate;
(5) hazardous material shipper; and
(6) carrier otherwise exempt under section 3 of this chapter;

must comply with the federal regulations incorporated under this subsection, whether engaged in interstate or intrastate commerce.

(c) Notwithstanding subsection (b), nonspecification bulk and nonbulk packaging, including cargo tank motor vehicles, may be used only if all the following conditions exist:

(1) The maximum capacity of the vehicle is less than three thousand five hundred (3,500) gallons.
(2) The shipment of goods is limited to intrastate commerce.
(3) The vehicle is used only for the purpose of transporting fuel oil, kerosene, diesel fuel, gasoline, gasohol, or any combination of these substances.

All additional federal standards for the safe transportation of hazardous materials apply until July 1, 2000. After June 30, 2000, the maintenance, inspection, and marking requirements of 49 CFR 173.8 and Part 180 are applicable. In accordance with federal hazardous materials regulations, new or additional nonspecification cargo tank motor vehicles may not be placed in service under this subsection after June 30, 1998.

(d) For the purpose of enforcing this section, only:

(1) a state police officer or state police motor carrier inspector who:

(A) has successfully completed a course of instruction approved by the Federal Highway Administration; and
(B) maintains an acceptable competency level as established
by the state police department; or

(2) an employee of a law enforcement agency who:

(A) before January 1, 1991, has successfully completed a course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department;

on the enforcement of 49 CFR, may, upon demand, inspect the books, accounts, papers, records, memoranda, equipment, and premises of any carrier, including a carrier exempt under section 3 of this chapter.

(c) A person hired before September 1, 1985, who operates a motor vehicle intrastate incidentally to the person's normal employment duties and who is not employed as a chauffeur (as defined in IC 9-13-2-21(a)) is exempt from 49 CFR 391 as incorporated by this section.

(f) Notwithstanding any provision of 49 CFR 391 to the contrary, a person at least eighteen (18) years of age and less than twenty-one (21) years of age may be employed as a driver to operate a commercial motor vehicle intrastate. However, a person employed under this subsection is not exempt from any other provision of 49 CFR 391.

(g) Notwithstanding subsection (a) or (b), the following provisions of 49 CFR do not apply to private carriers of property operated only in intrastate commerce or any carriers of property operated only in intrastate commerce while employed in construction or construction related service whether or not the carrier vehicle is of a class that requires a commercial driver's license:

(1) Subpart 391.41(b)(3) as it applies to physical qualifications of a driver who has **applied for or holds a commercial driver's license (as defined in IC 9-13-2-29)**; **been diagnosed as an insulin dependent diabetic**, if the driver has applied for and been granted an intrastate medical waiver by the bureau of motor vehicles pursuant to this subsection. **The same standards and the following procedures shall apply for this waiver whether or not the driver is required to hold a commercial driver's license. An application for the waiver shall be submitted by the driver and completed and signed by a certified endocrinologist or the driver's treating physician attesting that the driver:**
(A) is not otherwise physically qualified under Subpart 391.41 to operate a motor vehicle, whether or not any additional disqualifying condition results from the diabetic condition, and is not likely to suffer any diminution in driving ability due to the driver's diabetic condition;
(B) is free of severe hypoglycemia or hypoglycemia unawareness and has had less than one (1) documented, symptomatic hypoglycemic reaction per month;
(C) has demonstrated the ability and willingness to properly monitor and manage the driver's diabetic condition;
(D) has agreed to and, to the endocrinologist's or treating physician's knowledge, has carried a source of rapidly absorbable glucose at all times while driving a motor vehicle, has self monitored blood glucose levels one (1) hour before driving and at least once every four (4) hours while driving or on duty before driving using a portable glucose monitoring device equipped with a computerized memory; and
(E) has submitted the blood glucose logs from the monitoring device to the endocrinologist or treating physician at the time of the annual medical examination.
A copy of the blood glucose logs shall be filed along with the annual statement from the endocrinologist or treating physician with the bureau of motor vehicles for review by the driver licensing medical advisory board established under IC 9-14-4. A copy of the annual statement shall also be provided to the driver's employer for retention in the driver's qualification file, and a copy shall be retained and held by the driver while driving for presentation to an authorized federal, state, or local law enforcement official. Notwithstanding the requirements of this clause, the endocrinologist, the treating physician, the advisory board of the bureau of motor vehicles, or the bureau of motor vehicles may, where medical indications warrant, establish a short period for the medical examinations required under this clause.

(2) Subpart 396.9 as it applies to inspection of vehicles carrying or loaded with a perishable product. However, this exemption does not prohibit a law enforcement officer from stopping these vehicles for an obvious violation that poses an imminent threat of
an accident or incident. The exemption is not intended to include refrigerated vehicles loaded with perishables when the refrigeration unit is working.

(3) Subpart 396.11 as it applies to driver vehicle inspection reports.

(4) Subpart 396.13 as it applies to driver inspection.

(h) For purposes of 49 CFR 395.1(l), "planting and harvesting season" refers to the period between January 1 and December 31 of each year. The intrastate commerce exception set forth in 49 CFR 395.1(l), as it applies to the transportation of agricultural commodities and farm supplies, is restricted to single vehicles and cargo tank motor vehicles with a capacity of not more than five thousand four hundred (5,400) gallons.

(i) The requirements of 49 CFR 390.21 do not apply to an intrastate carrier or a guest operator not engaged in interstate commerce and operating a motor vehicle as a farm vehicle in connection with agricultural pursuits usual and normal to the user's farming operation or for personal purposes unless the vehicle is operated either part time or incidentally in the conduct of a commercial enterprise.

(j) The superintendent of state police may adopt rules under IC 4-22-2 governing the parts and subparts of 49 CFR incorporated by reference under this section.

SECTION 5. IC 9-13-2-56 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 56. (a) "Farm tractor" means except as provided in subsection (b), a motor vehicle designed and used primarily as a farm implement for drawing farm machinery including plows, mowing machines, harvesters, and other implements of husbandry; agriculture used on a farm and, when using the highways, in traveling from one (1) field or farm to another or to or from places of repairs. The term includes a wagon, trailer, or other vehicle pulled by a farm tractor.

(b) "Farm tractor"; for purposes of IC 9-21, means a motor vehicle designed and used primarily as a farm implement for drawing plows, mowing machines, and other implements of husbandry.

SECTION 6. IC 9-13-2-60 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 60. "Farm wagon" means a wagon, other than an implement of husbandry; agriculture, used primarily for transporting farm products and farm supplies in
connection with a farming operation.

SECTION 7. IC 9-13-2-77 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 77. (a) "Implement of husbandry\(\) agriculture\(\)" means special farm machinery, farm machinery, and other agricultural implements, pull type and self-propelled, equipment used for the: transportation and

(1) transport;
(2) delivery; or
(3) application;

of plant food materials or agricultural chemicals crop inputs, including seed, fertilizers, and crop protection products, and vehicles designed to transport farm these types of agricultural implements.

(b) The bureau shall determine by rule under IC 4-22-2 whether a category of implement of agriculture was designed to be operated primarily:

(1) in a farm field or on farm premises; or
(2) on a highway.

SECTION 8. IC 9-13-2-92 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 92. (a) "Law enforcement officer", except as provided in subsection (b), includes the following:

(1) A state police officer.
(2) A city, town, or county police officer.
(3) A sheriff.
(4) A county coroner.
(5) A conservation officer.

(6) An individual assigned as a motor carrier inspector under IC 10-11-2-26(a).

(b) "Law enforcement officer", for purposes of IC 9-30-5, IC 9-30-6, IC 9-30-7, IC 9-30-8, and IC 9-30-9, has the meaning set forth in IC 35-41-1.

SECTION 9. IC 9-13-2-105 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 105. (a) "Motor vehicle" means, except as otherwise provided in this section, a vehicle that is self-propelled. The term does not include a farm tractor, an implement of husbandry, agriculture designed to be operated primarily in a farm field or on farm premises, or an electric personal
assistive mobility device.

(b) "Motor vehicle", for purposes of IC 9-21, means:
(1) a vehicle except a motorized bicycle that is self-propelled; or
(2) a vehicle that is propelled by electric power obtained from overhead trolley wires, but not operated upon rails.

(c) "Motor vehicle", for purposes of IC 9-19-10.5 and IC 9-25, means a vehicle that is self-propelled upon a highway in Indiana. The term does not include a farm tractor.

(d) "Motor vehicle", for purposes of IC 9-30-10, does not include a motorized bicycle.

SECTION 10. IC 9-13-2-127 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 127. (a) "Police officer" means, except as provided in subsection (b), the following:
(1) A regular member of the state police department.
(2) A regular member of a city or town police department.
(3) A town marshal or town marshal deputy.
(4) A regular member of a county sheriff's department.
(5) A conservation officer of the department of natural resources.

(6) An individual assigned as a motor carrier inspector under IC 10-11-2-26(a).

(b) "Police officer", for purposes of IC 9-21, means an officer authorized to direct or regulate traffic or to make arrests for violations of traffic regulations.

SECTION 11. IC 9-13-2-170.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 170.3. "Special machinery" means a portable saw mill or well drilling machinery.

SECTION 12. IC 9-13-2-180 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 180. "Tractor" means a motor vehicle designed and used primarily for drawing or propelling trailers, semitrailers, or vehicles of any kind. The term does not include the following:
(1) a farm tractor.
(2) A farm tractor used in transportation.
(3) A tractor that is used exclusively for drawing a passenger carrying semitrailer.

SECTION 13. IC 9-13-2-188 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 188. (a) "Truck" means
a motor vehicle designed, used, or maintained primarily for the transportation of property.

(b) "Truck", for purposes of IC 9-21-8-3, includes the following:

(1) A motor vehicle designed and used primarily for drawing another vehicle and constructed to carry a load other than a part of the weight of the vehicle and load so drawn.

(2) A motor vehicle designed and used primarily as a farm implement for drawing plows, mowing machines, and other implements of agriculture.

SECTION 14. IC 9-13-2-196 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 196. (a) "Vehicle" means, except as otherwise provided in this section, a device in, upon, or by which a person or property is, or may be, transported or drawn upon a highway.

(b) "Vehicle", for purposes of IC 9-14 through IC 9-18, does not include the following:

(1) A device moved by human power.

(2) A vehicle that runs only on rails or tracks.

(3) A vehicle propelled by electric power obtained from overhead trolley wires but not operated upon rails or tracks.

(4) A firetruck and apparatus owned by a person or municipal division of the state and used for fire protection.

(5) A municipally owned ambulance.

(6) A police patrol wagon.

(7) A vehicle not designed for or employed in general highway transportation of persons or property and occasionally operated or moved over the highway, including the following:

(A) Road construction or maintenance machinery.

(B) A movable device designed, used, or maintained to alert motorists of hazardous conditions on highways.

(C) Construction dust control machinery.

(D) Well boring apparatus.

(E) Ditch digging apparatus.

(F) An implement of agriculture designed to be operated primarily in a farm field or on farm premises.

(G) An invalid chair.

(H) A yard tractor.

(8) An electric personal assistive mobility device.
(c) For purposes of IC 9-20 and IC 9-21, the term does not include devices moved by human power or used exclusively upon stationary rails or tracks.

(d) For purposes of IC 9-22, the term refers to an automobile, a motorcycle, a truck, a trailer, a semitrailer, a tractor, a bus, a school bus, a recreational vehicle, or a motorized bicycle.

(e) For purposes of IC 9-30-5, IC 9-30-6, IC 9-30-8, and IC 9-30-9, the term means a device for transportation by land or air. The term does not include an electric personal assistive mobility device.

SECTION 15. IC 9-14-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The commissioner shall do the following:

(1) Administer and enforce:
   (A) this title and other statutes concerning the bureau; and
   (B) the policies and procedures of the commission.

(2) Organize the bureau in the manner necessary to carry out the duties of the bureau.

(3) Submit to the commission, before September 1 of each year, budget proposals for the bureau including license branches staffed by employees of the commission under IC 9-16, to the budget director before September 1 of each year.

(4) Perform other duties assigned by the commission as required by the bureau.

SECTION 16. IC 9-14-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in subsection (b), (d), or (e), the bureau shall prepare and deliver information on titles, registrations, and licenses and permits upon the request of any person. All requests must be:

(1) submitted in writing; or

(2) made electronically through the computer gateway administered by the internet commission under IC 5-21; to the bureau and, unless exempted under IC 9-29, must be accompanied by the payment of the fee prescribed in IC 9-29-2-2.

(b) The bureau shall not disclose:

(1) the Social Security number;

(2) the federal identification number;

(3) the driver's license number;
(4) the digital image of the driver's license applicant;
(5) a reproduction of the signature secured under IC 9-24-9-1 or
IC 9-24-16-3; or
(6) medical or disability information;
of any person except as provided in subsection (c).

(c) The bureau may disclose any information listed in subsection
(b):

(1) to a law enforcement officer;
(2) to an agent or a designee of the department of state revenue;
(3) for uses permitted under IC 9-14-3.5-10(1), IC 9-14-3.5-10(4),
IC 9-14-3.5-10(6), and IC 9-14-3.5-10(9); or
(4) for voter registration and election purposes required under
IC 3-7 or IC 9-24-2.5.

(d) As provided under 42 U.S.C. 1973gg-3(b), the commission may
not disclose any information concerning the failure of an applicant for
a motor vehicle driver's license to sign a voter registration application,
except as authorized under IC 3-7-14.

(e) The commission may not disclose any information concerning
the failure of an applicant for a title, registration, license, or permit
(other than a motor vehicle license described under subsection (d)) to
sign a voter registration application, except as authorized under
IC 3-7-14.

SECTION 17. IC 9-14-4-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The board shall
provide the commissioner and the office of traffic safety created by
IC 9-27-2-2 with assistance in the administration of Indiana driver
licensing laws, including:

(1) providing guidance to the commissioner in the area of
licensing drivers with health or other problems that may adversely
affect a driver's ability to operate a vehicle safely;
(2) recommending factors to be used in determining qualifications
and ability for issuance and retention of a driver's license; and
(3) recommending and participating in the review of license
suspension, restriction, or revocation appeal procedures,
including reasonable investigation into the facts of the matter.

SECTION 18. IC 9-16-1-4.5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) The
commission may contract with a qualified person to provide partial
services at a qualified person's walk-up location, including locations within a facility used for other purposes, such as electronic titling and title application services and self-serve terminal access.

(b) A contract for providing motor vehicle registration and renewal services at a walk-up location must include the following provisions:

1. The contractor must provide trained personnel to properly process motor vehicle registration and renewal transactions.
2. The contractor shall do the following:
   A. Collect and transmit all bureau fees and taxes collected at the contract location.
   B. Deposit the taxes collected at the contract location with the county treasurer in the manner prescribed by IC 6-3.5 or IC 6-6-5.
3. The contractor shall provide fidelity bond coverage in an amount prescribed by the commission.
4. The contractor shall pay the cost of any post audits conducted by the commission or the state board of accounts on an actual cost basis.
5. The commission must approve each location and physical facility used by a contractor.
6. The term of the contract must be for a fixed period.

SECTION 19. IC 9-16-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Each license branch, full service provider, or partial services provider shall collect the service charges prescribed by IC 9-29-3 and deposited in the state license branch fund established under IC 9-29-14.

SECTION 20. IC 9-18-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This article does not apply to the following:

1. Farm wagons.
2. Farm tractors.
3. Farm machinery.
4. A new motor vehicle if the new motor vehicle is being operated in Indiana solely to remove it from an accident site to a storage location because:
   A. the new motor vehicle was being transported on a railroad car or semitrailer; and
(B) the railroad car or semitrailer was involved in an accident that required the unloading of the new motor vehicle to preserve or prevent further damage to it.

(4) An implement of agriculture designed to be operated primarily in a farm field or on farm premises.

SECTION 21. IC 9-18-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The bureau shall register vehicles under the schedule in this section.

(b) A person who owns a vehicle shall receive a license plate, renewal tag, or other indicia upon registration of the vehicle. The bureau may determine the device required to be displayed.

(c) A corporation shall register, before February 1 of each year, the following vehicles that are owned by the corporation:

   (1) A passenger motor vehicle that is not regularly rented to others for not more than twenty-nine (29) days in the regular course of the corporation's business.
   (2) A recreational vehicle.
   (3) A motorcycle.
   (4) A truck that:

       (A) is not regularly rented to others for not more than twenty-nine (29) days in the regular course of the corporation's business; and
       (B) has a declared gross weight of not more than eleven thousand (11,000) pounds.

(d) A corporation that owns a:

   (1) passenger motor vehicle; or
   (2) truck that has a declared gross weight of not more than eleven thousand (11,000) pounds;

that is regularly rented to others for periods of not more than twenty-nine (29) days in the regular course of the corporation's business must register the passenger motor vehicle or truck before March 1 of each year.

(e) For registrations for 2005, a person who owns a:

   (1) passenger motor vehicle;
   (2) recreational vehicle;
   (3) motorcycle; or
   (4) truck that has a declared gross weight of not more than eleven thousand (11,000) pounds;
that is not subject to the registration requirements under subsection (d) shall register the passenger motor vehicle, recreational vehicle, motorcycle, or truck in conformance with the schedule set forth in subsection (f) or (g).

(f) After December 31, 2005, a person who owns a vehicle subject to registration under this subsection shall register the vehicle in accordance with subsection (g). The following schedule applies to persons who own vehicles that are required to be registered under subsection (e):

(1) Persons whose last names begin with the letters A through BE shall register before February 16 of each year.
(2) Persons whose last names begin with the letters BF through BZ shall register before March 1 of each year.
(3) Persons whose last names begin with the letter C shall register before March 16 of each year.
(4) Persons whose last names begin with the letter D shall register before April 1 of each year.
(5) Persons whose last names begin with the letters E through F shall register before April 16 of each year.
(6) Persons whose last names begin with the letter G shall register before May 1 of each year.
(7) Persons whose last names begin with the letters HA through HN shall register before May 16 of each year.
(8) Persons whose last names begin with the letters HO through I shall register before June 1 of each year.
(9) Persons whose last names begin with the letters J through KM shall register before June 16 of each year.
(10) Persons whose last names begin with the letters KN through L shall register before July 1 of each year.
(11) Persons whose last names begin with the letters MA through ME shall register before July 16 of each year.
(12) Persons whose last names begin with the letters MF through O shall register before August 1 of each year.
(13) Persons whose last names begin with the letters P through Q shall register before August 16 of each year.
(14) Persons whose last names begin with the letter R shall register before September 1 of each year.
(15) Persons whose last names begin with the letters SA through
SN shall register before September 16 of each year.
(16) Persons whose last names begin with the letters SO through T shall register before October 1 of each year.
(17) Persons whose last names begin with the letters U through WK shall register before October 16 of each year.
(18) Persons whose last names begin with the letters WL through Z shall register before November 1 of each year.

(g) The bureau shall determine the schedule for registration for the categories of vehicles set forth in subsection (e) for registrations required after December 31, 2005.
(h) A person who owns a vehicle in a category required to be registered under subsection (e), (d), or (e), and who desires to register the vehicle for the first time must apply to the bureau for a registration application form. The bureau shall do the following:
   (1) Administer the registration application form.
   (2) Issue the license plate.
   (3) Collect the proper registration and service fees in accordance with the procedure established by the bureau.

(i) The bureau shall issue a semipermanent plate under section 30 of this chapter, or:
   (1) an annual renewal tag; or
   (2) other indicia;

to be affixed on the semipermanent plate.

SECTION 22. IC 9-18-2-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) License plates shall be displayed as follows:
   (1) For a motorcycle, trailer, semitrailer, or recreational vehicle, upon the rear of the vehicle.
   (2) For a farm tractor or tractor, upon the front of the vehicle.
   (3) For every other vehicle, upon the rear of the vehicle.
(b) A license plate shall be securely fastened, in a horizontal position, to the vehicle for which the plate is issued:
   (1) to prevent the license plate from swinging;
   (2) at a height of at least twelve (12) inches from the ground, measuring from the bottom of the license plate;
   (3) in a place and position that are clearly visible;
   (4) maintained free from foreign materials and in a condition to be clearly legible; and
(5) not obstructed or obscured by tires, bumpers, accessories, or other opaque objects.

(c) The bureau may adopt rules the bureau considers advisable to enforce the proper mounting and securing of license plates on vehicles consistent with this chapter.

SECTION 23. IC 9-18-2-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. Notwithstanding any other law, license plates, including personalized license plates, for:

(1) passenger motor vehicles;
(2) recreational vehicles;
(3) motor vehicles registered to disabled veterans under IC 9-18-18; or
(4) motor vehicles registered to former prisoners of war under IC 9-18-17;

that contain any of the numerals 1 through 100 following the prefix numbers and letter shall be issued **annually biennially** by the bureau.

SECTION 24. IC 9-18-2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. Except as otherwise provided, before:

(1) a motor vehicle;
(2) a motorcycle;
(3) a truck;
(4) a trailer;
(5) a semitrailer;
(6) a tractor;
(7) an implement of husbandry or a farm tractor used in transportation;
(8) (7) a bus;
(9) (8) a school bus;
(10) (9) a recreational vehicle; or
(11) (10) special farm machinery;

is operated or driven on a highway, the person who owns the vehicle must register the vehicle with the bureau and pay the applicable registration fee.

SECTION 25. IC 9-18-2-29.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29.5. Before a piece of special machinery is operated off a highway or in a farm field, the person
who owns the piece of special machinery must:

(1) register the piece of special machinery with the bureau;

and

(2) pay the applicable registration fee.

SECTION 26. IC 9-18-2-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 43. (a) Notwithstanding any law to the contrary but except as provided in subsection (b), a law enforcement officer authorized to enforce motor vehicle laws who discovers a vehicle required to be registered under this article that does not have the proper certificate of registration or license plate:

(1) shall take the vehicle into the officer's custody; and

(2) may cause the vehicle to be taken to and stored in a suitable place until:

(A) the legal owner of the vehicle can be found; or

(B) the proper certificate of registration and license plates have been procured.

(b) Except as provided in IC 9-21-21-7(b), a law enforcement officer who discovers a vehicle in violation of the registration provisions of this article has discretion in the impoundment of any of the following:

(1) Perishable commodities.

(2) Livestock.

(c) A person who recklessly violates this section commits a Class A misdemeanor.

SECTION 27. IC 9-19-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsections (b) through (c) and as otherwise provided in this chapter, this article does not apply to the following with respect to equipment on vehicles:

(1) Implements of husbandry: agriculture designed to be operated primarily in a farm field or on farm premises.

(2) Road machinery.

(3) Road rollers.

(4) Farm tractors.

(5) Vehicle chassis that:

(A) are a part of a vehicle manufacturer's work in process; and

(B) are driven under this subdivision only for a distance of less than one (1) mile.
(b) A farm type dry or liquid fertilizer tank trailer or spreader that is drawn or towed on a highway by:

(1) a farm tractor; or
(2) a motor vehicle at a speed not greater than thirty (30) miles per hour;
is considered an implement of husbandry with respect to equipment requirements and all the requirements of this article regarding lamps on combinations; including farm tractors; apply:

(c) (b) A farm type dry or liquid fertilizer tank trailer or spreader that is drawn or towed on a highway by a motor vehicle other than a farm tractor at a speed greater than thirty (30) miles per hour is considered a trailer for equipment requirement purposes and all equipment requirements concerning trailers apply.

SECTION 28. IC 9-19-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Sections 4 through 5 of this chapter and IC 9-19-4-3, IC 9-19-4-4, and IC 9-19-5-7:

(1) do not apply to:
(A) machinery or equipment used in highway construction or maintenance by the Indiana department of transportation, counties, or municipalities;
(B) farm drainage machinery;
(C) implements of husbandry agriculture when used during farming operations or when so constructed so that they can be moved without material damage to the highways; or
(D) firefighting apparatus owned or operated by a political subdivision or a volunteer fire department (as defined in IC 36-8-12-1; IC 36-8-12-2); and

(2) do not limit the width or height of farm vehicles when loaded with farm products.

SECTION 29. IC 9-19-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A farm tractor and a self-propelled farm equipment unit or an implement of husbandry agriculture designed to be operated primarily in a farm field or on farm premises, when operated on a highway and not equipped with an electric lighting system, must, at all times required by IC 9-21-7-2, be equipped with the following:

(1) At least one (1) lamp displaying a white light visible from a distance of not less than five hundred (500) feet to the front of the
vehicle.
(2) At least one (1) lamp displaying a red light visible from a
distance of not less than five hundred (500) feet to the rear of the
vehicle.
(3) Two (2) red reflectors visible from a distance of one hundred
(100) feet to six hundred (600) feet to the rear when illuminated
by the upper beams of head lamps.
The lights required by this subsection must be positioned so that one
(1) lamp showing to the front and one (1) lamp or reflector showing to
the rear will indicate the furthest projection of the tractor, unit, or
implement on the side of the road used in passing the vehicle.

(b) A combination of farm tractor and towed unit of farm equipment
or implement of \textit{husbandry agriculture designed to be operated
primarily in a farm field or on farm premises, when operated on a
highway and} not equipped with an electric lighting system, must, at all
times required by IC 9-21-7-2, be equipped with two (2) red reflectors
that meet the following requirements:
(1) Are visible from a distance of one hundred (100) feet to six
hundred (600) feet to the rear when illuminated by the upper
beams of head lamps.
(2) Are mounted in a manner so as to indicate as nearly as
practicable the extreme left and right rear projections of the towed
unit or implement on the highway.

(c) A farm tractor and a self-propelled unit of farm equipment or an
implement of \textit{husbandry agriculture designed to be operated
primarily in a farm field or on farm premises, when operated on a
highway and} equipped with an electric lighting system, must, at all
times required by IC 9-21-7-2, be equipped with the following:
(1) Two (2) single-beam or multiple-beam head lamps meeting
the requirements of section 20 or 21 of this chapter or
IC 9-21-7-9.
(2) Two (2) red lamps visible from a distance of not less than five
hundred (500) feet to the rear, or in the alternative, one (1) red
lamp visible from a distance of not less than five hundred (500)
feet to the rear and two (2) red reflectors visible from a distance
of one hundred (100) feet to six hundred (600) feet to the rear
when illuminated by the upper beams of head lamps.
The red lamps or reflectors must be mounted in the rear of the farm
tractor or self-propelled implement of husbandry agriculture so as to indicate as nearly as practicable the extreme left and right projections of the vehicle on the highways.

(d) A combination of farm tractor and towed farm equipment or towed implement of husbandry agriculture designed to be operated primarily in a farm field or on farm premises, when operated on a highway and equipped with an electric lighting system, must, at all times required by IC 9-21-7-2, be equipped as follows:

(1) The farm tractor element of each combination must be equipped with two (2) single-beam or multiple-beam head lamps meeting the requirements of section 20 or 21 of this chapter or IC 9-21-7-9.

(2) The towed unit of farm equipment or implement of husbandry agriculture element of each combination must be equipped with the following:

(A) Two (2) red lamps visible from a distance of not less than five hundred (500) feet to the rear, or as an alternative, one (1) red lamp visible from a distance of not less than five hundred (500) feet to the rear.

(B) Two (2) red reflectors visible from a distance of one hundred (100) feet to six hundred (600) feet to the rear when illuminated by the upper beams of head lamps.

The red lamps or reflectors must be located so as to indicate as nearly as practicable the extreme left and right rear projections of the towed unit or implement on the highway.

(3) A combination of farm tractor and towed farm equipment or towed implement of husbandry agriculture equipped with an electric lighting system must be equipped with the following:

(A) A lamp displaying a white or an amber light, or any shade of color between white and amber, visible from a distance of not less than five hundred (500) feet to the front.

(B) A lamp displaying a red light visible from a distance of not less than five hundred (500) feet to the rear.

The lamps must be installed or capable of being positioned so as to indicate to the front and rear the furthest projection of that combination on the side of the road used by other vehicles in passing that combination.

(e) A farm tractor, a self-propelled farm equipment unit, or an
implement of husbandry agriculture must not display blinding field or flood lights when operated on a highway.

(f) All rear lighting requirements may be satisfied by having a vehicle with flashing lights immediately trail farm equipment in accordance with IC 9-21-7-11.

SECTION 30. IC 9-19-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsections (b) through (d), a tire on a vehicle moved on a highway may not have on the tire's periphery a block, stud, flange, cleat, or spike or any other protuberance of any material other than rubber that projects beyond the tread of the traction surface of the tire.

(b) Farm machinery Implements of agriculture may use tires having protuberances that will not injure the highway.

(c) Tire chains of reasonable proportions may be used upon a vehicle when required for safety because of snow, ice, or other conditions tending to cause a vehicle to skid.

(d) From October 1 to the following May 1, a vehicle may use tires in which have been inserted ice grips or tire studs of wear-resisting material, installed in a manner that provides resiliency upon contact with the road, with projections that do not exceed three thirty-seconds (3/32) of an inch beyond the tread of the traction surface of the tire, and constructed to prevent any appreciable damage to the road surface.

SECTION 31. IC 9-19-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The Indiana department of transportation and local authorities in their respective jurisdictions may in their discretion issue special permits authorizing the operation upon a highway of:

(1) traction engines; or
(2) tractors having movable tracks with transverse corrugations upon the periphery of movable tracks; or
(3) farm tractors or other farm machinery; implements of agriculture designed to be operated primarily in a farm field or on farm premises;

the operation of which upon a highway would otherwise be prohibited under this chapter.

SECTION 32. IC 9-20-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) As used in this section, "farm vehicle loaded with a farm product" includes a truck
hauling unprocessed leaf tobacco.

(b) Except for interstate highway travel, this article does not apply to the following:

(1) Machinery or equipment used in highway construction or maintenance by the Indiana department of transportation, counties, or municipalities.

(2) Farm drainage machinery.

(3) Implements of husbandry agriculture when used during farming operations or when so constructed so that the implements can be moved without material damage to the highways.

(c) This article does not apply to firefighting apparatus owned or operated by a political subdivision or volunteer fire department (as defined in IC 36-8-12-2).

(d) Except for interstate highway travel, this article does not limit the width or height of a farm vehicle loaded with a farm product.

SECTION 33. IC 9-21-8-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) Except as provided in subsection (b), a stop or turn signal required under this chapter may be given by means of the hand and arm or by a signal lamp or lamps or mechanical signal device.

(b) This subsection does not apply to farm tractors and implements of agriculture designed to be operated primarily in a farm field or on farm premises. A motor vehicle in use on a highway must be equipped with and a required signal shall be given by a signal lamp or lamps or mechanical signal device when either of the following conditions exist:

(1) The distance from the center of the top of the steering post to the left outside limit of the body, cab, or load of the motor vehicle exceeds twenty-four (24) inches.

(2) The distance from the center of the top of the steering post to the rear limit of the body or load of the motor vehicle exceeds fourteen (14) feet. This measurement applies to a single vehicle and a combination of vehicles.

SECTION 34. IC 9-21-8-46 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 46. A person may not drive or operate:

(1) an implement of husbandry agriculture designed to be operated primarily in a farm field or on farm premises; or
(2) a piece of special machinery;
upon any part of an interstate highway.

SECTION 35. IC 9-21-8-47 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 47. The following vehicles must be moved or operated so as to avoid any material damage to the highway or unreasonable interference with other highway traffic:

(1) Machinery or equipment used in highway construction or maintenance by the Indiana department of transportation, counties, or municipalities.
(2) Farm drainage machinery.
(3) Implements of husbandry, agriculture.
(4) Firefighting apparatus owned or operated by a political subdivision or a volunteer fire department (as defined in IC 36-8-12-2).
(5) Farm vehicles loaded with farm products.

SECTION 36. IC 9-21-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 21. Farm Vehicles Involved in Commercial Enterprises
Sec. 1. A motor vehicle, trailer, or semitrailer and tractor may be operated primarily as a farm truck, farm trailer, or farm semitrailer and tractor if the vehicle meets the specifications set forth in IC 9-29-5-13(b).

Sec. 2. A farm truck described in section 1 of this chapter may be used for personal purposes if the vehicle otherwise qualifies for that class of registration.

Sec. 3. Except as provided in section 4 of this chapter, if the owner of a farm truck, farm trailer, or farm semitrailer and tractor described in section 1 of this chapter begins to operate the farm truck, farm trailer, or farm semitrailer and tractor or permits the farm truck, farm trailer, or farm semitrailer and tractor to be operated:

(1) in the conduct of a commercial enterprise; or
(2) for the transportation of farm products after the commodities have entered the channels of commerce during a registration year for which the license fee under IC 9-29-5-13 has been paid;
the owner shall pay the amount computed under IC 9-29-5-13.5(c)
due for the remainder of the registration year for the license fee.

Sec. 4. Notwithstanding section 3 of this chapter and IC 9-18-2-4, the owner of a farm truck, farm trailer, or farm semitrailer and tractor described in section 1 of this chapter or an employee or family member of the owner may operate the truck, trailer, or semitrailer and tractor intrastate for the transportation of seasonal, perishable fruit or vegetables to the first point of processing for a period of not more than one (1) thirty (30) day period in a registration year established by IC 9-18-2-7. Before a vehicle may be operated as provided in this subsection, the owner shall pay to the bureau:

(1) the license fee due under IC 9-29-5-13(b); and
(2) eight and one-half percent (8.5%) of the license fee paid under IC 9-29-5-13(b);

for the farm truck, farm trailer, or farm semitrailer and tractor. The bureau shall adopt rules under IC 4-22-2 to authorize the operation of a farm truck, farm trailer, or farm semitrailer and tractor in the manner provided in this subsection.

Sec. 5. In addition to the penalty provided in section 7 of this chapter, a person that operates a vehicle or allows a vehicle that the person owns to be operated when the vehicle is:

(1) registered under this chapter as a farm truck, farm trailer, or farm semitrailer and tractor; and
(2) operated as set forth in section 3 of this chapter;

commits a Class C infraction. However, the offense is a Class B infraction if, within the three (3) years preceding the commission of the offense, the person had a prior unrelated judgment under this section.

Sec. 6. For purposes of this chapter, the operation of a vehicle in violation of section 3 of this chapter is a continuing offense and the venue for prosecution lies in a county in which the unlawful operation occurred. However, a:

(1) judgment against; or
(2) finding by the court for;

the owner or operator bars a prosecution in another county.

Sec. 7. (a) Except as provided in subsection (b), a police officer who discovers a vehicle registered under this chapter as a farm truck, farm trailer, or farm semitrailer and tractor that is being operated as set forth in section 3 of this chapter:
(1) may take the vehicle into the police officer's custody; and
(2) may cause the vehicle to be taken to and stored in a suitable place until:
   (A) the legal owner of the vehicle can be found; or
   (B) the proper certificate of registration and license plates have been procured and the amount computed under IC 9-29.5-13.5 has been paid.

(b) A vehicle being operated in violation of section 3 of this chapter that is carrying perishable fruits or vegetables or livestock may not be impounded, and the operator may proceed to the point of destination after having been stopped by a police officer under subsection (a).

SECTION 37. IC 9-23-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) A license issued under this chapter may be denied, suspended, or revoked for any of the following:
   (1) Material misrepresentation in the application for the license or other information filed with the commissioner.
   (2) Lack of fitness under the standards set forth in this article or a rule adopted by the commissioner under this article.
   (3) Willful failure to comply with the provisions of this article or a rule adopted by the commissioner under this article.
   (4) Willful violation of a federal or state law relating to the sale, distribution, financing, or insuring of motor vehicles.
   (5) Engaging in an unfair practice as set forth in this article or a rule adopted by the commissioner under this article.
   (6) Violating IC 23-2-2.7.

(b) Except as provided in subsection (d), the procedures set forth in IC 4-21.5 govern the denial, suspension, or revocation of a license and a judicial review. However, A denial, suspension, or revocation of a license takes effect after the commissioner makes a determination and notice of the determination has been served upon the affected person.

(b) If the bureau denies, suspends, or revokes a license issued or sought under this article, the affected person may file an action in the circuit court of Marion County, Indiana, or the circuit court of the Indiana county in which the person's principal place of business is located, seeking a judicial determination as to whether the action is
An action may not take effect until thirty (30) days after the commissioner's determination has been made and a notice of the determination served upon the affected person. The filing of an action as described in this section within the thirty (30) day period is an automatic stay of the commissioner's determination.

(c) Revocation or suspension of a license of a manufacturer, a distributor, a factory branch, a distributor branch, a dealer, or an automobile auctioneer may be limited to one (1) or more locations, to one (1) or more defined areas, or only to certain aspects of the business.

(d) A license may be denied, suspended, or revoked for violating IC 9-19-1. IC 4-21.5-4 governs the denial, suspension, or revocation of a license under this subsection. The bureau may issue a temporary order to enforce this subsection.

SECTION 38. IC 9-24-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. Sections 1 through 5 of this chapter do not apply to the following individuals:

(1) An individual in the service of the armed forces of the United States while operating an official motor vehicle in that service.

(2) An individual while operating: as

(A) a road roller;
(B) road construction or maintenance machinery, except where the road roller or machinery is required to be registered under Indiana law;
(C) a ditch digging apparatus;
(D) a well drilling apparatus;
(E) a concrete mixer; or
(F) a farm tractor or an implement of husbandry, agriculture designed to be operated primarily in a farm field or on farm premises;

that is being temporarily drawn, moved, or propelled on an Indiana public highway.

(3) A nonresident who:

(A) is at least sixteen (16) years and one (1) month of age; and
(B) has in the nonresident's immediate possession a valid operator's license that was issued to the nonresident in the nonresident's home state or country;
while operating a motor vehicle in Indiana only as an operator.

(4) A nonresident who:
(A) is at least eighteen (18) years of age; and
(B) has in the nonresident's immediate possession a valid chauffeur's license that was issued to the nonresident in the nonresident's home state or country;
while operating a motor vehicle upon a public highway, either as an operator or a chauffeur.

(5) A nonresident who:
(A) is at least eighteen (18) years of age; and
(B) has in the nonresident's immediate possession a valid license issued by the nonresident's home state for the operation of any motor vehicle upon a public highway when in use as a public passenger carrying vehicle;
while operating a motor vehicle upon a public highway.

(6) A nonresident whose home state or country does not require the licensing of operators or chauffeurs and who has not been licensed as an operator or a chauffeur in the nonresident's home state or country as an operator if the nonresident is at least sixteen (16) years and thirty (30) days of age and less than eighteen (18) years of age or as a chauffeur if the nonresident is at least eighteen (18) years of age, for not more than sixty (60) days in any one (1) year if the following conditions exist:
(A) The unlicensed nonresident is the owner of the motor vehicle or the authorized driver of the vehicle.
(B) The vehicle has been registered for the current year in the state or country of which the owner is a resident.
(C) The motor vehicle at all times displays a registration plate issued in the home state or country of the owner.
(D) The nonresident owner or driver has in the owner's or driver's immediate possession a registration card evidencing ownership and registration in the owner's or driver's home state or country or is able at any required time or place to do the following:
(i) Prove lawful possession or the right to operate the motor vehicle.
(ii) Establish the nonresident's proper identity.

(7) An individual who is legally licensed to operate a motor vehicle in the state of the individual's residence and who is employed in Indiana, subject to the restrictions imposed by the
state of the individual's residence.
(8) A new resident of Indiana who possesses an unexpired driver's license issued by the resident's former state of residence, for a period of sixty (60) days after becoming a resident of Indiana.
(9) An individual who is an engineer, a conductor, a brakeman, or another member of the crew of a locomotive or a train that is being operated upon rails, including the operation of the locomotive or the train on a crossing over a street or a highway. An individual described in this subdivision is not required to display a license to a law enforcement officer in connection with the operation of a locomotive or a train in Indiana.

SECTION 39. IC 9-24-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Examinations shall be held in the city or town county where the application was made is located, within a reasonable length of time following the date of the application.

SECTION 40. IC 9-24-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) If the bureau has good cause to believe that a licensed operator or chauffeur driver is:
(1) incompetent; or
(2) otherwise not qualified to be licensed;
the bureau may, upon written notice of at least five (5) days, require the licensed operator or chauffeur driver to submit to an examination. The bureau also may conduct a reasonable investigation of the driver's continued fitness to operate a motor vehicle safely, including requesting medical information from the driver or the driver's health care sources.
(b) Upon the conclusion of an examination or investigation under this section, the bureau:
(1) shall take appropriate action; and
(2) may:
(A) suspend or revoke the license of the licensed operator or chauffeur driver;
(B) permit the licensed operator or chauffeur driver to retain the license of the licensed operator or chauffeur driver; or
(C) issue a restricted license subject to restrictions considered necessary in the interest of public safety.
(c) If a licensed operator or chauffeur driver refuses or neglects to
submit to an examination under this section, the bureau may suspend or revoke the license of the licensed operator or chauffeur driver. The bureau may not suspend or revoke the license of the licensed driver until a reasonable investigation of the driver’s continued fitness to operate a motor vehicle safely has been made by the bureau.

(d) A licensed operator or chauffeur driver may appeal an action taken by the bureau under this section to the circuit court or superior court of the county in which the licensed operator or chauffeur driver resides.

SECTION 41. IC 9-24-10-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 7.5. A physician licensed to practice medicine under IC 25-22.5, an optometrist licensed to practice optometry under IC 25-24, or an advanced practice nurse licensed under IC 25-23 who has personally examined the patient not more than thirty (30) days before making a report concerning the patient’s fitness to operate a motor vehicle is not civilly or criminally liable for a report made in good faith to the:

(1) bureau;
(2) commission; or
(3) driver licensing medical advisory board;

concerning the fitness of a patient of the physician, optometrist, or advanced practice nurse to operate a motor vehicle in a manner that does not jeopardize the safety of individuals or property.

SECTION 42. IC 9-24-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 1. (a) Except as provided in subsection (b) and section 10 of this chapter, an operator's license issued under this article after December 31, 1996, and before January 1, 2006, expires at midnight of the birthday of the holder that occurs four (4) years following the date of issuance.

(b) Except as provided in section 10 of this chapter, an operator's license issued after December 31, 1996, to an applicant who is at least seventy-five (75) years of age expires at midnight of the birthday of the holder that occurs three (3) years following the date of issuance.

(c) Except as provided in subsection (b) and section 10 of this chapter, after December 31, 2005, an operator's license issued under this article expires at midnight of the birthday of the holder that occurs six (6) years following the date of issuance.
SECTIONS 43. IC 9-24-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in section 10 of this chapter, a chauffeur's license issued under this article after December 31, 1996, and before January 1, 2006, expires at midnight of the birthday of the holder that occurs four (4) years following the date of issuance.

(b) After December 31, 2005, and except as provided in section 10 of this chapter, a chauffeur's license issued under this article expires at midnight of the birthday of the holder that occurs six (6) years following the date of issuance.

SECTION 44. IC 9-24-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) An individual who applies for renewal of an operator's, a motorcycle operator's, a chauffeur's, or a public passenger chauffeur's license must do the following:

1. Pass an eyesight examination.
2. Pass a written examination if:
   (A) the applicant has at least six (6) active points on the applicant's driving record maintained by the bureau; or
   (B) the applicant holds a valid operator's license but has not reached the applicant's twenty-first birthday.

(b) An individual may apply for renewal of an operator's, a motorcycle operator's, a chauffeur's, or a public passenger chauffeur's license by mail or by electronic service if the following conditions are met:

1. A valid computerized image of the individual exists within the records of the bureau.
2. The previous renewal of the operator's, motorcycle operator's, chauffeur's, or public passenger chauffeur's license was not made by mail or by electronic service.
3. The previous renewal included a test approved by the bureau of the applicant's eyesight.
4. The applicant, if applying for the renewal in person at a license branch, would not be required under subsection (a)(2) to submit to a written examination.

(c) An individual applying for the renewal of an operator's, a motorcycle operator's, a chauffeur's, or a public passenger chauffeur's license must apply in person at a license branch under subsection (a)
if the individual is not entitled to apply by mail or by electronic service under subsection (b):

SECTION 45. IC 9-24-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided in subsection (b) and section 10 of this chapter, a motorcycle operator's license issued after December 31, 1996, and before January 1, 2006, expires at midnight of the birthday of the holder that occurs four (4) years following the date of issuance.

(b) Except as provided in section 10 of this chapter, a motorcycle operator's license issued after December 31, 1996, to an applicant who is at least seventy-five (75) years of age expires at midnight of the birthday of the holder that occurs three (3) years following the date of issuance.

(c) After December 31, 2005, except as provided in subsection (b), a motorcycle operator's license issued under this article expires at midnight of the birthday of the holder that occurs six (6) years following the date of issuance.

(d) A motorcycle operator endorsement remains in effect for the same term as the license being endorsed and is subject to renewal at and after the expiration of the license in accordance with this chapter.

(e) A temporary motorcycle learner's permit is valid for twelve (12) months from date of issuance.

SECTION 46. IC 9-24-12-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. After June 30, 2005:

(1) an operator's;
(2) a chauffeur's; or
(3) a motorcycle operator's;
license issued to or renewed by a driver who is at least eighty-five (85) years of age expires at midnight of the birthday of the holder that occurs two (2) years following the date of issuance.

SECTION 47. IC 9-24-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. An identification card issued:

(1) before January 1, 2006, expires on the fourth birthday of the applicant following the date of issue; and
(2) after December 31, 2005, expires at midnight of the birthday of the holder that occurs six (6) years following the
date of issuance.

SECTION 48. IC 9-24-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) An application for renewal of an identification card may be made not more than six (6) months before the expiration date of the card. A renewal application received after the date of expiration is considered to be a new application.

(b) A renewed card issued:

(1) before January 1, 2006, becomes valid on the birth date of the holder and remains valid for four (4) years; and

(2) after December 31, 2005, is valid on the birth date of the holder and remains valid for six (6) years.

(c) If renewal has not been made within six (6) months after expiration, the bureau shall destroy all records pertaining to the former cardholder.

(d) Renewal may not be granted if the cardholder was issued a driver's license subsequent to the last issuance of an identification card.

(e) An individual may apply for renewal of an identification card by mail or by electronic service if the following conditions are met:

(1) A valid computerized image of the individual exists within the records of the bureau;

(2) The previous renewal of the identification card was not made by mail or by electronic service.

SECTION 49. IC 9-25-6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The bureau shall reinstate the current driving license or vehicle registration, or both:

(1) subject to section 15 of this chapter, after ninety (90) days of suspension:

(A) except as provided in sections 19, 20, and 21(b) of this chapter, if the person has furnished the bureau with a certificate of compliance showing that financial responsibility is in effect with respect to the vehicle; or

(B) if the person is no longer an owner of the vehicle or the registration of the vehicle has been canceled or has expired;

(2) if the person is subject to section 21(b) of this chapter and to IC 9-29-13-1, IC 9-29-10-1, after thirty (30) days of suspension;

(3) subject to section 15 of this chapter, when the person furnishes the bureau with a certificate of compliance showing that
financial responsibility is in effect with respect to the vehicle if:
(A) subdivision (1)(B) does not apply; and
(B) the person fails to furnish the bureau with a certificate of
compliance as described in subdivision (1)(A) within ninety
(90) days after the current driving license of the person is
suspended; or
(4) if financial responsibility was in effect with respect to a
vehicle on the date of the accident but the person does not provide
the bureau with a certificate of compliance indicating this fact
until after the person's current driving license is suspended under
this chapter, the person's current driving license shall be
reinstated when the person provides the certificate of compliance
to the bureau and complies with section 15 of this chapter.
(b) Upon receipt of a certificate of compliance under this section,
the bureau shall expunge from the bureau's data base the administrative
suspension caused by the failure to notify the bureau that the person
had financial responsibility in effect on the date of the violation.

SECTION 50. IC 9-26-1-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The driver of a
vehicle involved in an accident that results in the injury or death of a
person shall do the following:
(1) Immediately stop the vehicle at the scene of the accident or as
close to the accident as possible in a manner that does not
obstruct traffic more than is necessary.
(2) Immediately return to and remain at the scene of the accident
until the driver does the following:
(A) Gives the driver's name and address and the registration
number of the vehicle the driver was driving.
(B) Upon request, exhibits the driver's license of the driver to
the following:
(i) The person struck.
(ii) The driver or occupant of or person attending each
vehicle involved in the accident.
(C) Determines the need for and renders reasonable assistance
to each person injured in the accident, including the removal
or the making of arrangements for the removal of each injured
person to a physician or hospital for medical treatment.
(3) Immediately give notice of the accident by the quickest means
of communication to one (1) of the following:
(A) The local police department if the accident occurs within a municipality.
(B) The office of the county sheriff or the nearest state police post if the accident occurs outside a municipality.

(4) Within ten (10) days after the accident, forward a written report of the accident to the:
(A) state police department, if the accident occurs before January 1, 2006; or
(B) bureau, if the accident occurs after December 31, 2005.

SECTION 51. IC 9-26-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The driver of a vehicle involved in an accident that does not result in injury or death of a person but that does result in damage to a vehicle that is driven or attended by a person shall do the following:
(1) Immediately stop the vehicle at the scene of the accident or as close to the accident as possible in a manner that does not obstruct traffic more than is necessary.
(2) Immediately return to and remain at the scene of the accident until the driver does the following:
   (A) Gives the driver's name and address and the registration number of the vehicle the driver was driving.
   (B) Upon request, exhibits the driver's license of the driver to the driver or occupant of or person attending each vehicle involved in the accident.
(3) If the accident results in total property damage to an apparent extent of at least one thousand dollars ($1,000), forward a written report of the accident to the:
   (A) state police department, if the accident occurs before January 1, 2006; or
   (B) bureau, if the accident occurs after December 31, 2005; within ten (10) days after the accident.

SECTION 52. IC 9-26-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The state police department may do the following:
(1) Require a driver who is required to file a report under this chapter to file supplemental reports if the original report is insufficient in the opinion of the state police department.
require witnesses of accidents to submit reports to the state police department.

SECTION 53. IC 9-26-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A city or town may by ordinance require that the driver of a vehicle involved in an accident file with a designated city or town department:

(1) a report of the accident; or

(2) a copy of a report required in this article to be filed with the:

(A) state police department; or

(B) bureau.

(b) An accident report required to be filed under subsection (a) is for the confidential use of the designated city or town department and subject to IC 9-26-3-4.

SECTION 54. IC 9-27-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The office shall do the following to carry out this chapter:

(1) Develop, plan, and conduct programs and activities designed to prevent and reduce traffic accidents and to facilitate the control of traffic on Indiana streets and highways.

(2) Advise, recommend, and consult with state departments, divisions, boards, commissions, and agencies concerning traffic safety, accident prevention, and traffic facilitation programs and activities and coordinate these programs and activities on an effective statewide basis.

(3) Organize and conduct, in cooperation with state departments and agencies, programs, services, and activities designed to aid political subdivisions in the control of traffic and prevention of traffic accidents.

(4) Develop informational, educational, and promotional material on traffic control and traffic accident prevention, disseminate the material through all possible means of public information, and serve as a clearinghouse for information and publicity on traffic control and accident prevention programs and activities of state departments and agencies. These activities must include materials and information designed to make senior citizens aware of the effect of age on driving ability.

(5) Cooperate with public and private agencies interested in traffic control and traffic accident prevention in the development
and conduct of public informational and educational activities designed to promote traffic safety or to support the official traffic safety program of Indiana.

(6) Study and determine the merits of proposals affecting traffic control, traffic safety, or traffic accident prevention activities in Indiana and recommend to the governor and the general assembly the measures that will serve to further control and reduce traffic accidents.

(7) Study proposed revisions and amendments to the motor vehicle laws and all other laws concerning traffic safety and make recommendations relative to those laws to the governor and general assembly.

(8) Develop and conduct a program of effective alcohol and drug countermeasures to protect and conserve life and property on Indiana streets and highways.

(9) Administer the operation lifesaver program referred to in section 12 of this chapter to promote and coordinate public education concerning railroad grade crossing safety.

SECTION 55. IC 9-27-4-5.5, AS AMENDED BY HEA 1288-2005, SEC. 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) To receive be eligible for an instructor's license under subsection (d), an individual must complete at least sixty (60) semester hours at a college. The individual must:

1. complete at least twelve (12) nine (9) semester hours in driver education courses; of which three (3) semester hours must consist of supervised student teaching experience under the direction of an individual who has:

   a) a driver and traffic safety education endorsement issued by the professional standards board established by IC 20-28-2-1; and

   b) be at least five (5) twenty-one (21) years of teaching experience in driver education; age upon completion of the driver education courses required by subdivision (1).

   (b) The three (3) semester hours of supervised student teaching experience required under subsection (a) may only be undertaken by an individual who will be at least twenty-one (21) years of age upon completion and may only be performed at a high school; a commercial driving school; or the college providing the courses for the individual to become an instructor. The remaining nine (9) number of semester
hours of driver education courses required under subsection (a)(1) must include a combination of theoretical and behind-the-wheel instruction that is consistent with nationally accepted standards in traffic safety.

(c) The driver education semester hours required under subsection (a)(1) do not satisfy the requirements of subsection (d) or (e) unless the driver education curriculum is approved by the commission for higher education.

(d) The bureau shall issue an instructor's license to an individual who satisfies all of the following:

(1) The individual meets the requirements of subsection (a).
(2) The individual does not have more than the maximum number of points for violating traffic laws specified by the bureau by rules adopted under IC 4-22-2.
(3) The individual has a good moral character, physical condition, knowledge of the rules of the road, and work history. The bureau shall adopt rules under IC 4-22-2 that specify the requirements, including requirements about criminal convictions, necessary to satisfy the conditions of this subdivision.

(e) The bureau shall issue an instructor's license to an individual who:

(1) during 1995, held an instructor's license;
(2) meets the requirements of subsection (d)(2) and (d)(3); and
(3) completed the twelve number of semester hours of driver education courses that were then required under subsection (a)(1) not later than July 1, 1999.

However, an individual who has acted as an instructor for at least two years before January 1, 1996, is not required to complete the requirements of subdivision (3) in order to receive an instructor's license under this subsection.

(f) The bureau shall issue an instructor's license to an individual who:

(1) holds a driver and traffic safety education endorsement issued by the professional standards board established by IC 20-28-2-1; and
(2) meets the requirements of subsection (d)(2) and (d)(3).

(g) Only an individual who holds an instructor's license issued by the bureau under subsection (d), (e), or (f) may act as an instructor.
SECTION 56. IC 9-29-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The fee to obtain information regarding vehicle titles registrations, and driver's licenses under IC 9-14-3-5 is:

(1) four dollars ($4) for each record requested in writing; and
(2) a fee to be determined by the bureau not to exceed four dollars ($4), in conformance with IC 5-14-3-8, for each record requested electronically through the computer gateway administered by the intelenet commission under IC 5-21; plus any service fee charged by the intelenet commission.

(b) The fee to obtain information regarding a license, vehicle registration, or permit under IC 9-14-3-5 is four dollars ($4) for a record requested either:

(1) in writing; or
(2) electronically through the computer gateway administered by the intelenet commission under IC 5-21; plus any service fee charged by the intelenet commission.

(c) The fee imposed by this section and paid to the bureau is in lieu of fees established under IC 5-14-3-8 and does not apply to a law enforcement agency or an agency of government.

SECTION 57. IC 9-29-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The service charge for each of the first two thousand (2,000) operator's licenses, including motorcycle operator's licenses, issued at a license branch each year is two dollars ($2). This subsection expires December 31, 2005.

(b) The service charge for each additional operator's license or motorcycle operator's license issued at that license branch each year is one dollar and fifty cents ($1.50). This subsection expires December 31, 2005.

(c) Fifty cents ($0.50) of each service charge collected under this section shall be deposited in the state motor vehicle technology fund established by IC 9-29-16-1.

(d) After December 31, 2005, the service charge for an operator's license is three dollars ($3).

SECTION 58. IC 9-29-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The service charge for each learner's permit, chauffeur's license, or public
passenger chauffeur's license is two dollars ($2). This subsection expires December 31, 2005.

(b) Fifty cents ($0.50) of each service charge collected under subsection (a) this section shall be deposited in the state motor vehicle technology fund established by IC 9-29-16-1.

(c) After December 31, 2005, the service charge for a learner's permit, public passenger chauffeur's license, or chauffeur's license issued to or renewed for an individual who is at least seventy-five (75) years of age is two dollars ($2). After December 31, 2005, the service charge for a chauffeur's license issued to or renewed for an individual less than seventy-five (75) years of age is three dollars ($3).

SECTION 59. IC 9-29-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The service charge for each temporary motorcycle learner's permit, motorcycle learner's permit, or motorcycle endorsement of an operator's license is one dollar and fifty cents ($1.50). This subsection expires December 31, 2005.

(b) Fifty cents ($0.50) of each service charge collected under subsection (a) this section shall be deposited in the state motor vehicle technology fund established by IC 9-29-16-1.

(c) After December 31, 2005, the service charge for a temporary motorcycle learner's permit, motorcycle learner's permit, or motorcycle endorsement of an operator's license issued to or renewed for an individual who is at least seventy-five (75) years of age is one dollar and fifty cents ($1.50). After December 31, 2005, the service charge for a motorcycle endorsement of an operator's license issued to or renewed for an individual less than seventy-five (75) years of age is two dollars and twenty-five cents ($2.25).

SECTION 60. IC 9-29-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) The service charge for an identification card issued under IC 9-24 is fifty cents ($0.50) and one-half (1/2) of each fee collected as set forth in IC 9-29-9-15. This subsection expires December 31, 2005.

(b) Fifty cents ($0.50) of each service charge collected under subsection (a) this section shall be deposited in the state motor vehicle technology fund established by IC 9-29-16-1.

(c) After December 31, 2005, the service charge for an
identification card issued under IC 9-24 is seventy-five cents ($0.75) and one-half (1/2) of each fee collected as set forth in IC 9-29-9-15.

SECTION 61. IC 9-29-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) This section does not apply to a vehicle or person exempted from registration under IC 9-18.

(b) The license fee for a motor vehicle that has: (1) a corn sheller; (2) a well driller; (3) a hay press; (4) a clover huller; (5) a farm wagon type liquid fertilizer tank trailer; or (6) farm machinery that is permanently mounted on the motor vehicle and used solely for transporting the equipment piece of special machinery is five dollars ($5). The motor vehicle is exempt from other fees provided under IC 9-18 or this article.

(c) The license fee for a farm wagon used for transporting farm products and farm supplies in connection with a farming operation is five dollars ($5). The farm wagon is exempt from other fees provided under IC 9-18 or this article:

(d) The license fee for a farm type dry or liquid fertilizer tank trailer or spreader or implement of husbandry used to transport bulk fertilizer between distribution point and farm and return is five dollars ($5). The trailer, spreader, or implement is exempt from the other fees provided under IC 9-18 or this article:

(e) The owner of a vehicle listed in this section is not entitled to a reduction in the five dollar ($5) license fee because the license is granted at a time that the license period is less than a year.

SECTION 62. IC 9-29-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. A farm wagon or farm type dry or liquid fertilizer tank trailer or spreader used to transport bulk fertilizer between distribution point and farm and return is exempt from all license fees when the wagon, trailer, or spreader is drawn or towed on a highway by a:

(1) farm tractor; or

(2) properly registered motor vehicle. that is registered as a farm tractor used in transportation.

SECTION 63. IC 9-29-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) This section does not apply to a vehicle or person exempt from registration under
IC 9-18.
(b) The license fee for a motor vehicle, trailer, or semitrailer and tractor operated primarily as a farm truck, farm trailer, or farm semitrailer and tractor:
   (1) having a declared gross weight of at least eleven thousand (11,000) pounds; and
   (2) used by the owner or guest occupant in connection with agricultural pursuits usual and normal to the user's farming operation;
is fifty percent (50%) of the amount listed in this chapter for a truck, trailer, or semitrailer and tractor of the same declared gross weight.
(c) A farm truck, farm trailer, or farm semitrailer and tractor described in subsection (b) may not be operated either part time or incidentally in the conduct of a commercial enterprise or for the transportation of farm products after the commodities have entered the channels of commerce.
(d) A farm truck described in subsection (b) may be used for personal purposes if the vehicle otherwise qualifies for that class of registration.

SECTION 64. IC 9-29-5-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.5. (a) This section applies to a truck, trailer, or semitrailer and tractor for which a license fee provided in section 13(b) of this chapter has been paid.
(b) Except as provided in subsection (d), if the owner of a truck, trailer, or semitrailer and tractor described in subsection (a) begins to operate the truck, trailer, or semitrailer and tractor in the conduct of a commercial enterprise or for the transportation of farm products after the commodities have entered the channels of commerce during a registration year for which the license fee under section 13(b) of this chapter has been paid, the owner shall pay the amount listed in this chapter for a truck, trailer, or semitrailer and tractor of the same declared gross weight reduced by a credit determined under subsection (c) to license the truck, trailer, or semitrailer and tractor.
(c) The credit provided in subsection (b) equals:
   (1) the license fee paid under section 13(b) of this chapter; reduced by
   (2) ten percent (10%) for each full or partial calendar month that has elapsed in the registration year for which the license fee has
been paid.

(d) The credit determined under subsection (c) may not exceed ninety percent (90%) of the license fee paid under section 13(b) of this chapter.

(d) Notwithstanding subsection (b) and IC 9-18-2-4, the owner of a truck, trailer, or semitrailer and tractor described in subsection (a) or an employee or family member of the owner may operate the truck, trailer, or semitrailer and tractor intrastate for the transportation of seasonal, perishable fruit or vegetables to the first point of processing for a period that consists of not more than a thirty (30) day period in a registration year as provided by IC 9-21-21-4. Before a vehicle may be operated as provided in this subsection, the owner shall pay to the bureau:

1) any license fee due under section 13(b) of this chapter; and
2) eight and one-half percent (8.5%) of the license fee paid under section 13(b) of this chapter.

SECTION 65. IC 9-29-5-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 42. (a) Except as provided in subsection (c), vehicles not subject to IC 9-18-2-8 shall be registered at one-half (1/2) of the regular rate, subject to IC 9-18-2-7, if the vehicle is registered after July 31 of any year. This subsection does not apply to the following:

† A farm tractor used in transportation.
‡ (1) Special farm machinery.
§ (2) Semitrailers registered on a five (5) year or permanent basis under IC 9-18-10-2.

(3) An implement of agriculture designed to be operated primarily on a highway.

(b) Except as provided in subsection (c), subsection (a) and IC 9-18-2-7 determine the registration fee for the registration of a vehicle subject to registration under IC 9-18-2-8(c), IC 9-18-2-8(d), and IC 9-18-2-8(e) and acquired by an owner subsequent to the date required for the annual registration of vehicles by an owner set forth in IC 9-18-2-8.

(c) Subject to subsection (d), a vehicle subject to the International Registration Plan that is registered after September 30 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before April 1 of
the following year beginning with the date of registration. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

(d) If the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration for motor vehicles subject to the International Registration Plan, a motor vehicle subject to the International Registration Plan that is registered after the date designated for registration of the motor vehicle in rules adopted under IC 9-17-2-7 IC 9-18-2-7 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before the motor vehicle must be re-registered. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

SECTION 66. IC 9-29-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The fee for a four (4) year operator's license issued under IC 9-24-3 is six dollars ($6). This subsection expires December 31, 2005.

(b) After December 31, 2005, the fee for an operator's license issued under IC 9-24-3 or renewed under IC 9-24-12 to an individual who is:

(1) less than seventy-five (75) years of age is nine dollars ($9); and

(2) at least seventy-five (75) years of age is six dollars ($6).

SECTION 67. IC 9-29-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The fee for a chauffeur's license issued under IC 9-24-4 is eight dollars ($8). This subsection expires December 31, 2005.

(b) After December 31, 2005, the fee for a chauffeur's license issued under IC 9-24-4 or renewed under IC 9-24-12 to an individual who is:

(1) at least seventy-five (75) years of age is eight dollars ($8);
and
(2) less than seventy-five (75) years of age is twelve dollars ($12).

SECTION 68. IC 9-29-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The fee for a four (4) year motorcycle operator's license issued under IC 9-24-8 is six dollars ($6). This subsection expires December 31, 2005.
(b) After December 31, 2005, the fee for a motorcycle operator's license issued under IC 9-24-8 or renewed under IC 9-24-12 to an individual who is:
(1) at least seventy-five (75) years of age is six dollars ($6); and
(2) less than seventy-five (75) years of age is nine dollars ($9).

SECTION 69. IC 9-29-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The fee for a motorcycle operator endorsement of an operator's license is three dollars ($3). This subsection expires December 31, 2005.
(b) After December 31, 2005, the fee for validation of a motorcycle operator endorsement under IC 9-24-8-4 and IC 9-24-12-7(c) of an operator's license issued to an individual who is:
(1) at least seventy-five (75) years of age is three dollars ($3); and
(2) less than seventy-five (75) years of age is four dollars and fifty cents ($4.50).

SECTION 70. IC 9-29-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The fee for a motorcycle operator endorsement of a chauffeur's license is three dollars ($3). This subsection expires December 31, 2005.
(b) After December 31, 2005, the fee for validation of a motorcycle operator endorsement under IC 9-24-8-4 and IC 9-24-12-7(c) of a chauffeur's license issued to an individual who is:
(1) at least seventy-five (75) years of age is three dollars ($3); and
(2) less than seventy-five (75) years of age is four dollars and fifty cents ($4.50).

SECTION 71. IC 9-29-9-15 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The fees for the issuance, renewal, or duplication of identification cards under IC 9-24-16 are as follows:

(1) For a person at least sixty-five (65) years of age or a person with a physical disability and not entitled to obtain a driving license, two dollars ($2).

(2) For any other eligible person, four dollars ($4).

This subsection expires December 31, 2005.

(b) After December 31, 2005, the fees for the issuance, the renewal, or a duplicate of an identification card under IC 9-24-16 are as follows:

(1) For an individual at least sixty-five (65) years of age or an individual with a physical disability and not entitled to obtain a driver's license, three dollars and fifty cents ($3.50).

(2) For any other individual, six dollars ($6).

SECTION 72. IC 10-11-2-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) The superintendent may assign qualified persons who are not state police officers to supervise or operate permanent or portable weigh stations. A person assigned under this section may stop, inspect, and issue citations to operators of trucks and trailers having a declared gross weight of at least eleven thousand (11,000) pounds and buses at a permanent or portable weigh station or while operating a clearly marked Indiana state police vehicle for violations of the following:

(1) IC 6-1.1-7-10.
(2) IC 6-6-1.1-1202.
(3) IC 6-6-2.5.
(4) IC 6-6-4.1-12.
(5) IC 8-2.1.
(6) IC 9-18.
(7) IC 9-19.
(8) IC 9-20.
(9) IC 9-21-7-2 through IC 9-21-7-11.
(10) IC 9-21-8-41 pertaining to the duty to obey an official traffic control device for a weigh station.
(11) IC 9-21-8-45 through IC 9-21-8-48.
(12) IC 9-21-9.
(13) IC 9-21-15.
(14) IC 9-21-21.
(15) IC 9-24-1-1 through IC 9-24-1-3.
(16) IC 9-24-1-7.
(17) Except as provided in subsection (c), IC 9-24-1-6, IC 9-24-6-16, IC 9-24-6-17, and IC 9-24-6-18, commercial driver’s license.
(18) IC 9-24-4.
(19) IC 9-24-5.
(20) IC 9-24-11-4.
(21) IC 9-24-13-3.
(22) IC 9-24-18-1 through IC 9-24-18-2.
(23) IC 9-25-4-3.
(24) IC 9-28-4.
(25) IC 9-28-5.
(26) IC 9-28-6.
(27) IC 9-29-5-11 through IC 9-29-5-13.
(28) IC 9-29-5-42.
(29) IC 9-29-6-1.
(30) IC 13-17-5-1, IC 13-17-5-2, IC 13-17-5-3, or IC 13-17-5-4.
(31) IC 13-30-2-1.

(b) For the purpose of enforcing this section, a person assigned under this section may detain a person in the same manner as a law enforcement officer under IC 34-28-5-3.

(c) A person assigned under this section may not enforce IC 9-24-6-14 or IC 9-24-6-15.

SECTION 73. IC 13-11-2-245 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 245. (a) "Vehicle", for purposes of IC 13-17-5, refers to a vehicle required to be registered with the bureau of motor vehicles and required to have brakes. The term does not include the following:

(1) Farm tractors:
(2) Implements of husbandry:
(3) Farm tractors used in transportation:
(4) (1) Mobile homes (house trailers).
(5) (2) Trailers weighing not more than three thousand (3,000) pounds.
(6) (3) Antique motor vehicles.
(4) Special machinery (as defined in IC 9-13-2-170.3).

(b) "Vehicle", for purposes of IC 13-18-12, means a device used to transport a tank.

(c) "Vehicle", for purposes of IC 13-20-4, refers to a municipal waste collection and transportation vehicle.

(d) "Vehicle", for purposes of IC 13-20-13-7, means a motor vehicle and types of equipment, machinery, implements, or other devices used in transportation, manufacturing, agriculture, construction, or mining. The term does not include the following:

(1) A lawn and garden tractor that is propelled by a motor of not more than twenty (20) twenty-five (25) horsepower.

(2) A semitrailer.

(e) "Vehicle", for purposes of IC 13-20-14, has the meaning set forth in IC 9-13-2-196.

SECTION 74. IC 26-1-9.1-311 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 311. (a) Except as otherwise provided in subsection (d), the filing of a financing statement is not necessary or effective to perfect a security interest in property subject to:

(1) a statute, regulation, or treaty of the United States whose requirements for a security interest's obtaining priority over the rights of a lien creditor with respect to the property preempt IC 26-1-9.1-310(a);

(2) any Indiana certificate-of-title statute covering automobiles, trailers, mobile homes, or boats, farm tractors or the like, which provides for a security interest to be indicated on the certificate as a condition or result of perfection; or

(3) a certificate-of-title statute of another jurisdiction which provides for a security interest to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the property.

(b) Compliance with the requirements of a statute, regulation, or treaty described in subsection (a) for obtaining priority over the rights of a lien creditor is equivalent to the filing of a financing statement under IC 26-1-9.1. Except as otherwise provided in subsection (d), IC 26-1-9.1-313, IC 26-1-9.1-316(d), and IC 26-1-9.1-316(e) for goods covered by a certificate of title, a security interest in property subject to a statute, regulation, or treaty described in subsection (a) may be
perfected only by compliance with those requirements, and a security interest so perfected remains perfected notwithstanding a change in the use or transfer of possession of the collateral.

(c) Except as otherwise provided in subsection (d), IC 26-1-9.1-316(d), and IC 26-1-9.1-316(e), duration and renewal of perfection of a security interest perfected by compliance with the requirements prescribed by a statute, regulation, or treaty described in subsection (a) are governed by the statute, regulation, or treaty. In other respects, the security interest is subject to IC 26-1-9.1.

(d) During any period in which collateral, subject to a statute specified in subsection (a)(2), is inventory held for sale or lease by a person or leased by that person as lessor, and that person is in the business of selling goods of that kind, this section does not apply to a security interest in that collateral created by that person, but instead, the filing provisions of IC 26-1-9.1-501 through IC 26-1-9.1-527 apply.

SECTION 75. IC 34-30-2-30.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30.5. IC 9-24-10-7.5 (Concerning physicians, optometrists, or advanced practice nurses making reports concerning driver impairment).

SECTION 76. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 6-6-2.5-11; IC 9-13-2-55; IC 9-13-2-57; IC 9-13-2-169; IC 9-29-5-19; IC 9-29-13-1.

SECTION 77. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 9-13-2-77, as amended by this act, the bureau of motor vehicles shall carry out the duties imposed on it under IC 9-13-2-77, as amended by this act, under interim written guidelines approved by the commissioner of motor vehicles.

(b) This SECTION expires on the earlier of the following:

(1) The date rules are adopted under IC 9-13-2-77, as amended by this act.

(2) December 31, 2006.

SECTION 78. [EFFECTIVE UPON PASSAGE] (a) The bureau of motor vehicles shall adopt rules under IC 4-22-2 to identify and define "farm truck", "farm trailer", and "farm semitrailer and tractor", as required by IC 9-13-2-58.

(b) Notwithstanding subsection (a), the bureau of motor vehicles shall carry out the duties imposed on it by IC 9-13-2-58 and by this
SECTION under interim written guidelines approved by the commissioner of motor vehicles.

(c) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted under IC 9-13-2-58.
   (2) December 31, 2006.

SECTION 79. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "common carrier" has the meaning set forth in IC 8-2.1-17-4.
   (b) As used in this SECTION, "contract carrier" has the meaning set forth in IC 8-2.1-17-5.
   (c) As used in this SECTION, "person" includes an employee or a family member of a farmer.
   (d) Notwithstanding IC 9-24-6-2(c), the bureau of motor vehicles shall adopt rules under IC 4-22-2 to exempt a person who operates a farm vehicle:
      (1) that is controlled by a farmer;
      (2) that is used to transport:
         (A) agricultural products;
         (B) farm machinery; or
         (C) farm supplies;
      to or from a farm;
      (3) that is not used in the operations of a common or contract carrier; and
      (4) that is used within one hundred fifty (150) miles of the farmer's farm;
   from regulation as a person required to hold a commercial driver's license in order to operate a farm vehicle.
   (e) The bureau of motor vehicles shall carry out the duties imposed on it by IC 9-24-6-2(c) and by this SECTION under interim written guidelines approved by the commissioner of motor vehicles.
   (f) This SECTION expires on the earlier of the following:
      (1) The date rules are adopted under IC 9-24-6-2(c).
      (2) December 31, 2006.

SECTION 80. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 9-21-21-4, as added by this act, the bureau of motor vehicles shall carry out the duties imposed on it under IC 9-21-21-4, as added by this act, under interim written guidelines approved by the commissioner of the bureau of motor vehicles.
(b) This SECTION expires the earlier of the following:
   (1) The date rules are adopted under IC 9-21-21-4.
   (2) December 31, 2006.

SECTION 81. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 9-29-2-2, as amended by this act, the fee charged before January 1, 2006, for a record of a vehicle title that is requested electronically through the computer gateway administered by the intelenet commission under IC 5-21 is four dollars ($4). The intelenet commission may also charge a service fee.

(b) This SECTION expires January 1, 2006.

SECTION 82. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 9-29-3-8, IC 9-29-3-9, IC 9-29-3-10, and IC 9-29-3-14, all as amended by this act, and in accordance with IC 9-29-3-19(d)(2), the bureau of motor vehicles shall adopt rules under IC 4-22-2 to increase the service charges in effect on July 1, 2005, under 140 IAC 8-3-9, 140 IAC 8-3-18, and 140 IAC 8-3-20 concerning service charges for an operator's license, a motorcycle license, a chauffeur's license, or a motorcycle endorsement of an operator's or a chauffeur's license for an individual who is less than seventy-five (75) years of age at the time of the issuance or renewal of the license or endorsement. The rules must:
   (1) provide that the applicable service charge is increased by fifty percent (50%) over the charge in effect on July 1, 2005; and
   (2) be effective January 1, 2006.

(b) Before the effective date of the rules adopted under subsection (a), the bureau of motor vehicles shall carry out the duties imposed on it under this SECTION under interim written guidelines approved by the commissioner of the bureau of motor vehicles. Interim guidelines approved under this subsection expire on the earlier of:
   (1) the effective date of the rules adopted under subsection (a); or
   (2) January 1, 2007.

(c) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted in accordance with this SECTION.
   (2) January 1, 2007.

SECTION 83. [EFFECTIVE UPON PASSAGE] (a)
Notwithstanding IC 9-29-9-2, IC 9-29-9-4, IC 9-29-9-6, IC 9-29-9-7, and IC 9-29-9-8, all as amended by this act, and in accordance with IC 9-29-1-2(b), the bureau of motor vehicles shall adopt rules under IC 4-22-2 to increase the license fee and motorcycle endorsement fee in effect on July 1, 2005, under 140 IAC 8-4-25 and 140 IAC 8-4-26 concerning license fee increases and motorcycle endorsement fee increases for certain operator's licenses, motorcycle licenses, or chauffeur's licenses or a motorcycle endorsement of an operator's or a chauffeur's license for an individual who is less than seventy-five (75) years of age at the time of the issuance of or renewal of the license or endorsement. The rules must:

(1) provide that the applicable license fee or motorcycle endorsement fee increase is increased by fifty percent (50%) over the charge in effect on July 1, 2005; and

(2) be effective January 1, 2006.

(b) Before the effective date of the rules adopted under subsection (a), the bureau of motor vehicles shall carry out the duties imposed on it under this SECTION under interim written guidelines approved by the commissioner of the bureau of motor vehicles. Interim guidelines approved under this subsection expire on the earlier of:

(1) the effective date of the rules adopted under subsection (a); or

(2) January 1, 2007.

(c) This SECTION expires on the earlier of the following:

(1) The date rules are adopted in accordance with this SECTION.

(2) January 1, 2007.

SECTION 84. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 27-8-5-2.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2.7. (a) Notwithstanding section 2.5 of this chapter and any other law, and except as provided in subsection (b), an individual policy of accident and sickness insurance that is issued after June 30, 2005, may contain a waiver of coverage for a specified condition and any complications that arise from the specified condition if:

(1) the waiver period does not exceed ten (10) years; and

(2) all the following conditions are met:

(A) The insurer provides to the applicant before issuance of the policy written notice explaining the waiver of coverage for the specified condition and complications arising from the specified condition.

(B) The:

(i) offer of coverage; and

(ii) policy;

include the waiver in a separate section stating in bold print that the applicant is receiving coverage with an exception for the waived condition.

(C) The:

(i) offer of coverage; and

(ii) policy;

do not include more than two (2) waivers per individual.

(D) The waiver period is concurrent with and not in addition to any applicable preexisting condition limitation or exclusionary period.

(E) The insurer agrees to:

(i) review the underwriting basis for the waiver upon
request one (1) time per year; and
(ii) remove the waiver if the insurer determines that
evidence of insurability is satisfactory.

(F) The insurer discloses to the applicant that the applicant
may decline the offer of coverage and apply for a policy
issued by the Indiana comprehensive health insurance
association under IC 27-8-10.

(G) An insurance benefit card issued by the insurer to the
applicant includes a telephone number for verification of
coverage waived.

The insurer shall require an applicant to initial the written notice
provided under subdivision (2)(A) and the waiver included in the
offer of coverage and in the policy under subdivision (2)(B) to
acknowledge acceptance of the waiver of coverage. An offer of
coverage under a policy that includes a waiver under this
subsection does not preclude eligibility for an Indiana
comprehensive health insurance association policy under
IC 27-8-10-5.1.

(b) An individual policy of accident and sickness insurance may
not include a waiver of coverage for a:

(1) mental health condition; or

(2) developmental disability.

(c) An insurer may not, on the basis of a waiver contained in a
policy as provided in subsection (a), deny coverage for any
condition or complication that is not specified as required in the:

(1) written notice under subsection (a)(2)(A); and

(2) offer of coverage and policy under subsection (a)(2)(B).

(d) An insurer that removes a waiver under subsection (a)(2)(E)
shall not consider the condition or any complication to which the
waiver previously applied in making policy renewal and
underwriting determinations.

(e) Upon the expiration of the waiver period allowed under this
section, the insurer shall:

(1) remove the waiver;

(2) not consider the condition or any complication to which
the waiver previously applied in making policy underwriting
determinations; and

(3) renew the policy in accordance with 45 CFR 148.122.

SECTION 2. IC 27-8-5-19.3 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19.3. (a) This section applies to an association or a discretionary group policy of accident and sickness insurance:

(1) under which a certificate of coverage is issued after June 30, 2005, to an individual member of the association or discretionary group;

(2) under which a member of the association or discretionary group is individually underwritten; and

(3) that is not employer based.

(b) Notwithstanding sections 19 and 19.2 of this chapter and any other law, and except as provided in subsection (e), a policy described in subsection (a) may contain a waiver of coverage for a specified condition and any complications that arise from the specified condition if:

(1) the waiver period does not exceed ten (10) years; and

(2) all of the following conditions are met:

(A) The insurer provides to the applicant before issuance of the certificate written notice explaining the waiver of coverage for the specified condition and complications arising from the specified condition.

(B) The:

(i) offer of coverage; and

(ii) certificate of coverage;

include the waiver in a separate section stating in bold print that the applicant is receiving coverage with an exception for the waived condition.

(C) The:

(i) offer of coverage; and

(ii) certificate of coverage;

do not include more than two (2) waivers per individual.

(D) The waiver period is concurrent with and not in addition to any applicable preexisting condition limitation or exclusionary period.

(E) The insurer agrees to:

(i) review the underwriting basis for the waiver upon request one (1) time per year; and

(ii) remove the waiver if the insurer determines that evidence of insurability is satisfactory.

(F) The insurer discloses to the applicant that the applicant
may decline the offer of coverage, and that any individual to whom the waiver would have applied may apply for a policy issued by the Indiana comprehensive health insurance association under IC 27-8-10.

(G) An insurance benefit card issued by the insurer to the applicant includes a telephone number for verification of coverage waived.

(c) The insurer shall require an applicant to initial the written notice provided under subsection (b)(2)(A) and the waiver included in the offer of coverage and in the certificate of coverage under subsection (b)(2)(B) to acknowledge acceptance of the waiver of coverage.

(d) An offer of coverage under a policy that includes a waiver under this section does not preclude eligibility for an Indiana comprehensive health insurance association policy under IC 27-8-10-5.1.

(e) A policy described in subsection (a) may not include a waiver of coverage for a:

(1) mental health condition; or
(2) developmental disability.

(f) An insurer may not, on the basis of a waiver contained in a policy as provided in this section, deny coverage for any condition or complication that is not specified as required in the:

(1) written notice under subsection (b)(2)(A); and
(2) offer of coverage and certificate of coverage under subsection (b)(2)(B).

(g) An insurer that removes a waiver under subsection (b)(2)(E) shall not consider the condition or any complication to which the waiver previously applied in making policy renewal and underwriting determinations.

(h) Upon the expiration of the waiver period allowed under this section, the insurer shall:

(1) remove the waiver;
(2) not consider the condition or any complication to which the waiver previously applied in making policy underwriting determinations; and
(3) renew the policy in accordance with 45 CFR 148.122.

SECTION 3. IC 27-8-10-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.1. (a) A person is not
eligible for an association policy if the person is eligible for Medicaid. A person other than a federally eligible individual may not apply for an association policy unless the person has applied for Medicaid not more than sixty (60) days before applying for the association policy.

(b) Except as provided in subsection (c), a person is not eligible for an association policy if, at the effective date of coverage, the person has or is eligible for coverage under any insurance plan that equals or exceeds the minimum requirements for accident and sickness insurance policies issued in Indiana as set forth in IC 27. However, an offer of coverage described in IC 27-8-5-2.5(e), or IC 27-8-5-2.7, IC 27-8-5-19.2(e), or IC 27-8-5-19.3 does not affect an individual's eligibility for an association policy under this subsection. Coverage under any association policy is in excess of, and may not duplicate, coverage under any other form of health insurance.

(c) Except as provided in IC 27-13-16-4 and subsection (a), a person is eligible for an association policy upon a showing that:

1) the person has been rejected by one (1) carrier for coverage under any insurance plan that equals or exceeds the minimum requirements for accident and sickness insurance policies issued in Indiana, as set forth in IC 27, without material underwriting restrictions;

2) an insurer has refused to issue insurance except at a rate exceeding the association plan rate; or

3) the person is a federally eligible individual.

For the purposes of this subsection, eligibility for Medicare coverage does not disqualify a person who is less than sixty-five (65) years of age from eligibility for an association policy.

(d) Coverage under an association policy terminates as follows:

1) On the first date on which an insured is no longer a resident of Indiana.

2) On the date on which an insured requests cancellation of the association policy.

3) On the date of the death of an insured.

4) At the end of the policy period for which the premium has been paid.

5) On the first date on which the insured no longer meets the eligibility requirements under this section.

(e) An association policy must provide that coverage of a dependent
unmarried child terminates when the child becomes nineteen (19) years of age (or twenty-five (25) years of age if the child is enrolled full time in an accredited educational institution). The policy must also provide in substance that attainment of the limiting age does not operate to terminate a dependent unmarried child's coverage while the dependent is and continues to be both:

1. incapable of self-sustaining employment by reason of mental retardation or mental or physical disability; and
2. chiefly dependent upon the person in whose name the contract is issued for support and maintenance.

However, proof of such incapacity and dependency must be furnished to the carrier within one hundred twenty (120) days of the child's attainment of the limiting age, and subsequently as may be required by the carrier, but not more frequently than annually after the two (2) year period following the child's attainment of the limiting age.

(f) An association policy that provides coverage for a family member of the person in whose name the contract is issued must, as to the family member's coverage, also provide that the health insurance benefits applicable for children are payable with respect to a newly born child of the person in whose name the contract is issued from the moment of birth. The coverage for newly born children must consist of coverage of injury or illness, including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities. If payment of a specific premium is required to provide coverage for the child, the contract may require that notification of the birth of a child and payment of the required premium must be furnished to the carrier within thirty-one (31) days after the date of birth in order to have the coverage continued beyond the thirty-one (31) day period.

(g) Except as provided in subsection (h), an association policy may contain provisions under which coverage is excluded during a period of three (3) months following the effective date of coverage as to a given covered individual for preexisting conditions, as long as medical advice or treatment was recommended or received within a period of three (3) months before the effective date of coverage. This subsection may not be construed to prohibit preexisting condition provisions in an insurance policy that are more favorable to the insured.

(h) If a person applies for an association policy within six (6) months after termination of the person's coverage under a health
insurance arrangement and the person meets the eligibility requirements of subsection (c), then an association policy may not contain provisions under which:

(1) coverage as to a given individual is delayed to a date after the effective date or excluded from the policy; or
(2) coverage as to a given condition is denied; on the basis of a preexisting health condition. This subsection may not be construed to prohibit preexisting condition provisions in an insurance policy that are more favorable to the insured.

(i) For purposes of this section, coverage under a health insurance arrangement includes, but is not limited to, coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985.

SECTION 4. [EFFECTIVE JULY 1, 2005] (a) An insurer that issues a policy of accident and sickness insurance that contains a waiver under IC 27-8-5-2.7 or IC 27-8-5-19.3, both as added by this act, shall submit to the commissioner of the department of insurance the following information for the reporting periods specified under subsection (b) on a form prescribed by the commissioner:

(1) The number of policies and certificates that the insurer issued with a waiver.
(2) A list of specified conditions that the insurer waived.
(3) The number of waivers issued for each specified condition listed under subdivision (2).
(4) The number of waivers issued categorized by the period of time for which coverage of a specified condition was waived.
(5) The number of applicants who were denied insurance coverage by the insurer because of a specified condition.

(b) An insurer shall submit to the commissioner of the department of insurance the information required under subsection (a) as follows:

(1) Not later than September 1, 2006, for the reporting period July 1, 2005, through June 30, 2006.
(2) Not later than September 1, 2007, for the reporting period July 1, 2006, through June 30, 2007.

(c) The commissioner of the department of insurance shall forward the information submitted:

(1) under subsection (b)(1) not later than November 1, 2006;
and
(2) under subsection (b)(2) not later than November 1, 2007; to the legislative council in an electronic format under IC 5-14-6.
(d) The commissioner of the department of insurance shall compile the information submitted under subsection (b) and, not later than November 1, 2007, report the information to the legislative council in an electronic format under IC 5-14-6.
(e) This SECTION expires June 30, 2008.

AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 10-13-3-38.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. (a) Under federal P.L.92-544 (86 Stat. 1115), the department may use an individual's fingerprints submitted by the individual for the following purposes:

(1) Determining the individual's suitability for employment with the state, or as an employee of a contractor of the state, in a position:

(A) that has a job description that includes contact with, care of, or supervision over a person less than eighteen (18) years of age;

(B) that has a job description that includes contact with, care of, or supervision over an endangered adult (as defined in IC 12-10-3-2), except the individual is not required to meet the standard for harmed or threatened with harm set forth in IC 12-10-3-2(a)(3);

(C) at a state institution managed by the office of the secretary of family and social services or state department of health;

(D) at the Indiana School for the Deaf established by IC 20-16-2-1;
(E) at the Indiana School for the Blind established by IC 20-15-2-1;
(F) at a juvenile detention facility;
(G) with the gaming commission under IC 4-33-3-16;
(H) with the department of financial institutions under IC 28-11-2-3; or
(I) that has a job description that includes access to or supervision over state financial or personnel data, including state warrants, banking codes, or payroll information pertaining to state employees.

(2) Identification in a request related to an application for a teacher's license submitted to the professional standards board established under IC 20-1-1.4.

(3) Use by the Indiana board of pharmacy in determining the individual's suitability for a position or employment with a wholesale drug distributor, as specified in IC 25-26-14-16(b), IC 25-26-14-16.5(b), IC 25-26-14-17.8(c), and IC 25-26-14-20.

An applicant shall submit the fingerprints in an appropriate format or on forms provided for the employment or license application. The department shall charge each applicant the fee established under section 28 of this chapter and by federal authorities to defray the costs associated with a search for and classification of the applicant's fingerprints. The department may forward fingerprints submitted by an applicant to the Federal Bureau of Investigation or any other agency for processing. The state personnel department or the agency to which the applicant is applying for employment or a license may receive the results of all fingerprint investigations.

(b) An applicant who is an employee of the state may not be charged under subsection (a).

(c) Subsection (a)(1) does not apply to an employee of a contractor of the state if the contract involves the construction or repair of a capital project or other public works project of the state.

SECTION 2. IC 12-9-5-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Notwithstanding any other law:

(1) home health agencies licensed under IC 16-27-1 are approved to provide home health services; and
(2) personal services agencies licensed under IC 16-27-4 are
approved to provide personal services; under any federal waiver granted to the state under 42 U.S.C. 1315 or 42 U.S.C. 1396n.

SECTION 3. IC 16-18-2-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.5. (a) "Attendant care services", for purposes of IC 16-27-1 has the meaning set forth in IC 16-27-1-0.5. and IC 16-27-4, means services:

1) that could be performed by an impaired individual for whom the services are provided if the individual were not impaired; and

2) that enable the impaired individual:
   (A) to live in the individual's home and community rather than in an institution; and
   (B) to carry out functions of daily living, self-care, and mobility.

(b) The term includes the following:

1) Assistance in getting in and out of beds, wheelchairs, and motor vehicles.

2) Assistance with routine bodily functions, including:
   (A) bathing and personal hygiene;
   (B) using the toilet;
   (C) dressing and grooming; and
   (D) feeding, including preparation and cleanup.

3) The provision of assistance:
   (A) through providing reminders or cues to take medication, the opening of preset medication containers, and providing assistance in the handling or ingesting of noncontrolled substance medications, including eye drops, herbs, supplements, and over-the-counter medications; and
   (B) to an individual who is unable to accomplish the task due to an impairment and who is:
      (i) competent and has directed the services; or
      (ii) incompetent and has the services directed by a competent individual who may consent to health care for the impaired individual.

SECTION 4. IC 16-18-2-56.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 56.3. "Client", for purposes of IC 16-27-4, has the meaning set forth in IC 16-27-4-1.
SECTION 5. IC 16-18-2-162 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 162. (a) "Health care professional", for purposes of IC 16-27-1 and IC 16-27-4, has the meaning set forth in IC 16-27-1-1.

(b) "Health care professional", for purposes of IC 16-27-2, has the meaning set forth in IC 16-27-2-1.

SECTION 6. IC 16-18-2-266.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 266.5. "Parent personal services agency", for purposes of IC 16-27-4, has the meaning set forth in IC 16-27-4-2.

SECTION 7. IC 16-18-2-277.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 277.6. "Personal representative", for purposes of IC 16-27-4, has the meaning set forth in IC 16-27-4-3.

SECTION 8. IC 16-18-2-277.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 277.7. "Personal services", for purposes of IC 16-27-2 and IC 16-27-4, has the meaning set forth in IC 16-27-4-4.

SECTION 9. IC 16-18-2-277.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 277.8. "Personal services agency", for purposes of IC 16-27-4, has the meaning set forth in IC 16-27-4-5.

SECTION 10. IC 16-27-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this chapter, "home health services" means services that: are:

1. provided to a patient by:
   - a home health agency; or
   - another person under an arrangement with a home health agency;

   in the temporary or permanent residence of the patient; and

2. either, are required by law to be:
   - ordered by a licensed physician, a licensed dentist, a licensed chiropractor, a licensed podiatrist, or a licensed optometrist for the service to be performed; or
(B) performed only by a health care professional.

(b) The term includes the following:
(1) Nursing treatment and procedures.
(2) Physical therapy.
(3) Occupational therapy.
(4) Speech therapy.
(5) Medical social services.
(6) Home health aide services.
(7) Other therapeutic services.

(c) The term does not apply to the following:
(1) Services provided by a physician licensed under IC 25-22.5.
(2) Incidental services provided by a licensed health facility to patients of the licensed health facility.
(3) Services provided by employers or membership organizations using health care professionals for their employees, members, and families of the employees or members if the health or home care services are not the predominant purpose of the employer or a membership organization's business.
(4) Nonmedical nursing care given in accordance with the tenets and practice of a recognized church or religious denomination to a patient who depends upon healing by prayer and spiritual means alone in accordance with the tenets and practices of the patient's church or religious denomination.
(5) Services that are allowed to be performed by an attendant under IC 16-27-1-10.
(6) Authorized services provided by a personal services attendant under IC 12-10-17.

SECTION 11. IC 16-27-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The state department shall adopt rules under IC 4-22-2 to do the following:
(1) Protect the health, safety, and welfare of patients.
(2) Govern the qualifications of applicants for licenses.
(3) Govern the operating policies, supervision, and maintenance of service records of home health agencies.
(4) Govern the procedure for issuing, renewing, denying, or revoking an annual license to a home health agency, including the following:
   (A) The form and content of the license.
(B) The collection of an annual license fee of not more than two hundred fifty dollars ($250) that the state department may waive.

(5) Exempt persons who do not provide home health services under this chapter.

SECTION 12. IC 16-27-2-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.2. As used in this chapter, "services" includes:

(1) home health services (as defined in IC 16-27-1-5); and

(2) any services such as homemaker, companion, sitter, or handyman services provided by a home health agency in the temporary or permanent residence of a patient or client of the home health agency; and

(3) personal services.

SECTION 13. IC 16-27-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person may not operate a home health agency or a personal services agency if the person has been convicted of any of the following:

(1) Rape (IC 35-42-4-1).

(2) Criminal deviate conduct (IC 35-42-4-2).

(3) Exploitation of an endangered adult (IC 35-46-1-12).

(4) Failure to report battery, neglect, or exploitation of an endangered adult (IC 35-46-1-13).

(5) Theft (IC 35-43-4), if the person's conviction for theft occurred less than ten (10) years before the date of submission by the person of an application for licensure as a home health agency under IC 16-27-1 or as a personal services agency under IC 16-27-4.

(b) A person who knowingly or intentionally violates this section commits a Class A misdemeanor.

SECTION 14. IC 16-27-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person who operates a home health agency under IC 16-27-1 or a personal services agency under IC 16-27-4 shall apply, not more than three (3) business days after the date that an employee begins to provide services in a patient's temporary or permanent residence, for a copy of the employee's limited criminal history from the Indiana central repository for criminal history information under IC 10-13-3.
(b) A home health agency or personal services agency may not employ a person to provide services in a patient's or client's temporary or permanent residence for more than three (3) business days without applying for that person's limited criminal history as required by subsection (a).

SECTION 15. IC 16-27-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in subsection (b), a person who operates a home health agency under IC 16-27-1 or a personal services agency under IC 16-27-4 may not employ a person to provide services in a patient's or client's temporary or permanent residence if that person's limited criminal history indicates that the person has been convicted of any of the following:

1. Rape (IC 35-42-4-1).
2. Criminal deviate conduct (IC 35-42-4-2).
4. Failure to report battery, neglect, or exploitation of an endangered adult (IC 35-46-1-13).
5. Theft (IC 35-43-4), if the conviction for theft occurred less than ten (10) years before the person's employment application date.

(b) A home health agency or personal services agency may not employ a person to provide services in a patient's or client's temporary or permanent residence for more than twenty-one (21) calendar days without receipt of that person's limited criminal history required by section 4 of this chapter, unless the Indiana central repository for criminal history information under IC 10-13-3 is solely responsible for failing to provide the person's limited criminal history to the home health agency or personal services agency within the time required under this subsection.

SECTION 16. IC 16-27-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A person who operates a home health agency or a personal services agency under IC 16-27-4 is responsible for the payment of fees under IC 10-13-3-30 and other fees required under section 4 of this chapter.

(b) A home health agency or personal services agency may require a person who applies to the home health agency or personal services agency for employment to provide services in a patient's or client's
temporary or permanent residence:
   (1) to pay the cost of fees described in subsection (a) to the home
       health agency or personal services agency at the time the person
       submits an application for employment; or
   (2) to reimburse the home health agency or personal services
       agency for the cost of fees described in subsection (a).

SECTION 17. IC 16-27-2-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A person who:
   (1) operates a home health agency or personal services agency;
   and
   (2) violates section 4 or 5 of this chapter;
commits a Class A infraction.

SECTION 18. IC 16-27-4 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]:

Chapter 4. Licensure of Personal Services Agencies

Sec. 1. As used in this chapter, "client" means an individual who
has been accepted to receive personal services from a personal
services agency.

Sec. 2. As used in this chapter, "parent personal services
agency" means the personal services agency that develops and
maintains administrative and fiscal control over a branch office.

Sec. 3. As used in this chapter, "personal representative" means
a person who has legal authority to act on behalf of the client with
regard to the action to be taken.

Sec. 4. (a) As used in this chapter, "personal services" means:
   (1) attendant care services;
   (2) homemaker services that assist with or perform household
tasks, including housekeeping, shopping, laundry, meal
planning and preparation, and cleaning; and
   (3) companion services that provide fellowship, care, and
protection for a client, including transportation, letter
writing, mail reading, and escort services;
that are provided to a client at the client's residence.

   (b) The term does not apply to the following:
   (1) Incidental services provided by a licensed health facility to
patients of the licensed health facility.
   (2) Services provided by employers or membership
organizations for their employees, members, and families of the employees or members if the services are not the predominant purpose of the employer or the membership organization’s business.

(3) Services that are allowed to be performed by a personal services attendant under IC 12-10-17.

(4) Services that require the order of a health care professional for the services to be lawfully performed in Indiana.

(5) Assisted living Medicaid waiver services.

(6) Services that are performed by a facility described in IC 12-10-15.

Sec. 5. (a) As used in this chapter, "personal services agency" means a person that provides or offers to provide a personal service for compensation, whether through the agency's own employees or by arrangement with another person.

(b) The term does not include the following:

(1) An individual who provides personal services only to the individual's family or to not more than three (3) individuals per residence and not more than a total of seven (7) individuals concurrently. As used in this subdivision, "family" means the individual's spouse, child, parent, parent-in-law, grandparent, grandchild, brother, brother-in-law, sister, sister-in-law, aunt, aunt-in-law, uncle, uncle-in-law, niece, and nephew.

(2) A local health department as described in IC 16-20 or IC 16-22-8.

(3) A person that:

(A) is approved by the division of disability, aging, and rehabilitative services to provide supported living services or supported living support to individuals with developmental disabilities;

(B) is subject to rules adopted under IC 12-11-2.1; and

(C) serves only individuals with developmental disabilities who are in a placement authorized under IC 12-11-2.1-4.

Sec. 6. (a) To operate a personal services agency, a person must obtain a license from the state health commissioner. A personal services agency may not be opened, operated, managed, or maintained or conduct business without a license from the state
department. Each parent personal services agency must obtain a separate license.

(b) A parent personal services agency may maintain branch offices that operate under the license of the parent personal services agency. Each branch office must be:

(1) at a location or site from which the personal services agency provides services;
(2) owned and controlled by the parent personal services agency; and
(3) located within a radius of one hundred twenty (120) miles of the parent personal services agency.

(c) A license is required for any personal services agency providing services in Indiana. An out-of-state personal services agency must be authorized by the secretary of state to conduct business in Indiana and have a branch office in Indiana.

(d) Application for a license to operate a personal services agency must be made on a form provided by the state department and must be accompanied by the payment of a fee of two hundred fifty dollars ($250). The application may not require any information except as required under this chapter.

(e) After receiving a completed application that demonstrates prima facie compliance with the requirements of this chapter and the payment of the fee required by subsection (d), the state department shall issue a license to the applicant to operate a personal services agency. The state department may conduct an onsite inspection in conjunction with the issuance of an initial license or the renewal of a license.

(f) In the state department's consideration of:

(1) an application for licensure;
(2) an application for renewal of licensure;
(3) a complaint alleging noncompliance with the requirements of this chapter; or
(4) an investigation conducted under section 7(a) of this chapter;
the state department's onsite inspections in conjunction with those actions are limited to determining the personal service agency's compliance with the requirements of this chapter or permitting or aiding an illegal act in a personal services agency.

(g) Subject to subsection (e), when conducting an onsite
inspection, the state department must receive all documents necessary to determine the personal service agency’s compliance with the requirements of this chapter. A personal services agency must produce documents requested by the state department surveyor not less than twenty-four (24) hours after the documents have been requested.

(h) A license expires one (1) year after the date of issuance of the license under subsection (e). However, the state department may issue an initial license for a period of less than one (1) year to stagger the expiration dates. The licensee shall notify the state department in writing at least thirty (30) days before closing or selling the personal services agency.

(i) A personal services agency license may not be transferred or assigned. Upon sale, assignment, lease, or other transfer, including transfers that qualify as a change in ownership, the new owner or person in interest must obtain a license from the state department under this chapter before maintaining, operating, or conducting the personal services agency.

(j) A home health agency licensed under IC 16-27-1 that operates a personal services agency within the home health agency is subject to the requirements of this chapter. The requirements under IC 16-27-1 do not apply to a home health agency’s personal services agency. The requirements under this chapter do not apply to a home health agency’s operations. A home health agency that is licensed under IC 16-27-1 is not required to obtain a license under this chapter.

(k) If a person who is licensed to operate a personal services agency is also licensed to operate a home health agency under IC 16-27-1, an onsite inspection for renewal of the person's personal services agency license must, to the extent feasible, be conducted at the same time as an onsite inspection for the home health agency license.

Sec. 7. (a) The state department shall investigate a report of an unlicensed personal services agency operation and report its findings to the attorney general.

(b) The attorney general may do the following:

(1) Seek an injunction in the circuit or superior court of the county in which the unlicensed home health agency is located.

(2) Prosecute violations under section 23 of this chapter.
Sec. 8. (a) If a personal services agency is aware that the client's medical or health condition has become unstable or unpredictable, the personal services agency shall notify the client, the client's personal representative, a family member, other relative of the client, or other person identified by the client of the need for a referral for medical or health services. The notification may be given in writing or orally and must be documented in the client's record with the personal services agency.

(b) The personal services agency may continue to provide personal services for a client with an unstable or unpredictable medical or health condition but may not manage or represent itself as able to manage the client's medical or health condition.

Sec. 9. (a) A personal services agency shall employ an individual to act as the personal services agency's manager. The manager is responsible for the organization and daily operation of the personal services agency.

(b) The manager may designate in writing one (1) or more individuals to act on behalf of or to perform any or all the responsibilities of the personal services agency's manager under this chapter.

Sec. 10. The personal services agency's manager or the manager's designee shall prepare a service plan for a client before providing personal services for the client. A permanent change to the service plan requires a written change to the service plan. The service plan must:

(1) be in writing, dated, and signed by the individual who prepared it;
(2) list the types and schedule of services to be provided; and
(3) state that the services to be provided to the client are subject to the client's right to temporarily suspend, permanently terminate, temporarily add, or permanently add the provision of any service.

All permanent changes require a change in the written service plan. The service plan must be signed and dated by the client not later than fourteen (14) days after services begin for the client and not later than fourteen (14) days after any permanent change to the service plan.

Sec. 11. The personal services agency's manager or the manager's designee shall conduct a client satisfaction review with
the client every seventy-six (76) to one hundred four (104) days to
discuss the services being provided and to determine if any change
in the plan of services should occur. The review with the client may
be in person or by telephone. This client satisfaction review must:
(1) be put in writing; and
(2) be signed and dated by the individual conducting the
review.

Sec. 12. The personal services agency shall provide the client or
the client’s personal representative with the personal services
agency's written statement of client rights not more than seven (7)
days after providing services to the client. The statement of client
rights must include the following information:
(1) The client has the right to have the client’s property
treated with respect.
(2) The client has the right to temporarily suspend,
permanently terminate, temporarily add, or permanently add
services in the service plan.
(3) The client has the right to file grievances regarding
services furnished or regarding the lack of respect for
property by the personal services agency and is not subject to
discrimination or reprisal for filing a grievance.
(4) The client has the right to be free from verbal, physical,
and psychological abuse and to be treated with dignity.
(5) A statement that it is not within the scope of the personal
services agency's license to manage the medical and health
conditions of the client if a condition becomes unstable or
unpredictable.
(6) The charges for services provided by the personal services
agency.
(7) The personal services agency's policy for notifying the
client of any increase in the cost of services.
(8) The hours the personal services agency's office is open for
business.
(9) That on request the personal services agency will make
available to the client a written list of the names and
addresses of all persons having at least a five percent (5%)
ownership or controlling interest in the personal services
agency.
(10) The procedures for contacting the personal services
agency's manager, or the manager's designee, while the personal services agency's office is open or closed.
(11) The procedure and telephone number to call to file a complaint with the personal services agency.
(12) That the state department does not inspect personal service agencies as part of the licensing process but does investigate complaints concerning personal service agencies.
(13) The procedure and telephone number to call to file a complaint with the state department along with the business hours of the state department.

Sec. 13. A personal services agency shall investigate a complaint made by a client, the client's family, or the client's personal representative regarding:

(1) service that is or fails to be furnished; and
(2) lack of respect for the client's property by anyone furnishing services on behalf of the personal services agency.

The personal services agency shall document the complaint and the resolution of the complaint.

Sec. 14. The personal services agency's manager or the manager's designee shall be available to respond to client telephone calls twenty-four (24) hours a day.

Sec. 15. An employee or agent of a personal services agency who will have direct client contact must complete a tuberculosis test in the same manner as required by the state department for licensed home health agency employees and agents.

Sec. 16. (a) The competency of an employee or agent of a personal services agency who will perform attendant care services at the client's residence must be evaluated by the agency or the agency's designee for each attendant care services task that the personal services agency chooses to have that employee or agent perform. The agency has the sole discretion to determine if an employee or agent is competent to perform an attendant care services task.

(b) After an evaluation, an employee or agent shall be trained in the attendant care services tasks the personal services agency believes require improvement. The employee or agent shall be reevaluated following any training. The evaluation of the employee or agent and determination by the agency that the employee or agent is competent to perform the attendant care services task
must occur before the employee or agent performs that task for a client without direct agency supervision.

(c) The content of the evaluation and training conducted under this section, including the date and the signature of the person conducting the evaluation and training, must be documented for each employee or agent who performs personal services.

Sec. 17. (a) Disclosure of ownership and management information must be made to the state department:

(1) at the time of the personal services agency's request for licensure;

(2) during each survey of the personal services agency; and

(3) when there is a change in the management or in an ownership interest of more than five percent (5%) of the personal services agency.

(b) The disclosure under subsection (a) must include the following:

(1) The name and address of all persons having at least five percent (5%) ownership or controlling interest in the personal services agency.

(2) The name and address of each person who is an officer, a director, a managing agent, or a managing employee of the personal services agency.

(3) The name and address of the person responsible for the management of the personal services agency.

(4) The name and address of the chief executive officer and the chairperson (or holder of the equivalent position) of the governing body that is responsible for the person identified under subdivision (3).

(c) The determination of an ownership interest and the percentage of an ownership interest under this chapter must be determined under 45 CFR 420.201 and 45 CFR 420.202, as in effect on July 1, 2005.

Sec. 18. A personal services agency shall document evidence of compliance with the requirements of this chapter and document services provided to clients. The documentation or copies of the documentation must be maintained or be electronically accessible at a personal services agency's office in Indiana for not less than seven (7) years.

Sec. 19. (a) The state health commissioner may take one (1) or
more of the following actions on any ground listed in subsection (b):

(1) Issue a probationary license.
(2) Conduct a resurvey.
(3) Deny renewal of a license.
(4) Revoke a license.
(5) Impose a civil penalty in an amount not to exceed one thousand dollars ($1,000).

(b) The state health commissioner may take action under subsection (a) on any of the following grounds:

(1) Violation of a provision of this chapter or a rule adopted under this chapter.
(2) Permitting, aiding, or abetting the commission of an illegal act in a personal services agency.

(c) IC 4-21.5 applies to an action under this section.

Sec. 20. (a) The state department shall adopt rules under IC 4-22-2 to govern the procedure for the following:

(1) Issuing, renewing, denying, or revoking a personal services agency license.
(2) Investigating a complaint against a personal services agency that alleges a violation of this chapter.
(3) Collecting fees required under this chapter.

(b) The state department may not add to the substantive or procedural requirements in this chapter.

Sec. 21. A licensee or an applicant for a license aggrieved by an action under this chapter may request a review under IC 4-21.5.

Sec. 22. (a) In response to a request for review of an order referred to in subsection (c), the executive board shall appoint an appeals panel that consists of three (3) members as follows:

(1) One (1) member of the executive board.
(2) One (1) attorney admitted to the practice of law in Indiana.
(3) One (1) individual with qualifications determined by the executive board.

(b) An employee of the state department may not be a member of the panel.

(c) The panel shall conduct proceedings for review of an order issued by an administrative law judge under this chapter. The panel is the ultimate authority under IC 4-21.5.
Sec. 23. A person who knowingly or intentionally:
   (1) operates a personal services agency; or
   (2) advertises the operation of a personal services agency;
that is not licensed under this chapter commits a Class A misdemeanor.

SECTION 19. IC 22-1-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 5. Home Care Consumers and Worker Protection
Sec. 1. As used in this chapter, "attendant care services" has the meaning set forth in IC 16-18-2-28.5.
Sec. 2. As used in this chapter, "companion type services" refers to services described in IC 12-10-17-2(2).
Sec. 3. As used in this chapter, "consumer" means an individual who:
   (1) receives home care services given by a home care services worker in the individual's residence; or
   (2) pays for and directs the home care services for another individual.
Sec. 4. As used in this chapter, "consumer notice" means the notice described in section 14 of this chapter.
Sec. 5. As used in this chapter, "department" refers to the department of labor created under IC 22-1-1-1.
Sec. 6. As used in this chapter, "home care services" means skilled and unskilled services provided to an individual at the individual's residence to enable the individual to remain in the residence safely and comfortably. The provision of at least two (2) of the following is included in home care services:
   (1) Nursing.
   (2) Therapy.
   (3) Attendant care.
   (4) Companion type services.
   (5) Homemaker services.
Sec. 7. As used in this chapter, "home care services worker" means an individual performing home care services for compensation.
Sec. 8. As used in this chapter, "homemaker services" means assistance with or performing household tasks that include housekeeping, shopping, laundry, meal planning and preparation,
handyman services, and seasonal chores.

Sec. 9. As used in this chapter, "placement agency" means a person engaged in the business of securing home care services employment for an individual or securing a home care services worker for a consumer. The term:

(1) includes an employment agency, a nurse registry, and an entity that places a home care services worker for compensation by a consumer in the consumer's residence to provide home care services; and

(2) does not include a worker who solely and personally provides home care services to another individual at the residence of that individual.

Sec. 10. As used in this chapter, "skilled services" means services provided by a:

(1) registered nurse (as defined in IC 25-23-1-1.1(a));
(2) licensed practical nurse (as defined in IC 25-23-1-1.2); or
(3) health care professional listed in IC 16-27-1-1.

Sec. 11. As used in this chapter, "worker notice" means the statement described in section 17 of this chapter.

Sec. 12. This chapter applies to a placement agency, but does not apply to a:

(1) hospital (as defined in IC 16-18-2-179);
(2) health facility (as defined in IC 16-18-2-167(a)); or
(3) home health agency (as defined in IC 16-18-2-173).

Sec. 13. (a) A placement agency:

(1) must provide a consumer with a consumer notice each time a home care services worker is placed in the home of the consumer; and

(2) is not required to provide a consumer notice when a new or different home care services worker is substituting for the regular home care services worker placed with the consumer.

(b) Before a placement agency places a home care services worker with a consumer, the home care services worker must provide the placement agency with a copy of the individual's limited criminal history from the central repository for criminal history information under IC 10-13-3. The home care services worker is responsible for the fees required under IC 10-13-3-30 and must annually obtain an updated limited criminal history. A copy of the home care services worker's limited criminal history
must be made available to the consumer.

Sec. 14. A consumer notice must include the following:

(1) The duties, responsibilities, and obligations of the placement agency to the:
   (A) home care services worker; and
   (B) consumer.

(2) A statement identifying the placement agency as:
   (A) an employer;
   (B) a joint employer;
   (C) a leasing employer; or
   (D) not an employer.

(3) A statement that notwithstanding the employment status of the placement agency, the consumer:
   (A) may be considered an employer under state and federal employment laws; and
   (B) may be responsible for:
      (i) payment of local, state, or federal employment taxes;
      (ii) payment for Social Security and Medicare contributions;
      (iii) ensuring payment of at least the minimum wage;
      (iv) overtime payment;
      (v) unemployment contributions under IC 22-4-11; or
      (vi) worker's compensation insurance as required by IC 22-3-2-5 and IC 22-3-7-34;
   of the home care services worker.

(4) The appropriate telephone number, address, and electronic mail address of the department for inquiries regarding the contents of the notice.

The department shall determine the content and format of the consumer notice.

Sec. 15. The failure of a placement agency to provide a consumer notice to the consumer at the time a home care services worker is placed in the consumer's home does not relieve a consumer from the duties or obligations as an employer. If a placement agency fails to provide a consumer notice and the consumer is liable for payment of wages, taxes, worker's compensation insurance premiums, or unemployment compensation employer contributions, the consumer has a right of indemnification against the placement agency, which includes the
actual amounts paid to or on behalf of the home care services worker as well as the consumer's attorney's fees and costs.

Sec. 16. A placement agency that will not be the actual employer of the home care services worker shall provide a worker notice as set forth in section 17 of this chapter to a home care services worker who is placed with a consumer. The worker notice must:

1) be provided to the home care services worker upon placement in the consumer's home; and
2) specify the home care services worker's legal relationship with the placement agency and the consumer.

Sec. 17. The worker notice referred to in section 16 of this chapter must contain the following:

1) The duties, responsibilities, and obligations of the placement agency, the consumer, and the home care services worker if the home care services worker is determined to be an independent contractor, including:
   A) a statement of the party responsible for the payment of the home care services worker's wages, taxes, Social Security and Medicare contributions, unemployment contributions, and worker's compensation insurance premiums; and
   B) a statement identifying the party responsible for the home care services worker's hiring, firing, discipline, day to day supervision, assignment of duties, and provision of equipment or materials for use by the home care services worker.

2) The telephone number, address, and electronic mail address of the department for inquiries regarding the contents of the notice.

The department shall determine the content and format of the consumer notice.

Sec. 18. The department may at any time and upon receiving a complaint from an interested person investigate an alleged violation of this chapter by a placement agency.

Sec. 19. The department may impose a civil penalty not to exceed one thousand dollars ($1,000) against a placement agency that fails to provide a worker notice or a consumer notice at the times required under section 13 or 16 of this chapter. The civil penalty may be assessed by the department and, if necessary, shall
be recovered by the prosecuting attorney of the county in which the violation has occurred or by the attorney general, as provided in IC 22-1-1-18.

SECTION 20. IC 25-22.5-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This article, as it relates to the unlawful or unauthorized practice of medicine or osteopathic medicine, does not apply to any of the following:

1. A student in training in a medical school approved by the board, or while performing duties as an intern or a resident in a hospital under the supervision of the hospital's staff or in a program approved by the medical school.

2. A person who renders service in case of emergency where no fee or other consideration is contemplated, charged, or received.

3. A paramedic (as defined in IC 16-18-2-266), an emergency medical technician-basic advanced (as defined in IC 16-18-2-112.5), an emergency medical technician-intermediate (as defined in IC 16-18-2-112.7), an emergency medical technician (as defined in IC 16-18-2-112), or a person with equivalent certification from another state who renders advanced life support (as defined in IC 16-18-2-7) or basic life support (as defined in IC 16-18-2-33.5):

   A. during a disaster emergency declared by the governor under IC 10-14-3-12 in response to an act that the governor in good faith believes to be an act of terrorism (as defined in IC 35-41-1-26.5); and

   B. in accordance with the rules adopted by the Indiana emergency medical services commission or the disaster emergency declaration of the governor.

4. Commissioned medical officers or medical service officers of the armed forces of the United States, the United States Public Health Service, and medical officers of the United States Department of Veterans Affairs in the discharge of their official duties in Indiana.

5. An individual who is not a licensee who resides in another state or country and is authorized to practice medicine or osteopathic medicine there, who is called in for consultation by an individual licensed to practice medicine or osteopathic medicine in Indiana.
(6) A person administering a domestic or family remedy to a member of the person's family.
(7) A member of a church practicing the religious tenets of the church if the member does not make a medical diagnosis, prescribe or administer drugs or medicines, perform surgical or physical operations, or assume the title of or profess to be a physician.
(8) A school corporation and a school employee who acts under IC 34-30-14 (or IC 34-4-16.5-3.5 before its repeal).
(9) A chiropractor practicing the chiropractor's profession under IC 25-10 or to an employee of a chiropractor acting under the direction and supervision of the chiropractor under IC 25-10-1-13.
(10) A dental hygienist practicing the dental hygienist's profession under IC 25-13.
(11) A dentist practicing the dentist's profession under IC 25-14.
(12) A hearing aid dealer practicing the hearing aid dealer's profession under IC 25-20.
(13) A nurse practicing the nurse's profession under IC 25-23. However, a registered nurse may administer anesthesia if the registered nurse acts under the direction of and in the immediate presence of a physician and holds a certificate of completion of a course in anesthesia approved by the American Association of Nurse Anesthetists or a course approved by the board.
(14) An optometrist practicing the optometrist's profession under IC 25-24.
(15) A pharmacist practicing the pharmacist's profession under IC 25-26.
(16) A physical therapist practicing the physical therapist's profession under IC 25-27.
(17) A podiatrist practicing the podiatrist's profession under IC 25-29.
(18) A psychologist practicing the psychologist's profession under IC 25-33.
(19) A speech-language pathologist or audiologist practicing the pathologist's or audiologist's profession under IC 25-35.6.
(20) An employee of a physician or group of physicians who performs an act, a duty, or a function that is customarily within the specific area of practice of the employing physician or group
of physicians, if the act, duty, or function is performed under the
direction and supervision of the employing physician or a
physician of the employing group within whose area of practice
the act, duty, or function falls. An employee may not make a
diagnosis or prescribe a treatment and must report the results of
an examination of a patient conducted by the employee to the
employing physician or the physician of the employing group
under whose supervision the employee is working. An employee
may not administer medication without the specific order of the
employing physician or a physician of the employing group.
Unless an employee is licensed or registered to independently
practice in a profession described in subdivisions (9) through
(18), nothing in this subsection grants the employee independent
practitioner status or the authority to perform patient services in
an independent practice in a profession.
(21) A hospital licensed under IC 16-21 or IC 12-25.
(22) A health care organization whose members, shareholders, or
partners are individuals, partnerships, corporations, facilities, or
institutions licensed or legally authorized by this state to provide
health care or professional services as:
(A) a physician;
(B) a psychiatric hospital;
(C) a hospital;
(D) a health maintenance organization or limited service health maintenance organization;
(E) a health facility;
(F) a dentist;
(G) a registered or licensed practical nurse;
(H) a midwife;
(I) an optometrist;
(J) a podiatrist;
(K) a chiropractor;
(L) a physical therapist; or
(M) a psychologist.
(23) A physician assistant practicing the physician assistant's profession under IC 25-27.5.
(24) A physician providing medical treatment under IC 25-22.5-1-2.1.
(25) An attendant who provides\textbf{ attendant} care services (as defined in IC 16-27-1-0.5, IC 16-18-2-28.5).

(26) A personal services attendant providing authorized attendant care services under IC 12-10-17.

(b) A person described in subsection (a)(9) through (a)(18) is not excluded from the application of this article if:
   
   (1) the person performs an act that an Indiana statute does not authorize the person to perform; and
   (2) the act qualifies in whole or in part as the practice of medicine or osteopathic medicine.

(c) An employment or other contractual relationship between an entity described in subsection (a)(21) through (a)(22) and a licensed physician does not constitute the unlawful practice of medicine under this article if the entity does not direct or control independent medical acts, decisions, or judgment of the licensed physician. However, if the direction or control is done by the entity under IC 34-30-15 (or IC 34-4-12.6 before its repeal), the entity is excluded from the application of this article as it relates to the unlawful practice of medicine or osteopathic medicine.

(d) This subsection does not apply to a prescription or drug order for a legend drug that is filled or refilled in a pharmacy owned or operated by a hospital licensed under IC 16-21. A physician licensed in Indiana who permits or authorizes a person to fill or refill a prescription or drug order for a legend drug except as authorized in IC 16-42-19-11 through IC 16-42-19-19 is subject to disciplinary action under IC 25-1-9. A person who violates this subsection commits the unlawful practice of medicine under this chapter.

(e) A person described in subsection (a)(8) shall not be authorized to dispense contraceptives or birth control devices.

\textbf{SECTION 21.} IC 25-23-1-27.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27.1. (a) As used in this section, "licensed health professional" means:

\textbf{(1)} a registered nurse;
\textbf{(2)} a licensed practical nurse;
\textbf{(3)} a physician with an unlimited license to practice medicine or osteopathic medicine;
\textbf{(4)} a licensed dentist;
\textbf{(5)} a licensed chiropractor;
(6) a licensed optometrist;
(7) a licensed pharmacist;
(8) a licensed physical therapist;
(9) a licensed psychologist;
(10) a licensed podiatrist; or
(11) a licensed speech-language pathologist or audiologist.

(b) This chapter does not prohibit:

(1) furnishing nursing assistance in an emergency;
(2) the practice of nursing by any student enrolled in a board approved nursing education program where such practice is incidental to the student's program of study;
(3) the practice of any nurse who is employed by the government of the United States or any of its bureaus, divisions, or agencies while in the discharge of the nurse's official duties;
(4) the gratuitous care of sick, injured, or infirm individuals by friends or the family of that individual;
(5) the care of the sick, injured, or infirm in the home for compensation if the person assists only:
   (A) with personal care;
   (B) in the administration of a domestic or family remedy; or
   (C) in the administration of a remedy that is ordered by a licensed health professional and that is within the scope of practice of the licensed health professional under Indiana law;
(6) performance of tasks by persons who provide health care services which are delegated or ordered by licensed health professionals, if the delegated or ordered tasks do not exceed the scope of practice of the licensed health professionals under Indiana law;
(7) a physician with an unlimited license to practice medicine or osteopathic medicine in Indiana, a licensed dentist, chiropractor, dental hygienist, optometrist, pharmacist, physical therapist, podiatrist, psychologist, speech-language pathologist, or audiologist from practicing the person's profession;
(8) a school corporation or school employee from acting under IC 34-30-14;
(9) a personal services attendant from providing authorized attendent care services under IC 12-10-17; or
(10) an attendant who provides attendant care services (as defined
by IC 16-27-1-0.5, in IC 16-18-2-28.5).

SECTION 22. IC 25-26-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board may:

1. promulgate rules and regulations under IC 4-22-2 for implementing and enforcing this chapter;
2. establish requirements and tests to determine the moral, physical, intellectual, educational, scientific, technical, and professional qualifications for applicants for pharmacists' licenses;
3. refuse to issue, deny, suspend, or revoke a license or permit or place on probation or fine any licensee or permittee under this chapter;
4. regulate the sale of drugs and devices in the state of Indiana;
5. impound, embargo, confiscate, or otherwise prevent from disposition any drugs, medicines, chemicals, poisons, or devices which by inspection are deemed unfit for use or would be dangerous to the health and welfare of the citizens of the state of Indiana; the board shall follow those embargo procedures found in IC 16-42-1-18 through IC 16-42-1-31, and persons may not refuse to permit or otherwise prevent members of the board or their representatives from entering such places and making such inspections;
6. prescribe minimum standards with respect to physical characteristics of pharmacies, as may be necessary to the maintenance of professional surroundings and to the protection of the safety and welfare of the public;
7. subject to IC 25-1-7, investigate complaints, subpoena witnesses, schedule and conduct hearings on behalf of the public interest on any matter under the jurisdiction of the board;
8. prescribe the time, place, method, manner, scope, and subjects of licensing examinations which shall be given at least twice annually; and
9. perform such other duties and functions and exercise such other powers as may be necessary to implement and enforce this chapter.

(b) The board shall adopt rules under IC 4-22-2 for the following:

1. Establishing standards for the competent practice of pharmacy.
(2) Establishing the standards for a pharmacist to counsel individuals regarding the proper use of drugs.

(3) Establishing standards and procedures before January 1, 2006, to ensure that a pharmacist:
   (A) has entered into a contract that accepts the return of expired drugs with; or
   (B) is subject to a policy that accepts the return of expired drugs of;

   a wholesaler, manufacturer, or agent of a wholesaler or manufacturer concerning the return by the pharmacist to the wholesaler, the manufacturer, or the agent of expired legend drugs or controlled drugs. In determining the standards and procedures, the board may not interfere with negotiated terms related to cost, expenses, or reimbursement charges contained in contracts between parties, but may consider what is a reasonable quantity of a drug to be purchased by a pharmacy. The standards and procedures do not apply to vaccines that prevent influenza, medicine used for the treatment of malignant hyperthermia, and other drugs determined by the board to not be subject to a return policy.

   An agent of a wholesaler or manufacturer must be appointed in writing and have policies, personnel, and facilities to handle properly returns of expired legend drugs and controlled substances.

   (c) The board may grant or deny a temporary variance to a rule it has adopted if:

   (1) the board has adopted rules which set forth the procedures and standards governing the grant or denial of a temporary variance; and
   (2) the board sets forth in writing the reasons for a grant or denial of a temporary variance.

SECTION 23. IC 25-26-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This chapter applies to any individual, partnership, limited liability company, corporation, or business firm:

   (1) located in or outside Indiana; and
   (2) engaging in the wholesale distribution of legend drugs within Indiana.
(b) Except as required by federal law or regulation, the requirements of this chapter do not apply to a manufacturer that is approved by the federal Food and Drug Administration. However, the board may adopt rules concerning manufacturers that the board considers appropriate and necessary.

SECTION 24. IC 25-26-14-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. As used in this chapter, "adulterated" refers to a legend drug that:

1. consists in whole or in part of a filthy, putrid, or decomposed substance;
2. has been produced, prepared, packed, or held under unsanitary conditions and may have been contaminated or rendered injurious to health;
3. has been subjected to conditions in the manufacture, processing, packing, or holding of the legend drug that do not conform to current standards of manufacturing to ensure that the legend drug is safe for use and possesses the identity, strength, quality, and purity characteristics that the legend drug is represented to possess;
4. is contained in a container composed of a poisonous or deleterious substance that may render the legend drug injurious to health;
5. bears or contains, for purposes of coloring only, a color additive that is unsafe;
6. is of a different strength, quality, or purity from the official compendium standard for the legend drug; or
7. does not meet the considerations of the federal Food, Drug, and Cosmetic Act.

SECTION 25. IC 25-26-14-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.7. As used in this chapter, "authenticate" means to affirmatively verify before distribution occurs that each transaction that is listed on:

1. the pedigree of a legend drug; and
2. other accompanying documentation for a legend drug;

has occurred.

SECTION 26. IC 25-26-14-1.8 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
(EFFECTIVE JANUARY 1, 2006): Sec. 1.8. As used in this chapter, "authorized distributor" means a wholesale drug distributor with which a manufacturer has established an ongoing relationship to distribute the manufacturer's products. For purposes of this section, an ongoing relationship exists between a wholesale drug distributor, including any affiliated group (as defined in Section 1504 of the Internal Revenue Code) of which the wholesale distributor is a member, and a manufacturer if the wholesale drug distributor:

1. has a written agreement currently in effect with the manufacturer evidencing an ongoing relationship;
2. is listed on the manufacturer's current monthly updated list of authorized distributors; or
3. has a verifiable account with the manufacturer and a minimal transaction or volume requirement limit of:
   A. five thousand (5,000) units per company in the previous twelve (12) months; or
   B. twelve (12) purchases at the manufacturer's minimum purchasing requirement per invoice in the previous twelve (12) months.

SECTION 27. IC 25-26-14-4.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
(EFFECTIVE JANUARY 1, 2006): Sec. 4.1. As used in this chapter, "co-licensed products" means pharmaceutical products:

1. that have been approved by the federal Food and Drug Administration; and
2. concerning which two (2) or more parties have the right to engage in a business activity or occupation concerning the pharmaceutical products.

SECTION 28. IC 25-26-14-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
(EFFECTIVE JANUARY 1, 2006): Sec. 4.2. As used in this chapter, "compendium" refers to:

1. the United States Pharmacopoeia;
2. the Homeopathic Pharmacopoeia of the United States;
3. the National Formulary;
4. a drug approved by the federal Food and Drug
Administration; or
(5) a supplement to a document specified in subdivision (1),
(2), or (3).

SECTION 29. IC 25-26-14-4.3 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2006]: Sec. 4.3. As used in this chapter,
"contraband" refers to a legend drug:
(1) that is counterfeit;
(2) that is stolen;
(3) that is misbranded;
(4) that is obtained by fraud;
(5) that is purchased by a nonprofit institution for the
nonprofit institution's own use and placed in commerce in
violation of the own use agreement for the legend drug;
(6) for which a required pedigree does not exist; or
(7) for which a pedigree in existence:
    (A) has been forged, counterfeited, or falsely created; or
    (B) contains any altered, false, or misrepresented
    information.

SECTION 30. IC 25-26-14-4.4 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2006]: Sec. 4.4. As used in this chapter,
"counterfeit" refers to a legend drug, or the container, seal, or
labeling of a legend drug, that, without authorization, bears the
trademark, trade name, or other identifying mark or imprint of a
manufacturer, processor, packer, or distributor other than the
person that manufactured, processed, packed, or distributed the
legend drug.

SECTION 31. IC 25-26-14-4.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2006]: Sec. 4.5. As used in this chapter,
"deliver" means the actual, constructive, or attempted transfer of
a legend drug from one (1) person to another.

SECTION 32. IC 25-26-14-4.6 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2006]: Sec. 4.6. As used in this chapter,
"designated representative" means an individual who:
(1) is designated by a wholesale drug distributor;
serves as the wholesale drug distributor's responsible individual with the board; and

(3) is actively involved in and aware of the actual daily operation of the wholesale drug distributor.

SECTION 33. IC 25-26-14-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4.7. As used in this chapter, "distribute" means to sell, offer to sell, deliver, offer to deliver, broker, give away, or transfer a legend drug, whether by passage of title or physical movement, or both. The term does not include the following:

(1) Dispensing or administering a legend drug.

(2) Delivering or offering to deliver a legend drug by a common carrier in the usual course of business as a common carrier.

(3) The provision of a legend drug sample to a patient by a:

(A) practitioner;

(B) health care professional acting at the direction and under the supervision of a practitioner; or

(C) hospital’s or other health care entity’s pharmacy that received the drug sample in accordance with this chapter and other applicable law to administer or dispense and that is acting at the direction of a practitioner; licensed to prescribe the legend drug.

SECTION 34. IC 25-26-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. As used in this chapter, "health care entity" means any organization or business that provides diagnostic, medical, surgical, dental treatment, or rehabilitative care. The term does not include a pharmacy or wholesale drug distributor.

SECTION 35. IC 25-26-14-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.5. As used in this chapter, "label" means a display of written, printed, or graphic matter on the immediate container of a legend drug.

SECTION 36. IC 25-26-14-6.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.6. As used in this chapter,
"labeling" means labels and other written, printed, or graphic matter:

(1) on a legend drug or a legend drug's container or wrapper; or

(2) accompanying a legend drug.

SECTION 37. IC 25-26-14-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. As used in this chapter, "legend drug" has the meaning set forth in IC 16-18-2-199. The term includes any human drug required by federal law or regulation to be dispensed only by a prescription, including finished dosage forms and active ingredients subject to 21 U.S.C. 811 through 812. The term does not include a device or a device component, part, or accessory.

SECTION 38. IC 25-26-14-8.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8.3. As used in this chapter, "misbranded" means that a legend drug's label:

(1) is false or misleading;

(2) does not bear the name and address of the manufacturer, packer, or distributor or does not contain an accurate statement of the quantities of active ingredients of the legend drug;

(3) does not show an accurate monograph for the legend drug; or

(4) does not comply with any other requirements of the federal Food, Drug, and Cosmetic Act.

SECTION 39. IC 25-26-14-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8.5. As used in this chapter, "normal distribution chain of custody" means the route that a legend drug travels:

(1) from a manufacturer to a wholesale drug distributor, to a pharmacy, and to a patient or a patient's agent;

(2) from a manufacturer to a wholesale drug distributor, to a chain drug warehouse, to a pharmacy affiliated with the chain drug warehouse, and to a patient or a patient's agent;

(3) from a manufacturer to a chain drug warehouse, to a pharmacy affiliated with the chain drug warehouse, and to a
patient or a patient's agent;
(4) from a manufacturer to a third party logistics provider, to a wholesale drug distributor, to a pharmacy, and to a patient or a patient's agent;
(5) from a manufacturer to a third party logistics provider, to a wholesale drug distributor, to a chain drug warehouse, to a pharmacy affiliated with the chain drug warehouse, and to a patient or a patient's agent;
(6) from a manufacturer to a third party logistics provider, to a chain drug warehouse, to a pharmacy affiliated with the chain drug warehouse, and to a patient or a patient's agent;
or
(7) as prescribed by rules adopted by the board.

SECTION 40. IC 25-26-14-8.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8.7. As used in this chapter, "pedigree" means a statement or record in a written or an electronic form that is approved by the board, that records each distribution of a legend drug from the sale by the manufacturer from the last authorized distributor of record through acquisition and sale by each wholesale drug distributor, and that includes information designated by the board through rules for each transaction.

SECTION 41. IC 25-26-14-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. As used in this chapter, "person" means an individual, a partnership, a business firm, a limited liability company, or a corporation, or another entity, including a governmental entity.

SECTION 42. IC 25-26-14-9.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9.2. As used in this chapter, "practitioner" has the meaning set forth in IC 16-42-19-5.

SECTION 43. IC 25-26-14-9.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9.3. As used in this chapter, "repackage" means changing the container, wrapper, quantity, or labeling of a legend drug to further the distribution of the legend drug.
SECTION 44. IC 25-26-14-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10.5. As used in this chapter, "third party logistics provider" means an entity that:

1. provides or coordinates warehousing, distribution, or other services on behalf of a manufacturer, but does not take title to the legend drug or have general responsibility to direct the legend drug's sale or disposition; and
2. is licensed under this chapter.

SECTION 45. IC 25-26-14-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 11. As used in this chapter, "wholesale distribution" means distribution of legend drugs to persons other than a consumer or patient. The term does not include:

1. a sale or transfer between a division, a subsidiary, a parent, an affiliated, or a related company under the common ownership and control of a corporate entity;
2. the purchase or acquisition by a hospital or other health care entity that is a member of a group purchasing organization of a drug for the hospital's or health care entity's own use from the group purchasing organization or from other hospitals or health care entities that are members of the organization;
3. the sale of a drug by a charitable organization described in Section 501(c)(3) of the Internal Revenue Code, to a nonprofit affiliate of the organization to the extent otherwise permitted by law;
4. the sale of a drug among hospitals or other health care entities that are under common control;
5. the sale of a drug for emergency medical reasons, including transfers of legend drugs by a retail pharmacy to another retail pharmacy to alleviate a temporary shortage, if the gross dollar value of the transfers does not exceed five percent (5%) of the total legend drug sales revenue of either the transferor or transferee pharmacy during any twelve (12) consecutive month period;
6. the sale of a drug or the dispensing of a drug pursuant to a prescription;
7. the distribution of drug samples by manufacturers'
(8) the sale of blood and blood components intended for transfusion;
(9) the sale of a drug by a retail pharmacy to a practitioner (as defined in IC 25-26-13-2) for office use, if the gross dollar value of the transfers does not exceed five percent (5%) of the retail pharmacy's total legend drug sales during any twelve (12) consecutive months; or
(10) the sale of a drug by a retail pharmacy that is ending its business and liquidating its inventory to another retail pharmacy;
(11) drug returns by a hospital, health care entity, or charitable institution conducted under 21 CFR 203.23;
(12) the sale of minimal quantities of drugs by retail pharmacies to licensed practitioners for office use;
(13) the distribution of prescription drugs by the original manufacturer of the finished form of the prescription drug or the distribution of the co-licensed products by a partner of the original manufacturer of the finished form of the prescription drug; or
(14) drug returns that meet criteria established by rules adopted by the board.

SECTION 46. IC 25-26-14-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) After September 14, 1992, a person may not engage in wholesale distributions of legend drugs without: having
(1) after December 31, 2005, obtaining and maintaining accreditation or certification from the National Association of Boards of Pharmacy's Verified Accredited Wholesale Distributor or an accreditation body approved by the board under subsection (g);
(2) obtaining and maintaining a license from issued by the board; and
(3) paying any reasonable fee required by the board.
(b) The board may not issue or renew the license of a wholesale drug distributor that does not comply with this chapter.
(c) The board shall require a separate license for
(1) each facility directly or indirectly owned or operated by the same business in Indiana; or
(2) a parent entity with divisions, subsidiaries, or affiliate
companies in Indiana when operations are conducted at more than
one (1) location and there exists joint ownership and control
among all the entities, or location where wholesale distribution
operations are conducted.

(d) An agent or employee of any licensed wholesale drug distributor
does not need a license and may lawfully possess pharmaceutical drugs
when acting in the usual course of business or employment.

(e) The issuance of a license under this chapter does not affect tax
liability imposed by the department of state revenue or the department
of local government finance on any wholesale drug distributor.

(f) The board may adopt rules that permit out-of-state wholesale
drug distributors to obtain a license on the basis of reciprocity if:

(1) an out-of-state wholesale drug distributor possesses a valid
license granted by another state and the legal standards for
licensure in the other state are comparable to the standards under
this chapter; and

(2) the other state extends reciprocity to wholesale drug
 distributors licensed in Indiana.

However, if the requirements for licensure under this chapter are
more restrictive than the standards of the other state, the
out-of-state wholesale drug distributor must comply with the
additional requirements of this chapter to obtain a license under
this chapter.

(g) The board may adopt rules under IC 4-22-2 to approve an
accreditation body to:

(1) evaluate a wholesale drug distributor's operations to
determine compliance with:

(A) professional standards;
(B) this chapter; and
(C) any other applicable law; and

(2) perform inspections of each facility and location where
wholesale distribution operations are conducted by the
wholesale drug distributor.

SECTION 47. IC 25-26-14-14.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 14.5. After June 30, 2006, a
wholesale drug distributor may not accept or deliver a legend drug
without a current, accompanying pedigree.

SECTION 48. IC 25-26-14-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 15. (a) The board shall require the following minimum information from each wholesale drug distributor as part of the license described in section 14 of this chapter and as part of any renewal of such license:

1. The name, full business address, and telephone number of the licensee.
2. All trade or business names used by the licensee.
3. Addresses, telephone numbers, and the names of contact persons for all facilities used by the licensee for the storage, handling, and distribution of legend drugs.
4. The type of ownership of operation.
5. The name of each owner and operator of the licensee, including:
   A. If an individual, the name, address, Social Security number, and date of birth of the individual;
   B. If a partnership, the name, address, Social Security number, and date of birth of each partner, and the name of the partnership and federal employer identification number;
   C. If a corporation:
      i. The name, address, Social Security number, date of birth, and title of each corporate officer and director;
      ii. The corporate names, and the name of the state of incorporation, the federal employer identification number, and the name of the parent company, if any; and
      iii. The name, address, and Social Security number of each shareholder owning ten percent (10%) or more of the voting stock of the corporation, unless the stock is traded on a major stock exchange and not traded over the counter;
   D. If a limited liability company, the name of each manager and member, the name and federal employer identification number of the limited liability company, and the name of the state where organized; and
   E. If a sole proprietorship, the full name, address, Social Security number, and date of birth of the sole proprietor and
the name and federal employer identification number of the business entity.

(6) The name, address, and telephone number of the person designated by the licensee as responsible for the operation representative of the facilities: each facility.

(7) Additional information concerning record keeping required under this chapter.

(b) The board shall require a wholesale drug distributor to post a surety bond of at least one hundred thousand dollars ($100,000), or an equivalent means of security acceptable to the board, including insurance, an irrevocable letter of credit, or funds deposited in a trust account or financial institution, to secure payment of any administrative penalties that may be imposed by the board and any fees and costs that may be incurred by the board and that:

1. are related to a license held by the wholesale drug distributor;
2. are authorized under Indiana law; and
3. the wholesale drug distributor fails to pay less than thirty (30) days after the penalties, fees, or costs become final.

However, a separate surety bond or an equivalent means of security is not required for a separate location or a company of the wholesale drug distributor.

(c) The board may make a claim against a bond or security posted under subsection (b) within one (1) year after the wholesale drug distributor’s license is no longer valid or sixty (60) days after the conclusion of:

1. an administrative or legal proceeding before or on behalf of the board that involves the wholesale drug distributor and results in penalties, fees, or costs described in subsection (b); or
2. an appeal of a proceeding described in subdivision (1); whichever occurs later.

(d) The board shall inspect each facility where wholesale distribution operations are conducted before initial licensure and periodically thereafter in accordance with a schedule determined by the board, but at least one (1) time in each three (3) year period.

(e) A wholesale drug distributor must publicly display or have readily available all licenses and the most recent inspection report
administered by the board.

(b) (f) A material change in any information in subsection (a) of this section must be submitted to the board at the time of license renewal or within thirty (30) days from the date of the change, whichever occurs first.

SECTION 49. IC 25-26-14-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 15.5. (a) A wholesale drug distributor that is an authorized distributor of a manufacturer is not considered to be an authorized distributor of the manufacturer under this chapter unless:

1. the manufacturer files the manufacturer’s monthly updated list of authorized distributors with the board;
2. the list is available from the manufacturer upon request or on the Internet; and
3. the manufacturer notifies the board of any change to the list within ten (10) days after the change.

(b) The board shall make available on the board’s Internet website a manufacturer’s list of authorized distributors filed as described in subsection (a).

SECTION 50. IC 25-26-14-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) In reviewing, for purposes of licensure or renewal of a license under this chapter, the qualifications of persons who engage in wholesale distribution of legend drugs within Indiana, the board shall consider the following factors:

1. A conviction of the applicant relating to drug samples, wholesale or retail drug distribution, or distribution of controlled substances: finding by the board that the applicant has:
   (A) violated a law; or
   (B) been disciplined by a regulatory agency for violating a law; related to drug distribution in any state.
2. A felony conviction of the applicant.
3. The applicant's past experience in the manufacture or distribution of legend drugs, including controlled substances.
4. The furnishing by the applicant of false or fraudulent material in any application made in connection with drug manufacturing
or distribution.

(5) Suspension or revocation of any license held by the applicant or the applicant's owner or the imposition of sanctions against the applicant or the applicant's owner by the federal or a state or local government of any license held by the applicant for the manufacture or distribution of any drugs, including controlled substances.

(6) Compliance with licensing requirements under previously granted licenses.

(7) Compliance with requirements to maintain and make available to the board or to federal, state, or local law enforcement officials those records required under this chapter.

(8) Any other factors or qualifications the board considers relevant to the public health and safety, including whether the granting of the license would not be in the public interest.

(b) After December 31, 2005, in reviewing an application for licensure or renewal of a license under this chapter, the board shall consider the results of a national criminal history background check (as defined in IC 10-13-3-12) for:

(1) the applicant;
(2) all personnel involved in the operations of the wholesale drug distributor;
(3) the most senior individual responsible for facility operations, purchasing, and inventory control, and the individual to whom the senior individual reports;
(4) company officers;
(5) key management personnel;
(6) principals; and
(7) owners with at least a ten percent (10%) interest in the wholesale drug distributor, if the wholesale drug distributor is a nonpublicly held company.

The national criminal history background check must be conducted at the applicant's expense and must include all states of residence since the applicant became eighteen (18) years of age.

(c) After December 31, 2005, an applicant shall provide and attest to:

(1) an affirmation that the applicant has not been involved in or convicted of any criminal or prohibited acts; or
(2) a statement providing a complete disclosure of the applicant's past criminal convictions and violations of state and federal laws;

SECTION 51. IC 25-26-14-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 16.5. (a) A wholesale drug distributor shall designate in writing on a form prescribed by the board a designated representative for each of the wholesale drug distributor's facilities licensed under this chapter.

(b) A designated representative shall submit to the board an application prescribed by the board and provide to the board the following:

1. A set of the designated representative's fingerprints, under procedures specified by the board and according to requirements of the state police department under IC 10-13-3-38.5, with payment of the amount equal to the costs of a national criminal history background check (as defined in IC 10-13-3-12) of the designated representative to be obtained by the state police department.

2. The date and place of birth of the designated representative.

3. A list of the occupations, positions of employment, and offices held by the designated representative during the immediately preceding seven (7) years, including the principal business and address of the organization with which the occupation, position, or office was associated.

4. A statement concerning whether the designated representative, during the immediately preceding seven (7) years, has been temporarily or permanently enjoined by a court from violating a state or federal law regulating the possession, control, or distribution of legend drugs, including details of related events.

5. A description of any involvement by the designated representative with a business that:
   
   A) manufactured, administered, prescribed, distributed, or stored legend drugs; and
   
   B) was named as a party in a lawsuit; during the immediately preceding seven (7) years, including
investments other than the ownership of stock in a publicly traded company or mutual fund.
(6) A description of any criminal offense of which the designated representative has been convicted, regardless of whether adjudication of guilt was withheld or whether the designated representative pleaded nolo contendere. If the designated representative indicates that a criminal conviction is under appeal, the designated representative shall submit to the board:
  (A) a copy of the notice of appeal; and
  (B) a copy of the final written order of disposition.
(7) A photograph of the designated representative taken within the immediately preceding thirty (30) days under procedures specified by the board.
(8) A list of the name, address, occupation, and date and place of birth of each member of the designated representative's immediate family, including the designated representative's spouse, children, parents, and siblings, and the spouses of the designated representative's children and siblings. Information collected under this subdivision is confidential.
(9) Any other information required by the board.
(c) A designated representative must have at least two (2) years of verifiable full-time managerial or supervisory experience in a pharmacy or with a wholesale drug distributor licensed under this chapter or in another state. The designated representative's responsibilities must have included record keeping, storage, and shipment of legend drugs.
(d) A designated representative shall not serve as the designated representative for more than one (1) wholesale drug distributor facility at any one (1) time.
(e) A designated representative shall be actively involved and aware of the actual daily operations of the wholesale drug distributor as follows:
  (1) Be employed full time in a managerial position by the wholesale drug distributor.
  (2) Be physically present at the wholesale drug distributor's facility during normal business hours, except when absent due to illness, family illness or death, scheduled vacation, or another authorized absence.
(3) Be aware of and knowledgeable about all policies and procedures pertaining to the operations of the wholesale drug distributor.

(f) A designated representative must complete continuing education programs specified by the board regarding state and federal law relevant to the distribution, handling, and storage of legend drugs.

(g) A third party logistics provider must comply with this subsection until the third party logistics provider has obtained accreditation. A third party logistics provider must identify to the board a designated representative who is responsible for the facility's compliance with applicable state and federal law. The designated representative:

1. may be a corporate employee or officer, outside counsel, or an outside consulting specialist with authority to help ensure compliance;
2. may be responsible for multiple facilities; and
3. is not required to be physically present at the facility.

SECTION 52. IC 25-26-14-16.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Sec. 16.6. (a) A wholesale drug distributor that:

1. is licensed under this chapter;
2. is located outside Indiana; and
3. distributes legend drugs in Indiana;

shall designate an agent in Indiana for service of process.

(b) A wholesale drug distributor that does not designate an agent under subsection (a) is considered to have designated the secretary of state to be the wholesale drug distributor's true and lawful attorney, upon whom legal process may be served in an action or a proceeding against the wholesale drug distributor arising from the wholesale drug distributor's wholesale distribution operations.

(c) The board shall mail a copy of any service of process to a wholesale drug distributor by certified mail, return receipt requested, postage prepaid, at the address designated by the wholesale drug distributor on the application for licensure submitted under this chapter.

(d) Service of process on the secretary of state is sufficient in an
action or a proceeding against a wholesale drug distributor that is not licensed under this chapter.

SECTION 53. IC 25-26-14-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 17. As a condition for receiving and retaining any a wholesale drug distributor license issued under to this chapter, each an applicant must satisfy the board that the applicant has and will continuously maintain the following:

1) Acceptable storage and handling conditions and facilities standards for each facility at which legend drugs are received, stored, warehoused, handled, held, offered, marketed, or displayed, or from which legend drugs are transported, including:

(A) suitable construction of the facility and appropriate monitoring equipment to ensure that legend drugs in the facility are maintained in accordance with labeling or in compliance with official compendium standards;
(B) suitable size and construction to facilitate cleaning, maintenance, and proper wholesale distribution operations;
(C) adequate storage areas to provide appropriate lighting, ventilation, temperature, sanitation, humidity, space, equipment, and security conditions;
(D) a quarantine area for separate storage of legend drugs that are outdated, damaged, deteriorated, misbranded, adulterated, counterfeit, suspected counterfeit, otherwise unfit for distribution, or contained in immediate or sealed secondary containers that have been opened;
(E) maintenance of the facility in a clean and orderly condition;
(F) maintenance of the facility in a commercial, nonresidential building; and
(G) freedom of the facility from infestation.

2) Security of each facility from unauthorized entry as follows:

(A) Entry into areas where legend drugs are held is limited to authorized personnel.
(B) Each facility is equipped with a security system that
(A) (i) an after hours central alarm or a comparable entry detection capability;
(B) (ii) restricted premises access;
(C) (iii) adequate outside perimeter lighting; and
(D) (iv) safeguards against theft and diversion, including employee theft and theft or diversion facilitated or hidden by tampering with computers or electronic records; and
(v) a means of protecting the integrity and confidentiality of data and documents and of making the data and documents readily available to the board and other state and federal law enforcement officials.

(3) A reasonable system of record keeping shall as follows:
(A) The system describes all the wholesale distributor’s activities governed by this chapter for the two (2) three (3) year period after the disposition of each product, and all records are maintained for at least three (3) years after disposition of the legend drug to which the record applies.
(B) The system is reasonably accessible as determined by board rules in any inspection authorized by the board.
(C) The system provides a means to establish and maintain inventories and records of transactions regarding the receipt and distribution or other disposition of all legend drugs, including the following:
   (i) For legend drugs manufactured by a manufacturer for which the wholesale drug distributor is an authorized distributor, a pedigree for each distributed legend drug that leaves the normal distribution chain of custody, as determined by rules adopted by the board.
   (ii) For legend drugs manufactured by a manufacturer for which the wholesale drug distributor is not an authorized distributor, a pedigree for each distributed legend drug.
   (iii) After January 1, 2007, and after consulting with the federal Food and Drug Administration, at the board’s discretion, for each legend drug received and distributed by the wholesale drug distributor, an electronic pedigree developed in accordance with standards and requirements of the board to authenticate, track, and
trace legend drugs. The standards and requirements of
the board may indicate the information required to be
part of the electronic pedigree.
(iv) Dates of receipt and distribution or other disposition
of the legend drugs by the wholesale drug distributor.
(v) Availability for inspection and photocopying by any
authorized official of a local, state, or federal
governmental agency for three (3) years after the
creation date of the inventories and records.
(D) Onsite electronic inventories and records are
immediately available for inspection, and records kept at
a central location apart from the inspection site and not
electronically retrievable are available for inspection
within two (2) working days after a request by an
authorized official of a local, state, or federal governmental
agency.
(E) The system maintains an ongoing list of persons with
whom the wholesale drug distributor does business.
(F) The system provides for reporting counterfeit or
suspected counterfeit legend drugs or counterfeiting or
suspected counterfeiting activities to the board and the
federal Food and Drug Administration.
(G) The system provides for mandatory reporting of
significant shortages or losses of legend drugs to the board
and the federal Food and Drug Administration if diversion
is known or suspected.
(4) Written policies and procedures to which the wholesale drug
distributor adheres for the receipt, security, storage,
inventory, transport, shipping, and distribution of legend
drugs, and that assure reasonable wholesale distributor
preparation for, protection against, and handling of any facility
security or operation problems, including the following:
(A) those Facility security or operation problems caused by
natural disaster or government emergency.
(B) Correction of inventory inaccuracies. or
(C) Product shipping and receiving problems.
(≤) (D) Quarantine and return to the manufacturer or
destruction in accordance with state and federal law of all
outdated products and outdated or expired legend drugs, including appropriate documentation and witnessing.

(E) Appropriate disposition of returned goods. and

(F) Product recalls.

(G) Identifying, recording, and reporting losses or thefts.

(H) Implementation and maintenance of a continuous quality improvement system.

(I) Recalls and withdrawals of legend drugs due to:

(i) an action initiated by the federal Food and Drug Administration or another federal, state, or local governmental agency;

(ii) a volunteer action by the manufacturer to remove defective or potentially defective legend drugs from the market; or

(iii) an action undertaken to promote public health and safety by replacing existing merchandise with an improved product or a new package design.

(J) Disposition and destruction of containers, labels, and packaging to ensure that the containers, labels, and packaging are not used in counterfeiting activities, including necessary documentation and witnessing in accordance with state and federal law.

(K) Investigation of discrepancies in the inventory involving counterfeit, suspected counterfeit, contraband, or suspected contraband legend drugs and reporting of discrepancies within three (3) business days to the board and any other appropriate state or federal governmental agency.

(L) Reporting of criminal or suspected criminal activities involving the inventory of legend drugs to the board within three (3) business days.

(M) Conducting for cause authentication and random authentication as required under sections 17.2, 17.3, and 17.8 of this chapter.

(5) Written policies and procedures and sufficient inspection procedures for all incoming and outgoing product shipments, including the following:

(A) Upon receipt, visual examination of each shipping
container in a manner adequate to identify the legend
drugs in the container and to determine whether the legend
drugs may be outdated, adulterated, misbranded, contaminated, contraband, counterfeit, suspected counterfeit, damaged, or otherwise unfit for distribution.

(B) Upon receipt, review of records by the wholesale drug
distributor for the acquisition of legend drugs for accuracy and completeness, considering the:
   (i) total facts and circumstances surrounding each transaction involving the legend drugs; and
   (ii) wholesale drug distributors involved.

(C) Quarantine of a legend drug considered to be outdated, adulterated, misbranded, contaminated, contraband, counterfeit, suspected counterfeit, damaged, or otherwise unfit for distribution until:
   (i) examination and a determination that the legend drug is not outdated, adulterated, misbranded, contaminated, contraband, counterfeit, damaged, or otherwise unfit for distribution; or
   (ii) the legend drug is destroyed or returned to the manufacturer or wholesale drug distributor from which the legend drug was acquired.

(D) Written policies and procedures to ensure that a legend drug that was:
   (i) ordered in error or in excess of need by the wholesale drug distributor;
   (ii) identified within three (3) business days after receipt as ordered in error or in excess of need; and
   (iii) maintained such that the legend drug's integrity has not been compromised;
may be returned to the manufacturer or wholesale drug distributor from which the legend drug was acquired if the appropriate documentation is completed and necessary notations are made to a required pedigree.

(E) Written policies and procedures to ensure that if the wholesale drug distributor determines that a legend drug is adulterated, misbranded, counterfeit, or suspected counterfeit, the wholesale drug distributor provides notice of the adulteration, misbranding, counterfeiting, or
suspected counterfeiting to the board, the federal Food and Drug Administration, and the manufacturer or wholesale drug distributor from which the legend drug was acquired within three (3) business days.

(F) Written policies and procedures to ensure that if the immediate or sealed outer or secondary container or labeling of a legend drug is adulterated, misbranded, counterfeit, or suspected counterfeit, the wholesale drug distributor:

(i) quarantines the legend drug until the legend drug is destroyed or returned to the manufacturer or wholesale drug distributor from which the legend drug was acquired; and

(ii) provides notice of the adulteration, misbranding, counterfeiting, or suspected counterfeiting to the board, the federal Food and Drug Administration, and the manufacturer or wholesale drug distributor from which the legend drug was acquired within three (3) business days.

(G) Written policies and procedures to ensure that a legend drug that has been opened or used, but is not adulterated, misbranded, counterfeit, or suspected counterfeit, is identified as such and quarantined until the legend drug is destroyed or returned to the manufacturer or wholesale drug distributor from which the legend drug was acquired.

(H) Written policies and procedures to ensure that:

(i) a legend drug that will be returned to a manufacturer or wholesale drug distributor is kept under proper conditions for storage, handling, transport, and shipment before the return; and

(ii) documentation showing that proper conditions were maintained is provided to the manufacturer or wholesale drug distributor to which the legend drug is returned.

(I) Inspection of each outgoing shipment for identity of the legend drugs and to ensure that the legend drugs have not been damaged in storage or held under improper conditions.

(J) Written policies and procedures to ensure that if
conditions under which a legend drug has been returned to the wholesale drug distributor cast doubt on the legend drug's safety, identity, strength, quality, or purity, the legend drug is destroyed or returned to the manufacturer or wholesale drug distributor from which the legend drug was acquired unless examination, testing, or other investigation proves that the legend drug meets appropriate standards of safety, identity, strength, quality, and purity. In determining whether the conditions under which a legend drug has been returned cast doubt on the legend drug's safety, identity, strength, quality, or purity, the wholesale drug distributor considers the conditions under which the legend drug has been held, stored, or shipped before or during the legend drug’s return and the condition of the legend drug and the legend drug's container, carton, or labeling upon receipt of the returned legend drug.

(K) Written policies and procedures to ensure that contraband, counterfeit, or suspected counterfeit legend drugs, other evidence of criminal activity, and accompanying documentation are retained until a disposition is authorized by the board and the federal Food and Drug Administration.

(L) Written policies and procedures to ensure that any shipping, immediate, or sealed outer or secondary container or labeling, and accompanying documentation, suspected of or determined to be counterfeit or fraudulent, are retained until a disposition is authorized by the board and the federal Food and Drug Administration.

(6) Operations in compliance with all federal legal requirements applicable to wholesale drug distribution.

(7) Written policies and procedures to provide for the secure and confidential storage of information with restricted access and to protect the integrity and confidentiality of the information.

(8) A pedigree as required under this chapter, including an electronic pedigree developed in accordance with standards and requirements of the board under subdivision (3)(C)(iii).

(9) Appropriate inventory management and control systems
to:

(A) prevent; and
(B) allow detection and documentation of;
theft, counterfeiting, or diversion of legend drugs.

(10) If the wholesale drug distributor is involved in the
distribution of controlled substances, registration with the
federal Drug Enforcement Administration and the board and
compliance with all laws related to the storage, handling,
transport, shipment, and distribution of controlled
substances.

(11) Isolation of controlled substances from noncontrolled
substances and storage of the controlled substances in a
secure area in accordance with federal Drug Enforcement
Administration security requirements and standards.

(12) Technology and equipment that allow the wholesale drug
distributor to authenticate, track, and trace legend drugs. The
technology and equipment meet standards set by the board
and are used as required by the board to conduct for cause
and random tracking, tracing, and authentication of legend
drugs.

(13) Employment, training, and documentation of the training
concerning the proper use of the technology and equipment
required under subdivision (12).

(14) Packaging operations in accordance with an official
compendium allowing the identification of a compromise in
the integrity of the legend drugs due to tampering or adverse
storage conditions.

SECTION 54. IC 25-26-14-17.2 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2006]: Sec. 17.2. (a) A wholesale drug
distributor that purchases legend drugs from another wholesale
drug distributor and has reason to believe that a legend drug
purchased from the other wholesale drug distributor is counterfeit,
suspected counterfeit, misbranded, or adulterated shall conduct a
for cause authentication of each distribution of the legend drug
back to the manufacturer.

(b) A wholesale drug distributor that has engaged in the
distribution of a legend drug for which a purchasing wholesale
drug distributor conducts a for cause authentication under
subsection (a) shall provide, upon request, detailed information regarding the distribution of the legend drug, including the:

1. date of purchase of the legend drug;
2. lot number of the legend drug;
3. sales invoice number of the legend drug; and
4. contact information, including name, address, telephone number, and electronic mail address of the wholesale drug distributor that sold the legend drug.

(c) If a wholesale drug distributor conducts a for cause authentication under subsection (a) and is unable to authenticate each distribution of the legend drug, the wholesale drug distributor shall quarantine the legend drug and report the circumstances to the board and the federal Food and Drug Administration not more than ten (10) business days after completing the attempted authentication.

(d) If a wholesale drug distributor authenticates the distribution of a legend drug back to the manufacturer under subsection (a), the wholesale drug distributor shall maintain records of the authentication for three (3) years and shall produce the records for the board and the federal Food and Drug Administration upon request.

SECTION 55. IC 25-26-14-17.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Sec. 17.3. (a) A wholesale drug distributor that purchases legend drugs from another wholesale drug distributor shall, at least annually, conduct a random authentication of a required pedigree on at least ten percent (10%) of sales units of wholesale distributions of legend drugs purchased from other wholesale drug distributors.

(b) A wholesale drug distributor from whom another wholesale drug distributor purchases legend drugs shall cooperate with random authentications of pedigrees described in this section and provide requested information in a timely manner.

(c) If a wholesale drug distributor conducts a random authentication under this section and is unable to authenticate each distribution of the legend drug, the wholesale drug distributor shall quarantine the legend drug and report the circumstances to the board and the federal Food and Drug Administration not more than ten (10) business days after completing the attempted authentication.
authentication.

SECTION 56. IC 25-26-14-17.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 17.8. (a) A wholesale drug distributor licensed under this chapter that purchases legend drugs from a wholesale drug distributor that is not licensed under this chapter shall act with due diligence as required under this section and rules adopted by the board.

(b) Before the initial purchase of legend drugs from the unlicensed wholesale drug distributor, the licensed wholesale drug distributor shall obtain the following information from the unlicensed wholesale drug distributor:

(1) A list of states in which the unlicensed wholesale drug distributor is licensed.
(2) A list of states into which the unlicensed wholesale drug distributor ships legend drugs.
(3) Copies of all state and federal regulatory licenses and registrations held by the unlicensed wholesale drug distributor.
(4) The unlicensed wholesale drug distributor's most recent facility inspection reports.
(5) Information regarding general and product liability insurance maintained by the unlicensed wholesale drug distributor, including copies of relevant policies.
(6) A list of other names under which the unlicensed wholesale drug distributor does business or has been previously known.
(7) A list of corporate officers and managerial employees of the unlicensed wholesale drug distributor.
(8) A list of all owners of the unlicensed wholesale drug distributor that own more than ten percent (10%) of the unlicensed wholesale drug distributor, unless the unlicensed wholesale drug distributor is publicly traded.
(9) A list of all disciplinary actions taken against the unlicensed wholesale drug distributor by state and federal agencies.
(10) A description, including the address, dimensions, and other relevant information, of each facility used by the unlicensed wholesale drug distributor for legend drug storage and distribution.
(11) A description of legend drug import and export activities of the unlicensed wholesale drug distributor.

(12) A description of the unlicensed wholesale drug distributor's procedures to ensure compliance with this chapter.

(13) A statement:
   (A) as to whether; and
   (B) of the identity of each manufacturer for which;
the unlicensed wholesale drug distributor is an authorized distributor.

(c) Before the initial purchase of legend drugs from an unlicensed wholesale drug distributor, the licensed wholesale drug distributor shall:

   (1) request that the board obtain and consider the results of a national criminal history background check (as defined in IC 10-13-3-12) through the state police department of all individuals associated with the unlicensed wholesale drug distributor as specified for licensure of a wholesale drug distributor under section 16(b) of this chapter; and
   (2) verify the unlicensed wholesale drug distributor's status as an authorized distributor, if applicable.

(d) If an unlicensed wholesale drug distributor's facility has not been inspected by the board or the board's agent within three (3) years after a contemplated purchase described in subsection (a), the licensed wholesale drug distributor shall conduct an inspection of the unlicensed wholesale drug distributor's facility:

   (1) before the initial purchase of legend drugs from the unlicensed wholesale drug distributor; and
   (2) at least once every three (3) years unless the unlicensed wholesale drug distributor's facility has been inspected by the board, or the board's agent, during the same period;
to ensure compliance with applicable laws and regulations relating to the storage and handling of legend drugs. A third party may be engaged to conduct the site inspection on behalf of the licensed wholesale drug distributor.

(e) At least annually, a licensed wholesale drug distributor that purchases legend drugs from an unlicensed wholesale drug distributor shall ensure that the unlicensed wholesale drug distributor maintains a record keeping system that meets the
(f) If a licensed wholesale drug distributor that purchases legend drugs from an unlicensed wholesale drug distributor has reason to believe that a legend drug purchased from the unlicensed wholesale drug distributor is misbranded, adulterated, counterfeit, or suspected counterfeit, the licensed wholesale drug distributor shall conduct a for cause authentication of each distribution of the legend drug back to the manufacturer.

(g) An unlicensed wholesale drug distributor that has engaged in the distribution of a legend drug for which a licensed wholesale drug distributor conducts a for cause authentication under subsection (f) shall provide, upon request, detailed information regarding the distribution of the legend drug, including the:

1. date of purchase of the legend drug;
2. lot number of the legend drug;
3. sales invoice number of the legend drug; and
4. contact information, including name, address, telephone number, and any electronic mail address of the unlicensed wholesale drug distributor that sold the legend drug.

(h) If a licensed wholesale drug distributor conducts a for cause authentication under subsection (f) and is unable to authenticate each distribution of the legend drug, the licensed wholesale drug distributor shall quarantine the legend drug and report the circumstances to the board and the federal Food and Drug Administration within ten (10) business days after completing the attempted authentication.

(i) If a licensed wholesale drug distributor authenticates the distribution of a legend drug back to the manufacturer under subsection (f), the licensed wholesale drug distributor shall maintain records of the authentication for three (3) years and shall provide the records to the board upon request.

(j) A licensed wholesale drug distributor that purchases legend drugs from an unlicensed wholesale drug distributor shall, at least annually, conduct random authentications of required pedigrees on at least ten percent (10%) of sales units of distributions of legend drugs that were purchased from unlicensed wholesale drug distributors.

(k) An unlicensed wholesale drug distributor from which a licensed wholesale drug distributor has purchased legend drugs
shall cooperate with the random authentications of pedigrees under this section and provide requested information in a timely manner.

(l) If a wholesale drug distributor conducts a random authentication under subsection (j) and is unable to authenticate each distribution of the legend drug, the wholesale drug distributor shall quarantine the legend drug and report the circumstances to the board and the federal Food and Drug Administration not more than ten (10) business days after completing the attempted authentication.

SECTION 57. IC 25-26-14-17.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 17.9. A wholesale drug distributor licensed under this chapter may not use a trade name or business name identical to a trade name or business name used by another wholesale drug distributor licensed under this chapter.

SECTION 58. IC 25-26-14-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) A person employed in wholesale distribution must have appropriate education or experience to assume responsibility for positions related to compliance with licensing requirements.

(b) After December 31, 2005, before employing a person to be engaged in the operation and handling of legend drugs, a wholesale drug distributor shall request that the board obtain and consider the results of a national criminal history background check (as defined in IC 10-13-3-12) through the state police department for the person.

SECTION 59. IC 25-26-14-21.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 21.5. (a) A person may not perform, cause the performance of, or aid the performance of the following:

(1) The manufacture, repackaging, sale, delivery, holding, or offering for sale of a legend drug that is adulterated, misbranded, counterfeit, suspected counterfeit, or is otherwise unfit for distribution.

(2) The adulteration, misbranding, or counterfeiting of a legend drug.
(3) The receipt of a legend drug that is adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeit, or suspected counterfeit, and the delivery or proffered delivery of the legend drug for pay or otherwise.

(4) The alteration, mutilation, destruction, obliteration, or removal of the whole or a part of the labeling of a legend drug or the commission of another act with respect to a legend drug that results in the legend drug being misbranded.

(5) Forging, counterfeiting, simulating, or falsely representing a legend drug using a mark, stamp, tag, label, or other identification device without the authorization of the manufacturer.

(6) The purchase or receipt of a legend drug from a person that is not licensed to distribute legend drugs to the purchaser or recipient.

(7) The sale or transfer of a legend drug to a person that is not authorized under the law of the jurisdiction in which the person receives the legend drug to purchase or receive legend drugs from the person selling or transferring the legend drug.

(8) Failure to maintain or provide records as required under this chapter.

(9) Providing the board, a representative of the board, or a state or federal official with false or fraudulent records or making false or fraudulent statements regarding a matter related to this chapter.

(10) The wholesale distribution of a legend drug that was:

(A) purchased by a public or private hospital or other health care entity;

(B) donated or supplied at a reduced price to a charitable organization; or

(C) stolen or obtained by fraud or deceit.

(11) Obtaining or attempting to obtain a legend drug by fraud, deceit, misrepresentation, or engaging in fraud, deceit, or misrepresentation in the distribution of a legend drug.

(12) Failure to obtain, authenticate, or provide a required pedigree.

(13) The receipt of a legend drug through wholesale distribution without first receiving a required pedigree attested to as accurate and complete by the wholesale drug
(14) Distributing a legend drug that was previously dispensed by a retail pharmacy or distributed by a practitioner.
(15) Failure to report an act prohibited by this section.

(b) The board may impose the following sanctions if, after a hearing under IC 4-21.5-3, the board finds that a person has violated subsection (a):

1. Revoke the wholesale drug distributor's license issued under this chapter if the person is a wholesale drug distributor.

2. Assess a civil penalty against the person. A civil penalty assessed under this subdivision may not be more than ten thousand dollars ($10,000) per violation.

SECTION 60. IC 25-26-14-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) A person who knowingly or intentionally engages in the wholesale distribution of a legend drug without a license issued under this chapter commits a Class D felony.

(b) A person who engages in the wholesale distribution of a legend drug and:

1. who, with intent to defraud or deceive:
   (A) fails to obtain or deliver to another person a complete and accurate required pedigree concerning a legend drug before:
       (i) obtaining the legend drug from another person; or
       (ii) transferring the legend drug to another person; or
   (B) falsely swears or certifies that the person has authenticated any documents related to the wholesale distribution of legend drugs;

2. who knowingly or intentionally:
   (A) destroys, alters, conceals, or fails to maintain a complete and accurate required pedigree concerning a legend drug in the person's possession;
   (B) purchases or receives legend drugs from a person not authorized to distribute legend drugs in wholesale distribution;
   (C) sells, barter, brokers, or transfers a legend drug to a person not authorized to purchase the legend drug in the jurisdiction in which the person receives the legend drug
in a wholesale distribution;
(D) forges, counterfeits, or falsely creates a pedigree;
(E) falsely represents a factual matter contained in a pedigree; or
(F) fails to record material information required to be recorded in a pedigree; or
(3) who:
(A) possesses a required pedigree concerning a legend drug;
(B) knowingly or intentionally fails to authenticate the matters contained in the pedigree as required; and
(C) distributes or attempts to further distribute the legend drug;
commits a Class D felony.

SECTION 61. IC 25-26-14-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. A wholesale drug distributor that fails to comply with the conditions and requirements described in:
(1) section 17; or
(2) after December 31, 2005, section 17.2, 17.3, 17.8, 17.9, or 20;
of this chapter commits a Class D felony.

SECTION 62. IC 25-33-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The board shall issue a license to practice psychology to an individual who:
(1) applies in the manner required by the board;
(2) pays a fee;
(3) is at least eighteen (18) years of age;
(4) has not been convicted of a crime that has a direct bearing on the individual’s ability to practice competently;
(5) holds, at the time of application, a valid license or certificate as a psychologist from another state;
(6) possesses a doctoral degree from a recognized institution of higher learning;
(7) has successfully completed:
(A) a degree program that would have been approved by the board at the time the individual was licensed or certified in the other state; or
(B) if the individual was licensed or certified in the other state before July 1, 1969, a degree program that satisfied the educational requirements of the board in effect January 4, 1971;

(8) has practiced psychology continuously since being licensed or certified;

(9) if the individual was licensed or certified by the other state:
   (A) after September 30, 1972, has taken the Examination for the Professional Practice of Psychology and achieved the passing score required by the board at the time the examination was administered; or
   (B) before January 1, 1990, and the other state required an examination other than the Examination for the Professional Practice of Psychology, and the individual achieved a passing score in the other state at the time of licensure or certification;

(10) has passed an examination administered by the board that covers Indiana law related to the practice of psychology; and

(11) is not in violation of this chapter or rules adopted under this chapter.

(b) The board may adopt rules under IC 4-22-2 concerning the issuance of a license under this section.

SECTION 63. IC 25-35.6-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) As used in this article, "board" means the speech-language pathology and audiology board established by this article.

(b) As used in this article, "person" means any individual, organization, or corporate body, except that only an individual may be licensed under this article.

(c) As used in this article, "speech-language pathologist" means an individual who practices speech-language pathology and who presents himself to the public by any title or description of services incorporating the words speech pathologist, speech-language pathologist, speech therapist, speech-language specialist, teacher of communication disorders, speech correctionist, speech clinician, language pathologist, language therapist, logopedist, communicologist, voice therapist, voice pathologist, or any similar title or description of service.
(d) As used in this article, "speech-language pathology" means the application of nonmedical and nonsurgical principles, methods, and procedures for the measurement, testing, evaluation, prediction, counseling, instruction, habilitation, or rehabilitation related to the development and disorders of speech, voice, or language for the purpose of evaluating, preventing, ameliorating, or modifying such disorders and conditions in individuals or groups of individuals: following:

(1) The prevention, evaluation, habilitation, rehabilitation, instruction, and research of communication and swallowing disorders.

(2) The elective modification of communication behaviors.

(3) The enhancement of communication, including the use of augmentative or alternate communication strategies.

(e) As used in this article, "audiologist" means an individual who practices audiology and who presents himself to the public by any title or description of services incorporating the words audiologist, hearing clinician, hearing therapist, hearing specialist, audiometrist, vestibular specialist, or any similar title or description of service.

(f) As used in this article, "audiology" means the application of nonmedical and nonsurgical principles, methods, and procedures of measurement, testing, evaluation, prediction, consultation, counseling, instruction, habilitation, or rehabilitation related to hearing and disorders of hearing for the purpose of evaluating, identifying, preventing, ameliorating, or modifying such disorders and conditions in individuals or groups of individuals: prevention, evaluation, habilitation, rehabilitation, instruction, and research of disorders of hearing, auditory function, and vestibular function.

(g) As used in this article, "speech-language pathology aide" "support personnel" means an individual who meets the following:

(1) Speech-language pathology aide.

(2) Speech-language pathology associate.

(3) Speech-language pathology assistant.

which qualifications shall be less than those established by this article as necessary for licensure as a speech-language pathologist; and who works under the direct supervision of a licensed speech pathologist.
(h) As used in this article, "audiology aide" means an individual who:

1. **is not licensed as an audiologist under this article;**
2. **meets minimum qualifications which the board may establish;** for audiology aides, which qualifications shall be less than those established by this article as necessary for licensure as an audiologist, and who works and
3. **provides specific services** under the direct direction and supervision of a licensed audiologist.

(i) As used in this article, "clinical fellowship" means a supervised professional experience.

(j) As used in this article, "direct supervision" means onsite observation and guidance while an assigned evaluation or therapeutic activity is being performed.

SECTION 64. IC 25-35.6-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Nothing in this article shall be construed as preventing or restricting the following:

1. A physician or surgeon from engaging in the practice of medicine in this state, or a person under the supervision and control of a physician or surgeon from conducting hearing testing, provided such a person is not called an audiologist.
2. Any hearing aid dealer from:
   
   (A) engaging in the testing of hearing and other practices and procedures necessary for the business for which the dealer is registered in this state under IC 25-20-1; and
   
   (B) using the title hearing aid specialist or any similar title or description of service.

3. Any person licensed or registered in this state by any other law from engaging in the profession or occupation for which the person is licensed or registered.

4. A person who holds a valid and current credential as a speech-language or hearing specialist issued by the department of education, or a person employed as a speech-language pathologist or audiologist by the government of the United States, if such person performs speech-language pathology or audiology services solely within the confines or under the jurisdiction of the governmental or state educational organization by which the person is employed. However, such person may, without
obtaining a license under this article, consult with or disseminate
the person's research findings and other scientific information to
speech-language pathologists and audiologists outside the
jurisdiction of the organization by which the person is employed.
Such person may also offer instruction and lectures to the public
for a fee: monetary or other: without being licensed under this
article. Such person may additionally elect to be subject to this
article.

(5) The activities and services of persons pursuing a course of
study leading to a degree in speech-language pathology or
audiology at a college or university, if:
   (A) such activities and services constitute a part of a
   supervised course of study; and that
   (B) such person is designated speech-language pathology or
   audiology intern, speech-language pathology or audiology
   trainee, or by other such titles clearly indicating the training
   status appropriate to the person's level of training; and
   (C) the person works only under the supervision of a
   speech-language pathologist or audiologist licensed under
   this article.

(6) The activities and services of a person pursuing a course of
study leading to a degree in audiology at a college or university,
if such activities and services constitute a part of a supervised
course of study and such person is designated audiology intern;
audiology trainee; or by any other such titles clearly indicating the
training status appropriate to the person's level of training:

(7) The activities and services of persons fulfilling the clinical
experience requirement of section 5(a)(5) 5(2)(B)(ii) or 6(3)(B)
of this chapter, if such activities and services constitute a part of
the experience required for that section's fulfillment.

(8) The performance of pure tone air conduction testing by an
industrial audiometric technician, as defined by federal law, who
is working in an industrial hearing conservation program directed
by a physician or an audiologist.

(9) The performance of speech-language pathology or
audiology services in this state by any person not a resident of this
state who is not licensed under this article, if such services are
performed for no more than five (5) days in any calendar year and
in cooperation with a speech-language pathologist or audiologist licensed under this article, and if such person meets the qualifications and requirements for application for licensure described in sections 5(a)(1) and 5(a)(2) sections 5(1) and 5(2) or 6(1) and 6(2) of this chapter. However, a person not a resident of this state who is not licensed under this article, but who is licensed under the law of another state which has established licensure requirements at least equivalent to those established by section 5 or 6 of this chapter or who is the holder of a certificate of clinical competence in speech-language pathology or audiology or its equivalent issued by a nationally recognized association for speech-language and or hearing, may offer speech-language pathology or audiology services in this state for no more than thirty (30) days in any calendar year, if such services are performed in cooperation with a speech-language pathologist or audiologist licensed under this article.

SECTION 65. IC 25-35.6-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. To be eligible for licensure by the board as a speech-language pathologist or audiologist, registration as a speech-language pathology aide, a speech-language pathology associate, or a speech-language pathology assistant, a person must satisfy the following:

1. Not have been convicted of a crime that has a direct bearing on the person's ability to practice competently.
2. For licensure as a speech-language pathologist:
   A. possess at least a master's degree or its equivalent in the area of speech-language pathology or audiology, as the case may be, from an educational institution recognized by the board; and
   B. submit evidence of:
      i. a national certification in speech-language pathology that is approved by the board; or
      ii. satisfaction of the academic and clinical experience requirements necessary for licensure as defined in the rules of the board.
3. For registration as a speech-language pathology aide, possess at least a high school degree or its equivalent.
4. For registration as a speech-language pathology associate,
possess at least an associate degree in speech-language pathology.

(5) For registration as a speech-language pathology assistant, possess at least a bachelor’s degree in speech-language pathology.

(3) Submit to the board transcripts from one (1) or more of the educational institutions described in subdivision (2) evidencing completion of at least eighteen (18) semester hours in courses providing fundamental information applicable to the normal development of speech; hearing; and language and at least forty-two (42) semester hours in courses providing information about and practical experience in the management of speech; hearing; and language disorders; and of these forty-two (42) semester hours:

(A) no fewer than six (6) shall be in audiology for a person applying for licensure in speech-language pathology;
(B) no fewer than six (6) shall be in speech-language pathology for a person applying for licensure in audiology;
(C) no more than six (6) shall be in courses providing academic credit for clinical practice;
(D) at least twenty-four (24), not including credits for thesis or dissertation requirements; shall be in the field for which the license is sought; and
(E) at least thirty (30) shall be in courses considered by the educational institution in which they are conducted as acceptable for application toward a graduate degree.

(4) Submit to the board evidence of the completion of at least three hundred (300) hours of supervised, direct clinical experience with a variety of communication disorders, which experience is received within the educational institution itself or a clinical program with which it cooperates.

(5) Submit to the board evidence of the completion of at least nine (9) consecutive months; at no less than thirty (30) hours per week, of clinical experience in the professional area (speech-language pathology and audiology) for which a license is sought. This requirement may also be fulfilled by part-time clinical experience as follows: fifteen (15) to nineteen (19) hours per week for eighteen (18) consecutive months; twenty (20) to twenty-four (24)
hours per week for fifteen (15) consecutive months; or twenty-five (25) to twenty-nine (29) hours per week for twelve (12) consecutive months. The clinical experience must be under the direct supervision of and attested to in a notarized statement by a person licensed in the area (speech-language pathology or audiology) for which a license is being sought. Such clinical experience must additionally follow the completion of the requirements described in subdivisions (2); (3); and (4):
(6) Pass a written examination approved by the board.

SECTION 66. IC 25-35.6-1-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. To be eligible for an initial license by the board as an audiologist, an individual must satisfy the following:
(1) Not have been convicted of a crime that has a direct bearing on the individual's ability to practice competently.
(2) Possess a doctoral degree from an accredited educational program recognized by the board.
(3) Submit evidence of:
(A) a national certification in audiology that is approved by the board; or
(B) satisfaction of the academic and clinical experience requirements necessary for licensure as defined in the rules of the board.

SECTION 67. IC 25-35.6-1-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The professional standards board may issue an initial license as a speech-language pathologist only to an individual who is licensed as a speech-language pathologist under this article. The professional standards board shall issue a license as a speech-language pathologist to an individual who:
(1) is licensed as a speech-language pathologist under this article; and
(2) requests licensure.
(b) A speech-language pathologist licensed by the professional standards board shall register with the health professions bureau all speech-language pathology support personnel that the
speech-language pathologist supervises.

(c) The professional standards board may not impose different or additional supervision requirements upon speech-language pathology support personnel than the supervision requirements that are imposed under this article.

(d) The professional standards board may not impose continuing education requirements upon an individual who receives a license under this section that are different from or in addition to the continuing education requirements imposed under this article.

(e) An individual who:

(1) if:
   (A) the individual is a speech-language pathologist, receives a license under this section or received a license as a speech-language pathologist issued by the professional standards board before July 1, 2005; or
   (B) the individual is an audiologist, works in an educational setting;

(2) has been the holder of a certificate of clinical competence in speech-language pathology or audiology or its equivalent issued by a nationally recognized association for speech-language pathology and audiology for at least three (3) consecutive years; and

(3) has professional experience as a licensed speech-language pathologist or audiologist in a school setting that is equivalent to the experience required for a teacher seeking national certification by the National Board of Professional Teaching Standards;

is considered to have the equivalent of and is entitled to the same benefits that accrue to a holder of a national certification issued by the National Board for Professional Teaching Standards.

SECTION 68. IC 25-35.6-1-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The board shall adopt rules under IC 4-22-2 to define the role of support personnel, including the following:

(1) Supervisory responsibilities of the speech-language pathologist.

(2) Ratio of support personnel to speech-language
pathologists.
(3) Scope of duties and restrictions of responsibilities for each type of support personnel.
(4) Frequency, duration, and documentation of supervision.
(5) Education and training required to perform services.
(6) Procedures for renewing registration and terminating duties.
(b) A speech-language pathologist must meet the following qualifications to supervise speech-language pathology support personnel:
(1) Hold a current license as a speech-language pathologist.
(2) Have at least three (3) years of clinical experience.
(3) Hold a certificate of clinical competence in speech-language pathology or its equivalent issued by a nationally recognized association for speech-language and hearing.
(c) Speech-language pathology support personnel may provide support services only under the supervision of a speech-language pathologist.

SECTION 69. IC 25-35.6-1-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) If a speech-language pathologist performs an evaluation and the evaluation suggests the possibility of a condition that requires medical attention, the speech-language pathologist shall promptly refer the patient to an individual licensed under IC 25-22.5.
(b) A speech-language pathologist shall perform instrumental procedures using rigid or flexible endoscopes only under the authorization and general supervision of an individual licensed under IC 25-22.5.

SECTION 70. IC 25-35.6-1-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) If an audiologist performs an evaluation and the evaluation suggests the possibility of a condition that requires medical attention, the audiologist shall promptly refer the patient to an individual licensed under IC 25-22.5.
(b) An audiologist shall administer tests of vestibular function only to patients who have been referred by an individual licensed
SECTION 71. IC 25-35.6-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The board:

(1) shall administer, coordinate, and enforce this article;
(2) shall evaluate the qualifications and supervise the examinations of applicants for licensure under this article;
(3) may issue subpoenas, examine witnesses, and administer oaths; and
(4) shall, at its discretion, investigate allegations of practices violating this article, subject to IC 25-1-7.

(b) The board shall adopt rules under IC 4-22-2 relating to professional conduct commensurate with the policy of this article, including rules that establish standards for the competent practice of speech-language pathology and audiology. Following their adoption, the rules govern and control the professional conduct of every person who holds a license to practice speech-language pathology or audiology in this state.

(c) The board shall conduct the hearings and keep the records and minutes necessary for the orderly dispatch of its functions. The board shall have notice provided to the appropriate persons in a manner it considers appropriate of the times and places of all hearings authorized by this subsection. Approval by a majority of a quorum of the board is required for any action to be taken in actions for revocation or suspension of a license issued under this article.

(d) The board may adopt rules under IC 4-22-2 to:

(1) administer or enforce this article;
(2) register persons in the process of fulfilling the clinical experience required for a license under this article;
(3) establish fees in accordance with IC 25-1-8-2; and
(4) register speech-language pathology assistants, associates, and audiology aides and establish rules governing the duties of assistants, associates, and aides.

(e) The conferral or enumeration of specific powers elsewhere in this article shall not be construed as a limitation of the general functions conferred by this section.

SECTION 72. IC 25-35.6-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The board may waive the examination and grant licensure shall issue a license in
speech-language pathology or audiology to any applicant who:

(1) presents proof of:

(A) current licensure in speech-language pathology or audiology in another state, including the District of Columbia or a territory of the United States, which maintains under professional standards considered by that the board considers to be at least equivalent to those set forth in this article at the time that the license was issued in the other state or territory; or

(B) practice as a speech-language pathologist or an audiologist under the authority and supervision of an agency of the federal government; and

(2) meets any other requirements that the board establishes by rule.

(b) The board may waive the examination and grant licensure to any person certified as clinically competent by a nationally recognized association for speech-language and hearing in the area for which such person is applying for licensure.

SECTION 73. IC 25-35.6-3-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. The board may issue a provisional license in audiology to an individual who meets the requirements that the board establishes by rule.

SECTION 74. IC 25-35.6-3-8.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.1. (a) Each individual licensed under this article and each individual registered as a speech-language pathology aide, a speech-language pathology associate, or a speech-language pathology assistant shall make the license or registration, or an official duplicate of the license or registration, available when the individual practices speech-language pathology or audiology or provides support services.

(b) Before support personnel may provide services, the speech-language pathologist shall ensure that prior written notification is provided to the recipient of the services that services are to be provided in whole or in part by support personnel.

SECTION 75. IC 34-24-1-1, AS AMENDED BY SEA 47-2005,
SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The following may be seized:

(1) All vehicles (as defined by IC 35-41-1), if they are used or are intended for use by the person or persons in possession of them to transport or in any manner to facilitate the transportation of the following:

(A) A controlled substance for the purpose of committing, attempting to commit, or conspiring to commit any of the following:

(i) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).

(ii) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).

(iii) Dealing in a schedule IV controlled substance (IC 35-48-4-3).

(iv) Dealing in a schedule V controlled substance (IC 35-48-4-4).

(v) Dealing in a counterfeit substance (IC 35-48-4-5).

(vi) Possession of cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-6).

(vii) Dealing in paraphernalia (IC 35-48-4-8.5).

(viii) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10).

(B) Any stolen (IC 35-43-4-2) or converted property (IC 35-43-4-3) if the retail or repurchase value of that property is one hundred dollars ($100) or more.

(C) Any hazardous waste in violation of IC 13-30-6-6.

(D) A bomb (as defined in IC 35-41-1-4.3) or weapon of mass destruction (as defined in IC 35-41-1-29.4) used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism (as defined by IC 35-41-1-26.5).

(2) All money, negotiable instruments, securities, weapons, communications devices, or any property used to commit, used in an attempt to commit, or used in a conspiracy to commit an offense under IC 35-47 as part of or in furtherance of an act of terrorism or commonly used as consideration for a violation of IC 35-48-4 (other than items subject to forfeiture under
IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):
(A) furnished or intended to be furnished by any person in exchange for an act that is in violation of a criminal statute;
(B) used to facilitate any violation of a criminal statute; or
(C) traceable as proceeds of the violation of a criminal statute.
(3) Any portion of real or personal property purchased with money that is traceable as a proceed of a violation of a criminal statute.
(4) A vehicle that is used by a person to:
(A) commit, attempt to commit, or conspire to commit;
(B) facilitate the commission of; or
(C) escape from the commission of;
murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense under IC 35-47 as part of or in furtherance of an act of terrorism.
(5) Real property owned by a person who uses it to commit any of the following as a Class A felony, a Class B felony, or a Class C felony:
(A) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
(B) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
(C) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(D) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10).
(6) Equipment and recordings used by a person to commit fraud under IC 35-43-5-4(11).
(7) Recordings sold, rented, transported, or possessed by a person in violation of IC 24-4-10.
(8) Property (as defined by IC 35-41-1-23) or an enterprise (as defined by IC 35-45-6-1) that is the object of a corrupt business influence violation (IC 35-45-6-2).
(9) Unlawful telecommunications devices (as defined in IC 35-45-13-6) and plans, instructions, or publications used to commit an offense under IC 35-45-13.
(10) Any equipment used or intended for use in preparing, photographing, recording, videotaping, digitizing, printing,
copying, or disseminating matter in violation of IC 35-42-4-4.
(11) Destructive devices used, possessed, transported, or sold in violation of IC 35-47.5.
(12) Cigarettes that are sold in violation of IC 24-3-5.2, cigarettes that a person attempts to sell in violation of IC 24-3-5.2, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.2.
(13) Tobacco products that are sold in violation of IC 24-3-5, tobacco products that a person attempts to sell in violation of IC 24-3-5, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.
(14) Property used by a person to commit counterfeiting or forgery in violation of IC 35-43-5-2.
(15) After December 31, 2005, if a person is convicted of an offense specified in IC 25-26-14-26(b) or IC 35-43-10, the following real or personal property:
   (A) Property used or intended to be used to commit, facilitate, or promote the commission of the offense.
   (B) Property constituting, derived from, or traceable to the gross proceeds that the person obtained directly or indirectly as a result of the offense.
(b) A vehicle used by any person as a common or contract carrier in the transaction of business as a common or contract carrier is not subject to seizure under this section, unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a).
(c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the equipment knowingly permitted the equipment to be used to engage in conduct that subjects it to seizure under subsection (a)(10).
(d) Money, negotiable instruments, securities, weapons, communications devices, or any property commonly used as consideration for a violation of IC 35-48-4 found near or on a person who is committing, attempting to commit, or conspiring to commit any of the following offenses shall be admitted into evidence in an action under this chapter as prima facie evidence that the money, negotiable instrument, security, or other thing of value is property that has been
used or was to have been used to facilitate the violation of a criminal statute or is the proceeds of the violation of a criminal statute:

(1) IC 35-48-4-1 (dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine).
(2) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled substance).
(3) IC 35-48-4-3 (dealing in a schedule IV controlled substance).
(4) IC 35-48-4-4 (dealing in a schedule V controlled substance) as a Class B felony.
(5) IC 35-48-4-6 (possession of cocaine, a narcotic drug, or methamphetamine) as a Class A felony, Class B felony, or Class C felony.
(6) IC 35-48-4-10 (dealing in marijuana, hash oil, or hashish) as a Class C felony.

SECTION 76. IC 35-43-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 10. Legend Drug Deception
Sec. 1. The definitions in IC 25-26-14 apply throughout this chapter.

Sec. 2. Except as provided by federal law or regulation, this chapter does not apply to a pharmaceutical manufacturer that is approved by the federal Food and Drug Administration.

Sec. 3. A person who knowingly or intentionally:
(1) possesses a contraband legend drug;
(2) sells, delivers, or possesses with intent to sell or deliver a contraband legend drug;
(3) forges, counterfeits, or falsely creates a label for a legend drug or falsely represents a factual matter contained on a label of a legend drug; or
(4) manufactures, purchases, sells, delivers, brings into Indiana, or possesses a contraband legend drug;
commits legend drug deception, a Class D felony.

Sec. 4. A person:
(1) who knowingly or intentionally manufactures, purchases, sells, delivers, brings into Indiana, or possesses a contraband legend drug; and
(2) whose act under subdivision (1) results in the death of an
individual;
commits legend drug deception resulting in death, a Class A felony.

SECTION 77. IC 16-27-1-0.5 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 78. [EFFECTIVE JULY 1, 2005] (a) The definitions in IC 16-27-4, as added by this act, apply to this SECTION.
(b) Notwithstanding IC 16-27-4, as added by this act, a person is not required to be licensed by the state department of health to operate a personal services agency before January 1, 2006.
(c) This SECTION expires January 1, 2006.

SECTION 79. [EFFECTIVE JULY 1, 2005] (a) IC 25-26-14, as amended by this act, applies:
(1) after December 31, 2005, for an initial license issued under IC 25-26-14, as amended by this act; and
(2) on the first expiration date occurring after December 31, 2005, for renewal of a license issued under IC 25-26-14, before amendment by this act.

(b) The Indiana board of pharmacy established by IC 25-26-13-3 may establish an electronic pedigree pilot program to authenticate, track, and trace legend drugs. The pilot program must include participation of drug manufacturers, wholesale drug distributors, and pharmacies that are licensed in Indiana. The board may establish the requirements and guidelines for the pilot program.

(c) Before June 30, 2007, the Indiana board of pharmacy established by IC 25-26-13-3 shall conduct a study of the electronic pedigree pilot program. The study must include consultation with manufacturers, distributors, and pharmacies that participate in the electronic pedigree pilot program. The study may include consultation with manufacturers, distributors, and pharmacies that do not participate in the electronic pedigree pilot program. Based on the results of the study, the board shall determine a date to implement a mandatory electronic pedigree program. However, the board may not implement a mandatory electronic pedigree program until after:
(1) the board has completed the study under this subsection; and
(2) the board has consulted with the federal Food and Drug Administration concerning the implementation of a
mandatory electronic pedigree program.
(d) The Indiana board of pharmacy established by IC 25-26-13-3 shall adopt rules under IC 25-26-14-8.5(7), as added by this act, prescribing the route that a legend drug travels that is in the normal distribution chain of custody.
(e) IC 25-26-14-26(b), as added by this act, applies only to offenses committed after December 31, 2005.
(f) This SECTION expires December 31, 2007.
SECTION 80. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 25-35.6, as amended by this act, concerning issuance of a license, the health professions bureau shall issue a license in speech-language pathology as follows:
(1) To each individual who applies for licensure and meets all the following qualifications:
   (A) Holds a license in speech and hearing therapy issued by the professional standards board.
   (B) Has a master’s degree in speech-language pathology or a related discipline.
   (C) Has been employed as a speech-language pathologist for at least nine (9) months in the last five (5) years.
(2) To each individual who applies for licensure and meets all the following qualifications:
   (A) Holds a life license in speech-language pathology issued by the professional standards board.
   (B) Has:
      (i) been employed as a speech-language pathologist for at least nine (9) months in the last five (5) years; or
      (ii) taken at least thirty-six (36) hours of continuing education approved by the professional standards board or health professions bureau after December 31, 2001, and before January 1, 2007.
(b) This SECTION expires July 1, 2007.
SECTION 81. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 25-35.6-1-8(b)(3), as added by this act, a speech-language pathologist is not required to hold a certificate of clinical competence in speech-language pathology or its equivalent issued by a nationally recognized association for speech-language and hearing to supervise speech-language pathology support personnel.
(b) This SECTION expires July 1, 2010.
SECTION 82. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 25-35.6-1-6(2), as added by this act, an applicant for an initial license as an audiologist is required to possess only a master’s degree in audiology from an accredited educational program recognized by the speech-language pathology and audiology board.  
(b) This SECTION expires January 1, 2007.

P.L.213-2005  
[H.1112. Approved May 11, 2005.]

AN ACT to amend the Indiana Code concerning corrections.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 11-10-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 14. Transitional Dormitories
Sec. 1. Before January 1, 2007, the department may provide a transitional dormitory at any security facility approved by the commissioner.

Sec. 2. (a) A transitional dormitory may provide programming and training in the following areas:

(1) Drug addiction and alcoholism treatment.
(2) Employment skills and vocations.
(3) Personal responsibility.
(4) Faith and religion.
(5) Peer support.
(6) Motivation.

(b) Except as provided in subsection (c), the department shall:

(1) use volunteers recruited under section 4(b)(2) of this chapter; and
(2) provide other staff; necessary for the operation of a transitional dormitory.

(c) The department may contract with a faith based
organization to provide staff necessary for the operation of a transitional dormitory.

Sec. 3. (a) An offender who wishes to reside in a transitional dormitory must submit a written application to the director of the transitional dormitory. An application must be on a form prescribed by the department.

(b) The director shall review each application and, not more than thirty (30) days after receipt of the application, issue a written decision to the offender.

(c) The director may determine eligibility based on the following criteria:

(1) A preference shall be given to an offender who has less than twenty-four (24) months until the offender's expected release date.
(2) Previous disciplinary action taken against an offender under IC 11-11-5-3.
(3) Security risks presented by admitting an offender to a transitional dormitory.
(4) An offender's demonstrated interest in the programs offered by a transitional dormitory.
(5) An offender's previous attempts to reside in a transitional dormitory at any penal facility.
(6) Other criteria developed by the department.

(d) An offender being treated under IC 11-10-4 is ineligible for placement in a transitional dormitory unless a psychiatrist treating the offender certifies to the director at or near the time the offender submits an application under subsection (a) that the offender can meaningfully participate in the programs offered by a transitional dormitory.

Sec. 4. (a) The department shall select a person to be the director of each transitional dormitory. The department may select a person to be a director who is employed by a faith based organization.

(b) The director's responsibilities include the following:

(1) Implement each program component.
(2) Recruit volunteers to provide instruction and training in the transitional dormitory with an emphasis on recruiting volunteers for religious programs.
(3) Oversee the day to day operations of the transitional
dormitory.

(4) Provide information requested by the superintendent regarding an offender or a program.

(5) Remove an offender from the transitional dormitory for:
   (A) population management concerns;
   (B) misconduct;
   (C) security or safety concerns;
   (D) mental health concerns; or
   (E) lack of meaningful participation in the programs and training.

Sec. 5. (a) The department shall submit an evaluation report to the legislative council on the faith based transitional dormitory program one (1) year after its inception and continue to provide a report to the legislative council on or before December 1 of each year.

(b) The report described in subsection (a) must be in an electronic format under IC 5-14-6.

(c) The report described in subsection (a) must contain the following:

   (1) An extensive evaluation of the faith based transitional dormitory program.

   (2) Statistics that include the number of inmates who:
      (A) have enrolled in a faith based transitional dormitory program;
      (B) have completed a faith based transitional dormitory program; and
      (C) have been released from the department and did not participate in a faith based transitional dormitory program.

   (3) The results of a survey of the employees of faith based transitional dormitories. The survey must ask the employees their opinions concerning the progress of the faith based transitional dormitories, how the program could improve, and how the program is successful.

SECTION 2. IC 11-12-5-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) As used in this section, "medical care expenses" refers to expenses relating to the following services provided to a county jail inmate:
(1) Medical care.
(2) Dental care.
(3) Eye care.
(4) Any other health care related service.

(b) Notwithstanding section 6 of this chapter and subject to subsection (c), as a term of a sentence, a court may order a county jail inmate to reimburse a county for all or a portion of medical care expenses incurred by the county in providing medical care to the inmate.

(c) A county jail inmate may not be required to reimburse a county for medical care expenses under this section if:
   (1) all the charges for which the inmate was detained in the county jail are dismissed; or
   (2) the inmate is acquitted of all charges for which the inmate was detained in the county jail.

(d) In determining the amount of reimbursement that an inmate may be required to pay under subsection (b), the court shall consider the inmate’s ability to pay.

(e) If a court orders a county jail inmate to reimburse a county for medical care expenses under subsection (b), the amount of the medical care expenses shall be reduced by the amount of any copayment the inmate was required to make for the medical care expenses under IC 11-10-3-5 or section 5 of this chapter.

SECTION 3. IC 35-38-1-7.1, AS ADDED BY SEA 96-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.1. (a) In determining what sentence to impose for a crime, the court may consider any the following aggravating circumstances:

(1) The harm, injury, loss, or damage suffered by the victim of an offense was:
   (A) significant; and
   (B) greater than the elements necessary to prove the commission of the offense.
(2) The person has a history of criminal or delinquent behavior.
(3) The victim of the offense was less than twelve (12) years of age or at least sixty-five (65) years of age at the time the person committed the offense.
(4) The person:
(A) committed a crime of violence (IC 35-50-1-2); and
(B) knowingly committed the offense in the presence or within hearing of an individual who:
   (i) was less than eighteen (18) years of age at the time the person committed the offense; and
   (ii) is not the victim of the offense.
(5) The person violated a protective order issued against the person under IC 34-26-5 (or IC 31-1-11.5, IC 34-26-2, or IC 34-4-5.1 before their repeal), a workplace violence restraining order issued against the person under IC 34-26-6, or a no contact order issued against the person.
(6) The person has recently violated the conditions of any probation, parole, pardon, community corrections placement, or pretrial release granted to the person.
(7) The victim of the offense was mentally or physically infirm.
(8) The person was in a position having care, custody, or control of the victim of the offense.
(9) The injury to or death of the victim of the offense was the result of shaken baby syndrome (as defined in IC 16-41-40-2).
(10) The person threatened to harm the victim of the offense or a witness if the victim or witness told anyone about the offense.
(11) The person:
   (A) committed trafficking with an inmate under IC 35-44-3-9; and
   (B) is an employee of the penal facility.
(b) The court may consider the following factors as mitigating circumstances or as favoring suspending the sentence and imposing probation:
   (1) The crime neither caused nor threatened serious harm to persons or property, or the person did not contemplate that it would do so.
   (2) The crime was the result of circumstances unlikely to recur.
   (3) The victim of the crime induced or facilitated the offense.
   (4) There are substantial grounds tending to excuse or justify the crime, though failing to establish a defense.
   (5) The person acted under strong provocation.
(6) The person has no history of delinquency or criminal activity, or the person has led a law-abiding life for a substantial period before commission of the crime.
(7) The person is likely to respond affirmatively to probation or short term imprisonment.
(8) The character and attitudes of the person indicate that the person is unlikely to commit another crime.
(9) The person has made or will make restitution to the victim of the crime for the injury, damage, or loss sustained.
(10) Imprisonment of the person will result in undue hardship to the person or the dependents of the person.
(11) The person was convicted of a crime involving the use of force against a person who had repeatedly inflicted physical or sexual abuse upon the convicted person and evidence shows that the convicted person suffered from the effects of battery as a result of the past course of conduct of the individual who is the victim of the crime for which the person was convicted.
(c) The criteria listed in subsection subsections (a) and (b) do not limit the aggravating circumstances or mitigating circumstances matters that the court may consider in determining the sentence.
(d) A court may impose any sentence that is:
   (1) authorized by statute; and
   (2) permissible under the Constitution of the State of Indiana; regardless of the presence or absence of aggravating circumstances or mitigating circumstances.

SECTION 4. IC 35-50-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in this section, "crime of violence" means:
   (1) murder (IC 35-42-1-1);
   (2) attempted murder (IC 35-41-5-1);
   (3) voluntary manslaughter (IC 35-42-1-3);
   (4) involuntary manslaughter (IC 35-42-1-4);
   (5) reckless homicide (IC 35-42-1-5);
   (6) aggravated battery (IC 35-42-2-1.5);
   (7) kidnapping (IC 35-42-3-2);
   (8) rape (IC 35-42-4-1);
   (9) criminal deviate conduct (IC 35-42-4-2);
   (10) child molesting (IC 35-42-4-3);
(11) sexual misconduct with a minor as a Class A felony under IC 35-42-4-9(a)(2) or a Class B felony under IC 35-42-4-9(b)(2); 
(12) robbery as a Class A felony or a Class B felony (IC 35-42-5-1); 
(13) burglary as a Class A felony or a Class B felony (IC 35-43-2-1); or 
(14) causing death when operating a motor vehicle (IC 9-30-5-5).

(b) As used in this section, “episode of criminal conduct” means offenses or a connected series of offenses that are closely related in time, place, and circumstance.

(c) Except as provided in subsection (d) or (e), the court shall determine whether terms of imprisonment shall be served concurrently or consecutively. The court may consider the:

1. aggravating and circumstances in IC 35-38-1-7.1(a); and
2. mitigating circumstances in IC 35-38-1-7.1(b); and
   IC 35-38-1-7.1(e);

in making a determination under this subsection. The court may order terms of imprisonment to be served consecutively even if the sentences are not imposed at the same time. However, except for crimes of violence, the total of the consecutive terms of imprisonment, exclusive of terms of imprisonment under IC 35-50-2-8 and IC 35-50-2-10, to which the defendant is sentenced for felony convictions arising out of an episode of criminal conduct shall not exceed the presumptive advisory sentence for a felony which is one (1) class of felony higher than the most serious of the felonies for which the person has been convicted.

(d) If, after being arrested for one (1) crime, a person commits another crime:
   1. before the date the person is discharged from probation, parole, or a term of imprisonment imposed for the first crime; or 
   2. while the person is released:
      (A) upon the person's own recognizance; or
      (B) on bond;
   the terms of imprisonment for the crimes shall be served consecutively, regardless of the order in which the crimes are tried and sentences are imposed.

(e) If a factfinder determines under IC 35-50-2-11 that a person used a firearm in the commission of the offense for which the
person was convicted, the term of imprisonment for the underlying offense and the additional term of imprisonment imposed under IC 35-50-2-11 must be served consecutively.

SECTION 5. IC 35-50-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) As used in this section:

(1) "Drug" means a drug or a controlled substance (as defined in IC 35-48-1).

(2) "Substance offense" means a Class A misdemeanor or a felony in which the possession, use, abuse, delivery, transportation, or manufacture of alcohol or drugs is a material element of the crime. The term includes an offense under IC 9-30-5 and an offense under IC 9-11-2 (before its repeal). July 1, 1991.

(b) The state may seek to have a person sentenced as a habitual substance offender for any substance offense by alleging, on a page separate from the rest of the charging instrument, that the person has accumulated two (2) prior unrelated substance offense convictions.

c) After a person has been convicted and sentenced for a substance offense committed after sentencing for a prior unrelated substance offense conviction, the person has accumulated two (2) prior unrelated substance offense convictions. However, a conviction does not count for purposes of this subsection if:

(1) it has been set aside; or

(2) it is a conviction for which the person has been pardoned.

d) If the person was convicted of the substance offense in a jury trial, the jury shall reconvene for the sentencing hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall conduct the sentencing hearing, under IC 35-38-1-3.

e) A person is a habitual substance offender if the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person had accumulated two (2) prior unrelated substance offense convictions.

(f) The court shall sentence a person found to be a habitual substance offender to an additional fixed term of at least three (3) years but not more than eight (8) years imprisonment, to be added to the term of imprisonment imposed under IC 35-50-2 or IC 35-50-3. If the court finds that:
(1) three (3) years or more have elapsed since the date the person was discharged from probation, imprisonment, or parole (whichever is later) for the last prior unrelated substance offense conviction and the date the person committed the substance offense for which the person is being sentenced as a habitual substance offender; or
(2) all of the substance offenses for which the person has been convicted are substance offenses under IC 16-42-19 or IC 35-48-4, the person has not been convicted of a substance offense listed in section 2(b)(4) of this chapter, and the total number of convictions that the person has for:
   (A) dealing in or selling a legend drug under IC 16-42-19-27;
   (B) dealing in cocaine or a narcotic drug (IC 35-48-4-1);
   (C) dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2);
   (D) dealing in a schedule IV controlled substance (IC 35-48-4-3); and
   (E) dealing in a schedule V controlled substance (IC 35-48-4-4);
then the court may reduce the additional fixed term. However, the court may not reduce the additional fixed term to less than one (1) year.

(g) If a reduction of the additional year fixed term is authorized under subsection (f), the court may also consider the aggravating or circumstances in IC 35-38-1-7.1(a) and the mitigating circumstances in IC 35-38-1-7.1(b) to:
   (1) decide the issue of granting a reduction; or
   (2) determine the number of years, if any, to be subtracted under subsection (f).

SECTION 6. IC 35-38-2.6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to the sentencing of a person convicted of:
   (1) a felony whenever any part of the sentence may not be suspended under IC 35-50-2-2 or IC 35-50-2-2.1; or
   (2) a misdemeanor whenever any part of the sentence may not be suspended; or
   (3) an offense described in IC 35-50-2-2(b)(4)(Q) (operating a
vehicle while intoxicated with at least two (2) prior unrelated convictions), if the person:

(A) is required to serve the nonsuspendible part of the sentence in a community corrections:
   (i) work release program; or
   (ii) program that uses electronic monitoring as a part of the person's supervision; and

(B) participates in a court approved substance abuse program.

(b) This chapter does not apply to persons convicted of any of the following:

(1) Sex crimes under IC 35-42-4 or IC 35-46-1-3.
(2) Except as provided in subsection (a)(3), any of the felonies listed in IC 35-50-2-2(b)(4).
(3) An offense under IC 9-30-5-4.
(4) An offense under IC 9-30-5-5.

SECTION 7. IC 35-50-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The court may suspend any part of a sentence for a felony, except as provided in this section or in section 2.1 of this chapter.

(b) With respect to the following crimes listed in this subsection, the court may suspend only that part of the sentence that is in excess of the minimum sentence, unless the court has approved placement of the offender in a forensic diversion program under IC 11-12-3.7:

(1) The crime committed was a Class A or Class B felony and the person has a prior unrelated felony conviction.
(2) The crime committed was a Class C felony and less than seven (7) years have elapsed between the date the person was discharged from probation, imprisonment, or parole, whichever is later, for a prior unrelated felony conviction and the date the person committed the Class C felony for which the person is being sentenced.
(3) The crime committed was a Class D felony and less than three (3) years have elapsed between the date the person was discharged from probation, imprisonment, or parole, whichever is later, for a prior unrelated felony conviction and the date the person committed the Class D felony for which the person is being sentenced. However, the court may suspend the minimum
sentence for the crime only if the court orders home detention under IC 35-38-1-21 or IC 35-38-2.5-5 instead of the minimum sentence specified for the crime under this chapter.

(4) The felony committed was:
   (A) murder (IC 35-42-1-1);
   (B) battery (IC 35-42-2-1) with a deadly weapon or battery causing death;
   (C) sexual battery (IC 35-42-4-8) with a deadly weapon;
   (D) kidnapping (IC 35-42-3-2);
   (E) confinement (IC 35-42-3-3) with a deadly weapon;
   (F) rape (IC 35-42-4-1) as a Class A felony;
   (G) criminal deviate conduct (IC 35-42-4-2) as a Class A felony;
   (H) child molesting (IC 35-42-4-3) as a Class A or Class B felony;
   (I) robbery (IC 35-42-5-1) resulting in serious bodily injury or with a deadly weapon;
   (J) arson (IC 35-43-1-1) for hire or resulting in serious bodily injury;
   (K) burglary (IC 35-43-2-1) resulting in serious bodily injury or with a deadly weapon;
   (L) resisting law enforcement (IC 35-44-3-3) with a deadly weapon;
   (M) escape (IC 35-44-3-5) with a deadly weapon;
   (N) rioting (IC 35-45-1-2) with a deadly weapon;
   (O) dealing in cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1) if the court finds the person possessed a firearm (as defined in IC 35-47-1-5) at the time of the offense, or the person delivered or intended to deliver to a person under eighteen (18) years of age at least three (3) years junior to the person and was on a school bus or within one thousand (1,000) feet of:
      (i) school property;
      (ii) a public park;
      (iii) a family housing complex; or
      (iv) a youth program center;
   (P) dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2) if the court finds the person possessed a firearm
(as defined in IC 35-47-1-5) at the time of the offense, or the person delivered or intended to deliver to a person under eighteen (18) years of age at least three (3) years junior to the person and was on a school bus or within one thousand (1,000) feet of:

(i) school property;
(ii) a public park;
(iii) a family housing complex; or
(iv) a youth program center;

(Q) an offense under IC 9-30-5 (operating a vehicle while intoxicated) and the person who committed the offense has accumulated at least two (2) prior unrelated convictions under IC 9-30-5;

(R) an offense under IC 9-30-5-5(b) (operating a vehicle while intoxicated causing death); if the person had:

(i) at least fifteen-hundredths (0.15) gram of alcohol per one hundred (100) milliliters of the person's blood, or at least fifteen-hundredths (0.15) gram of alcohol per two hundred ten (210) liters of the person's breath; or
(ii) a controlled substance listed in schedule I or II of IC 35-48-2 or its metabolite in the person's blood; or

(S) aggravated battery (IC 35-42-2-1.5).

(c) Except as provided in subsection (e), whenever the court suspends a sentence for a felony, it shall place the person on probation under IC 35-38-2 for a fixed period to end not later than the date that the maximum sentence that may be imposed for the felony will expire.

(d) The minimum sentence for a person convicted of voluntary manslaughter may not be suspended unless the court finds at the sentencing hearing that the crime was not committed by means of a deadly weapon.

(e) Whenever the court suspends that part of an offender's (as defined in IC 5-2-12-4) sentence that is suspendible under subsection (b), the court shall place the offender on probation under IC 35-38-2 for not more than ten (10) years.

(f) An additional term of imprisonment imposed under IC 35-50-2-11 may not be suspended.

(g) A term of imprisonment imposed under IC 35-47-10-6 or IC 35-47-10-7 may not be suspended if the commission of the offense...
was knowing or intentional.

(h) A term of imprisonment imposed for an offense under IC 35-48-4-6(b)(1)(B) may not be suspended.

SECTION 8. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the department of correction established by IC 11-8-2-1.

(b) As used in this SECTION, "commissioner" refers to the commissioner of the department of correction appointed under IC 11-8-2-4.

(c) Not later than September 1, 2005, the commissioner shall report progress on entering into a contract with a faith based organization to create a pilot project to operate faith based transitional dormitories at state operated correctional facilities.

(d) Not later than November 1, 2005, the commissioner shall report the status on implementing a pilot project and report a target date for the commencement of the pilot project. A report under subsection (c) and this subsection must be in an electronic format under IC 5-14-6.

(e) This SECTION expires December 31, 2005.

SECTION 9. IC 35-37-2.5 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 10. An emergency is declared for this act.

P.L.214-2005

[H.1120. Approved May 11, 2005.]
(1) issue bonds under terms and conditions determined by the
authority and use the proceeds of the bonds to acquire
obligations issued by any entity authorized to acquire, finance,
construct, or lease capital improvements under IC 5-1-17; and
(2) issue bonds under terms and conditions determined by the
authority and use the proceeds of the bonds to acquire any
obligations issued by the northwest Indiana regional
development authority established by IC 36-7.5-2-1.

SECTION 2. IC 4-4-11-16 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. (a) There is
created an industrial development project guaranty fund which shall be
used by the authority as a nonlapsing, revolving fund for carrying out
the provisions of the guaranty program. The industrial development
project guaranty fund shall consist of such money as may be
appropriated by the general assembly. To this sum shall be charged
those expenses of the authority attributable and allocated by the
authority to the authority's guaranty program, including interest,
principal, and lease payments required by loan or lease defaults under
the authority's guaranty program, and to the sum shall be credited that
income of the authority attributable and allocated by the authority to
the authority's guaranty program, including guarantee premiums.

(b) If the authority makes a written finding that the guarantee of a
particular loan secured by, or lease of, real property or tangible or
intangible personal property to or for the benefit of any industrial
development project, mining operation, or agricultural operation that
involves the processing of agricultural products would tend to
accomplish the purposes of this chapter, including the creation or
retention of employment in Indiana through the guarantee of the loan
or lease, and if the authority shall further find that the proposed
borrower or lessee cannot obtain the loan or lease upon reasonable
terms, the authority may, under its guaranty program, guarantee the
loan or lease upon such terms and conditions as the authority may
prescribe. No new or additional guarantee of a loan or lease under this
subsection or subsection (c) or (h) may be entered into if the guarantee
would cause the outstanding aggregate guarantee obligations with
respect to all loans and leases guaranteed under this subsection and
subsections (c) and (h) to exceed eight (8) times the amount of money
in the industrial development project guaranty fund. The amount of all
guarantees by the authority of loans or leases to or for the benefit of any single industrial development project, mining operation, or agricultural operation that involves the processing of agricultural products shall not exceed two million dollars ($2,000,000), less the outstanding aggregate principal balance under any loans made and owed to the authority under subsection (h) to or for the benefit of the project or operation. A guarantee of either a loan secured by real estate or a real estate lease shall not exceed ninety percent (90%) of the unpaid principal balance of the loan from time to time outstanding or ninety percent (90%) of the amount of any lease payment, as applicable, or ninety percent (90%) of the appraised fair market value of the real estate, whichever is less. A guarantee of a loan secured by personal property or of a personal property lease shall not exceed seventy-five percent (75%) of the unpaid principal balance of the loan from time to time outstanding or seventy-five percent (75%) of the amount of any lease payment, as applicable, or seventy-five percent (75%) of the fair market value of the personal property, whichever is less. A guarantee involving both real estate and personal property may not exceed the percentage proportionate to each type of property. To be eligible for a guarantee under this section, a loan or lease must:

1. be one which is to be made to and held by a lender or lessor approved by the authority as responsible and able to service the loan or lease properly;
2. involve a principal obligation or lease payments, as applicable, which may include initial service charges and appraisal, inspection, and other fees approved by the authority;
3. have a maturity or term satisfactory to the authority but in no case later than twenty (20) years from the date of the guaranty;
4. contain payment terms satisfactory to the authority requiring periodic payments by the developer or user which shall include principal and interest payments, cost of local property taxes and assessments, land lease rentals, if any, insurance on the property, as applicable, and such guarantee premiums as may be fixed by the authority; and
5. contain such terms and provisions with respect to property insurance, repairs, alterations, payment of taxes and assessments, default reserves, delinquency charges, default remedies, anticipation of maturity, additional and secondary liens, and other
matters as the authority may prescribe.

(c) The authority may guarantee an unsecured loan for:

(1) working capital purposes, if the authority determines, under criteria that it establishes, that the loan for working capital:

(A) is for an industrial development project, a mining operation, or an agricultural operation that involves the processing of agricultural products; and

(B) will lead directly to increased production or job creation or retention through sales of products or provision of services to federal, state, or local government, private businesses, or individuals, or through exports to foreign markets; or

(2) capital expenditures, if the authority determines, under criteria that the authority establishes, that the loan is for an industrial development project described in IC 4-4-10.9-11(b)(7).

The loan guarantee may not exceed five hundred thousand dollars ($500,000) for any single project or operation, and may be in addition to any other guarantees of the authority under this section. The guarantee terms must include a time limit for working capital loan guarantees that may not exceed eighteen (18) months. However, the guarantees are renewable. A loan guarantee may not exceed eighty percent (80%) of the unpaid principal balance from time to time outstanding of the loan being guaranteed. The authority may impose such additional terms as it considers appropriate for any particular project or operation.

(d) The authority is authorized to fix guarantee premiums for the guarantee under this section of any loan or lease outstanding at the beginning of each year or at the time the guarantee is entered into, and the authority is authorized to fix loan application, placement, origination, commitment, administrative, processing, or other fees or charges in connection with the authority’s powers under subsection (h). These premiums, fees, or charges shall be payable in amounts or based upon formulas established by the authority and may be payable, at the election of the authority, in whole or in part, in the form of cash, shares of stock, warrants for the purchase of shares of stock, or other securities, property, or rights acceptable to the authority. These premiums, fees, or charges shall be payable by the developer or user to the authority in a manner prescribed by the authority.

(e) Notwithstanding section 19(a)(1) of this chapter, any guarantee
made by the authority under subsection (b), (c), or (h) may be effected or enhanced, in whole or in part, through the provision by the authority of a letter of credit or an equivalent form of credit enhancement instrument. However, the maximum principal payment obligations of the authority under the credit instrument, as the same may be effective from time to time, is the amount of the guarantee or portion of the guarantee made under subsection (b), (c), or (h), and for purposes of the limitations on the amount of guarantees under subsection (b), (c), or (h), and the term of any letter of credit may not exceed the respective terms established for guarantees or loans under subsections (b), (c), and (h).

(f) Notwithstanding the provisions of any other law, loans or leases guaranteed or made by the authority are legal investments for all insurance companies, trust companies, banks, investment companies, savings banks, executors, trustees and other fiduciaries, and pension or retirement funds, as well as the board for depositories.

(g) To further the purposes of this chapter, and subject to this chapter, the authority may also use any part of the industrial development project guaranty fund to guarantee any bonds issued by the authority under this chapter or by any authorized issuer under IC 36-7-12. With regard to direct obligations of the authority that are also guaranteed by the authority, the authority may permit a subordination of any valid security agreement, mortgage, combinations thereof, or other appropriate documents securing the direct obligations if the authority in its discretion determines that the subordination is reasonably necessary to accomplish the objectives of the industrial development project undertaken by the authority.

(h) To further the purposes of this chapter, and in addition to the authority's other powers under this chapter, the authority may, upon a written finding as described in subsection (b), make direct loans, from money in the industrial project guaranty fund, to or for the benefit of any industrial development project, mining operation, or agricultural operation that involves the processing of agricultural products, upon the terms and conditions that the authority may prescribe. No new or additional loan may be made if the loan would cause the then outstanding aggregate guarantee obligations with respect to all loans and leases guaranteed under this subsection and subsections (b) and (c) to exceed eight (8) times the amount of money then in the industrial
development project guaranty fund, or would cause the then outstanding aggregate principal balance of all loans made under this subsection and then owing to the authority to exceed twenty percent (20%) of the amount of money then in the industrial development project guaranty fund. The principal amount of such a loan to or for the benefit of a project or operation may not exceed one million dollars ($1,000,000), less the then outstanding aggregate guarantee obligations with respect to any loans or leases guaranteed under this subsection and subsections (b) and (c) to or for the benefit of that project or operation. With respect to any loan made under this subsection, a loan agreement with the authority must contain the following terms:

1. A requirement that the loan proceeds be used for specified purposes consistent with and in furtherance of the purposes of the authority under this chapter.
2. The term of the loan, which must not be later than twenty (20) years from the date of the loan.
3. The repayment schedule.
4. The interest rate or rates of the loan, which may include variations in the rate, but which may not be less than the amount necessary to cover all expenses of the authority in making the loan.
5. Any other terms and provisions that the authority requires.

In addition, a loan agreement with the authority under this subsection may also contain a requirement that the loan be insured directly or indirectly by a loan insurer or be guaranteed by a loan guarantor, and a requirement of any other type or types of security or collateral that the authority may consider to be reasonable or necessary. A loan made under this subsection may be sold by the authority, and the authority may permit other lenders to participate in a loan made under this subsection, at the time or times and upon the terms and conditions as the authority considers reasonable or necessary. A loan sold or in which other lenders participate may be guaranteed by the authority, upon terms and conditions established by the authority.

(i) All proceeds received by the authority from the disposal by sale or in some other manner of property it may have acquired in accordance with section 15 of this chapter and in connection with its guaranty program or otherwise under this section shall be credited to the industrial development project guaranty fund.
(j) Upon the issuance of a loan or a guarantee of a loan or lease, any expenses incurred by the authority in connection with the loan or guarantee or the projects or operations for which the loan or guarantee is being made shall be reimbursed to the authority by the borrower, in the case of a loan (to the extent not provided for under subsection (d)), or by the borrower, lender, lessee, or lessor, in the case of a guarantee of a loan or lease, from the proceeds of the loan or the payments under the lease or otherwise.

SECTION 3. IC 4-4-30-5, AS AMENDED BY HEA 1078-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The center for coal technology research is established to perform the following duties:

(1) Develop technologies that can use Indiana coal in an environmentally and economically sound manner.
(2) Investigate the reuse of clean coal technology byproducts, including fly ash and coal bed methane.
(3) Generate innovative research in the field of coal use.
(4) Develop new, efficient, and economical sorbents for effective control of emissions.
(5) Investigate ways to increase coal combustion efficiency.
(6) Develop materials that withstand higher combustion temperatures.
(7) Carry out any other matter concerning coal technology research, including public education, as determined by the center.
(8) Administer the Indiana coal research grant fund under IC 4-23-5.5-16.
(9) Investigate the use of coal bed methane in the production of renewable or alternative fuels and renewable energy sources.
(10) Determine whether a building is a qualified building for purposes of a property tax deduction under IC 6-1.1-12-34.5.

SECTION 4. IC 4-13-1-4, AS AMENDED BY SEA 12-2005, SECTION 1, AND BY HEA 1137-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The department shall, subject to this chapter, do the following:

(1) Execute and administer all appropriations as provided by law, and execute and administer all provisions of law that impose duties and functions upon the executive department of government, including executive investigation of state agencies.
supported by appropriations and the assembly of all required data and information for the use of the executive department and the legislative department.

(2) Supervise and regulate the making of contracts by state agencies.

(3) Perform the property management functions required by IC 4-20.5-6.

(4) Assign office space and storage space for state agencies in the manner provided by IC 4-20.5-5.

(5) Maintain and operate the following for state agencies:
   (A) Central duplicating.
   (B) Printing.
   (C) Machine tabulating.
   (D) Mailing services.
   (E) Centrally available supplemental personnel and other essential supporting services.

The department may require state agencies to use these general services in the interests of economy and efficiency. The general services rotary fund is established through which these services may be rendered to state agencies. The budget agency shall determine the amount for the general services rotary fund.

(6) Control and supervise the acquisition, operation, maintenance, and replacement of state owned vehicles by all state agencies. The department may establish and operate, in the interest of economy and efficiency, a motor vehicle pool, and may finance the pool by a rotary fund. The budget agency shall determine the amount to be deposited in the rotary fund.

(7) Promulgate and enforce rules relative to the travel of officers and employees of all state agencies when engaged in the performance of state business. These rules may allow reimbursement for travel expenses by any of the following methods:
   (A) Per diem.
   (B) For expenses necessarily and actually incurred.
   (C) Any combination of the methods in clauses (A) and (B).

The rules must require the approval of the travel by the commissioner and the head of the officer's or employee's department prior to payment.
(8) Administer IC 4-13.6.
(9) Prescribe the amount and form of certified checks, deposits, or bonds to be submitted in connection with bids and contracts when not otherwise provided for by law.
(10) Rent out, with the approval of the governor, any state property, real or personal:
   (A) not needed for public use; or
   (B) for the purpose of providing services to the state or employees of the state;
the rental of which is not otherwise provided for or prohibited by law. Property may not be rented out under this subdivision for a term exceeding ten (10) years at a time. However, if property is rented out for a term of more than four (4) years, the commissioner must make a written determination stating the reasons that it is in the best interests of the state to rent property for the longer term. This subdivision does not include the power to grant or issue permits or leases to explore for or take coal, sand, gravel, stone, gas, oil, or other minerals or substances from or under the bed of any of the navigable waters of the state or other lands owned by the state.
(11) Have charge of all central storerooms, supply rooms, and warehouses established and operated by the state and serving more than one (1) agency.
(12) Enter into contracts and issue orders for printing as provided by IC 4-13-4.1.
(13) Sell or dispose of surplus property under IC 5-22-22, or if advantageous, to exchange or trade in the surplus property toward the purchase of other supplies, materials, or equipment, and to make proper adjustments in the accounts and inventory pertaining to the state agencies concerned.
(14) With respect to power, heating, and lighting plants owned, operated, or maintained by any state agency:
   (A) inspect;
   (B) regulate their operation; and
   (C) recommend improvements to those plants to promote economical and efficient operation.
(15) Administer, determine salaries, and determine other personnel matters of the department of correction ombudsman
bureau established by IC 4-13-1.2-3.

(16) Adopt rules to establish and implement a "Code Adam" safety protocol as described in IC 4-20.5-6-9.

(17) Adopt policies and standards for making state owned property reasonably available to be used free of charge as locations for making motion pictures.

SECTION 5. IC 4-33-12.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 12.5. Distribution of Admissions Tax Revenue to Certain Municipalities

Sec. 1. As used in this chapter, "construction" has the meaning set forth in IC 8-14-1-1(4).

Sec. 2. As used in this chapter, "eligible municipalities" means the following cities and towns located in Lake County:

(1) Cedar Lake.
(2) Crown Point.
(3) Dyer.
(4) Griffith.
(5) Highland.
(6) Hobart.
(7) Lake Station.
(8) Lowell.
(9) Merrillville.
(10) Munster.
(11) New Chicago.
(12) St. John.
(13) Schererville.
(14) Schneider.
(15) Winfield.
(16) Whiting.

Sec. 3. As used in this chapter, "highways" has the meaning set forth in IC 8-14-1-1(3).

Sec. 4. As used in this chapter, "maintenance" has the meaning set forth in IC 8-14-1-1(6).

Sec. 5. As used in this chapter, "reconstruction" has the meaning set forth in IC 8-14-1-1(5).

Sec. 6. (a) The county described in IC 4-33-12-6(d) shall distribute twenty-five percent (25%) of the:
(1) admissions tax revenue received by the county under IC 4-33-12-6(d)(2); and
(2) supplemental distributions received under IC 4-33-13-5(g); to the eligible municipalities.

(b) The amount that shall be distributed by the county to each eligible municipality under subsection (a) is based on the eligible municipality's proportionate share of the total population of all eligible municipalities. The most current certified census information available shall be used to determine an eligible municipality's proportionate share under this subsection. The determination of proportionate shares under this subsection shall be modified under the following conditions:

(1) The certification from any decennial census completed by the United States Bureau of the Census.
(2) Submission by one (1) or more eligible municipalities of a certified special census commissioned by an eligible municipality and performed by the United States Bureau of the Census.

(c) If proportionate shares are modified under subsection (b), distribution to eligible municipalities shall change with the:

(1) payments beginning April 1 of the year following the certification of a special census under subsection (b)(2); and
(2) the next quarterly payment following the certification of a decennial census under subsection (b)(1).

Sec. 7. The county shall make payments under this chapter directly to each eligible municipality. The county shall make payments to the eligible municipalities not more than thirty (30) days after the county receives the quarterly distribution of admission tax revenue under IC 4-33-12-6 or the supplemental distributions received under IC 4-33-13-5(g) from the state.

Sec. 8. An eligible municipality may use money received from the county under this chapter only for the following infrastructure improvements:

(1) Construction, reconstruction, repair, maintenance, oiling, and sprinkling of highways and curbs.
(2) Separation of the grades of crossing of highways and railroads.
(3) Engineering, land acquisition, construction, resurfacing, maintenance, restoration, and rehabilitation of both local and
arterial road and street systems.
(4) Payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects.
(5) Local costs required to undertake a recreational or reservoir road project under IC 8-23-5.
(6) Construction, equipment, remodeling, extension, repair, and betterment of structures, including the following:
   (A) Sanitary sewers and sanitary sewer tap-ins.
   (B) Sidewalks.
   (C) Curbs.
   (D) Streets.
   (E) Alleys.
   (F) Pedestrian-ways or malls set aside entirely, partly, or during restricted hours, for pedestrian traffic rather than vehicular traffic.
   (G) Other paved public places.
   (H) Parking facilities.
   (I) Lighting.
   (J) Electric signals.
   (K) Landscaping, including trees, shrubbery, flowers, grass, fountains, benches, statues, floodlighting, gas lighting, and structures of a decorative, an educational, or a historical nature.
(7) Sewage works, including the following:
   (A) Sewage treatment plants.
   (B) Intercepting sewers.
   (C) Main sewers.
   (D) Submain sewers.
   (E) Local sewers.
   (F) Lateral sewers.
   (G) Outfall sewers.
   (H) Storm sewers.
   (I) Force mains.
   (J) Pumping stations.
   (K) Ejector stations.
   (L) Any other structures necessary or useful for the collection, treatment, purification, and sanitary disposal of the liquid waste, solid waste, sewage, storm drainage, and other drainage of a municipality.
SECTION 6. IC 5-1-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Chapter 17. Indiana Stadium and Convention Building Authority

Sec. 1. As used in this chapter, "authority" refers to the Indiana stadium and convention building authority created by this chapter.

Sec. 2. As used in this chapter, "board" refers to the board of directors of the authority.

Sec. 3. As used in this chapter, "bonds" means bonds, notes, commercial paper, or other evidences of indebtedness. The term includes obligations (as defined in IC 8-9.5-9-3) and swap agreements (as defined in IC 8-9.5-9-4).

Sec. 4. As used in this chapter, "capital improvement board" refers to a capital improvement board of managers created by IC 36-10-8 or IC 36-10-9.

Sec. 5. As used in this chapter, "state agency" has the meaning set forth in IC 4-13.5-1-1.

Sec. 6. An Indiana stadium and convention building authority is created in Indiana as a separate body corporate and politic as an instrumentality of the state to acquire, construct, equip, own, lease, and finance facilities for lease to or for the benefit of a capital improvement board.

Sec. 7. (a) The board is composed of the following seven (7) members, who must be residents of Indiana:

(1) Four (4) members appointed by the governor. The president pro tempore of the senate and the speaker of the house of representatives may each make one (1) recommendation to the governor concerning the appointment of a member under this subdivision.

(2) Two (2) members appointed by the executive of a county having a consolidated city.

(3) One (1) member appointed by the governor, who has been nominated by the county fiscal body of a county that is contiguous to a county having a consolidated city, determined as follows:

(A) The member nominated for the initial term shall be nominated by the contiguous county that has the largest population of all the contiguous counties that have adopted
an ordinance to impose a food and beverage tax under IC 6-9-35.

(B) The member nominated for each successive term shall be nominated by the contiguous county that:

(i) contributed the most revenues from the tax imposed by IC 6-9-35 to the capital improvement board of managers created by IC 36-10-9-3 in the immediately previous calendar year; and

(ii) has not previously made a nomination to the governor or, if all the contributing counties have previously made such a nomination, is the one whose then most recent nomination occurred before those of all the other contributing counties.

(b) A member appointed under subsection (a)(1) through (a)(2) is entitled to serve a three (3) year term. A member appointed under subsection (a)(3) is entitled to serve a one (1) year term. A member may be reappointed to subsequent terms.

(c) If a vacancy occurs on the board, the governor shall fill the vacancy by appointing a new member for the remainder of the vacated term. If the vacated member was appointed under subsection (a)(2) or (a)(3), the governor shall appoint a new member who has been nominated by the person or body who made the nomination of the vacated member.

(d) A member may be removed for cause by the appointing authority.

(e) Each member, before entering upon the duties of office, must take and subscribe an oath of office under IC 5-4-1, which shall be endorsed upon the certificate of appointment and filed with the records of the board.

(f) The governor shall nominate an executive director for the authority, subject to the veto authority of the executive of a county having a consolidated city.

Sec. 8. (a) The board shall hold an initial organizational meeting on or before June 30, 2005. Immediately after January 15 of each year, the board shall hold its annual organizational meeting.

(b) The governor shall appoint a member of the board to serve as chair of the board.

(c) The board shall elect one (1) of the members vice chair and another secretary-treasurer to perform the duties of those offices.
These officers serve from the date of their election and until their successors are elected and qualified. The board may elect an assistant secretary-treasurer.

(d) Special meetings may be called by the chair of the board or any three (3) members of the board.

(e) A majority of the members constitutes a quorum, and the concurrence of a majority of the members is necessary to authorize any action.

Sec. 9. (a) The board may adopt the bylaws and rules it considers necessary for the proper conduct of its duties and the safeguarding of the funds and property entrusted to its care.

(b) The board shall, without complying with IC 4-22-2, adopt the code of ethics in executive order 05-12 for its members and employees.

Sec. 10. The authority is organized for the following purposes:

(1) Acquiring, financing, constructing, and leasing land and capital improvements to or for the benefit of a capital improvement board.

(2) Financing and constructing additional improvements to capital improvements owned by the authority and leasing them to or for the benefit of a capital improvement board.

(3) Acquiring land or all or a portion of one (1) or more capital improvements from a capital improvement board by purchase or lease and leasing the land or these capital improvements back to the capital improvement board, with any additional improvements that may be made to them.

(4) Acquiring all or a portion of one (1) or more capital improvements from a capital improvement board by purchase or lease to fund or refund indebtedness incurred on account of those capital improvements to enable the capital improvement board to make a savings in debt service obligations or lease rental obligations or to obtain relief from covenants that the capital improvement board considers to be unduly burdensome.

Sec. 11. (a) The authority may also:

(1) finance, improve, construct, reconstruct, renovate, purchase, lease, acquire, and equip land and capital improvements;

(2) lease the land or those capital improvements to a capital
improvement board;
(3) sue, be sued, plead, and be impleaded;
(4) condemn, appropriate, lease, rent, purchase, and hold any
real or personal property needed or considered useful in
connection with capital improvements;
(5) acquire real or personal property by gift, devise, or
bequest and hold, use, or dispose of that property for the
purposes authorized by this chapter;
(6) after giving notice, enter upon any lots or lands for the
purpose of surveying or examining them to determine the
location of a capital improvement;
(7) design, order, contract for, and construct, reconstruct, and
renovate any capital improvements or improvements thereto;
(8) employ managers, superintendents, architects, engineers,
attorneys, auditors, clerks, construction managers, and other
employees;
(9) make and enter into all contracts and agreements,
including agreements to arbitrate, that are necessary or
incidental to the performance of its duties and the execution
of its powers under this chapter;
(10) acquire in the name of the authority by the exercise of the
right of condemnation, in the manner provided in subsection
(c), public or private lands, or rights in lands, rights-of-way,
property, rights, easements, and interests, as it considers
necessary for carrying out this chapter; and
(11) take any other action necessary to implement its purposes
as set forth in section 10 of this chapter.

(b) The authority is subject to the provisions of 25 IAC 5
concerning equal opportunities for minority business enterprises
and women's business enterprises to participate in procurement
and contracting processes. In addition, the authority shall set a
goal for participation by minority business enterprises of fifteen
percent (15%) and women's business enterprises of five percent
(5%), consistent with the goals of delivering the project on time
and within the budgeted amount and, insofar as possible, using
Indiana businesses for employees, goods, and services. In fulfilling
the goal, the authority shall take into account historical precedents
in the same market.

(c) If the authority is unable to agree with the owners, lessees,
or occupants of any real property selected for the purposes of this chapter, the authority may proceed to procure the condemnation of the property under IC 32-24-1. The authority may not institute a proceeding until the authority has adopted a resolution that:

(1) describes the real property sought to be acquired and the purpose for which the real property is to be used;
(2) declares that the public interest and necessity require the acquisition by the authority of the property involved; and
(3) sets out any other facts that the authority considers necessary or pertinent.

The resolution is conclusive evidence of the public necessity of the proposed acquisition and shall be referred to the attorney general for action, in the name of the authority, in the circuit or superior court of the county in which the real property is located.

Sec. 12. (a) Bonds issued under IC 36-10-8 or IC 36-10-9 or prior law may be refunded as provided in this section.

(b) A capital improvement board may:

(1) lease all or a portion of land or a capital improvement or improvements to the authority, which may be at a nominal lease rental with a lease back to the capital improvement board, conditioned upon the authority assuming bonds issued under IC 36-10-8 or IC 36-10-9 or prior law and issuing its bonds to refund those bonds; and
(2) sell all or a portion of land or a capital improvement or improvements to the authority for a price sufficient to provide for the refunding of those bonds and lease back the land or capital improvement or improvements from the authority.

Sec. 13. (a) Before a lease may be entered into by a capital improvement board under this chapter, the capital improvement board must find that the lease rental provided for is fair and reasonable.

(b) A lease or sublease of land or capital improvements from the authority, or from a state agency under section 26 of this chapter, to a capital improvement board:

(1) may not have a term exceeding forty (40) years;
(2) may not require payment of lease rentals for a newly constructed capital improvement or for improvements to an existing capital improvement until the capital improvement or improvements thereto have been completed and are ready for
occupancy;
(3) may contain provisions:
   (A) allowing the capital improvement board to continue to
       operate an existing capital improvement until completion
       of the improvements, reconstruction, or renovation of that
       capital improvement or any other capital improvement;
       and
   (B) requiring payment of lease rentals for land, for an
       existing capital improvement being used, reconstructed, or
       renovated, or for any other existing capital improvement;
(4) may contain an option to renew the lease for the same or
   shorter term on the conditions provided in the lease;
(5) must contain an option for the capital improvement board
to purchase the capital improvement upon the terms stated in
the lease:
   (A) during the term of the lease for a price equal to the
       amount required to pay all indebtedness incurred on
       account of the capital improvement, including
       indebtedness incurred for the refunding of that
       indebtedness; or
   (B) for one dollar ($1) after the term of the lease, if all
       indebtedness incurred on account of the capital
       improvement, including indebtedness incurred for the
       refunding of that indebtedness, is no longer outstanding;
(6) may be entered into before acquisition or construction of
   a capital improvement;
(7) may provide that the capital improvement board shall
    agree to:
    (A) pay all taxes and assessments thereon;
    (B) maintain insurance thereon for the benefit of the
        authority;
    (C) assume responsibility for utilities, repairs, alterations,
        and any costs of operation; and
    (D) pay a deposit or series of deposits to the authority from
        any funds legally available to the capital improvement
        board before the commencement of the lease to secure the
        performance of the capital improvement board’s
        obligations under the lease;
(8) subject to IC 36-10-8-13 and IC 36-10-9-11, may provide
that the lease rental payments by the capital improvement board shall be made from:

(A) proceeds of one (1) or more of the excise taxes as defined in IC 36-10-8 or IC 36-10-9;
(B) proceeds of the county supplemental auto rental excise tax imposed under IC 6-6-9.7;
(C) that part of the proceeds of the county food and beverage tax imposed under IC 6-9-35, which the capital improvement board or its designee receives pursuant thereto;
(D) revenue captured under IC 36-7-31;
(E) net revenues of the capital improvement;
(F) any other funds available to the capital improvement board; or
(G) any combination of the sources described in clauses (A) through (F);

(9) subject to subdivision (10), must provide that the capital improvement board is solely responsible for the operation and maintenance of the capital improvement upon completion of construction, including the negotiation and maintenance of agreements with tenants or users of the capital improvement;

(10) must provide that, during the term of the lease, the authority retains the right to approve any lease agreements and amendments to any lease agreements between the capital improvement board and any National Football League franchised professional football team that will use the capital improvement;

(11) must provide that:

(A) subject to the terms of the lease, the capital improvement board will retain all revenues from operation of the capital improvement; and
(B) the authority has no responsibility to fund the ongoing maintenance and operations of the capital improvement; and

(12) with respect to a capital improvement that is subject to the county admissions tax imposed by IC 6-9-13, must provide that upon request of the authority the capital improvement board will impose a fee:

(A) not to exceed three dollars ($3), as determined by the
authority, for each admission to a professional sporting event described in IC 6-9-13-1; and
(B) not to exceed one dollar ($1), as determined by the authority, for each admission to any other event described in IC 6-9-13-1;

and, so long as there are any current or future obligations owed by the capital improvement board to the authority or any state agency pursuant to a lease or other agreement entered into between the capital improvement board and the authority or any state agency under section 26 of this chapter, the capital improvement board or its designee shall deposit the revenues received from the fee imposed under this subdivision in a special fund, which may be used only for the payment of the obligations described in this subdivision.

(c) A capital improvement board may designate the authority as its agent to receive on behalf of the capital improvement board any of the revenues identified in subsection (b)(8).

(d) All information prepared by the capital improvement board or a political subdivision served by the capital improvement board with respect to a capital improvement proposed to be financed under this chapter, including a construction budget and timeline, must be provided to the budget director. Any information described in this subsection that was prepared before May 15, 2005, must be provided to the budget director not later than May 15, 2005.

Sec. 14. This chapter contains full and complete authority for leases between the authority and a capital improvement board. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the board or the capital improvement board or any other officer, department, agency, or instrumentality of the state or any political subdivision is required to enter into any lease, except as prescribed in this chapter.

Sec. 15. If the lease provides for a capital improvement or improvements thereto to be constructed by the authority, the plans and specifications shall be submitted to and approved by all agencies designated by law to pass on plans and specifications for public buildings.

Sec. 16. The authority and a capital improvement board may enter into common wall (party wall) agreements or other
agreements concerning easements or licenses. These agreements shall be recorded with the recorder of the county in which the capital improvement is located.

Sec. 17. (a) A capital improvement board may lease for a nominal lease rental, or sell to the authority, one (1) or more capital improvements or portions thereof or land upon which a capital improvement is located or is to be constructed.

(b) Any lease of all or a portion of a capital improvement by a capital improvement board to the authority must be for a term equal to the term of the lease of that capital improvement back to the capital improvement board.

(c) A capital improvement board may sell property to the authority.

Sec. 18. (a) Subject to subsection (h), the authority may issue bonds for the purpose of obtaining money to pay the cost of:

(1) acquiring real or personal property, including existing capital improvements;
(2) constructing, improving, reconstructing, or renovating one (1) or more capital improvements; or
(3) funding or refunding bonds issued under IC 36-10-8 or IC 36-10-9 or prior law.

(b) The bonds are payable from the lease rentals from the lease of the capital improvements for which the bonds were issued, insurance proceeds, and any other funds pledged or available.

(c) The bonds shall be authorized by a resolution of the board.

(d) The terms and form of the bonds shall either be set out in the resolution or in a form of trust indenture approved by the resolution.

(e) The bonds shall mature within forty (40) years.

(f) The board shall sell the bonds at public or private sale upon the terms determined by the board.

(g) All money received from any bonds issued under this chapter shall be applied to the payment of the cost of the acquisition or construction, or both, of capital improvements, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include:

(1) planning and development of the facility and all buildings, facilities, structures, and improvements related to it;
(2) acquisition of a site and clearing and preparing the site for
construction;
(3) equipment, facilities, structures, and improvements that
are necessary or desirable to make the capital improvement
suitable for use and operations;
(4) architectural, engineering, consultant, and attorney’s fees;
(5) incidental expenses in connection with the issuance and
sale of bonds;
(6) reserves for principal and interest;
(7) interest during construction;
(8) financial advisory fees;
(9) insurance during construction;
(10) municipal bond insurance, debt service reserve
insurance, letters of credit, or other credit enhancement; and
(11) in the case of refunding or refinancing, payment of the
principal of, redemption premiums (if any) for, and interest
on, the bonds being refunded or refinanced.
(h) The authority may not issue bonds under this chapter unless
the authority first finds that the following conditions are met:
(1) Each contract or subcontract for the construction of a
facility and all buildings, facilities, structures, and
improvements related to that facility to be financed in whole
or in part through the issuance of the bonds:
   (A) requires payment of the common construction wage
       required by IC 5-16-7; and
   (B) requires the contractor or subcontractor to enter into
       a project labor agreement as a condition of being awarded
       and performing work on the contract.
(2) The capital improvement board and the authority have
entered into a written agreement concerning the terms of the
financing of the facility. This agreement must include the
following provisions:
   (A) Notwithstanding any other law, if the capital
       improvement board selected a construction manager and
       an architect for a facility before May 15, 2005, the
       authority will contract with that construction manager and
       architect and use plans as developed by that construction
       manager and architect. In addition, any other agreements
       entered into by the capital improvement board or a
       political subdivision served by the capital improvement
board with respect to the design and construction of the facility will be reviewed by a selection committee consisting of:

(i) two (2) of the members appointed to the board of directors of the authority under section 7(a)(1) of this chapter, as designated by the governor;
(ii) the two (2) members appointed to the board of directors of the authority under section 7(a)(2) of this chapter; and
(iii) the executive director of the authority.

The selection committee is not bound by any prior commitments of the capital improvement board or the political subdivision, other than the general project design, and will approve all contracts necessary for the design and construction of the facility.

(B) If before May 15, 2005, the capital improvement board acquired any land, plans, or other information necessary for the facility and the board had budgeted for these items, the capital improvement board will transfer the land, plans, or other information useful to the authority for a price not to exceed the lesser of:

(i) the actual cost to the capital improvement board; or
(ii) three million five hundred thousand dollars ($3,500,000).

(C) The capital improvement board agrees to take any legal action that the authority considers necessary to facilitate the financing of the facility, including entering into agreements during the design and construction of the facility or a sublease of a capital improvement to any state agency that is then leased by the authority to any state agency under section 26 of this chapter.

(D) The capital improvement board is prohibited from taking any other action with respect to the financing of the facility without the prior approval of the authority. The authority is not bound by the terms of any agreement entered into by the capital improvement board with respect to the financing of the facility without the prior approval of the authority.

(E) As the project financier, the Indiana development
finance authority (or its successor agency) and the public
finance director will be responsible for selecting all
investment bankers, bond counsel, trustees, and financial
advisors.

(F) The capital improvement board agrees to deliver to the
authority the one hundred million dollars ($100,000,000)
that is owed to the capital improvement board, the
consolidated city, or the county having a consolidated city
pursuant to an agreement between the National Football
League franchised professional football team and the
capital improvement board, the consolidated city, or the
county. This amount shall be applied to the cost of
construction for the stadium part of the facility. This
amount does not have to be delivered until a lease is
entered into for the stadium between the authority and the
capital improvement board.

(G) The authority agrees to consult with the staff of the
capital improvement board on an as needed basis during
the design and construction of the facility, and the capital
improvement board agrees to make its staff available for
this purpose.

(H) The authority, the county, the consolidated city, the
capital improvement board and the National Football
League franchised professional football team must commit
to using their best efforts to assist and cooperate with one
another to design and construct the facility on time and on
budget.

(3) The capital improvement board and the National Football
League franchised professional football team have entered
into a lease for the stadium part of the facility that has been
approved by the authority and has a term of at least thirty
(30) years.

Sec. 19. This chapter contains full and complete authority for
the issuance of bonds. No law, procedure, proceedings,
publications, notices, consents, approvals, orders, or acts by the
board or any other officer, department, agency, or instrumentality
of the state or of any political subdivision is required to issue any
bonds, except as prescribed in this chapter.

Sec. 20. Bonds issued under this chapter are legal investments
for private trust funds and the funds of banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

Sec. 21. (a) The authority may secure bonds issued under this chapter by a trust indenture between the authority and a corporate trustee, which may be any trust company or national or state bank within Indiana that has trust powers.

(b) The trust indenture may:

(1) pledge or assign lease rentals, receipts, and income from leased capital improvements, but may not mortgage land or capital improvements;
(2) contain reasonable and proper provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the authority and board;
(3) set forth the rights and remedies of bondholders and trustee; and
(4) restrict the individual right of action of bondholders.

(c) Any pledge or assignment made by the authority under this section is valid and binding from the time that the pledge or assignment is made, against all persons whether or not they have notice of the lien. Any trust indenture by which a pledge is created or an assignment made need not be filed or recorded. The lien is perfected against third parties by filing the trust indenture in the records of the board.

Sec. 22. If a capital improvement board exercises its option to purchase leased property, it may issue its bonds as authorized by statute.

Sec. 23. All:

(1) property owned by the authority;
(2) revenues of the authority; and
(3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received
upon redemption before maturity, proceeds received at
maturity, and the receipt of interest in proceeds;
are exempt from taxation in Indiana for all purposes except the
financial institutions tax imposed under IC 6-5.5 or a state
inheritance tax imposed under IC 6-4.1.

Sec. 24. Any action to contest the validity of bonds to be issued
under this chapter may not be brought after the fifteenth day
following:

(1) the receipt of bids for the bonds, if the bonds are sold at
public sale; or
(2) the publication one (1) time in a newspaper of general
circulation published in the county of notice of the execution
and delivery of the contract for the sale of bonds;
whichever occurs first.

Sec. 25. The authority shall not issue bonds in a principal
amount exceeding five hundred million dollars ($500,000,000) to
finance any capital improvement in a county having a consolidated
first class city unless:

(1) on or before June 30, 2005, the county fiscal body:
   (A) increases the rate of the tax authorized by IC 6-6-9.7
       by the maximum amount authorized by IC 6-6-9.7-7(c);
   (B) increases the rate of the tax authorized by IC 6-9-8 by
       the maximum amount authorized by IC 6-9-8-3(d);
   (C) increases the rate of tax authorized by IC 6-9-12 by the
       maximum amount authorized by IC 6-9-12-5(b); and
   (D) increases the rate of the tax authorized by IC 6-9-13 by
       the maximum amount authorized by IC 6-9-13-2(b); and
(2) on or before October 1, 2005, the budget director makes a
determination under IC 36-7-31-14.1 to increase the amount
of money captured in a tax area established under IC 36-7-31
by up to eleven million dollars ($11,000,000) per year,
commencing July 1, 2007.

Sec. 26. (a) Notwithstanding any other law, any capital
improvement that may be leased by the authority to a capital
improvement board under this chapter may also be leased by the
authority to any state agency to accomplish the purposes of this
chapter. Any lease between the authority and a state agency under
this chapter:

(1) must set forth the terms and conditions of the use and
occupancy under the lease;
(2) must set forth the amounts agreed to be paid at stated intervals for the use and occupancy under the lease;
(3) must provide that the state agency is not obligated to continue to pay for the use and occupancy under the lease but is instead required to vacate the facility if it is shown that the terms and conditions of the use and occupancy and the amount to be paid for the use and occupancy are unjust and unreasonable considering the value of the services and facilities thereby afforded;
(4) must provide that the state agency is required to vacate the facility if funds have not been appropriated or are not available to pay any sum agreed to be paid for use and occupancy when due;
(5) may provide for such costs as maintenance, operations, taxes, and insurance to be paid by the state agency;
(6) may contain an option to renew the lease;
(7) may contain an option to purchase the facility for an amount equal to the amount required to pay the principal and interest of indebtedness of the authority incurred on account of the facility and expenses of the authority attributable to the facility;
(8) may provide for payment of sums for use and occupancy of an existing capital improvement being used by the state agency, but may not provide for payment of sums for use and occupancy of a new capital improvement until the construction of the capital improvement or portion thereof has been completed and the new capital improvement or a portion thereof is available for use and occupancy by the state agency; and
(9) may contain any other provisions agreeable to the authority and the state agency.

(b) Any state agency that leases a capital improvement from the authority under this chapter may sublease the capital improvement to a capital improvement board under the terms and conditions set forth in section 13(a) of this chapter, section 13(b)(1) through 13(b)(4) of this chapter, section 13(b)(6) through 13(b)(8) of this chapter, and section 13(c) of this chapter.

(c) Notwithstanding any other law, in anticipation of the
construction of any capital improvement and the lease of that capital improvement by the authority to a state agency, the authority may acquire an existing facility owned by the state agency and then lease the facility to the state agency. A lease made under this subsection shall describe the capital improvement to be constructed and may provide for the payment of rent by the state agency for the use of the existing facility. If such rent is to be paid pursuant to the lease, the lease shall provide that upon completion of the construction of the capital improvement, the capital improvement shall be substituted for the existing facility under the lease. The rent required to be paid by the state agency pursuant to the lease shall not constitute a debt of the state for purposes of the Constitution of the State of Indiana. A lease entered into under this subsection is subject to the same requirements for a lease entered into under subsection (a) with respect to both the existing facility and the capital improvement anticipated to be constructed.

(d) This chapter contains full and complete authority for leases between the authority and a state agency and subleases between a state agency and a capital improvement board. No laws, procedures, proceedings, publications, notices, consents, approvals, orders, or acts by the board, the governing body of any state agency or the capital improvement board or any other officer, department, agency, or instrumentality of the state or any political subdivision is required to enter into any such lease or sublease, except as prescribed in this chapter.

Sec. 27. In order to enable the authority to lease a capital improvement or existing facility to a state agency under section 26 of this chapter, the governor may convey, transfer, or sell, with or without consideration, real property (including the buildings, structures, and improvements), title to which is held in the name of the state, to the authority, without being required to advertise or solicit bids or proposals, in order to accomplish the governmental purposes of this chapter.

Sec. 28. If the authority enters into a lease with a capital improvement board under section 13 of this chapter or a state agency under section 26 of this chapter, which then enters into a sublease with a capital improvement board under section 26(b) of this chapter, and the rental payments owed by the capital improvement board to the authority under the lease or to the state
agency under the sublease are payable from the taxes described in section 25 of this chapter or from the taxes authorized under IC 6-9-35, the budget director may choose the designee of the capital improvement board, which shall receive and deposit the revenues derived from such taxes. The designee shall hold the revenues on behalf of the capital improvement board pursuant to an agreement between the authority and the capital improvement board or between a state agency and the capital improvement board. The agreement shall provide for the application of the revenues in a manner that does not adversely affect the validity of the lease or the sublease, as applicable.

SECTION 7. IC 5-28-15-3, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. As used in this chapter, "zone business" means an entity that accesses at least one (1) tax credit, deduction, or exemption incentive available under this chapter, IC 6-1.1-20.8, or IC 6-1.1-45, IC 6-3-3-10, IC 6-3.1-7, or IC 6-3.1-10.

SECTION 8. IC 5-28-15-5, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board has the following powers, in addition to other powers that are contained in this chapter:

(1) To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation that this chapter provides.

(2) To waive or modify rules as provided in this chapter.

(3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.

(4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:

(A) If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars ($1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.

(B) Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.

(C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is
claimed.

(5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.

(6) After a recommendation from a U.E.A., to modify an enterprise zone boundary if the board determines that the modification:

(A) is in the best interests of the zone; and

(B) meets the threshold criteria and factors set forth in section 9 of this chapter.

(7) To employ staff and contract for services.

(8) To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.

(9) To make determinations under IC 6-3.1-11 concerning the designation of locations as industrial recovery sites and the availability of the credit provided by IC 6-1.1-20.7 to persons owning inventory located on an industrial recovery site.

(10) To make determinations under IC 6-1.1-20.7 and IC 6-3.1-11 concerning the disqualification of persons from claiming credits provided by those chapters in appropriate cases.

(11) To make determinations under IC 6-3.1-11.5 concerning the designation of locations as military base recovery sites and the availability of the credit provided by IC 6-3.1-11.5 to persons making qualified investments in military base recovery sites.

(12) To make determinations under IC 6-3.1-11.5 concerning the disqualification of persons from claiming the credit provided by IC 6-3.1-11.5 in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives a credit under an incentive described in section 3 of this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30)
days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted.

SECTION 9. IC 5-28-15-6, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The enterprise zone fund is established within the state treasury. 

(b) The fund consists of:
   (1) the revenue from the registration fee required under section 5 of this chapter; and
   (2) appropriations from the general assembly.

(c) The corporation shall administer the fund. The fund may be used to:
   (1) pay the expenses of administering the fund; 
   (2) pay nonrecurring administrative expenses of the enterprise zone program; and
   (3) provide grants to U.E.A.s for brownfield remediation in enterprise zones; and
   (4) pay administrative expenses of urban enterprise associations.

However, money in the fund may not be expended unless it has been appropriated by the general assembly and allotted by the budget agency.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state general fund.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund. The corporation shall develop appropriate applications and may develop grant allocation guidelines, without complying with IC 4-22-2, for awarding grants under this subsection. The grant allocation guidelines must take into consideration the competitive impact of brownfield redevelopment plans on existing zone businesses.

SECTION 10. IC 6-1.1-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 11. (a) Subject to the limitation contained in subsection (b), "personal property" means:
(1) nursery stock that has been severed from the ground;
(2) florists' stock of growing crops which are ready for sale as pot plants on benches;
(3) billboards and other advertising devices which are located on real property that is not owned by the owner of the devices;
(4) motor vehicles, mobile houses, airplanes, boats not subject to the boat excise tax under IC 6-6-11, and trailers not subject to the trailer tax under IC 6-6-5;
(5) foundations (other than foundations which support a building or structure) on which machinery or equipment is installed; and
(6) all other tangible property (other than real property) which is being:
   (A) held for sale in the ordinary course of a trade or business;
   (B) held, used, or consumed in connection with the production of income; or
   (C) held as an investment.
(b) Personal property does not include the following:
   (1) Commercially planted and growing crops while they are in the ground.
   (2) Computer application software that is not held as inventory (as defined in IC 6-1.1-3-11).

SECTION 11. IC 6-1.1-12-34.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34.5. (a) As used in this section, "coal combustion product" has the meaning set forth in IC 6-1.1-44-1.
(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.
(c) For purposes of this section, building materials are "qualified materials" if at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.
(d) The owner of a qualified building, as determined by the center for coal technology research, is entitled to a property tax deduction for not more than three (3) years. The amount of the deduction equals the product of:
   (1) the assessed value of the qualified building; multiplied by
   (2) five percent (5%).
SECTION 12. IC 6-1.1-12-35.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement between March 1 and May 10, inclusive, of the assessment year. The person must file the statement in each year for which he desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement between January 15 and March 31, inclusive, of each year for which he desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) **This subsection does not apply to an application for a deduction under section 34.5 of this chapter.** The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) **This subsection does not apply to an application for a deduction under section 34.5 of this chapter.** If the department of environmental management receives an application for certification before April 10 of the assessment year, the department shall determine whether the system or device qualifies for a deduction before May 10 of the assessment year. If the department fails to make a determination under this subsection before May 10 of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, or 34, or
The appeal is limited to a review of a determination made by the township assessor, county property tax assessment board of appeals, or department of local government finance.

(c) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) between March 1 and May 15, inclusive, of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 4-4-30-5, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall

SECTION 13. IC 6-1.1-12-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. (a) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who remains eligible for the deduction for the following year is not required to file a statement to apply for the deduction for the following year.

(b) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who becomes ineligible for the deduction for the following year shall notify the auditor of the county in which the real property or mobile home for
which he the person received the deduction is located of his the person’s ineligibility before March 31 of the year for which he the person becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter to each person who received the deduction in the preceding year unless the auditor determines that the person is no longer eligible for the deduction.

SECTION 14. IC 6-1.1-23-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) Annually, after November 10th but prior to August 1st of the succeeding year, each county treasurer shall serve a written demand upon each county resident who is delinquent in the payment of personal property taxes. Annually, after May 10 but before October 31 of the same year, each county treasurer may serve a written demand upon a county resident who is delinquent in the payment of personal property taxes. The written demand may be served upon the taxpayer:

(1) by registered or certified mail;
(2) in person by the county treasurer or the county treasurer's agent; or
(3) by proof of certificate of mailing.

(b) The written demand required by this section shall contain:

(1) a statement that the taxpayer is delinquent in the payment of personal property taxes;
(2) the amount of the delinquent taxes;
(3) the penalties due on the delinquent taxes;
(4) the collection expenses which the taxpayer owes; and
(5) a statement that if the sum of the delinquent taxes, penalties, and collection expenses are not paid within thirty (30) days from the date the demand is made then:

(A) sufficient personal property of the taxpayer shall be sold to satisfy the total amount due plus the additional collection expenses incurred; or
(B) a judgment may be entered against the taxpayer in the circuit court of the county.

(c) Subsections (d) through (g) apply only to personal property that:

(1) is subject to a lien of a creditor imposed under an
agreement entered into between the debtor and the creditor after June 30, 2005;
(2) comes into the possession of the creditor or the creditor's agent after May 10, 2006, to satisfy all or part of the debt arising from the agreement described in subdivision (1); and
(3) has an assessed value of at least three thousand two hundred dollars ($3,200).

(d) For the purpose of satisfying a creditor's lien on personal property, the creditor of a taxpayer that comes into possession of personal property on which the taxpayer is adjudicated delinquent in the payment of personal property taxes must pay in full to the county treasurer the amount of the delinquent personal property taxes determined under STEP SEVEN of the following formula from the proceeds of any transfer of the personal property made by the creditor or the creditor's agent before applying the proceeds to the creditor's lien on the personal property:

STEP ONE: Determine the amount realized from any transfer of the personal property made by the creditor or the creditor's agent after the payment of the direct costs of the transfer.

STEP TWO: Determine the amount of the delinquent taxes, including penalties and interest accrued on the delinquent taxes as identified on the form described in subsection (f) by the county treasurer.

STEP THREE: Determine the amount of the total of the unpaid debt that is a lien on the transferred property that was perfected before the assessment date on which the delinquent taxes became a lien on the transferred property.

STEP FOUR: Determine the sum of the STEP TWO amount and the STEP THREE amount.

STEP FIVE: Determine the result of dividing the STEP TWO amount by the STEP FOUR amount.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE amount.

STEP SEVEN: Determine the lesser of the following:
(A) The STEP TWO amount.
(B) The STEP SIX amount.

(e) This subsection applies to transfers made by a creditor after May 10, 2006. As soon as practicable after a creditor comes into
possession of the personal property described in subsection (c), the creditor shall request the form described in subsection (f) from the county treasurer. Before a creditor transfers personal property described in subsection (d) on which delinquent personal property taxes are owed, the creditor must obtain from the county treasurer a delinquent personal property tax form and file the delinquent personal property tax form with the county treasurer. The creditor shall provide the county treasurer with:

(1) the name and address of the debtor; and
(2) a specific description of the personal property described in subsection (d);

when requesting a delinquent personal property tax form.

(f) The delinquent personal property tax form must be in a form prescribed by the state board of accounts under IC 5-11 and must require the following information:

(1) The name and address of the debtor as identified by the creditor.
(2) A description of the personal property identified by the creditor and now in the creditor's possession.
(3) The assessed value of the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).
(4) The amount of delinquent personal property taxes owed on the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).
(5) A statement notifying the creditor that IC 6-1.1-23-1 requires that a creditor, upon the liquidation of personal property for the satisfaction of the creditor's lien, must pay in full the amount of delinquent personal property taxes owed as determined under subsection (d) on the personal property in the amount identified on this form from the proceeds of the liquidation before the proceeds of the liquidation may be applied to the creditor's lien on the personal property.

(g) The county treasurer shall provide the delinquent personal property tax form described in subsection (f) to the creditor not later than fourteen (14) days after the date the creditor requests the delinquent personal property tax form. The county and township assessors shall assist the county treasurer in determining the appropriate assessed value of the personal property and the
amount of delinquent personal property taxes owed on the personal property. Assistance provided by the county and township assessors must include providing the county treasurer with relevant personal property forms filed with the assessors and providing the county treasurer with any other assistance necessary to accomplish the purposes of this section.

SECTION 15. IC 6-1.1-31-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) With respect to the assessment of personal property, the rules of the department of local government finance shall provide for the classification of personal property on the basis of:

(1) date of purchase;
(2) location;
(3) use;
(4) depreciation, obsolescence, and condition; and
(5) any other factor that the department determines by rule is just and proper.

(b) With respect to the assessment of personal property, the rules of the department of local government finance shall include instructions for determining:

(1) the proper classification of personal property;
(2) the effect that location has on the value of personal property;
(3) the cost of reproducing personal property;
(4) the depreciation, including physical deterioration and obsolescence, of personal property;
(5) the productivity or earning capacity of mobile homes regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;
(6) the true tax value of mobile homes assessed under IC 6-1.1-7 (other than mobile homes subject to the preferred valuation method under IC 6-1.1-4-39(b)) as the least of the values determined using the following:

(A) The National Automobile Dealers Association Guide.
(B) The purchase price of a mobile home if:
   (i) the sale is of a commercial enterprise nature; and
   (ii) the buyer and seller are not related by blood or marriage.
(C) Sales data for generally comparable mobile homes; and
(7) the true tax value at the time of acquisition of computer application software, for the purpose of deducting the value of computer application software from the acquisition cost of tangible personal property whenever the value of the tangible personal property that is recorded on the taxpayer's books and records reflects the value of the computer application software; and

(8) the true tax value of personal property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) In providing for the classification of personal property and the instructions for determining the items listed in subsection (b), the department of local government finance shall not include the value of land as a cost of producing tangible personal property subject to assessment.

(d) With respect to the assessment of personal property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under rules of the department of local government finance.

SECTION 16. IC 6-1.1-45 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 45. Enterprise Zone Investment Deduction

Sec. 1. The definitions in this chapter apply throughout this chapter.

Sec. 2. "Base year assessed value" equals the total assessed value of the real and personal property assessed at an enterprise zone location on the assessment date in the calendar year immediately preceding the calendar year in which a taxpayer makes a qualified investment with respect to the enterprise zone location.

Sec. 3. "Corporation" refers to the Indiana economic development corporation established under IC 5-28-3-1.

Sec. 4. "Enterprise zone" refers to an enterprise zone created under IC 5-28-15.

Sec. 5. "Enterprise zone location" means a lot, parcel, or tract of land located in an enterprise zone.

Sec. 6. "Enterprise zone property" refers to real and tangible
personal property that is located within an enterprise zone on an assessment date.

Sec. 7. As used in this chapter, "qualified investment" means any of the following expenditures relating to an enterprise zone location on which a taxpayer's zone business is located:

1. The purchase of a building.
2. The purchase of new manufacturing or production equipment.
3. Costs associated with the repair, rehabilitation, or modernization of an existing building and related improvements.
4. Onsite infrastructure improvements.
5. The construction of a new building.
6. Costs associated with retooling existing machinery.

Sec. 8. "Zone business" has the meaning set forth in IC 5-28-15-3.

Sec. 9. (a) A taxpayer that makes a qualified investment is entitled to a deduction from the assessed value of the taxpayer's enterprise zone property located at the enterprise zone location for which the taxpayer made the qualified investment. The amount of the deduction is equal to the remainder of:

1. the total amount of the assessed value of the taxpayer's enterprise zone property assessed at the enterprise zone location on a particular assessment date; minus
2. the total amount of the base year assessed value for the enterprise zone location.

(b) To receive the deduction allowed under subsection (a) for a particular year, a taxpayer must comply with the conditions set forth in this chapter.

Sec. 10. (a) A taxpayer that desires to claim the deduction provided by section 9 of this chapter for a particular year shall file a certified application, on forms prescribed by the department of local government finance, with the auditor of the county where the property for which the deduction is claimed was located on the assessment date. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The application must be filed before May 10 of the assessment year to obtain the deduction.

(b) A taxpayer shall include on an application filed under this
section all information that the department of local government finance and the corporation require to determine eligibility for the deduction provided under this chapter.

Sec. 11. (a) The county auditor shall determine the eligibility of each applicant under this chapter and shall notify the applicant of the determination before August 15 of the year in which the application is made.

(b) A person may appeal the determination of the county auditor under subsection (a) by filing a complaint in the office of the clerk of the circuit or superior court not later than forty-five (45) days after the county auditor gives the person notice of the determination.

Sec. 12. A taxpayer may not claim a deduction under this chapter for more than ten (10) years.

SECTION 17. IC 6-3.1-7-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The department shall annually compile and report to the Indiana economic development corporation the following information:

1. The number of tax credits claimed under this chapter for returns processed during the preceding state fiscal year.
2. The total amount of the claims for tax credits described in subdivision (1).
3. For each enterprise zone, the number and amount of the claims for tax credits described in subdivision (1) that are attributable to loans made to businesses located in the enterprise zone.

SECTION 18. IC 6-3.5-6-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. (a) This section applies only to Miami County. Miami County possesses unique economic development challenges due to:

1. underemployment in relation to similarly situated counties; and
2. the presence of a United States government military base or other military installation that is completely or partially inactive or closed.

Maintaining low property tax rates is essential to economic development, and the use of county option income tax revenues as
provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described under subsection (c), rather than use of property taxes, promotes that purpose.

(b) In addition to the rates permitted by sections 8 and 9 of this chapter, the county council may impose the county option income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of resident county taxpayers if the county council makes the finding and determination set forth in subsection (c). Section 8(e) of this chapter applies to the application of the additional rate to nonresident taxpayers.

(c) In order to impose the county option income tax as provided in this section, the county council must adopt an ordinance finding and determining that revenues from the county option income tax are needed to pay the costs of financing, constructing, acquiring, renovating, and equipping a county jail, including the repayment of bonds issued, or leases entered into, for financing, constructing, acquiring, renovating, and equipping a county jail.

(d) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (b). The tax rate may not be imposed at a rate or for a time greater than is necessary to pay the costs of financing, constructing, acquiring, renovating, and equipping a county jail.

(e) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County option income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 18 of this chapter.

(f) County option income tax revenues derived from the tax rate imposed under this section:

1. may only be used for the purposes described in this section;
2. may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and
3. may be pledged to the repayment of bonds issued, or leases entered into, for the purposes described in subsection (c).

(g) The department, after reviewing the recommendation of the
budget agency, shall adjust the certified distribution of a county to provide for an increased distribution of taxes in the immediately following calendar year after the county adopts an increased tax rate under this section and in each calendar year thereafter. The department shall provide for a full transition to certification of distributions as provided in section 17(a)(1) through 17(a)(2) of this chapter in the manner provided in section 17(c) of this chapter.

SECTION 19. IC 6-3.5-6-28 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) This section applies only to Howard County.

(b) Maintaining low property tax rates is essential to economic development, and the use of county option income tax revenues as provided in this chapter and as needed in the county to fund the operation and maintenance of a jail and juvenile detention center, rather than the use of property taxes, promotes that purpose.

(c) In addition to the rates permitted by sections 8 and 9 of this chapter, the county fiscal body may impose the county option income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of resident county taxpayers if the county fiscal body makes the finding and determination set forth in subsection (d). Section 8(e) of this chapter applies to the application of the additional rate to nonresident taxpayers.

(d) In order to impose the county option income tax as provided in this section, the county fiscal body must adopt an ordinance:

(1) finding and determining that revenues from the county option income tax are needed in the county to fund the operation and maintenance of a jail, a juvenile detention center, or both; and

(2) agreeing to freeze the part of any property tax levy imposed in the county for the operation of the jail or juvenile detention center, or both, covered by the ordinance at the rate imposed in the year preceding the year in which a full year of additional county option income tax is certified for distribution to the county under this section for the term in which an ordinance is in effect under this section.

(e) If the county fiscal body makes a determination under subsection (d), the county fiscal body may adopt a tax rate under subsection (c). Subject to the limitations in subsection (c), the
county fiscal body may amend an ordinance adopted under this section to increase, decrease, or rescind the additional tax rate imposed under this section. As soon as practicable after the adoption of an ordinance under this section, the county fiscal body shall send a certified copy of the ordinance to the county auditor, the department of local government finance, and the department of state revenue. An ordinance adopted under this section before April 1 in a year applies to the imposition of county income taxes after June 30 in that year. An ordinance adopted under this section after March 31 of a year initially applies to the imposition of county option income taxes after June 30 of the immediately following year.

(f) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County option income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 18 of this chapter.

(g) County option income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section; and

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5.

(h) The department of local government finance shall enforce an agreement under subsection (d)(2).

(i) The department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide for an increased distribution of taxes in the immediately following calendar year after the county adopts an increased tax rate under this section and in each calendar year thereafter. The department shall provide for a full transition to certification of distributions as provided in section 17(a)(1) through 17(a)(2) of this chapter in the manner provided in section 17(c) of this chapter.

SECTION 20. IC 6-3.5-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers.
The entity that may impose the tax is:

1. the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on January 1 of the year the county economic development income tax is imposed;
2. the county council if the county adjusted gross income tax is in effect on January 1 of the year the county economic development tax is imposed; or
3. the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in subsections (c), (g), (k), (p), and (r) the county economic development income tax may be imposed at a rate of:

1. one-tenth percent (0.1%);
2. two-tenths percent (0.2%);
3. twenty-five hundredths percent (0.25%);
4. three-tenths percent (0.3%);
5. thirty-five hundredths percent (0.35%);
6. four-tenths percent (0.4%);
7. forty-five hundredths percent (0.45%); or
8. five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in subsection (h), (i), (j), (k), (l), (m), (n), (o), or (p), or (s), the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in subsection (g), or (p), or (r), or (t), the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, increase, decrease, or rescind the county economic development income tax, the appropriate body must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance to impose the tax must substantially state the following:

"The ________ County _________ imposes the county economic development income tax on the county taxpayers of ________
The county economic development income tax is imposed at a rate of _________ percent (____%) on the county taxpayers of the county. This tax takes effect July 1 of this year.”.

(e) Any ordinance adopted under this chapter takes effect July 1 of the year the ordinance is adopted.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this chapter and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department by certified mail.

(g) This subsection applies to a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000). Except as provided in subsection (p), in addition to the rates permitted by subsection (b), the:

1) county economic development income tax may be imposed at a rate of:
   (A) fifteen-hundredths percent (0.15%);
   (B) two-tenths percent (0.2%); or
   (C) twenty-five hundredths percent (0.25%); and

2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%) if the county income tax council makes a determination to impose rates under this subsection and section 22 of this chapter.

(h) For a county having a population of more than forty-one thousand (41,000) but less than forty-three thousand (43,000), except as provided in subsection (p), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(i) For a county having a population of more than thirteen thousand five hundred (13,500) but less than fourteen thousand (14,000), except as provided in subsection (p), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(j) For a county having a population of more than seventy-one
thousand (71,000) but less than seventy-one thousand four hundred
(71,400), except as provided in subsection (p), the county economic
development income tax rate plus the county adjusted gross income tax
rate that are in effect on January 1 of a year may not exceed one and
five-tenths percent (1.5%).

(k) This subsection applies to a county having a population of more
than twenty-seven thousand four hundred (27,400) but less than
twenty-seven thousand five hundred (27,500). Except as provided in
subsection (p), in addition to the rates permitted under subsection (b):
(1) the county economic development income tax may be imposed
at a rate of twenty-five hundredths percent (0.25%); and
(2) the sum of the county economic development income tax rate
and the county adjusted gross income tax rate that are in effect on
January 1 of a year may not exceed one and five-tenths percent
(1.5%);
if the county council makes a determination to impose rates under this
subsection and section 22.5 of this chapter.

(l) For a county having a population of more than twenty-nine
thousand (29,000) but less than thirty thousand (30,000), except as
provided in subsection (p), the county economic development income
tax rate plus the county adjusted gross income tax rate that are in effect
on January 1 of a year may not exceed one and five-tenths percent
(1.5%).

(m) For:
(1) a county having a population of more than one hundred
eighty-two thousand seven hundred ninety (182,790) but less than
two hundred thousand (200,000); or
(2) a county having a population of more than forty-five thousand
(45,000) but less than forty-five thousand nine hundred (45,900);
except as provided in subsection (p), the county economic development
income tax rate plus the county adjusted gross income tax rate that are
in effect on January 1 of a year may not exceed one and five-tenths percent
(1.5%).

(n) For a county having a population of more than six thousand
(6,000) but less than eight thousand (8,000), except as provided in
subsection (p), the county economic development income tax rate plus
the county adjusted gross income tax rate that are in effect on January
1 of a year may not exceed one and five-tenths percent (1.5%).
This subsection applies to a county having a population of more than thirty-nine thousand (39,000) but less than thirty-nine thousand six hundred (39,600). Except as provided in subsection (p), in addition to the rates permitted under subsection (b):

1. the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and
2. the sum of the county economic development income tax rate and:
   1. the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%); or
   2. the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 24 of this chapter.

In addition:

1. the county economic development income tax may be imposed at a rate that exceeds by not more than twenty-five hundredths percent (0.25%) the maximum rate that would otherwise apply under this section; and
2. the:
   1. county economic development income tax; and
   2. county option income tax or county adjusted gross income tax;

may be imposed at combined rates that exceed by not more than twenty-five hundredths percent (0.25%) the maximum combined rates that would otherwise apply under this section.

However, the additional rate imposed under this subsection may not exceed the amount necessary to mitigate the increased ad valorem property taxes on homesteads (as defined in IC 6-1.1-20.9-1) resulting from the deduction of the assessed value of inventory in the county under IC 6-1.1-12-41 or IC 6-1.1-12-42.

If the county economic development income tax is imposed as authorized under subsection (p) at a rate that exceeds the maximum rate that would otherwise apply under this section, the certified distribution must be used for the purpose provided in section 25(e) or 26 of this chapter to the extent that the certified distribution results
from the difference between:

1. the actual county economic development tax rate; and
2. the maximum rate that would otherwise apply under this section.

(r) This subsection applies only to a county described in section 27 of this chapter. Except as provided in subsection (p), in addition to the rates permitted by subsection (b), the:

1. county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and
2. county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%); if the county council makes a determination to impose rates under this subsection and section 27 of this chapter.

(s) Except as provided in subsection (p), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%) if the county has imposed the county adjusted gross income tax under IC 6-3.5-1.1-3.3.

(t) This subsection applies to Howard County. Except as provided in subsection (p), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

SECTION 21. IC 6-3.5-7-13.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. 1. (a) The fiscal officer of each county, city, or town for a county in which the county economic development tax is imposed shall establish an economic development income tax fund. Except as provided in sections 23, 25, 26, and 27 of this chapter, the revenue received by a county, city, or town under this chapter shall be deposited in the unit's economic development income tax fund.

(b) Except as provided in sections 15, 23, 25, 26, and 27 of this chapter, revenues from the county economic development income tax may be used as follows:

1. By a county, city, or town for economic development projects, for paying, notwithstanding any other law, under a written agreement all or a part of the interest owed by a private developer
or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project, for the retirement of bonds under section 14 of this chapter for economic development projects, for leases under section 21 of this chapter, or for leases or bonds entered into or issued prior to the date the economic development income tax was imposed if the purpose of the lease or bonds would have qualified as a purpose under this chapter at the time the lease was entered into or the bonds were issued.

(2) By a county, city, or town for:
   (A) the construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8;
   (B) the retirement of bonds issued under any provision of Indiana law for a capital project;
   (C) the payment of lease rentals under any statute for a capital project;
   (D) contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects;
   (E) operating expenses of a governmental entity that plans or implements economic development projects;
   (F) to the extent not otherwise allowed under this chapter, funding substance removal or remedial action in a designated unit; or
   (G) funding of a revolving fund established under IC 5-1.14-14.

(3) By a city or county described in IC 36-7.5-2-3(b) for making transfers required by IC 36-7.5-4-2. If the county economic development income tax rate is increased after April 30, 2005, in a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county only to make the county’s transfer required by
IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. In a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), all of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for additional homestead credits under subdivision (4).

(4) This subdivision applies only in a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). Except as otherwise provided, the procedures and definitions in IC 6-1.1-20.9 apply to this subdivision. All of the tax revenue that results each year from a tax rate increase described in subdivision (3) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for additional homestead credits under this subdivision. The following apply to additional homestead credits provided under this subdivision:

(A) The additional homestead credits must be applied uniformly to increase the homestead credit under IC 6-1.1-20.9 for homesteads in the county, city, or town.
(B) The additional homestead credits shall be treated for all purposes as property tax levies. The additional homestead credits do not reduce the basis for determining the state property tax replacement credit under IC 6-1.1-21 or the state homestead credit under IC 6-1.1-20.9.
(C) The additional homestead credits shall be applied to
the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the additional homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide additional homestead credits in that year.

(5) This subdivision applies only in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). Except as otherwise provided, the procedures and definitions in IC 6-1.1-20.9 apply to this subdivision. A county or a city or town in the county may use county economic development income tax revenue to provide additional homestead credits in the county, city, or town. The following apply to additional homestead credits provided under this subdivision:

(A) The county, city, or town fiscal body must adopt an ordinance authorizing the additional homestead credits. The ordinance must:
   (i) be adopted before September 1 of a year to apply to property taxes first due and payable in the following year; and
   (ii) specify the amount of county economic development income tax revenue that will be used to provide additional homestead credits in the following year.

(B) A county, city, or town fiscal body that adopts an ordinance under this subdivision must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the ordinance is adopted.

(C) The additional homestead credits must be applied uniformly to increase the homestead credit under IC 6-1.1-20.9 for homesteads in the county, city, or town.

(D) The additional homestead credits shall be treated for all purposes as property tax levies. The additional homestead credits do not reduce the basis for determining
the state property tax replacement credit under IC 6-1.1-21 or the state homestead credit under IC 6-1.1-20.9.

(E) The additional homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(F) The department of local government finance shall determine the additional homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide additional homestead credits in that year.

(c) As used in this section, an economic development project is any project that:

(1) the county, city, or town determines will:
   (A) promote significant opportunities for the gainful employment of its citizens;
   (B) attract a major new business enterprise to the unit; or
   (C) retain or expand a significant business enterprise within the unit; and

(2) involves an expenditure for:
   (A) the acquisition of land;
   (B) interests in land;
   (C) site improvements;
   (D) infrastructure improvements;
   (E) buildings;
   (F) structures;
   (G) rehabilitation, renovation, and enlargement of buildings and structures;
   (H) machinery;
   (I) equipment;
   (J) furnishings;
   (K) facilities;
   (L) administrative expenses associated with such a project, including contract payments authorized under subsection (b)(2)(D);
(M) operating expenses authorized under subsection (b)(2)(E); or
(N) to the extent not otherwise allowed under this chapter, substance removal or remedial action in a designated unit; or any combination of these.

SECTION 22. IC 6-6-9.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 9.5. Vanderburgh County Supplemental Auto Rental Excise Tax

Sec. 1. This chapter applies to Vanderburgh County.

Sec. 2. As used in this chapter, "department" refers to the department of state revenue.

Sec. 3. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.

Sec. 4. As used in this chapter, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123(a).

Sec. 5. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

Sec. 6. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

Sec. 7. (a) The legislative body of the most populous city in the county may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles in the county for periods of less than thirty (30) days. The ordinance must specify that the tax expires December 31, 2036.

(b) The county supplemental auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle is two percent (2%) of the gross retail income received by the retail merchant for the rental.

(c) If the city legislative body adopts an ordinance under subsection (a), the city legislative body shall immediately send a certified copy of the ordinance to the commissioner of the department.

(d) If the city legislative body adopts an ordinance under subsection (a) before June 1 of a year, the county supplemental auto rental excise tax applies to auto rentals after June 30 of the year in which the ordinance is adopted. If the city legislative body
adopts an ordinance under subsection (a) on or after June 1 of a year, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted.

Sec. 8. (a) The rental of a passenger motor vehicle by a funeral director licensed under IC 25-15 is exempt from the county supplemental auto rental excise tax if the rental is part of the services provided by the funeral director for a funeral.

(b) The temporary rental of a passenger motor vehicle is exempt from the county supplemental auto rental excise tax if the rental is:

1) made or reimbursed under a contract or agreement:
   (A) between a provider and a person;
   (B) given for consideration over and above the lease or purchase price of a motor vehicle; and
   (C) that undertakes to perform or provide repair or replacement service, or indemnification for that service, for the operational or structural failure of a motor vehicle due to a defect in materials or skill of work or normal wear and tear;

2) made or reimbursed under a contract for mechanical breakdown insurance;

3) made or reimbursed under a contract for automobile collision insurance or automobile comprehensive insurance that covers the temporary lease of a vehicle to a person after the person's vehicle is damaged or destroyed in a collision; or

4) otherwise provided to a person as a replacement vehicle:
   (A) while the person's vehicle is repaired or serviced due to a defect in materials or skill of work, normal wear and tear, or other damage; or
   (B) until the person permanently replaces a vehicle that has been destroyed.

Sec. 9. A person that rents a passenger motor vehicle is liable for the county supplemental auto rental excise tax. The person shall pay the tax to the retail merchant as a separate amount added to the consideration for the rental. The retail merchant shall collect the tax as an agent for the state.

Sec. 10. (a) Except as otherwise provided in this section, the county supplemental auto rental excise tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is
imposed, paid, and collected under IC 6-2.5.

(b) Each retail merchant filing a return for the county supplemental auto rental excise tax shall indicate in the return:

1. all locations in the county where the retail merchant collected county supplemental auto rental excise taxes; and
2. the amount of county supplemental auto rental excise taxes collected at each location.

(c) The return to be filed for the payment of the county supplemental auto rental excise tax may be:

1. a separate return;
2. combined with the return filed for the payment of the auto rental excise tax under IC 6-6-9; or
3. combined with the return filed for the payment of the state gross retail tax;

as prescribed by the department.

Sec. 11. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the fiscal officer of the most populous city in the county upon warrants issued by the auditor of state.

Sec. 12. (a) If a tax is imposed under section 7 of this chapter, the fiscal officer of the most populous city in the county shall establish a supplemental auto rental excise tax fund.

(b) The city fiscal officer shall deposit in the supplemental auto rental excise tax fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the supplemental auto rental excise tax fund becomes a part of the fund.

(d) Money in the supplemental auto rental excise tax fund shall be used by the city legislative body for capital improvements in the city that promote conventions, tourism, or recreation.

Sec. 13. This chapter expires January 1, 2036.

SECTION 23. IC 6-6-9.7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. (a) The city-county council of a county that contains a consolidated city may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles and trucks in the county for periods of less than thirty (30) days. The ordinance must specify that the tax expires December 31, 2027.

(b) Except as provided in subsection (c), the county supplemental
auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle or truck equals two percent (2%) of the gross retail income received by the retail merchant for the rental.

(c) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax imposed under subsection (a) from two percent (2%) to four percent (4%). The ordinance must specify that:

1. if on December 31, 2027, there are obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the original two percent (2%) rate imposed under subsection (a) continues to be levied after its original expiration date set forth in subsection (a) and through December 31, 2040; and

2. the additional rate authorized under this subsection expires on:
   (A) January 1, 2041;
   (B) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26; or
   (C) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or any state agency under a lease or other agreement entered into under IC 5-1-17, unless waived by the budget director.

(d) The amount collected from that portion of county supplemental auto rental excise tax imposed under:

1. subsection (b) and collected after December 31, 2027; and
2. under subsection (c);

shall, in the manner provided by section 11 of this chapter, be distributed to the capital improvement board of managers operating in a consolidated city or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital
improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(c) If a city-county council adopts an ordinance under subsection (a) or (c), the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(d) If a city-county council adopts an ordinance under subsection (a) or (c) prior to June 1, the county supplemental auto rental excise tax applies to auto rentals after June 30 of the year in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a) or (c) on or after June 1, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted.

SECTION 24. IC 6-6-9.7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 12. This chapter expires January 1, 2028.

SECTION 25. IC 6-8.1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the river boat admissions tax (IC 4-33-12); the river boat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1) (repealed); the utility receipts tax (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor
excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 26. IC 6-9-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, university memorial union, university residence hall, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. The county treasurer shall allocate and distribute the tax revenues as provided in section sections 7 and 9 of this chapter.

(b) The tax may not exceed the rate of five six percent (5% (6%)) on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed under IC 6-2.5.

(c) The tax does not apply to gross retail income received in a transaction in which:

1) a student rents lodgings in a university residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county; or

2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax.
tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

SECTION 27. IC 6-9-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The county treasurer shall establish an innkeeper's tax fund. The treasurer shall deposit in that fund all money received under section 6 of this chapter that is attributable to an innkeeper's tax rate that is not more than five percent (5%).

(b) Money in the innkeeper's tax fund shall be expended in the following order:

(1) Through July 1999, not more than the revenue needed to service bonds issued under IC 36-10-3-40 through IC 36-10-3-45 and outstanding on January 1, 1993, may be used to service bonds. The county auditor shall make a semiannual distribution, at the same time property tax revenue is distributed, to a park and recreation district that has issued bonds payable from a county innkeeper's tax. Each semiannual distribution must be equal to one-half (1/2) of the annual principal and interest obligations on the bonds. Money received by a park and recreation district under this subdivision shall be deposited in a special fund to be used to service the bonds. During August 1999 the money that had been set aside to cover bond payments that remains after the bonds have been retired plus sixty percent (60%) of the tax revenue during August 1999 through December 1999 shall be distributed to the county treasurer to be used by the county park board,
subject to appropriation by the county fiscal body.

(2) To the commission for its general use in paying operating expenses and to carry out the purposes set forth in section 3(a)(6) of this chapter. However, the amount that may be distributed under this subdivision during any particular year may not exceed the proceeds derived from an innkeeper's tax of two percent (2%) through December 1999 and fifty percent (50%) of the tax revenue beginning January 2000 and continuing through December 2014.

(3) For the period beginning July 1, 2002, through December 2014, fifty percent (50%) of the revenue to the county treasurer to be credited by the treasurer to a special account. The county treasurer shall distribute money in the special account as follows:

(A) Seventy-five percent (75%) of the money in the special account shall be distributed to the department of natural resources for the development of projects in the state park on the county's largest river, including its tributaries.

(B) Twenty-five percent (25%) of the money in the special account shall be distributed to a community development corporation that serves a metropolitan area in the county that includes:

(i) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000); and

(ii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);

for the community development corporation's use in tourism, recreation, and economic development activities. For the period beginning July 1, 2002, and continuing through December 2006, the community development corporation shall provide not less than forty percent (40%) of the money received from the special account under this clause as a grant to a nonprofit corporation that leases land in the state park described in this subdivision for the nonprofit corporation's use in noncapital projects in the state park.

Money in the special account may not be used for any other purpose. The money credited to the account that has not been
used as specified in this subdivision by January 1, 2015, shall be
transferred to the commission to be used to make grants as
provided in subsection (c)(2).
(c) Money in the innkeeper's tax fund subject to appropriation by the
county council shall be allocated and distributed after December 2014
as follows:

(1) Fifty percent (50%) of the revenue to the commission for the
commission's general use in paying operating expenses and to
carry out the purposes set forth in section 3(a)(6) of this chapter.
(2) The remainder to the commission to be used solely to make
grants for the development of recreation and tourism projects. The
commission shall establish and make public the criteria that will
be used in analyzing and awarding grants. At least ten percent
(10%) but not more than fifteen percent (15%) of the grants may
be awarded for noncapital projects. Grants may be made only to
the following entities upon application by the executive of the
entity:

(A) The county for deposit in a special account.
(B) The most populated city in the county for deposit in a
special account.
(C) The second most populated city in the county for deposit
in a special account.
(D) The Tippecanoe County Wabash River parkway
commission, but only so long as the interlocal agreement
among the political subdivisions listed in clauses (A) through
(C) is in effect. Money received by the parkway commission
shall be segregated in a special account.

(d) Money credited to special accounts under subsection (c)(2) shall
be used only for recreation or tourism projects, or both.

SECTION 28. IC 6-9-7-9 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 9. (a) If the county fiscal body adopts an ordinance to
increase the county's innkeeper's tax rate to a rate that exceeds five
percent (5%), the county treasurer shall establish a supplemental
innkeeper's tax fund. The treasurer shall deposit in the fund all
money received under section 6 of this chapter that is attributable
to an innkeeper's tax rate that exceeds five percent (5%).

(b) Money in the fund may be used for any purpose that in the
discretion of the county fiscal body promotes economic development in the county.

SECTION 29. IC 6-9-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) Except as provided in subsection (b), The tax imposed by section 2 of this chapter shall be at the rate of:

(1) before January 1, 2028, five percent (5%) on the gross income derived from lodging income only, plus an additional one percent (1%) if the fiscal body does not adopt an ordinance under subsection (b), and six percent (6%) plus an additional three percent (3%) if the fiscal body adopts an ordinance under subsection (b); and (d);

(2) after December 31, 2027, and before January 1, 2041, five percent (5%), plus an additional one percent (1%) if the fiscal body adopts an ordinance under subsection (b), plus an additional three percent (3%) if the fiscal body adopts an ordinance under subsection (d); and

(3) after December 31, 2040, five percent (5%).

(b) In any year subsequent to the initial year in which a tax is imposed under section 2 of this chapter, the fiscal body may, by ordinance adopted by at least two-thirds (2/3) of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter from five percent (5%) to six percent (6%). The ordinance must specify that the increase in the tax authorized under this subsection expires January 1, 2028.

(c) The amount collected from an increase adopted under subsection (b) shall be transferred to the capital improvement board of managers established by IC 36-10-9-3. The board shall deposit the revenues received under this subsection in a special fund. Money in the special fund may be used only for the payment of obligations incurred to expand a convention center, including:

(1) principal and interest on bonds issued to finance or refinance the expansion of a convention center; and

(2) lease agreements entered into to expand a convention center.

(d) On or before June 30, 2005, the fiscal body may, by ordinance adopted by a majority of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter by an additional three percent (3%) to a total rate of eight percent
(8%) (or nine percent (9%) if the fiscal body has adopted an ordinance under subsection (b) and that rate remains in effect). The ordinance must specify that the increase in the tax authorized under this subsection expires on:

(1) January 1, 2041;
(2) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the authority created by IC 5-1-17 or to any state agency under IC 5-1-17-26; or
(3) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

If the fiscal body adopts an ordinance under this subsection, it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue, and the increase in the tax imposed under this chapter applies to transactions that occur after June 30, 2005.

(e) The amount collected from an increase adopted under:

(1) subsection (b) and collected after December 31, 2027; and
(2) subsection (d);
shall be transferred to the capital improvement board of managers established by IC 36-10-9-3 or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency pursuant to IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

SECTION 30. IC 6-9-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 5. (a) Subject to subsection (b), the county food and beverage tax imposed on a food or beverage transaction described in section 3 of this chapter equals one
percent (1%) of the gross retail income received by the retail merchant from the transaction. The tax authorized under this subsection expires January 1, 2041.

(b) On or before June 30, 2005, the city-county council of a county may, by a majority vote of the members elected to the city-county council, adopt an ordinance that increases the tax imposed under this chapter by an additional rate of one percent (1%) to a total rate of two percent (2%). The ordinance must specify that the increase in the tax authorized under this subsection expires on:

(1) January 1, 2041;
(2) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the authority created by IC 5-1-17 or to any state agency under IC 5-1-17-26; or
(3) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

If a city-county council adopts an ordinance under this subsection, it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue, and the increase in the tax imposed under this chapter applies to transactions that occur after June 30, 2005.

(c) For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction that is subject to the tax imposed by this chapter does not include the amount of tax imposed on the transaction under IC 6-2.5.

SECTION 31. IC 6-9-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. The amounts received from the county food and beverage tax shall be paid monthly by the treasurer of the state to the treasurer of the capital improvement board of managers of the county or its designee upon warrants issued by the auditor of state. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created
by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county food and beverage tax imposed under:

(1) section 5(a) of this chapter for revenue received after December 31, 2027; and

(2) section 5(b) of this chapter;

in a special fund, which may be used only for the payment of the obligations described in this section.

SECTION 32. IC 6-9-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. (a) Except as provided in subsection (b), the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2028, any event and, after December 31, 2040, any professional sporting event:

(1) held in a facility financed in whole or in part by:

(A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or

(B) a lease or other agreement under IC 5-1-17; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

(b) The excise tax imposed under subsection (a) does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

(2) An event sponsored by a religious organization.

(3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.

(4) An event sponsored by a political organization.

(c) If a city-county council adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.
(d) If a city-county council adopts an ordinance under subsection (a) or section 2 of this chapter prior to June 1, the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a) or section 2 of this chapter on or after June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.

SECTION 33. IC 6-9-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) Except as provided in subsection (b), the county admissions tax equals five percent (5%) of the price for admission to any event described in section 1 of this chapter.

(b) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax from five percent (5%) to six percent (6%) of the price for admission to any event described in section 1 of this chapter.

(c) The amount collected from that portion of the county admissions tax imposed under:

(1) subsection (a) and collected after December 31, 2027; and
(2) subsection (b);
shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county admissions tax imposed under subsection (b) in a special fund, which may be used only for the payment of the obligations described in this subsection.

SECTION 34. IC 6-9-27-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies to the following:

(1) A town:
(A) located in a county having a population of more than sixty-five thousand (65,000) but less than seventy thousand (70,000); and
(B) having a population of more than nine thousand (9,000).

(2) A town:
(A) located in a county having a population of more than thirty-four thousand nine hundred (34,900) but less than thirty-four thousand nine hundred fifty (34,950); and
(B) having a population of less than one thousand (1,000).

(3) A town:
(A) located in a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000); and
(B) having a population of more than fifteen thousand (15,000).

(4) A town:
(A) located in a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000); and
(B) having a population of more than ten thousand (10,000) but less than fifteen thousand (15,000).

(5) A town:
(A) located in a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000); and
(B) having a population of more than five thousand (5,000) but less than six thousand three hundred (6,300).

(6) A city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740).

SECTION 35. IC 6-9-27-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The fiscal body of the town municipality may adopt an ordinance to impose an excise tax, known as the town municipal food and beverage tax, on transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), the fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.
(c) If a fiscal body adopts an ordinance under subsection (a), the **town municipal** food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

**SECTION 36. IC 6-9-27-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:** Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

1. for consumption at a location or on equipment provided by a retail merchant;
2. in the city or town in which the tax is imposed; and
3. by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

1. served by a retail merchant off the merchant's premises;
2. food sold in a heated state or heated by a retail merchant;
3. two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
4. food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The **town municipal** food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

**SECTION 37. IC 6-9-27-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:** Sec. 5. The **town municipal** food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For
purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

SECTION 38. IC 6-9-27-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the city or town fiscal officer upon warrants issued by the auditor of state.

SECTION 39. IC 6-9-27-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) If a tax is imposed under section 3 of this chapter by a town described in section 1 of this chapter, the town fiscal officer shall establish a food and beverage tax receipts fund.

(b) The town fiscal officer shall deposit in this fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

SECTION 40. IC 6-9-27-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.5. (a) If a tax is imposed under section 3 of this chapter by a city described in section 1(6) of this chapter, the city fiscal officer shall establish a food and beverage tax receipts fund.

(b) The city fiscal officer shall deposit in this fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

SECTION 41. IC 6-9-27-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Except as provided in subsection (b), money in the fund established under section 8 of this chapter shall be used by the town for the financing, construction, operation, or maintenance of the following:

(1) Sanitary sewers or wastewater treatment facilities.
(2) Park or recreational facilities.
(3) Drainage or flood control facilities.
(4) Water treatment, storage, or distribution facilities.

(b) The fiscal body of the town may pledge money in the fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the town or a special taxing district in the
town to provide the facilities described in subsection (a).

(c) Subsection (b) applies only to bonds, loans, lease payments, or obligations that are issued, obtained, or incurred after the date on which the tax is imposed under section 3 of this chapter.

(d) A pledge under subsection (a) is enforceable under IC 5-1-14-4.

SECTION 42. IC 6-9-27-9.5 IS ADDRESSED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.5. (a) A city shall use money in the fund established under section 8.5 of this chapter for only the following:

1. Renovating the city hall.
2. Constructing new police or fire stations, or both.
3. Improving the city's sanitary sewers or wastewater treatment facilities, or both.
4. Improving the city's storm water drainage systems.
5. Other projects involving the city's water system or protecting the city's well fields, as determined by the city fiscal body.

Money in the fund may not be used for the operating costs of a project. In addition, the city may not initiate a project under this chapter after December 31, 2010.

(b) The fiscal body of the city may pledge money in the fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the city or a special taxing district in the city to provide the projects described in subsection (a).

(c) Subsection (b) applies only to bonds, loans, lease payments, or obligations that are issued, obtained, or incurred after the date on which the tax is imposed under section 3 of this chapter.

(d) A pledge under subsection (b) is enforceable under IC 5-1-14-4.

SECTION 43. IC 6-9-27-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. With respect to obligations for which a pledge has been made under section 9(b) or 9.5(b) of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.
SECTION 44. IC 6-9-35 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Chapter 35. Stadium and Convention Building Food and Beverage Tax Funding

Sec. 1. This chapter applies to Boone, Johnson, Hamilton, Hancock, Hendricks, Morgan, and Shelby counties (referred to as counties in this chapter) and to the cities or towns of Carmel, Fishers, Greenfield, Lebanon, Noblesville, Westfield, and Zionsville that are located in those counties (referred to as municipalities in this chapter).

Sec. 2. The definitions in IC 6-9-12-1 and IC 36-1-2 apply throughout this chapter.

Sec. 3. As used in this chapter, "authority" refers to the Indiana stadium and convention building authority created by IC 5-1-17.

Sec. 4. As used in this chapter, "capital improvement board" means the capital improvement board of managers created by IC 36-10-9-3.

Sec. 5. (a) Except as provided in subsection (d), the fiscal body of a county may adopt an ordinance not later than June 30, 2005, to impose an excise tax, known as the food and beverage tax, on those transactions described in sections 8 and 9 of this chapter that occur anywhere within the county.

(b) Except as provided in subsection (d), if the county in which the municipality is located has adopted an ordinance imposing an excise tax under subsection (a), the fiscal body of a municipality may adopt an ordinance not later than September 30, 2005, to impose an excise tax, known as the food and beverage tax, on those transactions described in sections 8 and 9 of this chapter that occur anywhere within the municipality.

(c) The rate of the tax imposed under this chapter equals one percent (1%) of the gross retail income on the transaction. With respect to an excise tax in the municipalities set forth in IC 6-9-27-1(1) (Mooresville), IC 6-9-27-1(3) (Plainfield), IC 6-9-27-1(4) (Brownsburg), IC 6-9-27-1(5) (Avon), and IC 6-9-27-1(6) (Martinsville), the excise tax imposed by the county is in addition to the food and beverage tax imposed by those municipalities. With respect to an excise tax imposed by a county under subsection (a), the excise tax imposed by a municipality
under subsection (b) is in addition to the food and beverage tax imposed by the county in which the municipality is located. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5, IC 6-9-27, or this chapter.

(d) If the Marion County city-county council does not adopt all the ordinances required to be adopted by it under IC 5-1-17-25 on or before June 30, 2005, the counties and municipalities described in section 1 of this chapter are no longer subject to the provisions of this chapter. In that event, the fiscal body of the county or municipality may not adopt an ordinance to impose the excise tax authorized by this chapter, and any ordinance adopted by the fiscal body under subsection (a) or (b) is no longer effective.

Sec. 6. If a fiscal body adopts an ordinance under section 5 of this chapter, the clerk shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

Sec. 7. If a fiscal body adopts an ordinance under section 5 of this chapter, the food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

Sec. 8. Except as provided in section 10 of this chapter, a tax imposed under section 5 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;
(2) in the county or municipality, or both, in which the tax is imposed; and
(3) by a retail merchant for consideration.

Sec. 9. Transactions described in section 8(1) of this chapter include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant’s premises;
(2) food sold in a heated state or heated by a retail merchant;
(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by
the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

Sec. 10. The food and beverage tax under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 11. The county fiscal body may adopt an ordinance requiring that any tax imposed under this chapter be reported on forms approved by the county treasurer and that the tax be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer no more than twenty (20) days after the end of the month the tax is collected, and the county treasurer is responsible for collecting the tax and enforcing any of the provisions of IC 6-2.5 with respect to the tax. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 12. (a) As long as there are any current or future obligations owed by the capital improvement board to the authority or any state agency under a lease or other agreement entered into between the capital improvement board and the authority or any state agency pursuant to IC 5-1-17-26, fifty percent (50%) of the amounts received from the taxes imposed under this chapter by counties shall be paid monthly by the county treasurer, if the tax is being paid to the county treasurer, to the treasurer of state. This amount plus fifty percent (50%) of the amounts received by the state from the taxes imposed under this chapter by counties shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board or its designee.
upon warrants issued by the auditor of state. The remainder that is received by the state shall be paid monthly by the treasurer of state to the county fiscal officer upon warrants issued by the auditor of state. In any state fiscal year, if the total amount of the taxes imposed under this chapter by all the counties and paid to the treasurer of the capital improvement board or its designee under this subsection equals five million dollars ($5,000,000), the entire remainder of the taxes imposed by a county under this chapter during that state fiscal year shall be retained by the county treasurer or paid by the treasurer of state to the fiscal officer of the county, upon warrants issued by the auditor of state.

(b) If there are then existing no obligations of the capital improvement board described in subsection (a), the entire amount received from the taxes imposed by a county under this chapter shall be paid monthly by the treasurer of state to the county fiscal officer upon warrants issued by the auditor of state.

(c) The entire amount of the taxes paid to the treasurer of the capital improvement board or its designee under subsection (a) shall be deposited in a special fund and used only for the payment or to secure the payment of obligations of the capital improvement board described in subsection (a). If the taxes are not used for the payment or to secure the payment of obligations of the capital improvement board described in subsection (a), the taxes shall be returned by the capital improvement board to the treasurer of state who shall return the taxes to the respective counties that contributed the taxes.

(d) The entire amount received from the taxes imposed by a municipality under this chapter shall be paid monthly by the treasurer of state to the municipality's fiscal officer upon warrants issued by the auditor of state.

Sec. 13. (a) If a tax is imposed under section 5 of this chapter, the county's or municipality’s fiscal officer, or both, shall establish a food and beverage tax fund.

(b) The fiscal officer shall deposit in the fund all amounts received by the fiscal officer under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

Sec. 14. Money in the food and beverage tax fund shall be used by the county or municipality:
(1) to reduce the county’s or municipality’s property tax levy for a particular year at the discretion of the county or municipality, but this use does not reduce the maximum permissible levy under IC 6-1.1-18.5 for the county or municipality; or
(2) for any legal or corporate purpose of the county or municipality, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

Revenue derived from the imposition of a tax under this chapter may be treated by a county or municipality as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the county or municipality.

Sec. 15. (a) If there are no obligations of the capital improvement board described in section 12(a) of this chapter then outstanding and there are no bonds, leases, or other obligations then outstanding for which a pledge has been made under section 14 of this chapter, the fiscal body may adopt an ordinance, after December 31, 2009, and before December 1, 2010, or any year thereafter, that repeals the ordinance adopted under section 5 of this chapter.

(b) An ordinance adopted under subsection (a) takes effect January 1 immediately following the date of its adoption. If the fiscal body adopts such an ordinance, the clerk shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) A tax imposed under this chapter terminates on January 1 of the year immediately following the year in which the last payment obligation of the capital improvement board is made with respect to any bond, lease, or other obligation described in section 12(a) of this chapter that existed on July 1, 2006.

Sec. 16. With respect to obligations of the capital improvement board described in section 12(a) of this chapter and bonds, leases, or other obligations for which a pledge has been made under section 14 of this chapter, the general assembly covenants with the holders of these obligations that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter; and
(2) this chapter will not be amended in any manner that will change the purpose for which revenues from the tax imposed under this chapter may be used; as long as the payment of any of those obligations is outstanding.

SECTION 45. IC 6-9-36 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Chapter 36. Lake County and Porter County Food and Beverage Tax

Sec. 1. This chapter applies to the following:

(1) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(2) A county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000).

Sec. 2. The definitions in IC 6-9-12-1 and IC 36-1-2 apply throughout this chapter.

Sec. 3. (a) The fiscal body of a county described in section 1 of this chapter may adopt an ordinance to impose an excise tax, known as the food and beverage tax, on those transactions described in sections 4 and 5 of this chapter that occur anywhere within the county.

(b) The following apply if the fiscal body of the county imposes a tax under this chapter:

(1) The rate of the tax equals one percent (1%) of the gross retail income on the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5 or this chapter.

(2) The fiscal body shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(3) The tax applies to transactions that occur after the last day of the month that follows the month in which the ordinance was adopted.

(4) The fiscal body may adopt an ordinance to rescind the tax. The rescission of the tax takes effect after the last day of the month that follows the month in which the ordinance to
rescind the tax is adopted. However, the fiscal body may not rescind the tax if there are bonds outstanding or leases or other obligations for which the tax has been pledged under IC 36-7.5.

Sec. 4. Except as provided in section 6 of this chapter, a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

1. for consumption at a location, or on equipment, provided by a retail merchant;
2. in the county or political subdivision, or both, in which the tax is imposed; and
3. by a retail merchant for consideration.

Sec. 5. Transactions described in section 4(1) of this chapter include transactions in which food or beverage is:

1. served by a retail merchant off the merchant's premises;
2. food sold in a heated state or heated by a retail merchant;
3. two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
4. food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

Sec. 6. The food and beverage tax under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 7. The tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the
department of state revenue.

Sec. 8. (a) The entire amount received from the taxes imposed by a county under this chapter shall be paid monthly by the treasurer of state to the treasurer of the northwest Indiana regional development authority established by IC 36-7.5-2-1.

(b) The taxes paid to the treasurer of the development authority under this section shall be deposited in the development authority fund established under IC 36-7.5-4-1.

SECTION 46. IC 6-9-37 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 37. Hendricks County Innkeeper's Tax

Sec. 1. (a) This chapter applies to a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000) that had adopted an innkeeper's tax under IC 6-9-18 before July 1, 2005.

(b) The:
   (1) convention, visitor, and tourism promotion fund;
   (2) convention and visitor commission;
   (3) innkeeper's tax rate; and
   (4) tax collection procedures;

established under IC 6-9-18 before July 1, 2005, remain in effect and govern the county's innkeeper's tax until amended under this chapter.

(c) A member of the convention and visitor commission established under IC 6-9-18 before July 1, 2005, shall serve a full term of office. If a vacancy occurs, the appointing authority shall appoint a qualified replacement as provided in this chapter. The appointing authority shall make other subsequent appointments to the commission as provided in this chapter.

Sec. 2. As used in this chapter:
   (1) "executive" and "fiscal body" have the meanings set forth in IC 36-1-2; and
   (2) "gross retail income" and "person" have the meanings set forth in IC 6-2.5-1.

Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:
(1) hotel;
(2) motel;
(3) boat motel;
(4) inn;
(5) college or university memorial union;
(6) college or university residence hall or dormitory; or
(7) tourist cabin;
located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

c) The tax may not exceed the rate of eight percent (8%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.
(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

Sec. 4. (a) The county treasurer shall establish a convention, visitor, and tourism promotion fund. The treasurer shall deposit in this fund all amounts the treasurer receives under this chapter.

(b) The county auditor shall issue a warrant directing the county treasurer to transfer money from the convention, visitor, and tourism promotion fund to the treasurer of the commission established under section 5 of this chapter if the commission submits a written request for the transfer.

(c) Subject to subsection (e), money in a convention, visitor, and tourism promotion fund, or money transferred from such a fund under subsection (b), may be expended:

(1) to promote and encourage conventions, visitors, and tourism within the county; and

(2) for the development of a county park, a county fairground, or a county promotion.

Expenditures under subdivision (1) may include, but are not limited to, expenditures for advertising, promotional activities, trade shows, special events, and recreation.

(d) If before July 1, 1997, the county issued a bond with a pledge of revenues from the tax imposed under IC 6-9-18-3, the county shall continue to expend money from the fund for that purpose until the bond is paid.

(e) Tax revenues attributable to a tax rate that exceeds five percent (5%) must be divided equally between the expenditures authorized under subsection (c)(1) and (c)(2).

Sec. 5. (a) The county executive shall create a commission to promote the development and growth of the convention, visitor, and tourism industry in the county. If two (2) or more adjoining counties desire to establish a joint commission, the counties shall enter into an agreement under IC 36-1-7.

(b) The county executive shall determine the number of members, which must be an odd number, to be appointed to the commission. A simple majority of the members must be:

(1) engaged in a convention, visitor, or tourism business; or

(2) involved in or promoting conventions, visitors, or tourism.
If available and willing to serve, at least two (2) of the members must be engaged in the business of renting or furnishing rooms, lodging, or accommodations (as described in section 3 of this chapter). Not more than one (1) member may be affiliated with the same business entity. Not more than a simple majority of the members may be affiliated with the same political party. Each member must reside in the county. The county executive shall also determine who will make the appointments to the commission, except that the executive of the largest municipality in the county shall appoint a number of the members of the commission, which number shall be in the same ratio to the total size of the commission (rounded off to the nearest whole number) that the population of the largest municipality bears to the total population of the county.

(c) If a municipality other than the largest municipality in the county collects fifty percent (50%) or more of the tax revenue collected under this chapter during the three (3) month period following imposition of the tax, the executive of the municipality shall appoint the same number of members to the commission that the executive of the largest municipality in the county appoints under subsection (b).

(d) Except as provided in subsection (c), all terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote.

(e) A member of the commission may be removed for cause by the member's appointing authority.

(f) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(g) Each commission member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed
with the clerk of the circuit court of the county.

(h) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

Sec. 6. (a) The commission may:

1. accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;
2. sue and be sued;
3. enter into contracts and agreements;
4. make rules necessary for the conduct of its business and the accomplishment of its purposes;
5. receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);
6. after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established under section 4(a) of this chapter, or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter, to any Indiana nonprofit corporation to promote and encourage conventions, visitors, or tourism in the county; and
7. require financial or other reports from any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the fund established under section 4(a) of this chapter or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation qualified under subdivision (a)(6), and submit it to the county fiscal body for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.
Sec. 7. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.

Sec. 8. (a) A member of the commission who knowingly:
   (1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or
   (2) approves a transfer for a purpose not permitted under law;
commits a Class D felony.

   (b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Class D felony.

SECTION 47. IC 6-9-38 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 38. Food and Beverage Taxes in Wayne County
Sec. 1. This chapter applies to a county having a population of more than seventy-one thousand (71,000) but less than seventy-one thousand four hundred (71,400).

Sec. 2. Except as otherwise provided in this chapter, the definitions in IC 36-1-2 apply throughout this chapter.

Sec. 3. As used in this chapter, "beverage" includes an alcoholic beverage.

Sec. 4. As used in this chapter, "bonds" has the meaning set forth in IC 5-1-11-1.

Sec. 5. As used in this chapter, "department" means the department of state revenue.

Sec. 6. As used in this chapter, "economic development project" has the meaning set forth in IC 6-3.5-7-13.1.

Sec. 7. As used in this chapter, "food" includes any food product.

Sec. 8. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.

Sec. 9. As used in this chapter, "obligations" has the meaning set forth in IC 5-1-3-1(b).

Sec. 10. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.
Sec. 11. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

Sec. 12. As used in this chapter, "unit" means:
   (1) a county described in section 1 of this chapter; or
   (2) a city or town located in the county described in section 1 of this chapter.

Sec. 13. (a) After January 1 but before August 1, the fiscal body of a unit may adopt an ordinance to impose an excise tax known as the unit's food and beverage tax on transactions described in section 14 of this chapter. The fiscal body of a unit other than a county may not adopt an ordinance under this chapter until after July 31, 2006, unless the fiscal body of the county adopts a resolution to relinquish its exclusive authority to adopt an ordinance under this chapter before August 1, 2006. If a county fiscal body adopts a resolution under this subsection, the county fiscal body shall send a certified copy of the resolution to the executive of each city and town located in the county.

   (b) Before a fiscal body may adopt an ordinance imposing a food and beverage tax, the fiscal body must hold a public hearing on the proposed ordinance, with notice of the time, date, and place of the public hearing given in accordance with IC 5-3-1.

   (c) If the fiscal body of a county adopts an ordinance to impose a food and beverage tax under this chapter, the county executive must also adopt a substantially similar ordinance to impose the tax.

   (d) If an ordinance is adopted under subsection (c), the county executive shall immediately send a certified copy of the ordinance to the department.

   (e) If a unit other than a county adopts an ordinance under this section, the unit's executive shall immediately send a certified copy of the ordinance to the department.

Sec. 14. (a) Except as provided in subsection (c), a food and beverage tax imposed under section 13 of this chapter applies to any transaction in which food or a beverage is furnished, prepared, or served:

   (1) for consumption at a location, or on equipment, provided by a retail merchant;
   (2) in the unit in which the tax is imposed; and
   (3) by the retail merchant for consideration.

If both a county and another unit located in the county impose a
tax under this chapter, the tax imposed by the county does not apply within the territory of the other unit imposing the tax.

(b) Transactions described in subsection (a)(1) include transactions in which food or a beverage is:

(1) served by a retail merchant off the merchant's premises;
(2) sold by a retail merchant who ordinarily bags, wraps, or packages the food or beverage for immediate consumption on or near the retail merchant's premises, including food or beverages sold on a "take out" or "to go" basis; or
(3) sold by a street vendor.

(c) A food and beverage tax imposed under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed under IC 6-2.5.

Sec. 15. The food and beverage tax imposed on a food or beverage transaction described in section 14 of this chapter is equal to one percent (1%) of the gross retail income received by the retail merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 16. (a) If no bonds, leases, obligations, or other evidences of indebtedness of a unit that are payable from a food and beverage tax imposed under this chapter are outstanding, the unit's fiscal body may adopt an ordinance to repeal the unit's food and beverage tax.

(b) An ordinance described in subsection (a) must be adopted after January 1 but before September 1 of a year. The fiscal body shall send a certified copy of the ordinance adopted under this section to the department.

Sec. 17. If a fiscal body adopts an ordinance under this chapter, the ordinance takes effect January 1 of the year following the year in which the ordinance is adopted.

Sec. 18. A food and beverage tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return that is filed for the payment of the tax may be made on a separate return or may be combined with the return
filed for the payment of the state gross retail tax as prescribed by
the department.

Sec. 19. (a) The department shall notify the county auditor of a
county containing a unit that imposes a food and beverage tax
under this chapter of the amount of tax paid in the unit.

(b) The amounts received from a food and beverage tax imposed
under this chapter shall be paid monthly by the treasurer of state
on warrants issued by the auditor of state to the county auditor of
the county in which the unit that imposed the tax is located.

Sec. 20. A county auditor shall establish for each unit in the
county that imposes a tax under this chapter a local food and
beverage tax revenue fund into which all amounts received
monthly from the treasurer of state under this chapter shall be
deposited.

Sec. 21. Revenue derived from a tax imposed under this chapter
may be treated by a unit as additional revenue for the purpose of
fixing its budget for the budget year during which the revenues are
to be distributed to the unit.

Sec. 22. A unit may use revenues from a tax imposed under this
chapter for one (1) or more of the following purposes:

(1) To promote and encourage conventions, visitors, and
tourism within the unit.

(2) To promote and encourage economic development within
the unit.

(3) Paying debt service or lease rentals on:

(A) bonds;

(B) leases;

(C) obligations; or

(D) any other evidence of indebtedness of the unit;

for a project described in subdivisions (1) and (2).

Sec. 23. The department of local government finance may not
reduce a unit's property tax levy by the amount of revenue
received from a tax imposed under this chapter.

Sec. 24. (a) The food and beverage tax revenue committee is
established to make recommendations concerning the use of money
in the funds established under section 20 of this chapter. The
committee consists of the following members:

(1) One (1) resident of the county representing each of the
three (3) commissioner districts, appointed by the county
executive. Not more than two (2) of the members appointed under this subdivision may be from the same political party. 

(2) Two (2) residents of the county, appointed by the county fiscal body. The two (2) appointees may not be from the same political party.

(3) Two (2) residents of the largest city in the county, appointed by the city executive. The two (2) appointees under this subdivision may not be from the same political party. One (1) appointee must be interested in economic development.

(4) Two (2) residents of the largest city in the county, appointed by the city fiscal body. The two (2) appointees under this subdivision may not be from the same political party. One (1) appointee must be interested in tourism.

(b) Except as provided in subsection (c), the term of a member appointed to the food and beverage tax revenue committee under this section is four (4) years.

(c) The initial terms of office for the members appointed to the food and beverage tax revenue committee under subsection (a) are as follows:

(1) Of the members appointed under subsection (a)(1), one (1) member shall be appointed for a term of two (2) years, one (1) member shall be appointed for three (3) years, and one (1) member shall be appointed for four (4) years.

(2) Of the members appointed under subsection (a)(2), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.

(3) Of the members appointed under subsection (a)(3), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.

(4) Of the members appointed under subsection (a)(4), one (1) member shall be appointed for three (3) years and one (1) member shall be appointed for four (4) years.

(d) At the expiration of a term under subsection (c), the member whose term expired shall be reappointed to the food and beverage tax revenue committee to fill the vacancy caused by the expiration.

(e) The food and beverage tax revenue committee is abolished on the date that the county fiscal body adopts a resolution abolishing the food and beverage tax revenue committee. A county fiscal body may adopt a resolution under this subsection if the
county fiscal body determines that each unit in the county that had imposed a tax under this chapter has adopted an ordinance to rescind the tax.

Sec. 25. The general assembly covenants with each unit subject to this chapter and the purchasers and owners of bonds, leases, obligations, or any other evidences of indebtedness of the county payable from a tax imposed under this chapter that this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of a tax imposed under this chapter so long as the principal, interest, or lease rentals due under those bonds, leases, obligations, or other evidences of indebtedness of a unit that are payable from a tax imposed under this chapter remain unpaid.

Sec. 26. If a unit incurs indebtedness payable from a tax imposed by the unit under this chapter, the unit's food and beverage tax terminates two (2) years after the retirement of the debt financed by the food and beverage tax.

SECTION 48. IC 7.1-3-20-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.

(b) The commission may issue a three-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant facility in the passenger terminal complex of a publicly owned airport which is served by a scheduled commercial passenger airline certified to enplane and deplane passengers on a scheduled basis by a federal aviation agency. A permit issued under this subsection shall not be transferred to a location off the airport premises.

(c) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a redevelopment project consisting of a building or group of buildings that:

(1) was formerly used as part of a union railway station;
(2) has been listed in or is within a district that has been listed in the federal National Register of Historic Places maintained pursuant to the National Historic Preservation Act of 1966, as
amended; and
(3) has been redeveloped or renovated, with the redevelopment or
renovation being funded in part with grants from the federal,
state, or local government.

A permit issued under this subsection shall not be transferred to a
location outside of the redevelopment project.

(d) The commission may issue a three-way, two-way, or one-way
permit to sell alcoholic beverages for on-premises consumption only to
an applicant who is the proprietor, as owner or lessee, or both, of a
restaurant:

(1) on land; or

(2) in a historic river vessel;
within a municipal riverfront development project funded in part with
state and city money. A permit issued under this subsection may not be
transferred.

(e) The commission may issue a three-way, two-way, or one-way
permit to sell alcoholic beverages for on-premises consumption only to
an applicant who is the proprietor, as owner or lessee, or both, of a
restaurant within a renovation project consisting of a building that:

(1) was formerly used as part of a passenger and freight railway
station; and

(2) was built before 1900.

The permit authorized by this subsection may be issued without regard
to the proximity provisions of IC 7.1-3-21-11.

(f) The commission may issue a three-way permit for the sale of
alcoholic beverages for on-premises consumption at a cultural center
for the visual and performing arts to a town that:

(1) is located in a county having a population of more than four
hundred thousand (400,000) but less than seven hundred thousand
(700,000); and

(2) has a population of more than twenty thousand (20,000) but
less than twenty-three thousand (23,000).

(g) After June 30, 2005, the commission may issue not more
than ten (10) new three-way, two-way, or one-way permits to sell
alcoholic beverages for on-premises consumption to applicants,
each of whom must be the proprietor, as owner or lessee, or both,
of a restaurant located within a district, or not more than five
hundred (500) feet from a district, that meets the following
requirements:

(1) The district has been listed in the National Register of Historic Places maintained under the National Historic Preservation Act of 1966, as amended.
(2) A county courthouse is located within the district.
(3) A historic opera house listed on the National Register of Historic Places is located within the district.
(4) A historic jail and sheriff's house listed on the National Register of Historic Places is located within the district.

The legislative body of the municipality in which the district is located shall recommend to the commission sites that are eligible to be permit premises. The commission shall consider, but is not required to follow, the municipal legislative body's recommendation in issuing a permit under this subsection. An applicant is not eligible for a permit if, less than two (2) years before the date of the application, the applicant sold a retailer's permit that was subject to IC 7.1-3-22 and that was for premises located within the district described in this section or within five hundred (500) feet of the district. A permit issued under this subsection shall not be transferred. The cost of an initial permit issued under this subsection is six thousand dollars ($6,000).

SECTION 49. IC 7.1-3-20-16.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16.1. (a) This section applies to a municipal riverfront development project authorized under section 16(d) of this chapter.

(b) In order to qualify for a permit, an applicant must demonstrate that the municipal riverfront development project area where the permit is to be located meets the following criteria:

(1) The project boundaries must border on at least one (1) side of a river.
(2) The proposed permit premises may not be located more than:
   (A) one thousand five hundred (1,500) feet; or
   (B) three (3) city blocks;
from the river, whichever is greater. However, if the area adjacent to the river is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river that
are capable of being developed.

(3) The permit premises are located within:
   (A) an economic development area, a blighted area, an urban renewal area, or a redevelopment area established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1; or
   (B) an economic development project district under IC 36-7-15.2 or IC 36-7-26; or
   (C) a community revitalization enhancement district designated under IC 36-7-13-12.1.

(4) The project must be funded in part with state and city money.

(5) The boundaries of the municipal riverfront development project must be designated by ordinance or resolution by the legislative body (as defined in IC 36-1-2-9(3) or IC 36-1-2-9(4)) of the city in which the project is located.

(c) Proof of compliance with subsection (b) must consist of the following documentation, which is required at the time the permit application is filed with the commission:
   (1) A detailed map showing:
      (A) definite boundaries of the entire municipal riverfront development project; and
      (B) the location of the proposed permit within the project.
   (2) A copy of the local ordinance or resolution of the local governing body authorizing the municipal riverfront development project.
   (3) Detailed information concerning the expenditures of state and city funds on the municipal riverfront development project.

(d) Notwithstanding subsection (b), the commission may issue a permit for premises, the location of which does not meet the criteria of subsection (b)(2), if all the following requirements are met:
   (1) All other requirements of this section and section 16(d) of this chapter are satisfied.
   (2) The proposed premises is located not more than:
      (A) three thousand (3,000) feet; or
      (B) six (6) blocks;
   from the river, whichever is greater. However, if the area adjacent to the river is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B)
are measured from the city blocks located nearest to the river that are capable of being developed.

(3) The permit applicant satisfies the criteria established by the commission by rule adopted under IC 4-22-2. The criteria established by the commission may require that the proposed premises be located in an area or district set forth in subsection (b)(3).

(4) The permit premises may not be located less than two hundred (200) feet from facilities owned by a state educational institution (as defined in IC 20-12-0.5-1).

(e) A permit may not be issued if the proposed permit premises is the location of an existing three-way permit subject to IC 7.1-3-22-3.

SECTION 50. IC 8-9.5-9-2, AS AMENDED BY SEA 578-2005, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. As used in this chapter, "authority" means:

(1) an authority or agency established under IC 8-1-2.2 or IC 8-9.5 through IC 8-23;

(2) when acting under an affected statute (as defined in IC 4-4-10.9-1.2), the Indiana finance authority established by IC 4-4-11;

(3) only in connection with a program established under IC 13-18-13 or IC 13-18-21, the bank established under IC 5-1.5;

(4) a fund or program established under IC 13-18-13 or IC 13-18-21;

(5) the Indiana health and educational facility financing authority established by IC 5-1-16; and

(6) the Indiana housing finance authority established by IC 5-20-1;

(7) the authority established under IC 4-4-11; or

(8) the authority established under IC 5-1-17.

SECTION 51. IC 8-15-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In order to remove the handicaps and hazards on the congested highways in Indiana, to facilitate vehicular traffic throughout the state, to promote the agricultural and industrial development of the state, and to provide for the general welfare by the construction of modern express highways embodying safety devices, including center division, ample shoulder
(1) construct, reconstruct, maintain, repair, and operate toll road projects at such locations as shall be approved by the governor;
(2) in accordance with such alignment and design standards as shall be approved by the authority and subject to IC 8-9.5-8-10, issue toll road revenue bonds of the state payable solely from funds pledged for their payment, as authorized by this chapter, to pay the cost of such projects;
(3) finance, develop, construct, reconstruct, improve, or maintain public improvements such as roads and streets; sewerlines; waterlines; and sidewalks for manufacturing, or commercial, or public transportation activities within a county through which a toll road passes; if these improvements are within the county and are within an area that is located:
   (A) ten (10) miles on either side of the center line of a toll road project; or
   (B) two (2) miles on either side of the center line of any limited access highway that interchanges with a toll road project;
(4) in cooperation with the Indiana department of transportation or a political subdivision, construct, reconstruct, or finance the construction or reconstruction of an arterial highway or an arterial street that is located within ten (10) miles of the center line of a county through which a toll road project passes and that:
   (A) interchanges with a toll road project; or
   (B) intersects with a road or a street that interchanges with a toll road project;
(5) assist in finance improvements necessary for developing existing transportation corridors in northwestern Indiana; and
(6) exercise these powers in participation with any governmental entity or with any individual, partnership, limited liability company, or corporation.
(b) Notwithstanding subsection (a), the authority shall not construct, maintain, operate, nor contract for the construction, maintenance, or operation of transient lodging facilities on, or adjacent to, such toll road projects.
SECTION 52. IC 8-15-2-14.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.5. Subject to the provisions and requirements of any trust agreement providing for the issuance of toll road revenue bonds and only to the extent permitted by such trust agreement, the authority shall fix the tolls for any toll road under its jurisdiction so that, to the extent feasible, the tolls for any class of traffic shall be substantially uniform according to the mileage between interchanges: No reduced rate of toll shall be allowed within any such class except through the use of commutation or other tickets or privileges based upon frequency or volume of use.

SECTION 53. IC 8-15-2-14.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14.7. (a) As used in this section, "development authority" refers to the development authority established under IC 36-7.5-2-1.

(b) Subject to the trust agreement of any outstanding bonds and subject to the requirements of subsection (d), the authority shall distribute to the development authority in calendar year 2006 and calendar year 2007 from revenues accruing to the authority from the toll road at least five million dollars ($5,000,000) and not more than ten million dollars ($10,000,000) each year. The amount of the distribution for a year shall be determined by the authority. The amount to be distributed each year shall be distributed in equal quarterly amounts before the last business day of January, April, July, and October of 2006 and 2007. The amounts distributed under this subsection shall be deposited in the development authority fund established under IC 36-7.5-4-1.

(c) Subject to the trust agreement of any outstanding bonds and subject to the requirements of subsections (d) and (e), after 2007 the authority may distribute to the development authority amounts from revenues accruing to the authority from the toll road. The amount of any distribution for a year shall be determined by the authority. Any amounts to be distributed for the year under this subsection shall be distributed in equal quarterly amounts before the last business day of January, April, July, and October of the year. Any amounts distributed under this subsection shall be deposited in the development authority fund established under IC 36-7.5-4-1.
(d) A distribution may be made by the authority to the development authority under subsection (b) or (c) only if all transfers required from cities and counties to the development authority under IC 36-7.5-4-2 have been made.

(e) A distribution may be made by the authority to the development authority under subsection (c) only after the budget committee has reviewed the development authority's comprehensive strategic development plan under IC 36-7.5-3-4 and the director of the office of management and budget has approved the comprehensive strategic development plan.

(f) If the Indiana Toll Road is sold or leased before January 1, 2008 (other than a lease to the department), and the sale or lease agreement does not require the purchaser or lessee to continue making the distributions required by subsection (b), the treasurer of state shall pay an amount equal to the greater of zero (0) or the result of:

1. twenty million dollars ($20,000,000); minus
2. any amounts transferred to the development authority under this subsection before the sale or lease; from the state general fund to the development authority fund established under IC 36-7.5-4-1.

(g) Amounts distributed or paid to the development authority under this section may be used for any purpose of the development authorized under IC 36-7.5.

(h) The amounts necessary to make any distributions or payments required or authorized by this section are appropriated.

SECTION 54. IC 9-13-2-170 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 170. "Special group" means:

1. a class or group of persons that the bureau finds:
   (A) that:
   (B) have made significant contributions to the United States, Indiana, or the group's community or
   (C) are descendants of native or pioneer residents of Indiana;
   (D) (B) are organized as a nonprofit organization (as defined under Section 501(c) of the Internal Revenue Code);
   (E) (C) are organized for nonrecreational purposes; and
   (F) (D) are organized as a separate, unique organization or as
a coalition of separate, unique organizations; or

(2) a National Football League franchised professional football team.

SECTION 55. IC 9-18-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. (a) A person who is the registered owner or lessee of a:

(1) passenger motor vehicle;
(2) motorcycle;
(3) recreational vehicle; or
(4) vehicle registered as a truck with a declared gross weight of not more than:
   (A) eleven thousand (11,000) pounds;
   (B) nine thousand (9,000) pounds; or
   (C) seven thousand (7,000) pounds;

registered with the bureau or who makes an application for an original registration or renewal registration of a vehicle may apply to the bureau for a personalized license plate to be affixed to the vehicle for which registration is sought instead of the regular license plate.

(b) A person who:

(1) is the registered owner or lessee of a vehicle described in subsection (a); and

(2) is eligible to receive a license plate for the vehicle under:
   (A) IC 9-18-17 (prisoner of war license plates);
   (B) IC 9-18-18 (disabled veteran license plates);
   (C) IC 9-18-19 (purple heart license plates);
   (D) IC 9-18-20 (Indiana National Guard license plates);
   (E) IC 9-18-21 (Indiana Guard Reserve license plates);
   (F) IC 9-18-22 (license plates for persons with disabilities);
   (G) IC 9-18-23 (amateur radio operator license plates);
   (H) IC 9-18-24 (civic event license plates);
   (I) IC 9-18-25 (special group recognition license plates);
   (J) IC 9-18-29 (environmental license plates);
   (K) IC 9-18-30 (kids first trust license plates);
   (L) IC 9-18-31 (education license plates);
   (M) IC 9-18-32.2 (drug free Indiana trust license plates);
   (N) IC 9-18-33 (Indiana FFA trust license plates);
   (O) IC 9-18-34 (Indiana firefighter license plates);
   (P) IC 9-18-35 (Indiana food bank trust license plates);
may apply to the bureau for a personalized license plate to be affixed to the vehicle for which registration is sought instead of the regular special recognition license plate.

SECTION 56. IC 9-18-49 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Chapter 49. National Football League Franchised Professional Football Team License Plates

Sec. 1. The bureau shall design and issue a National Football League franchised football team license plate for a National Football League franchised football team from which the bureau secures an agreement for the production and sale of license plates. A National Football League franchised football team license plate shall be designed and issued as a special group recognition license plate under IC 9-18-25.

Sec. 2. The bureau shall:

(1) negotiate for the purpose of entering; or
(2) delegate the authority to enter; into license agreements with a professional sports franchise in order to design and issue a National Football League franchised football team license plate authorized under section 1 of this chapter.

Sec. 3. After December 31, 2005, a person who is eligible to register a motor vehicle under this title is eligible to receive a specified National Football League franchised football team license plate issued under a licensing agreement entered into under section 2 of this chapter with a specified National Football League franchised football team upon doing the following:

(1) Completing an application for a specified National Football League franchised football team license plate.
(2) Paying the fees under section 4 of this chapter.

Sec. 4. (a) The fees for a National Football League franchised football team license plate are as follows:

(1) The appropriate fees under IC 9-29-5-38(d)(1), IC 9-29-5-38(d)(2), and IC 9-29-5-38(d)(3).
(2) An annual fee of twenty dollars ($20).

(b) The annual fee described in subsection (a)(2) shall be:

(1) collected by the bureau; and
(2) deposited in the capital projects fund established by section 5 of this chapter.

Sec. 5. (a) The capital projects fund is established.
(b) The treasurer of state shall invest the money in the capital projects fund not currently needed to meet the obligations of the capital projects fund in the same manner as other public funds are invested. Money in the fund is continuously appropriated for the purposes of this section.
(c) The budget director shall administer the capital projects fund. Expenses of administering the capital projects fund shall be paid from money in the capital projects fund.
(d) On:

(1) June 30 of every year after June 30, 2006; or
(2) any other date designated by the budget director; an amount designated by the budget director shall be transferred from the fund to the state general fund, a capital improvement board of managers created by IC 36-10-9, or the designee chosen by the budget director under IC 5-1-17-28.
(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 6. The budget agency shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 57. IC 9-29-5-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38. (a) Except as provided in subsection subsections (c) and (d), vehicles registered under IC 9-18-25 are subject to the following:

(1) An appropriate annual registration fee.

(2) An annual supplemental fee of ten dollars ($10).

(3) Any other fee or tax required of a person registering a vehicle under this title.

(b) The bureau shall distribute all money collected under the annual supplemental fee under subsection (a)(2) or (d)(2) as follows:

(1) Five dollars ($5) from each registration is appropriated to the bureau of motor vehicles for the purpose of administering IC 9-18-25.

(2) Five dollars ($5) from each registration shall be deposited in the state license branch fund under IC 9-29-14.

(c) A vehicle registered under IC 9-18-25 that is owned by a former prisoner of war or by the prisoner's surviving spouse is exempt from the annual registration fee and the annual supplemental fee.

(d) A motor vehicle that is registered and for which is issued a special group recognition license plate under IC 9-18-25 and IC 9-18-49 is subject to the following:

(1) An appropriate annual registration fee.

(2) An annual supplemental fee of ten dollars ($10).

(3) Any other fee or tax required of a person registering a vehicle under this title.

(4) The annual fee of twenty dollars ($20) imposed by IC 9-18-49-4(a)(2).

SECTION 58. IC 13-21-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A controller selected under section 9 of this chapter shall do the following:

(1) Be the official custodian of all district money and, subject to the terms of any resolution or trust indenture under which bonds are issued under this article, deposit and invest all district money in the same manner as other county money is
deposited and invested under IC 5-13.
(2) Be responsible to the board for the fiscal management of the district.
(3) Be responsible for the proper safeguarding and accounting of the district's money.
(4) Subject to subsection (c), issue warrants approved by the board after a properly itemized and verified claim has been presented to the board on a claim docket.
(5) Make financial reports of district money and present the reports to the board for the board's approval.
(6) Prepare the district's annual budget.
(7) Perform any other duties:
   (A) prescribed by the board; and
   (B) consistent with this chapter.
(b) A controller selected under section 9 of this chapter:
   (1) does not exercise any sovereign authority of the state; and
   (2) does not hold a lucrative office for purposes of Article 2, Section 9 of the Constitution of the State of Indiana.
(c) The board may, by resolution, authorize the controller to make claim payments for:
   (1) payroll;
   (2) the state solid waste management fee imposed by IC 13-20-22-1; and
   (3) certain specific vendors identified in the resolution; without the claims being first approved by the board if before payment the claims are approved in writing by the chairperson of the board or in the absence of the chairperson another member of the board designated by the chairperson. The claims shall be reviewed and allowed by the board at the board's next regular or special meeting.

SECTION 59. IC 13-21-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A board that has imposed fees under section 1 of this chapter shall establish and continuously maintain a separate fund under this section to be known as the "______________ district solid waste management fund".
(b) All fees remitted to the district under section 1 of this chapter shall be deposited in the fund.
(c) Money in the fund may be used only for the following purposes:
   (1) To pay expenses of administering the fund.
(2) To pay costs associated with the development and implementation of the district plan.

(d) The controller of the district shall administer a fund established under this section. Money in the fund that is not currently needed for the purposes set forth in subsection (c) may be deposited and invested in the same manner as other county money may be deposited and invested under IC 5-13. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of a district's fiscal year does not revert to:

1. a county general fund; or
2. any other fund.

(e) The controller of a district shall:

1. file an individual surety bond; or
2. revise an existing bond;

in a sufficient amount determined under IC 5-4-1-18 to reflect the liability associated with the handling of the district's money.

SECTION 60. IC 16-44-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) Except as provided in subsection (b), fees for the inspection of gasoline or kerosene shall be at the rate of forty ($0.40) or fifty ($0.50) cents per barrel (fifty (50) gallons) on all gasoline or kerosene received in Indiana less deductions provided in this section.

(b) A fee for inspection of gasoline or kerosene may not be charged for the following:

1. On transport or tank car shipments direct to the federal government.
2. On gasoline or kerosene received and subsequently exported from Indiana or returned to refineries or marine or pipeline terminals in Indiana.

(c) Fees shall be paid to the state department by the person receiving gasoline or kerosene in Indiana at the time gasoline or kerosene products are received, unless the person receiving the gasoline or kerosene is licensed as a distributor under the gasoline tax law (IC 6-6-1.1). In that case, the person in receipt of the gasoline or kerosene shall do the following:

1. Include in the person's monthly gasoline tax report a statement of all gasoline and kerosene received during the preceding calendar month on which inspection fees are due.
(2) Remit the amount of the inspection fees at the same time the monthly motor fuel tax report is due.

(d) A refiner or other person supplying gasoline or kerosene to the first receiver in Indiana may elect to pay the fees monthly on all gasoline or kerosene supplied to persons in Indiana not licensed as distributors under the gasoline tax law (IC 6-6-1.1). If the supplier is not licensed as a distributor under the gasoline tax law of Indiana (IC 6-6-1.1), the supplier shall, as a condition precedent to such election, file with the state department a corporate surety bond that meets the following conditions:

1. Is in the form and amount that the state department determines, not to exceed two thousand dollars ($2,000).
2. Is conditioned that the supplier does the following:
   A. Reports all gasoline and kerosene supplied by the supplier to persons in Indiana not licensed as distributors under the gasoline tax law (IC 6-6-1.1).
   B. Pays inspection fees monthly on or before the twenty-fifth day of each calendar month for the preceding calendar month.

(e) A person taking credit for gasoline or kerosene exported or returned to a refinery or terminal shall substantiate that credit in the manner that the state department reasonably requires by rule.

(f) A distributor who fails to file a monthly report and pay the tax due as required by this chapter is subject to a penalty of five percent (5%) of the amount of unpaid tax due and interest on the unpaid tax and penalty at the rate of eight percent (8%) annually. However, if a delay not exceeding ten (10) days is due to a mistake, an accident, or an oversight without intent to avoid payment, the administrator may waive the penalty and interest.

SECTION 61. IC 16-44-2-18.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.5. (a) As used in this section, "special fuel" has the meaning set forth in IC 6-6-2.5-22, except that the term does not include kerosene.

(b) Except as provided in subsection (c), fees for the inspection of special fuel shall be at the rate of fifty cents ($0.50) per barrel (fifty (50) gallons) on all special fuel sold or used in producing or generating power for propelling motor vehicles in Indiana less deductions provided in this section.
(c) A fee for the inspection of special fuel may not be charged with respect to special fuel that is exempt from the special fuel tax under IC 6-6-2.5-30.

(d) The fee imposed by this chapter on special fuel sold or used in producing or generating power for propelling motor vehicles in Indiana shall be collected and remitted to the state at the same time, by the same person, and in accordance with the same requirements for collection and remittance of the special fuels tax under IC 6-6-2.5-35.

(e) Fees collected under this section shall be deposited by the department in the underground petroleum storage tank excess liability trust fund established by IC 13-23-7-1.

(f) A person who receives a refund of special fuel tax under IC 6-6-2.5 is also entitled to a refund of fees paid under this section if:

1. the fees were paid with respect to special fuel that was used for an exempt purpose described in IC 6-6-2.5-30; and
2. the person submits to the state department of revenue a claim for a refund, in the form prescribed by the state department of revenue, that includes the following information:

   A. Any evidence requested by the state department of revenue concerning the person’s:

      i. payment of the fee imposed by this section; and

      ii. receipt of a refund of special fuel taxes from the state department of revenue under IC 6-6-2.5.

   B. Any other information reasonably requested by the state department of revenue.

The state department of revenue may make any investigation it considers necessary before refunding fees to a person.

SECTION 62. IC 21-2-21-1.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 1.8. (a) For purposes of this section, "retirement or severance liability" means the payments anticipated to be required to be made to employees of a school corporation upon or after termination of the employment of the employees by the school corporation under an existing or previous employment agreement.

(b) This section applies to each school corporation that:
(1) did not issue bonds under IC 20-5-4-1.7 before its repeal; or
(2) issued bonds under IC 20-5-4-1.7 before April 14, 2003.

c) In addition to the purposes set forth in section 1 of this chapter, a school corporation described in subsection (b) may issue bonds to implement solutions to contractual retirement or severance liability. The issuance of bonds for this purpose is subject to the following conditions:

(1) The school corporation may issue bonds under this section only one (1) time.

(2) The school corporation must issue the bonds before July 1, 2006.

(3) The solution to which the bonds are contributing must be reasonably expected to reduce the school corporation's unfunded contractual liability for retirement or severance payments as it existed on June 30, 2001.

(4) The amount of the bonds that may be issued for the purpose described in this section may not exceed:

(A) two percent (2%) of the true tax value of property in the school corporation, for a school corporation that did not issue bonds under IC 20-5-4-1.7 before its repeal; or

(B) the remainder of:

(i) two percent (2%) of the true tax value of property in the school corporation as of the date that the school corporation issued bonds under IC 20-5-4-1.7; minus

(ii) the amount of bonds that the school corporation issued under IC 20-5-4-1.7;

for a school corporation that issued bonds under IC 20-5-4-1.7 before April 14, 2003.

(5) Each year that a debt service levy is needed under this section, the school corporation shall reduce the total property tax levy for the school corporation's transportation, school bus replacement, capital projects, or art association and historical society funds in an amount equal to the property tax levy needed for the debt service under this section. The property tax rate for each of these funds shall be reduced each year until the bonds are retired.

(6) The school corporation shall establish a separate debt service fund for repayment of the bonds issued under this section.
(d) Bonds issued for the purpose described in this section shall be issued in the same manner as other bonds of the school corporation.

(e) Bonds issued under this section are not subject to the petition and remonstrance process under IC 6-1.1-20 or to the limitations contained in IC 36-1-15.

SECTION 63. IC 20-12-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) The Ball State University board of trustees, Indiana State University board of trustees, the trustees of Indiana University, the trustees of Purdue University, and the University of Southern Indiana board of trustees, each as to its respective institution, shall have the power and duty:

(1) to govern the disposition and method and purpose of use of the property owned, used, or occupied by the institution, including the governance of travel over and the assembly upon the property;

(2) to govern, by specific regulation and other lawful means, the conduct of students, faculty, employees, and others while upon the property owned, used, or occupied by the institutions;

(3) to govern, by lawful means, the conduct of its students, faculty, and employees, wherever the conduct might occur, to the end of preventing unlawful or objectionable acts that seriously threaten the ability of the institution to maintain its facilities available for performance of its educational activities or that are in violation of the reasonable rules and standards of the institution designed to protect the academic community from unlawful conduct or conduct presenting a serious threat to person or property of the academic community;

(4) to dismiss, suspend, or otherwise punish any student, faculty member, or employee of the institution who violates the institution's rules or standards of conduct, after determination of guilt by lawful proceedings;

(5) to prescribe the fees, tuition, and charges necessary or convenient to the furthering of the purposes of the institution and to collect the prescribed fees, tuition, and charges;

(6) to prescribe the conditions and standards of admission of students upon the bases as are in its opinion in the best interests of the state and the institution;
(7) to prescribe the curricula and courses of study offered by the institution and define the standards of proficiency and satisfaction within the curricula and courses established by the institution;
(8) to award financial aid to students and groups of students out of the available resources of the institution through scholarships, fellowships, loans, remissions of fees, tuitions, charges, or other funds on the basis of financial need, excellence of academic achievement, or potential achievement or any other basis as the governing board may find to be reasonably related to the educational purposes and objectives of the institution and in the best interest of the institution and the state;
(9) to cooperate with other institutions to the end of better assuring the availability and utilization of its total resources and opportunities to provide excellent educational opportunity for all persons;
(10) to establish and carry out written policies for the investment of the funds of the institution in the manner provided by IC 30-4-3-3; and
(11) to lease to any corporation, limited liability company, partnership, association, or individual real estate title to which is in the name of an institution or in the name of the state for the use and benefit of the leasing institution; and
(12) to adopt policies and standards for making property owned by the institution reasonably available to be used free of charge as locations for the production of motion pictures.

(b) A lease may be for such term and for such rental, either nominal or otherwise, as the board determines to be in the best interest of the institution. No lease shall be executed under this section for a term exceeding four (4) years unless the execution is approved by the governor and by the state budget agency. The universities shall be exempt from all property taxes on any real estate leased under this section, and the lessee shall be liable for property taxes on the leased real estate as if the real estate were owned by the lessee in fee simple, unless the lessee is a student living in university-owned facilities.

(c) This section shall not be construed to deny any tax exemption that a lessee would have under other laws if the lessee were the owner in fee simple of the real estate.

SECTION 64. IC 20-26-5-22.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22.5. (a) A school corporation may participate in the establishment of a public school foundation.

(b) The governing body of a school corporation may receive the proceeds of a grant, a restricted gift, an unrestricted gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 or IC 4-33-13, or other funds not generated from taxes levied by the school corporation to create a foundation under the following conditions:

1. The foundation is:
   (A) exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and
   (B) organized as an Indiana nonprofit corporation for the purposes of providing educational funds for scholarships, teacher education, capital programs, and special programs for school corporations.

2. Except as provided in subdivision (3), the foundation retains all rights to a donation, including investment powers. The foundation may hold a donation as a permanent endowment.

3. The foundation agrees to do the following:
   (A) Distribute the income from a donation only to the school corporation.
   (B) Return a donation to the general fund of the school corporation if the foundation:
      (i) loses the foundation’s status as a foundation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;
      (ii) is liquidated; or
      (iii) violates any condition set forth in this subdivision.

(c) A school corporation may use the proceeds received under this section from a foundation only for educational purposes of the school corporation described in subsection (b)(1)(B).

(d) The governing body of the school corporation may appoint members to the foundation.

(e) The treasurer of the governing body of the school corporation may serve as the treasurer of the foundation.

SECTION 65. IC 22-4-37-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Should the Congress of the United States either amend, or repeal, or authorize the implementation of a demonstration project under 29 U.S.C. 49 et seq., 26 U.S.C. 3301 through 3311, 42 U.S.C. 301 et seq., or 26 U.S.C. 3101 through 3504, or any statute or statutes supplemental to or in lieu thereof or any part or parts of either or all of said statutes, or should either any or all of said statutes or any part or parts thereof be held invalid, to the end and with such effect that appropriations of funds by the said Congress and grants thereof to the state for the payment of costs of administration of the department of workforce development are or no longer shall be available for such purposes, or should the primary responsibility for the administration of 26 U.S.C. 3301 through 26 U.S.C. 3311 be transferred to the state as a demonstration project authorized by Congress, or should employers in Indiana subject to the payment of tax under 26 U.S.C. 3301 through 3311 be granted full credit upon such tax for contributions or taxes paid to the department of workforce development, then, and in such case beginning with the effective date of such change in liability for payment of such federal tax and for each year thereafter, the normal contribution rate under this article shall be established by the department of workforce development and may not exceed three and one-tenth one-half percent (3.1%)(3.5%) per year of each such employer's payroll subject to contribution. With respect to each employer having a rate of contribution for such year pursuant to terms of IC 22-4-11-2(b)(2)(A), IC 22-4-11-2(b)(2)(B), and IC 22-4-11-3, and IC 22-4-11-3.3, to the rate of contribution, as determined for such year in which such change occurs, shall be added four-tenths of one not more than eight-tenths percent (0.4%)(0.8%) as prescribed by the department of workforce development.

(b) The amount of the excess of tax for which such employer is or may become liable by reason of this section over the amount which such employer would pay or become liable for except for the provisions of this section, together with any interest or earnings thereon, shall be paid and transferred into the employment and training services administration fund to be disbursed and paid out under the same conditions and for the same purposes as is other money provided to be paid into such fund. If the commissioner shall determine that as of January 1 of any year there is an excess in said fund over the money
and funds required to be disbursed therefrom for the purposes thereof for such year, then and in such cases an amount equal to such excess, as determined by the commissioner, shall be transferred to and become part of the unemployment insurance benefit fund, and such funds shall be deemed to be and are hereby appropriated for the purposes set out in this section.

SECTION 66. IC 36-7-31-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. A commission may establish as part of a professional sports development area any facility:

(1) that is used in the training of a team engaged in professional sporting events; or
(2) that is:
   (A) financed in whole or in part by:
      (i) notes or bonds issued by a political subdivision or issued under IC 36-10-9 or IC 36-10-9.1; or
      (ii) a lease or other agreement under IC 5-1-17; and
   (B) used to hold a professional sporting event.

The tax area may include a facility described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the county.

SECTION 67. IC 36-7-31-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. (a) A tax area must be initially established before July 1, 1999, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed (including to the exclusion or inclusion of a facility described in this chapter) or the terms governing the tax area may be revised in the same manner as the establishment of the initial tax area. However, after May 14, 2005:

(1) a tax area may be changed only to include the site or future site of a facility that is or will be the subject of a lease or other agreement entered into between the capital improvement board and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26; and
(2) the terms governing a tax area may be revised only with respect to a facility described in subdivision (1).

(b) In establishing or changing the tax area or revising the terms
governing the tax area, the commission must make the following findings instead of the findings required for the establishment of economic development areas:

1. That a project to be undertaken or that has been undertaken in the tax area is for a facility at which a professional sporting event or a convention or similar event will be held.
2. That the project to be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.
3. That the project to be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(c) The tax area established by the commission under this chapter is a special taxing district authorized by the general assembly to enable the county to provide special benefits to taxpayers in the tax area by promoting economic development that is of public use and benefit.

SECTION 68. IC 36-7-31-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. (a) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area to the professional sports development area fund established for the county. The allocation provision must apply to the entire tax area. The resolution must provide that the tax area terminates not later than December 31, 2027.

(b) All of the salary, wages, bonuses, and other compensation that are:

1. paid during a taxable year to a professional athlete for professional athletic services;
2. taxable in Indiana; and
3. earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(c) **Except as provided by section 14.1 of this chapter**, the total amount of state revenue captured by the tax area may not exceed five million dollars ($5,000,000) per year for twenty (20) consecutive years.

(d) The resolution establishing the tax area must designate the facility and the facility site for which the tax area is established and
covered taxes will be used.

c) The department may adopt rules under IC 4-22-2 and guidelines
to govern the allocation of covered taxes to a tax area.

SECTION 69. IC 36-7-31-14.1 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE MAY 15, 2005]: Sec. 14.1. (a) The budget director
appointed under IC 4-12-1-3 may determine that, commencing
July 1, 2007, there may be captured in the tax area up to eleven
million dollars ($11,000,000) per year in addition to the up to five
million dollars ($5,000,000) of state revenue to be captured by the
tax area under section 14 of this chapter, for up to thirty-four (34)
consecutive years. The budget director’s determination must
specify that the termination date of the tax area for purposes of the
collection of the additional eleven million dollars ($11,000,000) per
year is extended to not later than:

(1) January 1, 2041; or
(2) January 1, 2010, if on that date there are no obligations
owed by the capital improvement board of managers to the
Indiana stadium and convention building authority or to any
state agency under IC 5-1-17-26.

Following the budget director's determination, and commencing
July 1, 2007, the maximum total amount of revenue captured by
the tax area for years ending before January 1, 2041, shall be
sixteen million dollars ($16,000,000) per year.

(b) The additional revenue captured pursuant to a
determination under subsection (a) shall be distributed to the
capital improvement board or its designee. So long as there are any
current or future obligations owed by the capital improvement
board to the Indiana stadium and convention building authority
created by IC 5-1-17 or any state agency under a lease or another
agreement entered into between the capital improvement board
and the Indiana stadium and convention building authority or any
state agency under IC 5-1-17-26, the capital improvement board or
its designee shall deposit the additional revenue received under this
subsection in a special fund, which may be used only for the
payment of the obligations described in this subsection.

SECTION 70. IC 36-7-31-21 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 21. Except as
provided in section 14.1 of this chapter, the capital improvement board may use money distributed from the fund only to construct and equip a capital improvement that is used for a professional sporting event, including the financing or refinancing of a capital improvement or the payment of lease payments for a capital improvement.

SECTION 71. IC 36-7-31.23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 23. This chapter expires December 31, 2027-2040.

SECTION 72. IC 36-7-31.3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 9. (a) A tax area must be initially established by resolution:

(1) except as provided in subdivision (2) before July 1, 1999; or
(2) before January 1, 2005, in the case of:

(A) in the case of a second class city; or
(B) the city of Marion;

governing a tax area may not be revised. Only one (1) tax area may be created in each county.

(b) In establishing the tax area, the designating body must make the following findings instead of the findings required for the establishment of economic development areas:

(1) Except for a tax area in a city having a population of:

(A) more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000); or
(B) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);

tax area for a facility that is used by a professional sports franchise for practice or competitive sporting events. A tax area to which this subdivision applies may also include a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a)(2) of this chapter.

(2) For a tax area in a city having a population of more than one
hundred fifty thousand (150,000) but less than five hundred thousand (500,000), there is a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a) of this chapter.

(3) For a tax area in a city having a population of more than ninety thousand (90,000) but less than one hundred fifty thousand (105,000), there is a capital improvement that will be undertaken or has been undertaken in the tax area for a facility that is used for any purpose specified in section 8(a)(2) of this chapter.

(4) The capital improvement that will be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.

(5) The capital improvement that will be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(c) The tax area established under this chapter is a special taxing district authorized by the general assembly to enable the designating body to provide special benefits to taxpayers in the tax area by promoting economic development that is of public use and benefit.

SECTION 73. IC 36-7.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 7.5. NORTHWEST INDIANA REGIONAL DEVELOPMENT AUTHORITY

Chapter 1. Definitions

Sec. 1. Except as otherwise provided, the definitions in this chapter apply throughout this article.

Sec. 2. "Airport authority" refers to an airport authority established under IC 8-22-3 in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

Sec. 3. "Airport authority project" means a project that can be financed with the proceeds of bonds issued by an airport authority under IC 8-22-3.

Sec. 4. "Airport development authority" refers to an airport development authority established under IC 8-22-3.7 in a city having a population of more than ninety thousand (90,000) but less
than one hundred five thousand (105,000).

Sec. 5. "Bonds" means bonds, notes, or other evidences of indebtedness issued by the development authority.

Sec. 6. "Commuter transportation district" refers to a commuter transportation district that:

1. is established under IC 8-5-15; and
2. has among its purposes the maintenance, operation, and improvement of passenger service over the Chicago, South Shore, and South Bend Railroad and any extension of that railroad.

Sec. 7. "Commuter transportation district project" means a project that can be financed with the proceeds of bonds issued by a commuter transportation district under IC 8-5-15.

Sec. 8. "Development authority" refers to the northwest Indiana regional development authority established by IC 36-7.5-2-1.

Sec. 9. "Development board" refers to the governing body appointed under IC 36-7.5-2-3 for a development authority.

Sec. 10. "Economic development project" means the following:

1. An economic development project described in IC 6-3.5-7-13.1(c).
2. A dredging, sediment removal, or channel improvement project.

Sec. 11. "Eligible county" refers to the following counties:

1. A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).
2. A county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000).

Sec. 12. "Eligible political subdivision" means the following:

1. An airport authority.
2. A commuter transportation district.
3. A regional bus authority under IC 36-9-3-2(c).
4. A shoreline development commission under IC 36-7-13.5.

Sec. 13. "Project" means an airport authority project, a commuter transportation district project, an economic development project, a regional bus authority project, or a shoreline development commission project.

Sec. 14. "Regional bus authority" means a regional
transportation authority operating as a regional bus authority under IC 36-9-3-2(c).

Sec. 15. "Regional bus authority project" means a project that can be financed with the proceeds of bonds issued by a regional bus authority under IC 36-9-3.

Sec. 16. "Shoreline development commission" means the commission established by IC 36-7-13.5-2.

Sec. 17. "Shoreline development commission project" means a project that can be financed with the proceeds of bonds issued by a shoreline development commission.

Chapter 2. Development Authority and Board

Sec. 1. The northwest Indiana regional development authority is established as a separate body corporate and politic to carry out the purposes of this article by:

1. acquiring, constructing, equipping, owning, leasing, and financing projects and facilities for lease to or for the benefit of eligible political subdivisions under this article; and
2. funding and developing the Gary/Chicago International Airport expansion and other airport authority projects, commuter transportation district and other rail projects and services, regional bus authority projects and services, shoreline development projects and activities, and economic development projects in northwestern Indiana.

Sec. 2. The development authority may carry out its powers and duties under this article in an eligible county.

Sec. 3. (a) The development authority is governed by the development board appointed under this section.

(b) The development board is composed of the following seven (7) members:

1. Two (2) members appointed by the governor. One (1) of the members appointed by the governor under this subdivision must be an individual nominated under subsection (d). The members appointed by the governor under this subdivision serve at the pleasure of the governor.

2. The following members from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):
   A. One (1) member appointed by the mayor of the largest city in the county in which a riverboat is located.
(B) One (1) member appointed by the mayor of the second largest city in the county in which a riverboat is located.
(C) One (1) member appointed by the mayor of the third largest city in the county in which a riverboat is located.
(D) One (1) member appointed jointly by the county executive and the county fiscal body. A member appointed under this clause may not reside in a city described in clause (A), (B), or (C).
(3) One (1) member appointed jointly by the county executive and county fiscal body of a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000).
(c) A member appointed to the development board must have knowledge and at least five (5) years professional work experience in at least one (1) of the following:
   (1) Rail transportation or air transportation.
   (2) Regional economic development.
   (3) Business or finance.
(d) The mayor of the largest city in a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000) shall nominate three (3) residents of the county for appointment to the development board. One (1) of the governor's initial appointments under subsection (b)(1) must be an individual nominated by the mayor. At the expiration of the member's term, the mayor of the second largest city in the county shall nominate three (3) residents of the county for appointment to the development board. One (1) of the governor's appointments under subsection (b)(1) must be an individual nominated by the mayor. Thereafter, the authority to nominate the three (3) members from which the governor shall make an appointment under subsection (b)(1) shall alternate between the mayors of the largest and the second largest city in the county at the expiration of a member's term.
(e) An individual or entity required to make an appointment under subsection (b) or nominations under subsection (d) must make the initial appointment before September 1, 2005, or the initial nomination before August 15, 2005. If an individual or entity does not make an initial appointment under subsection (b) before September 1, 2005, or the initial nominations required under
subsection (d) before September 1, 2005, the governor shall instead make the initial appointment.

Sec. 4. (a) Except as provided in subsection (b) for the initial appointments to the development board, a member appointed to the development board serves a four (4) year term. However, a member serves at the pleasure of the appointing authority. A member may be reappointed to subsequent terms.

(b) The terms of the initial members appointed to the development board are as follows:

1. The initial member appointed by the governor who is not nominated under section 3(d) of this chapter shall serve a term of four (4) years.
2. The initial member appointed by the governor who is nominated under section 3(d) of this chapter shall serve a term of two (2) years.
3. The initial member appointed under section 3(b)(2)(D) of this chapter shall serve a term of three (3) years.
4. The initial member appointed under section 3(b)(3) of this chapter shall serve a term of three (3) years.
5. The initial members appointed under section 3(b)(2)(A) through 3(b)(2)(C) of this chapter shall serve a term of two (2) years.

(c) If a vacancy occurs on the development board, the appointing authority that made the original appointment shall fill the vacancy by appointing a new member for the remainder of the vacated term.

(d) Each member appointed to the development board, before entering upon the duties of office, must take and subscribe an oath of office under IC 5-4-1, which shall be endorsed upon the certificate of appointment and filed with the records of the development board.

(e) A member appointed to the development board is not entitled to receive any compensation for performance of the member’s duties. However, a member is entitled to a per diem from the development authority for the member’s participation in development board meetings. The amount of the per diem is equal to the amount of the per diem provided under IC 4-10-11-2.1(b).

Sec. 5. (a) The member appointed by the governor under section 3(b)(1) of this chapter but not nominated under section 3(d) of this chapter...
chapter shall serve as chair of the development board until January 2013. At the election under subsection (b) in 2013 and each year thereafter, the chair shall be elected from among the members of the development board.

(b) In January of each year, the development board shall hold an organizational meeting at which the development board shall elect the following officers from the members of the development board:

(1) After December 31, 2012, a chair.
(2) A vice chair.
(3) A secretary-treasurer.

(c) Not more than two (2) members from any particular county may serve as an officer described in subsection (a) or elected under subsection (b). The affirmative vote of at least five (5) members of the development board is necessary to elect an officer under subsection (b).

(d) An officer elected under subsection (b) serves from the date of the officer's election until the officer's successor is elected and qualified.

Sec. 6. (a) The development board shall meet at least quarterly.
(b) The chair of the development board or any two (2) members of the development board may call a special meeting of the development board.
(c) Five (5) members of the development board constitute a quorum.
(d) The affirmative votes of at least five (5) members of the development board are necessary to authorize any action of the development authority.
(e) Notwithstanding any other provision of this article, the minimum of at least five (5) affirmative votes required under subsection (d) to take any of the following actions must include the affirmative vote of the member appointed by the governor who is not nominated under section 3(d) of this chapter:

(1) Making loans, loan guarantees, or grants or providing any other funding or financial assistance for projects.
(2) Acquiring or condemning property.
(3) Entering into contracts.
(4) Employing an executive director or any consultants or technical experts.
(5) Issuing bonds or entering into a lease of a project.

Sec. 7. The development board may adopt the bylaws and rules that the development board considers necessary for the proper conduct of the development board's duties and the safeguarding of the development authority's funds and property.

Sec. 8. (a) The development authority must comply with IC 5-16-7 (common construction wage), IC 5-22 (public purchasing), IC 36-1-12 (public work projects), and any applicable federal bidding statutes and regulations. An eligible political subdivision that receives a loan, a grant, or other financial assistance from the development authority or enters into a lease with the development authority must comply with applicable federal, state, and local public purchasing and bidding law and regulations. However, a purchasing agency (as defined in IC 5-22-2-25) of an eligible political subdivision may:

(1) assign or sell a lease for property to the development authority; or
(2) enter into a lease for property with the development authority;

at any price and under any other terms and conditions as may be determined by the eligible political subdivision and the development authority. However, before making an assignment or sale of a lease or entering into a lease under this section that would otherwise be subject to IC 5-22, the eligible political subdivision or its purchasing agent must obtain or cause to be obtained a purchase price for the property to be subject to the lease from the lowest responsible and responsive bidder in accordance with the requirements for the purchase of supplies under IC 5-22.

(b) In addition to the provisions of subsection (a), with respect to projects undertaken by the authority, the authority shall set a goal for participation by minority business enterprises of fifteen percent (15%) and women's business enterprises of five percent (5%), consistent with the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services. In fulfilling the goal, the authority shall take into account historical precedents in the same market.

Sec. 9. The office of management and budget shall contract with a certified public accountant for an annual financial audit of the
development authority. The certified public accountant may not have a significant financial interest, as determined by the office of management and budget, in a project, facility, or service funded by or leased by or to the development authority. The certified public accountant shall present an audit report not later than four (4) months after the end of the development authority’s fiscal year and shall make recommendations to improve the efficiency of development authority operations. The certified public accountant shall also perform a study and evaluation of internal accounting controls and shall express an opinion on the controls that were in effect during the audit period. The development authority shall pay the cost of the annual financial audit. In addition, the state board of accounts may at any time conduct an audit of any phase of the operations of the development authority. The development authority shall pay the cost of any audit by the state board of accounts.

Chapter 3. Development Authority Powers and Duties
Sec. 1. The development authority shall do the following:
   (1) Assist in the coordination of local efforts concerning projects.
   (2) Assist a commuter transportation district, an airport authority, a shoreline development commission, and a regional bus authority in coordinating regional transportation and economic development efforts.
   (3) Fund projects as provided in this article.
   (4) Fund bus services (including fixed route services and flexible or demand-responsive services) and projects related to bus services and bus terminals, stations, or facilities.
Sec. 2. (a) The development authority may do any of the following:
   (1) Finance, improve, construct, reconstruct, renovate, purchase, lease, acquire, and equip land and projects located in an eligible county.
   (2) Lease land or a project to an eligible political subdivision.
   (3) Finance and construct additional improvements to projects or other capital improvements owned by the development authority and lease them to or for the benefit of an eligible political subdivision.
   (4) Acquire land or all or a portion of one (1) or more projects
from an eligible political subdivision by purchase or lease and
lease the land or projects back to the eligible political
subdivision, with any additional improvements that may be
made to the land or projects.
(5) Acquire all or a portion of one (1) or more projects from
an eligible political subdivision by purchase or lease to fund
or refund indebtedness incurred on account of the projects to
enable the eligible political subdivision to make a savings in
debt service obligations or lease rental obligations or to obtain
relief from covenants that the eligible political subdivision
considers to be unduly burdensome.
(6) Make loans, loan guarantees, and grants or provide other
financial assistance to or on behalf of the following:
   (A) A commuter transportation district.
   (B) An airport authority or airport development authority.
   (C) A shoreline development commission.
   (D) A regional bus authority. A loan, loan guarantee,
grant, or other financial assistance under this clause may
be used by a regional bus authority for acquiring,
 improving, operating, maintaining, financing, and
 supporting the following:
      (i) Bus services (including fixed route services and
          flexible or demand-responsive services) that are a
          component of a public transportation system.
      (ii) Bus terminals, stations, or facilities or other regional
          bus authority projects.
(7) Provide funding to assist a railroad that is providing
commuter transportation services in an eligible county.
(8) Provide funding to assist an airport authority located in an
eligible county in the construction, reconstruction, renovation,
purchase, lease, acquisition, and equipping of an airport
facility or airport project.
(9) Provide funding to assist a shoreline development
commission in carrying out the purposes of IC 36-7-13.5.
(10) Provide funding for economic development projects in an
eligible county.
(11) Hold, use, lease, rent, purchase, acquire, and dispose of
by purchase, exchange, gift, bequest, grant, condemnation,
lease, or sublease, on the terms and conditions determined by
the development authority, any real or personal property located in an eligible county.
(12) After giving notice, enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a project.
(13) Make or enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this article.
(14) Sue, be sued, plead, and be impleaded.
(15) Design, order, contract for, and construct, reconstruct, and renovate a project or improvements to a project.
(16) Appoint an executive director and employ appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, auditors, clerks, construction managers and any consultants or employees that are necessary or desired by the development authority in exercising its powers or carrying out its duties under this article.
(17) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a political subdivision, or any other public or private source.
(18) Use the development authority's funds to match federal grants or make loans, loan guarantees, or grants to carry out the development authority's powers and duties under this article.
(19) Except as prohibited by law, take any action necessary to carry out this article.

(b) If the development authority is unable to agree with the owners, lessees, or occupants of any real property selected for the purposes of this article, the development authority may proceed under IC 32-24-1 to procure the condemnation of the property. The development authority may not institute a proceeding until it has adopted a resolution that:
(1) describes the real property sought to be acquired and the purpose for which the real property is to be used;
(2) declares that the public interest and necessity require the acquisition by the development authority of the property involved; and
(3) sets out any other facts that the development authority considers necessary or pertinent.
The resolution is conclusive evidence of the public necessity of the proposed acquisition.

Sec. 3. The development authority shall before November 1 of each year issue a report to the legislative council, the budget committee, and the governor concerning the operations and activities of the development authority during the preceding state fiscal year. The report to the legislative council must be in an electronic format under IC 5-14-6.

Sec. 4. (a) The development authority shall prepare a comprehensive strategic development plan that includes detailed information concerning the following:

(1) The proposed projects to be undertaken or financed by the development authority.

(2) The following information for each project included under subdivision (1):
   (A) Timeline and budget.
   (B) The return on investment.
   (C) The projected or expected need for an ongoing subsidy.
   (D) Any projected or expected federal matching funds.

(b) The development authority shall before January 1, 2008, submit the comprehensive strategic development plan for review by the budget committee and approval by the director of the office of management and budget.

Chapter 4. Financing; Issuance of Bonds; Leases
Sec. 1. (a) The development board shall establish and administer a development authority fund.

(b) The development authority fund consists of the following:

1. Riverboat admissions tax revenue, riverboat wagering tax revenue, or riverboat incentive payments received by a city or county described in IC 36-7.5-2-3(b) and transferred by the county or city to the fund.

2. County economic development income tax revenue received under IC 6-3.5-7 by a county or city and transferred by the county or city to the fund.


4. Food and beverage tax revenue deposited in the fund under IC 6-9-36-8.

5. Funds received from the federal government.

6. Appropriations to the fund by the general assembly.
(7) Other local revenue appropriated to the fund by a political subdivision.

(8) Gifts, donations, and grants to the fund.

(c) On the date the development authority issues bonds for any purpose under this article, which are secured in whole or in part by the development authority fund, the development board shall establish and administer two (2) accounts within the development authority fund. The accounts shall be the general account and the lease rental account. After the accounts are established, all money transferred to the development authority fund under subsections (b)(1), (b)(2), and (b)(4) shall be deposited in the lease rental account and used only for the payment of or to secure the payment of obligations of an eligible political subdivision under a lease entered into by an eligible political subdivision and the development authority under this chapter. However, any money deposited in the lease rental account and not used for the purposes of this subsection shall be returned by the treasurer of the development authority to the respective counties and cities that contributed the money to the development authority.

(d) Notwithstanding subsection (c), if the amount of all money transferred to the development authority fund under subsections (b)(1), (b)(2), and (b)(4) for deposit in the lease rental account in any one (1) calendar year is greater than an amount equal to:

1. one and twenty-five hundredths (1.25); multiplied by
2. the total of the highest annual debt service on any bonds then outstanding to their final maturity date, which have been issued under this article and are not secured by a lease, plus the highest annual lease payments on any leases to their final maturity, which are then in effect under this article;

then all or a portion of the excess may instead be deposited in the general account.

(e) All other money and revenues of the development authority may be deposited in the general account or the lease rental account at the discretion of the development board. Money on deposit in the lease rental account may be used only to make rental payments on leases entered into by the development authority under this article. Money on deposit in the general account may be used for any purpose authorized by this article.

(f) The development authority fund shall be administered by the
development authority.

(g) Money in the development authority fund shall be used by the development authority to carry out this article and does not revert to any other fund.

Sec. 2. (a) Beginning in 2006, the fiscal officer of each city and county described in IC 36-7.5-2-3(b) (other than the two (2) largest cities in a county described in IC 36-7.5-2-3(b)(1)) shall each transfer three million five hundred thousand dollars ($3,500,000) each year to the development authority for deposit in the development authority fund established under section 1 of this chapter.

(b) The following apply to the transfers required by subsection (a):

(1) The transfers shall be made without appropriation by the city or county fiscal body or approval by any other entity.

(2) After December 31, 2005, each fiscal officer shall transfer eight hundred seventy-five thousand dollars ($875,000) to the development authority fund before the last business day of January, April, July, and October of each year. Food and beverage tax revenue deposited in the fund under IC 6-9-36-8 is in addition to the transfers required by this section.

(3) The transfers shall be made from one (1) or more of the following:

(A) Riverboat admissions tax revenue received by the city or county, riverboat wagering tax revenue received by the city or county, or riverboat incentive payments received from a riverboat licensee by the city or county.

(B) Any county economic development income tax revenue received under IC 6-3.5-7 by the city or county.

(C) Any other local revenue other than property tax revenue received by the city or county.

Sec. 3. (a) Subject to subsection (h), the development authority may issue bonds for the purpose of obtaining money to pay the cost of:

(1) acquiring real or personal property, including existing capital improvements;

(2) acquiring, constructing, improving, reconstructing, or renovating one (1) or more projects; or

(3) funding or refunding bonds issued under this chapter or
IC 8-5-15, IC 8-22-3, IC 36-7-13.5, or IC 36-9-3 or prior law.

(b) The bonds are payable solely from:
(1) the lease rentals from the lease of the projects for which
the bonds were issued, insurance proceeds, and any other
funds pledged or available; and
(2) except as otherwise provided by law, revenue received by
the development authority and amounts deposited in the
development authority fund.

(c) The bonds shall be authorized by a resolution of the
development board.

(d) The terms and form of the bonds shall either be set out in the
resolution or in a form of trust indenture approved by the
resolution.

(e) The bonds shall mature within forty (40) years.

(f) The board shall sell the bonds only to the Indiana
development finance authority established by IC 4-4-11-4 upon the
terms determined by the development board and the Indiana
development finance authority.

(g) All money received from any bonds issued under this
chapter shall be applied solely to the payment of the cost of
acquiring, constructing, improving, reconstructing, or renovating
one (1) or more projects, or the cost of refunding or refinancing
outstanding bonds, for which the bonds are issued. The cost may
include:

(1) planning and development of equipment or a facility and
all buildings, facilities, structures, equipment, and
improvements related to the facility;
(2) acquisition of a site and clearing and preparing the site for
construction;
(3) equipment, facilities, structures, and improvements that
are necessary or desirable to make the project suitable for use
and operations;
(4) architectural, engineering, consultant, and attorney's fees;
(5) incidental expenses in connection with the issuance and
sale of bonds;
(6) reserves for principal and interest;
(7) interest during construction;
(8) financial advisory fees;
(9) insurance during construction;
(10) municipal bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and
(11) in the case of refunding or refinancing, payment of the principal of, redemption premiums (if any) for, and interest on, the bonds being refunded or refinanced.

(h) The development authority may not issue bonds under this article unless the development authority first finds that each contract for the construction of a facility and all buildings, facilities, structures, and improvements related to that facility to be financed in whole or in part through the issuance of the bonds requires payment of the common construction wage required by IC 5-16-7.

Sec. 4. This chapter contains full and complete authority for the issuance of bonds. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the development board or any other officer, department, agency, or instrumentality of the state or of any political subdivision is required to issue any bonds, except as prescribed in this article.

Sec. 5. (a) The development authority may secure bonds issued under this chapter by a trust indenture between the development authority and a corporate trustee, which may be any trust company or national or state bank within Indiana that has trust powers.

(b) The trust indenture may:

(1) pledge or assign revenue received by the development authority, amounts deposited in the development authority fund, and lease rentals, receipts, and income from leased projects, but may not mortgage land or projects;
(2) contain reasonable and proper provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the development authority and development board;
(3) set forth the rights and remedies of bondholders and trustees; and
(4) restrict the individual right of action of bondholders.

(c) Any pledge or assignment made by the development authority under this section is valid and binding in accordance with IC 5-1-14-4 from the time that the pledge or assignment is made, against all persons whether they have notice of the lien or not. Any
trust indenture by which a pledge is created or an assignment made need not be filed or recorded. The lien is perfected against third parties in accordance with IC 5-1-14-4.

Sec. 6. (a) Bonds issued under IC 8-5-15, IC 8-22-3, IC 36-7-13.5, or IC 36-9-3 or prior law may be refunded as provided in this section.

(b) An eligible political subdivision may:

(1) lease all or a portion of land or a project or projects to the development authority, which may be at a nominal lease rental with a lease back to the eligible political subdivision, conditioned upon the development authority assuming bonds issued under IC 8-5-15, IC 8-22-3, IC 36-7-13.5, or IC 36-9-3 or prior law and issuing its bonds to refund those bonds; and

(2) sell all or a portion of land or a project or projects to the development authority for a price sufficient to provide for the refunding of those bonds and lease back the land or project or projects from the development authority.

Sec. 7. (a) Before a lease may be entered into by an eligible political subdivision under this chapter, the eligible political subdivision must find that the lease rental provided for is fair and reasonable.

(b) A lease of land or a project from the development authority to an eligible political subdivision:

(1) may not have a term exceeding forty (40) years;

(2) may not require payment of lease rentals for a newly constructed project or for improvements to an existing project until the project or improvements to the project have been completed and are ready for occupancy or use;

(3) may contain provisions:

(A) allowing the eligible political subdivision to continue to operate an existing project until completion of the acquisition, improvements, reconstruction, or renovation of that project or any other project; and

(B) requiring payment of lease rentals for land, for an existing project being used, reconstructed, or renovated, or for any other existing project;

(4) may contain an option to renew the lease for the same or shorter term on the conditions provided in the lease;

(5) must contain an option for the eligible political subdivision
to purchase the project upon the terms stated in the lease during the term of the lease for a price equal to the amount required to pay all indebtedness incurred on account of the project, including indebtedness incurred for the refunding of that indebtedness;

(6) may be entered into before acquisition or construction of a project;

(7) may provide that the eligible political subdivision shall agree to:

(A) pay any taxes and assessments on the project;

(B) maintain insurance on the project for the benefit of the development authority;

(C) assume responsibility for utilities, repairs, alterations, and any costs of operation; and

(D) pay a deposit or series of deposits to the development authority from any funds legally available to the eligible political subdivision before the commencement of the lease to secure the performance of the eligible political subdivision's obligations under the lease; and

(8) shall provide that the lease rental payments by the eligible political subdivision shall be made from the development authority fund established by section 1 of this chapter and may provide that the lease rental payments by the eligible political subdivision shall be made from:

(A) net revenues of the project;

(B) any other funds available to the eligible political subdivision; or

(C) both sources described in clauses (A) and (B).

Sec. 8. This chapter contains full and complete authority for leases between the development authority and an eligible political subdivision. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the development authority or the eligible political subdivision or any other officer, department, agency, or instrumentality of the state or any political subdivision is required to enter into any lease, except as prescribed in this article.

Sec. 9. If the lease provides for a project or improvements to a project to be constructed by the development authority, the plans and specifications shall be submitted to and approved by all
agencies designated by law to pass on plans and specifications for public buildings.

Sec. 10. The development authority and an eligible political subdivision may enter into common wall (party wall) agreements or other agreements concerning easements or licenses. These agreements shall be recorded with the recorder of the county in which the project is located.

Sec. 11. (a) An eligible political subdivision may lease for a nominal lease rental, or sell to the development authority, one (1) or more projects or portions of a project or land upon which a project is located or is to be constructed.

(b) Any lease of all or a portion of a project by an eligible political subdivision to the development authority must be for a term equal to the term of the lease of that project back to the eligible political subdivision.

(c) An eligible political subdivision may sell property to the development authority for the amount the eligible political subdivision determines to be in the best interest of the eligible political subdivision. The development authority may pay that amount from the proceeds of bonds of the development authority.

Sec. 12. If an eligible political subdivision exercises its option to purchase leased property, the eligible political subdivision may issue its bonds as authorized by statute.

Sec. 13. (a) All:
(1) property owned by the development authority;
(2) revenues of the development authority; and
(3) bonds issued by the development authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;
are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

(b) All securities issued under this chapter are exempt from the registration requirements of IC 23-2-1 and other securities registration statutes.

Sec. 14. Bonds issued under this chapter are legal investments for private trust funds and the funds of banks, trust companies,
insurance companies, building and loan associates, credit unions, savings banks, private banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

Sec. 15. An action to contest the validity of bonds to be issued under this chapter may not be brought after the time limitations set forth in IC 5-1-14-13.

Sec. 16. (a) This section applies if:

(1) a city or county described in IC 36-7.5-2-3 fails to make a transfer or a part of a transfer required by section 2 of this chapter; and

(2) the development authority has bonds or other debt or lease obligations outstanding.

(b) The treasurer of state shall do the following:

(1) Deduct from amounts otherwise payable to the city or town under IC 4-33-12 or IC 4-33-13 an amount equal to the amount of the transfer or part of the transfer under section 2 of this chapter that the city or county failed to make.

(2) Pay the amount deducted under subdivision (1) to the development authority.

Sec. 17. (a) If there are bonds outstanding that have been issued under this article and are not secured by a lease, or if there are leases in effect under this article, the general assembly also covenants that it will not reduce the amount required to be transferred from the counties and cities to the development authority under section 2 of this chapter below an amount that would produce one and twenty-five hundredths (1.25) multiplied by the total of the highest annual debt service on the bonds to their final maturity plus the highest annual lease payments on the leases to their final termination date.

(b) The general assembly also covenants that it will not:

(1) repeal or amend this article in a manner that would adversely affect owners of outstanding bonds, or the payment of lease rentals, secured by the amounts pledged under this chapter; or

(2) in any way impair the rights of owners of bonds of the development authority, or the owners of bonds secured by
lease rentals, secured by a pledge of revenues under this chapter; except as otherwise set forth in subsection (a).

SECTION 74. IC 36-9-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A fiscal body of a county or municipality may, by ordinance, establish a regional transportation authority (referred to as "the authority" in this chapter) for the purpose of acquiring, improving, operating, maintaining, financing, and generally supporting a public transportation system that operates within the boundaries of an area designated as a transportation planning district by the Indiana department of transportation. However, only one (1) public transportation authority may be established within an area designated as a transportation planning district by the Indiana department of transportation.

(b) The ordinance establishing the authority must include an effective date and a name for the authority. Except as provided in subsection (c), the words "regional transportation authority" must be included in the name of the authority.

(c) The words "regional bus authority" must be included in the name of an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

SECTION 75. IC 36-10-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. The board may, acting under the title "capital improvement board of managers of County", do the following:

(1) Acquire by grant, purchase, gift, devise, lease, condemnation, or otherwise, and hold, use, sell, lease, or dispose of, real and personal property and all property rights and interests necessary or convenient for the exercise of its powers under this chapter.
(2) Construct, reconstruct, repair, remodel, enlarge, extend, or add to any capital improvement built or acquired by the board under this chapter.
(3) Control and operate a capital improvement, including letting concessions and leasing all or part of the capital improvement.
(4) Fix charges and establish rules governing the use of a capital improvement.
(5) Accept gifts or contributions from individuals, corporations,
limited liability companies, partnerships, associations, trusts, or political subdivisions, foundations, and funds, loans, or advances on the terms that the board considers necessary or desirable from the United States, the state, and any political subdivision or department of either, including entering into and carrying out contracts and agreements in connection with this subdivision.

(6) Exercise within and in the name of the county the power of eminent domain under general statutes governing the exercise of the power for a public purpose.

(7) Receive and collect money due for the use or leasing of a capital improvement and from concessions and other contracts, and expend the money for proper purposes.

(8) Receive excise taxes, income taxes, and ad valorem property taxes and expend the money for operating expenses, payments of principal or interest of bonds or notes issued under this chapter, and for all or part of the cost of a capital improvement.

(9) Retain the services of architects, engineers, accountants, attorneys, and consultants and hire employees upon terms and conditions established by the board, so long as any employees or members of the board authorized to receive, collect, and expend money are covered by a fidelity bond, the amount of which shall be fixed by the board. Funds may not be disbursed by an employee or member of the board without prior specific approval by the board.

(10) Provide coverage for its employees under IC 22-3 and IC 22-4.

(11) Purchase public liability and other insurance considered desirable.

(12) Make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter, including the enforcement of them.

(13) Sue and be sued in the name and style of "capital improvement board of managers of __________ County" (including the name of the county), service of process being had by leaving a copy at the board's office.

(14) Prepare and publish descriptive material and literature relating to the facilities and advantages of a capital improvement and do all other acts that the board considers necessary to
promote and publicize the capital improvement, including the
convention and visitor industry, and serve the commercial,
industrial, and cultural interests of Indiana and its citizens. The
board may assist, cooperate, and fund governmental, public, and
private agencies and groups for these purposes.

(15) Enter into leases of capital improvements and sell or lease
property under IC 5-1-17 or IC 36-10-9.1.

SECTION 76. IC 36-12-7-8, AS ADDED BY HEA 1288-2005,
SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 8. (a) For As used in this section:

(1) "county fiscal body" means the fiscal body of a county in
which a private donation library is located;

(2) "library board" means a library board established under
IC 20-14 in a county in which a private donation library is
located; and

(3) "private donation library" means a public library:

established:

(±) (A) established by private donation;

(⊂) (B) located in a city having a population of more than one
hundred twenty thousand (120,000) but less than one hundred
fifty thousand (150,000);

(⊃) (C) that contains at least twenty-five thousand (25,000)
volumes;

(⊥) (D) that has real property valued at at least one hundred
thousand dollars ($100,000); and

(∃) (E) that is open and free to the residents of the city.

A tax shall be levied and collected annually by the city according to
IC 6-1.1.

(b) The city legislative body library board shall:

(1) levy the a tax required under subsection (a) IC 6-1.1 in an
amount not less than sixty-seven hundredths of one cent
($0.0067) and not more than one and sixty-seven hundredths
cents ($0.0167) on each one hundred dollars ($100) of the
assessed valuation of all the real and personal property in the city.

When the city levies the tax, the library under subsection (a) shall
be treated as if the library were a public library for purposes of
IC 6-1.1-18.5-13, and the legislative body may increase the
legislative body's levy to the same extent as a public library under
(3) use the tax levied under subdivision (1):
   (A) if the membership of the trustees of the private donation library includes at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, for distributions of the full amounts of the tax received to the trustees of the private donation library at the time the tax is received by the library board; or
   (B) if the membership of the trustees of the private donation library does not include at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, at the discretion of the library board for:
      (i) library board purposes; or
      (ii) quarterly distributions to the trustees of the private donation library.

(c) If requested by the trustees of the private donation library, the library board shall designate a member of the library board or appoint an individual to serve as a trustee of the private donation library. If requested by the trustees of the private donation library, the county fiscal body shall appoint an individual to serve as a trustee of the private donation library.

(d) The trustees of the private donation library shall annually submit a budget to the library board.

(e) (e) The tax shall be paid to the trustees of the private donation library. The trustees shall expend the tax amounts received under subsection (b)(3)(A) or (b)(3)(B)(ii) for the support, operation, and maintenance of the private donation library. The trustees shall:
   1) keep the tax money separate from all other funds; The trustees shall
   2) record:
      (A) the amount of taxes money received;
      (B) to whom and when the money is paid out; and
      (C) for what purpose the money is used;
   in a book kept by the trustees; The trustees shall and
(3) make an annual report of the matters under this subsection referred to in subdivision (2) to the legislative body of the city.

(f) For purposes of the property tax levy limits under IC 6-1.1-18.5, the tax levied by the library board under subsection (b)(1) is not included in the calculation of the maximum permissible property tax levy for the public library.

SECTION 77. IC 6-9-12-9 IS REPEALED [EFFECTIVE MAY 15, 2005].

SECTION 78. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding the effective dates included in HEA 1003-2005, the following provisions take effect February 9, 2005, and not July 1, 2005:

(1) SECTIONS 66 through 85 of HEA 1003-2005.

(2) SECTIONS 102 through 110 of HEA 1003-2005.

(3) SECTION 112 of HEA 1003-2005.

(b) The actions taken by the Indiana economic development corporation to administer IC 6-3.1-13 and IC 6-3.1-26, both as amended by HEA 1003-2005, after February 8, 2005, and before the effective date of this act, are legalized and validated.

SECTION 79. [EFFECTIVE JULY 1, 2005] (a) The Indiana department of administration shall, before January 1, 2006, adopt policies and standards under IC 4-13-1-4(16), as added by this act, for using state owned property as locations for making motion pictures.

(b) This SECTION expires January 2, 2006.

SECTION 80. [EFFECTIVE JULY 1, 2005] (a) IC 6-1.1-12-34.5, as added by this act, applies to property tax assessments made after December 31, 2005.

(b) IC 6-1.1-12-35.5 and IC 6-1.1-12-36, both as amended by this act, apply to property tax assessments made after December 31, 2005.

SECTION 81. [EFFECTIVE JANUARY 1, 2006] IC 6-1.1-23-1, as amended by this act, applies only to property taxes first due and payable after December 31, 2005.

SECTION 82. [EFFECTIVE JANUARY 1, 2006] IC 6-1.1-1-11 and IC 6-1.1-31-7, both as amended by this act, apply only to property taxes first due and payable after December 31, 2006.
SECTION 83. [EFFECTIVE JANUARY 1, 2006] IC 6-1.1-45, as added by this act, applies to assessment dates occurring after February 28, 2006, for property taxes first due and payable after December 31, 2006.

SECTION 84. [EFFECTIVE JULY 1, 2005] IC 36-12-7-8, as amended by this act, applies only to property taxes first due and payable after December 31, 2005.

SECTION 85. [EFFECTIVE UPON PASSAGE] Notwithstanding the provisions in IC 6-3.5-6 that indicate that an ordinance establishing or increasing the rate of a county option income tax in 2005 must be adopted before April 1, 2005, an ordinance adopted in 2005 to establish an additional rate under IC 6-3.5-6-27, as added by this act, may be adopted before June 1, 2005. An ordinance under this SECTION must be adopted in the same manner as an ordinance under IC 6-3.5-6. An ordinance adopted under this SECTION is effective on the later of the following:
   (1) July 1, 2005.
   (2) Fifteen (15) regular business days after the department of state revenue receives a certified copy of the ordinance from the county auditor.

SECTION 86. [EFFECTIVE UPON PASSAGE] Notwithstanding the provisions in IC 6-3.5-6 that indicate that an ordinance establishing or increasing the rate of a county option income tax in 2005 must be adopted before April 1, 2005, an ordinance adopted in 2005 to establish an additional rate under IC 6-3.5-6-28, as added by this act, may be adopted before June 1, 2005. An ordinance under this SECTION must be adopted in the same manner as an ordinance under IC 6-3.5-6. An ordinance adopted under this SECTION is effective on the later of the following:
   (1) July 1, 2005.
   (2) Fifteen (15) regular business days after the department of state revenue receives a certified copy of the ordinance from the county auditor.

SECTION 87. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding any other law, the legislative body of each unit (as defined in IC 36-1-2-23) that contains the geographic area of an enterprise zone shall, before December 1, 2005, adopt and forward to the enterprise zone board a resolution containing the legislative body's recommendation as to whether the zone should:
(1) continue in existence, subject to the renewal schedule set forth in IC 4-4-6.1-3 of this chapter; or
(2) be terminated effective December 31, 2005.

A legislative body that fails to adopt a resolution under this subsection is considered to have adopted a resolution recommending the termination of the zone for purposes of subsection (b).

(b) Notwithstanding any other law, if the legislative body of a unit adopts a resolution recommending the termination of an enterprise zone under subsection (a)(2), that enterprise zone is terminated effective December 31, 2005.

(c) This SECTION expires July 1, 2006.

SECTION 88. [EFFECTIVE JULY 1, 2005] Not later than June 30, 2007, Ivy Tech State College shall enter into a lease, after review by the state budget committee and approval by the budget agency, with the owners of the Fort Wayne Regional Public Safety Center to be constructed after July 1, 2005, in the Southtown Community Revitalization Enhancement District to use the Fort Wayne Regional Public Safety Center to further its partnership with the Northeast Indiana Workforce Investment Board, the Regional Anthis Career Center, the Indiana National Guard, Indiana University-Purdue University at Fort Wayne, and other area institutions to allow the Fort Wayne Regional Public Safety Center to offer public safety related degree programs. The lease may not exceed a term that ends before July 1, 2022, or provide for a lease rental payment, excluding a reasonable allowance for maintenance and repair services, that exceeds one million dollars ($1,000,000) in any state fiscal year covered by the lease.

SECTION 89. [EFFECTIVE JULY 1, 2005] The general assembly finds the following:

(1) The eligible counties (as defined in IC 36-7.5-1-11, as added by this act) face unique and distinct challenges and opportunities related to transportation and economic development that are different in scope and type than those faced by other units of local government in Indiana.
(2) A unique approach is required to fully take advantage of the economic development potential of the Chicago, South Shore, and South Bend Railway and the Gary/Chicago International Airport and the Lake Michigan shoreline.
(3) The powers and responsibilities provided to the northwest Indiana regional development authority established by IC 36-7.5-2-1, as added by this act, are appropriate and necessary to carry out the public purposes of encouraging economic development and further facilitating the provision of air, rail, and bus transportation services, projects, and facilities, shoreline development projects, and economic development projects in the eligible counties.

SECTION 90. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commission" refers to the Indiana gaming commission established under IC 4-33.

(b) The commission shall study alternative forms of gaming to determine if other forms of gaming would be beneficial for Indiana. The commission may include the following in the study:

1. New games or trends in gaming that might be compatible with Indiana's existing gaming industry.
2. Estimates of the amount of revenue that could be generated from different gaming alternatives.
3. The estimated impact that gaming alternatives would have on existing gaming revenues.

(c) The commission shall report its findings to the director of the office of management and budget on or before October 1, 2005. The commission shall also provide its report to the general assembly in an electronic format under IC 5-14-6.

(d) This SECTION expires January 1, 2006.

SECTION 91. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 6-3.5-7-5 and IC 6-3.5-7-6, the county council of an eligible county (as defined in IC 36-7.5-1-11, as added by this act) may after the effective date of this act but before July 1, 2005, adopt an ordinance to impose or increase the county economic development income tax under IC 6-3.5-7, with the imposition of the tax or the increase in the tax rate to take effect July 1, 2005.

(b) If the county council of a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000) adopts an ordinance under this SECTION before July 1, 2005, to increase the county's economic development income tax rate, then notwithstanding IC 6-3.5-7-11 or any other provision of IC 6-3.5-7 the initial certified distribution of the tax revenue that results from the tax
rate increase shall be distributed to the county treasurer from the account established for the county under IC 6-3.5-7 according to the following schedule during the eighteen (18) month period beginning on July 1 of the year in which the county adopts the ordinance to increase the tax rate:

1. One-fourth (1/4) on October 1 of the year in which the ordinance to increase the tax rate was adopted.
2. One-fourth (1/4) on January 1 of the calendar year following the year in which the ordinance to increase the tax rate was adopted.
3. One-fourth (1/4) on May 1 of the calendar year following the year in which the ordinance was adopted.
4. One-fourth (1/4) on November 1 of the calendar year following the year in which the ordinance was adopted.

(c) This SECTION expires January 1, 2007.

SECTION 92. [EFFECTIVE MAY 15, 2005] (a) If a member of the board of directors of the Indiana stadium and convention building authority to be appointed under IC 5-1-17-7(a)(3) is not appointed for the initial term on or before June 30, 2005, the governor shall appoint that member for the initial term.

(b) This SECTION expires July 1, 2006.

SECTION 93. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 9-18-49-6, as added by this act, the budget agency shall carry out the duties imposed upon it by IC 9-18-49-6, as added by this act, under interim written guidelines approved by the director of the budget agency.

(b) This SECTION expires the earlier of the following:

1. The date rules are adopted under IC 9-18-49-6.

SECTION 94. [EFFECTIVE MAY 15, 2005] The general assembly finds the following:

1. Marion, Boone, Johnson, Hamilton, Hancock, Hendricks, Morgan, and Shelby counties, and certain municipalities located in those counties, face unique and distinct challenges and opportunities related to the economic development issues associated with the construction and maintenance of a world-class convention center and stadium facility in Indianapolis.

2. A unique approach is required to ensure that these
counties have sufficient revenue sources to allow them to meet these challenges and opportunities.

(3) The powers and responsibilities provided to these counties and to the Indiana stadium and convention building authority created by this act are appropriate and necessary to carry out the public purposes of encouraging and fostering economic development in central Indiana and constructing a world-class convention center and stadium facility in Indianapolis.

(4) The retention of a National Football League franchised professional football team in Indianapolis poses unique challenges due to the need for development of a world-class football stadium and related infrastructure that would not be needed apart from the needs related to the retention of a National Football League franchised professional football team in Indianapolis.

(5) The retention of a National Football League franchised professional football team in Indianapolis is critical to successful economic development in Indianapolis and is a public purpose.

(6) Encouragement of economic development in Indianapolis will:

(A) generate significant economic activity, a substantial portion of which results from persons residing outside Indiana, which may attract new businesses and encourage existing businesses to remain or expand in Indianapolis;

(B) promote the consolidated city to residents outside Indiana, which may attract residents outside Indiana and new businesses to relocate to the Indianapolis;

(C) protect and increase state and local tax revenues; and

(D) encourage overall economic growth in Indianapolis and in Indiana.

(7) Indianapolis faces unique challenges in the development of infrastructure and other facilities necessary to promote economic development as a result of its need to rely on sources of revenue other than property taxes, due to the large number of tax exempt properties located in Indianapolis because Indianapolis is the seat of government, the home to multiple institutions of higher education, and the site of
numerous state and regional nonprofit corporations.

(8) Economic development benefits the health and welfare of the people of Indiana, is a public use and purpose for which public money may be spent, and is of public utility and benefit.

SECTION 95. [EFFECTIVE JULY 1, 2005] There is appropriated to Ivy Tech State College three hundred thousand dollars ($300,000) from the state general fund for its use for A&E expenses for planning of the Logansport campus during the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 96. [EFFECTIVE UPON PASSAGE] (a) The following definitions apply throughout this SECTION:

(1) "2002 liability" means the amount of property taxes imposed on a homestead first due and payable in 2002.
(2) "2003 increase" means the amount by which the 2003 liability exceeds the 2002 liability.
(3) "2003 liability" means the amount of property taxes imposed on a homestead first due and payable in 2003.
(4) "Fiscal body" has the meaning set forth in IC 36-1-2-6.
(5) "Homestead" has the meaning set forth in IC 6-1.1-20.9-1.
(6) "Liability" means liability for the taxes imposed on a homestead under IC 6-1.1 determined after application of all credits and deductions under IC 6-1.1 but does not include any interest or penalty imposed under IC 6-1.1.
(7) "Qualifying homestead" means a homestead with respect to which the 2003 increase:
   (A) exceeds the 2002 liability; and
   (B) is at least five hundred dollars ($500).

(b) If the county fiscal body adopts an ordinance before July 1, 2005, to authorize the application of the credit under this SECTION, a person is entitled to a credit against the person's liability with respect to the person's qualifying homestead located in the county for property taxes first due and payable in each of the years listed in subdivision (2) in the amount of the product of:

(1) the 2003 increase; multiplied by
(2) the percentage from the following table corresponding to the year in which property taxes are first due and payable:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>80%</td>
</tr>
</tbody>
</table>
(c) A person is not required to file an application for the credit under this SECTION. The county auditor shall:

(1) identify homesteads in the county eligible for the credit under this SECTION; and

(2) apply the credit under this SECTION to the liability.

(d) The county auditor and county treasurer may apply the credit under this SECTION for property taxes first due and payable in 2005 by adjustment of the statement for the property tax installment due November 10, 2005.

(e) A political subdivision may use any source of revenue available to the political subdivision to offset a revenue loss that would otherwise result from the application of credits under this SECTION.

(f) A political subdivision may not appeal for an excessive levy in a year succeeding a year in which a credit under this SECTION applies to make up for a revenue loss that results from the application of the credit.

(g) A county fiscal body may not provide a credit under this SECTION in the same year that the county fiscal body also provides a property tax credit for homesteads under IC 6-1.1-20.4 or IC 6-1.1-20.6.

(h) A county auditor or county treasurer may not apply the credit under this SECTION in the same year that a credit for homesteads is applied under IC 6-1.1-20.4 or IC 6-1.1-20.6.

SECTION 97. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-22-2-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) Except as provided in section 23.1 of this chapter, this section does not apply to the adoption of rules:

1) required by statute if initiation of the rules is contingent upon the receipt of a waiver under federal law, to receive or maintain:
   (A) delegation;
   (B) primacy; or
   (C) approval;
   for state implementation or operation of a program established under federal law;
2) that amend an existing rule;
3) required or authorized by statutes enacted before June 30, 1995; or
4) required or authorized by statutes enacted before June 30, 1995, and recodified in the same or similar form after June 29, 1995, in response to a program of statutory recodification conducted by the code revision commission.

(b) If an agency will have statutory authority to adopt a rule at the time that the rule becomes effective, the agency may conduct any part of its rulemaking action before the statute authorizing the rule becomes effective.

(c) However, an agency shall:

1) begin the rulemaking process not later than sixty (60) days after the effective date of the statute that authorizes the rule; or
2) if an agency cannot comply with subdivision (1), immediately provide written notification to the administrative rules oversight committee stating the reasons for the agency's noncompliance.
If an agency notifies the administrative rules oversight committee concerning a rule in compliance with subdivision (2), failure to adopt the rule within the time specified in subdivision (1) does not invalidate the rule.

SECTION 2. IC 4-22-2-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) Whenever an agency submits a rule to the publisher, the attorney general, the governor, or the secretary of state under this chapter, the agency shall submit the rule in the form of a written document that:
   (1) is clear, concise, and easy to interpret and to apply; and
   (2) uses the format, numbering system, standards, and techniques established under section 42 of this chapter.

   (b) After June 30, 2006, all documents submitted to the publisher under this chapter must be submitted electronically in the format specified by the publisher.

SECTION 3. IC 4-22-2-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) This section does not apply to rules adopted under IC 4-22-2-37.1.

   (b) At least twenty-eight (28) days before or after an agency notifies the public of its intention to adopt a rule under section 24 of this chapter, the agency shall notify the public of its intention to adopt a rule by publishing a notice of intent to adopt a rule in the Indiana Register. at least thirty (30) days before the preliminary adoption of the rule. The publication notice must include an overview of the intent and scope of the proposed rule and the statutory authority for the rule.

   (c) The requirement to publish a notice of intent to adopt a rule under subsection (b) does not apply to rulemaking under IC 13-14-9.

   (d) In addition to the procedures required by this article, an agency shall may solicit comments from the public on the need for a rule, the drafting of a rule, or any other subject related to a rulemaking action. The procedures that the agency may use include the holding of conferences and the inviting of written suggestions, facts, arguments, or views.

   (e) The agency shall prepare a written response that contains a summary of the comments received during any part of the rulemaking process. The written response is a public document. The agency shall
make the written response available to interested parties upon request.

SECTION 4. IC 4-22-2-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) An agency shall notify the public of its intention to adopt a rule by complying with the publication requirements in subsections (b) and (c).

(b) The agency shall cause a notice of a public hearing to be published once in one (1) newspaper of general circulation in Marion County, Indiana. To publish the newspaper notice, the agency shall directly contract with the newspaper. An agency may not contract for the publication of a notice under this chapter until the agency has received a written or an electronic authorization to proceed from the publisher under subsection (g).

(c) The agency shall cause a notice of public hearing and the full text of the agency's proposed rule (excluding the full text of a matter incorporated by reference under section 21 of this chapter) to be published once in the Indiana Register. To publish the notice and proposed rule in the Indiana Register, the agency shall submit the text to the publisher in accordance with subsection (g). The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) The agency shall include in the notice required by subsections (b) and (c):

1. a statement of the date, time, and place at which the public hearing required by section 26 of this chapter will be convened;
2. a general description of the subject matter of the proposed rule; and
3. an explanation that the proposed rule may be inspected and copied at the office of the agency.

However, inadequacy or insufficiency of the subject matter description in a notice does not invalidate a rulemaking action.

(e) Although the agency may comply with the publication requirements in this section on different days, the agency must comply with all of the publication requirements in this section at least twenty-one (21) days before the public hearing required by section 26 of this chapter is convened.

(f) This section does not apply to the solicitation of comments under
section 23 of this chapter.

(g) The publisher shall review materials submitted under this section and determine the date that the publisher intends to include the material in the Indiana Register. After:

(1) establishing the intended publication date; and
(2) receiving the public hearing information specified in subsection (d) from the agency;

the publisher shall provide a written or an electronic mail authorization to proceed to the agency.

SECTION 5. IC 4-22-2-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) After an agency has complied with section 29 of this chapter, or with IC 13-14-9-9(1) or IC 13-14-9-9(2), as applicable, the agency shall submit its rule to the attorney general for approval. The agency shall submit the following to the attorney general:

(1) The rule in the form required by section 20 of this chapter.
(2) The documents required by section 21 of this chapter.
(3) Written authorization to proceed issued by the publisher under section 24(g) of this chapter.
(4) Any other documents specified by the attorney general.

The attorney general may require the agency to submit any supporting documentation that the attorney general considers necessary for the attorney general's review under section 32 of this chapter. The agency may submit any additional supporting documentation the agency considers necessary.

(b) The attorney general shall determine the number of copies of the rule and other documents to be submitted under this section. The agency shall submit the following documents to the attorney general:

(1) One (1) original copy of the rule.
(2) Two (2) copies of the rule.
(3) One (1) copy of any matters incorporated by reference under section 21 of this chapter.
(4) Two (2) copies of any supporting documentation submitted under subsection (a).

SECTION 6. IC 4-22-2-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) After a rule has been approved or deemed approved under section 32 of this chapter,
the agency shall submit the rule to the governor for approval. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter.

(b) The agency shall submit to the governor shall determine the number of the copies of the rule and other documents to be submitted under this section. specified in section 31 of this chapter.

SECTION 7. IC 4-22-2-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) When a rule has been approved or deemed approved by the governor within the period allowed by section 25 of this chapter, the agency shall immediately submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter.

(b) The agency shall submit to the secretary of state shall determine the number of the copies of the rule and other documents to be submitted under this section. specified in section 31 of this chapter.

(c) Subject to section 39 of this chapter, the secretary of state shall:
(1) accept the rule for filing; and
(2) file stamp and indicate the date and time the rule is accepted on every duplicate original copy submitted.

SECTION 8. IC 4-22-2-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) When an agency submits a rule for filing under section 35, 37.1, or 38 of this chapter, the secretary of state may accept the rule for filing only if the following conditions are met:

(1) A sufficient number of duplicate original copies of the rule are submitted to allow the secretary of state to comply with IC 4-22-7-5:
(A) One (1) original copy of the rule.
(B) Two (2) copies of the rule.
(C) One (1) copy of any matters incorporated by reference under section 21 of this chapter.
(D) Two (2) copies of any supporting documentation submitted under section 31(a) of this chapter.

(2) Each submitted copy includes a reference to the document control number assigned to the rule by the publisher.

(3) Each submitted copy indicates that the agency has conducted
its rulemaking action in conformity with all procedures required by law. However, if section 31 of this chapter applies to the rule, the secretary of state shall rely on the approval of the attorney general as the basis for determining that the agency has complied with all procedures required before the date of the approval. 

(b) If a rule includes a statement that the rule is not effective until:
   (1) an agency has complied with requirements established by the federal or state government;
   (2) a specific period of time has elapsed; or
   (3) a date has occurred;
the agency has complied with subsection (a)(3) even if the described event or time has not occurred before the secretary of state reviews the rule under this section.

(c) The secretary of state shall take no more than three (3) business days to complete the review of a rule under this section.

SECTION 9. IC 4-22-2.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsection (b) or section 1.1 of this chapter, an administrative rule adopted under IC 4-22-2 expires January 1 of the seventh year after the year in which the rule takes effect, unless the rule contains an earlier expiration date. The expiration date of a rule under this section is extended each time that a rule amending an unexpired rule takes effect. The rule, as amended, expires on January 1 of the seventh year after the year in which the amendment takes effect.

(b) An administrative rule that:
   (1) was adopted under IC 4-22-2;
   (2) is in force on December 31, 1995; and
   (3) is not amended by a rule that takes effect after December 31, 1995, and before January 1, 2002;
expires not later than January 1, 2002.

(c) The determination of whether an administrative rule expires under this chapter shall be applied at the level of an Indiana Administrative Code section.

SECTION 10. IC 4-22-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsection (b), an agency may readopt all rules subject to expiration under this chapter under one (1) rule that lists all rules that are readopted by their titles and subtitles only. A rule that has expired
but is readopted under this subsection may not be removed from the Indiana Administrative Code.

(b) If, not later than thirty (30) days after an agency's publication of notice of its intention to adopt a rule under IC 4-22-2-24 IC 4-22-2-23 using the listing allowed under subsection (a), a person submits to the agency a written request and the person's basis for the request that a particular rule be readopted separately from the readoption rule described in subsection (a), the agency must:

(1) readopt that rule separately from the readoption rule described in subsection (a); and
(2) follow the procedure for adoption of administrative rules under IC 4-22-2 with respect to the rule.

(c) If the agency does not receive a written request under subsection (b) regarding a rule within thirty (30) days after the agency's publication of notice, the agency may:

(1) submit the rule for filing with the secretary of state under IC 4-22-2-35 and publish notice in the Indiana Register that the agency has readopted the rule; or
(2) elect the procedure for readoption under IC 4-22-2.

SECTION 11. IC 4-22-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. An agency shall maintain a duplicate original copy of each rule that has been filed with the secretary of state (including documents filed with the secretary of state under IC 4-22-2-21) under a retention schedule established by the commission on public records.

SECTION 12. IC 4-22-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in subsection (f); The secretary of state shall retain a duplicate original copy of each rule that has been accepted for filing by the secretary of state (including documents filed with the secretary of state under IC 4-22-2-21) and one (1) copy of any supporting documentation submitted under section 31 of this chapter. The secretary of state has official custody of an agency's adopted rules.

(b) Within one (1) business day after the date that the secretary of state accepts a rule for filing, the secretary of state shall distribute two (2) duplicate copies one (1) copy of the rule to the publisher in paper the form specified by the publisher. The secretary of state shall also
return to the agency one (1) copy of the rule and one (1) copy of any supporting documentation submitted under section 31 of this chapter. However, the secretary of state may distribute the rule without including the full text of any matter incorporated into the rule.

(c) When the copies are distributed under subsection (b), the secretary of state shall include a notice briefly describing the incorporated matters.

(d) Within ninety (90) days after the secretary of state accepts a rule for filing, the secretary of state may distribute duplicate originals of the rule; as follows:

(1) To the governor, one (1) copy.
(2) To the attorney general; one (1) copy.
(3) To the Indiana library and historical department; two (2) copies.
(4) After December 31, 1987; to the commission on public records; the number of copies needed by the commission for its archive program under IC 5-15-5.1.

(e) The secretary of state may distribute copies under subsection (d) in micrographic or electronic form: The micrographic copies shall be prepared under IC 4-5-1-2.

(f) If a final rule includes material that has been incorporated by reference under IC 4-22-2-21, the secretary of state may:

(1) retain custody of the secretary of state’s original copy of the material; or
(2) transfer the secretary of state’s original copy of the material to the Indiana library and historical department when the secretary of state transfers two (2) copies of the duplicate original rule to the Indiana library and historical department under this section.

SECTION 13. IC 4-22-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The publisher shall publish a serial publication with the name Indiana Register at least six (6) times each year.

(b) Notwithstanding any law, after June 30, 2006, the publisher shall publish the Indiana Register in electronic form only. However, the publisher shall distribute a printed copy of the Indiana Register to each federal depository library in Indiana.

(c) The publisher may meet the requirement to publish the Indiana Register electronically by permanently publishing a copy
SECTION 14. IC 4-22-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The publisher shall compile, computerize, index, and print a codification of the general and permanent rules of the agencies with the name Indiana Administrative Code. The publisher may publish, with the Indiana Administrative Code, any tables, explanatory material, or other documents that the publisher considers appropriate.

(b) The publisher shall establish a system to maintain, supplement, and recompile the Indiana Administrative Code when necessary or appropriate.

(c) Notwithstanding any law, after June 30, 2006, the publisher shall publish the Indiana Administrative Code in electronic form only. However, the publisher shall distribute a printed copy of the Indiana Administrative Code to each federal depository library in Indiana.

(d) The publisher may meet the requirement to publish the Indiana Administrative Code electronically by permanently publishing a copy of the Indiana Administrative Code on the Internet.

SECTION 15. IC 4-22-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Before an edition or supplement of the Indiana Administrative Code is printed or (after June 30, 2006) published in electronic form, the publisher shall deliver an affidavit to the secretary of state attesting that the text to be published in the edition or supplement has been compared with the preceding edition, the preceding supplement (if applicable), and the appropriate original versions of recently adopted rules and has been found to be correct and complete.

(b) Upon delivery of an affidavit under this section, the secretary of state shall certify the receipt of the affidavit and the publisher's assertions for the edition or supplement to which they apply.

SECTION 16. IC 13-14-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsection (b), the department shall provide notice in the Indiana Register of the first public comment period required by section 2 of this chapter. A notice provided under this section must do the following:
(1) Identify the authority under which the proposed rule is to be adopted.
(2) Describe the subject matter and the basic purpose of the proposed rule. The description required by this subdivision must include a listing of all alternatives being considered by the department at the time of the notice and must set forth the basis for each alternative.
(3) Describe the relevant statutory or regulatory requirements or restrictions relating to the subject matter of the proposed rule that exist before the adoption of the proposed rule.
(4) Request the submission of alternative ways to achieve the purpose of the proposed rule.
(5) Request the submission of comments, including suggestions of specific language for the proposed rule.
(6) Include a detailed statement of the issue to be addressed by adoption of the proposed rule.
(b) This section does not apply to rules adopted under IC 13-18-22-2, IC 13-18-22-3, or IC 13-18-22-4.

(c) The notice required under subsection (a) shall be published electronically in the Indiana Register under procedures established by the publisher.

SECTION 17. IC 13-14-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The department shall provide notice in the Indiana Register of the second public comment period required by section 2 of this chapter. A notice provided under this section must do the following:

(1) Contain the full text of the proposed rule, as provided under IC 4-22-2-24(c).
(2) Contain a summary of the response of the department to written comments submitted under section 3 of this chapter during the first public comment period.
(3) Request the submission of comments, including suggestions of specific amendments to the language contained in the proposed rule.
(4) Contain the full text of the commissioner's written findings under section 7 of this chapter, if applicable.
(5) Identify each element of the proposed rule that imposes a restriction or requirement on persons to whom the proposed rule
(6) With respect to each element identified under subdivision (5), identify:

   (A) the environmental circumstance or hazard that dictates the imposition of the proposed restriction or requirement to protect human health and the environment;
   (B) examples in which federal law is inadequate to provide the protection referred to in clause (A); and
   (C) the:
      (i) estimated fiscal impact; and
      (ii) expected benefits;
   based on the extent to which the proposed rule exceeds the requirements of federal law.

(7) For any element of the proposed rule that imposes a restriction or requirement that is not imposed under federal law, describe the availability for public inspection of all materials relied upon by the department in the development of the proposed rule, including, if applicable:

   (A) health criteria;
   (B) analytical methods;
   (C) treatment technology;
   (D) economic impact data;
   (E) environmental assessment data;
   (F) analyses of methods to effectively implement the proposed rule; and
   (G) other background data.

(b) The notice required under subsection (a) shall be published electronically in the Indiana Register under procedures established by the publisher.

SECTION 18. IC 13-14-9.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsection (b) or section 1.1 of this chapter, an administrative rule adopted under IC 13-14-9 expires January 1 of the seventh year after the year in which the rule takes effect, unless the rule contains an earlier expiration date. The expiration date of a rule under this section is extended each time that a rule amending an unexpired rule takes effect. The rule, as amended, expires on January 1 of the seventh year after the year in which the amendment takes effect.
(b) An administrative rule that:
   (1) was adopted under a provision of IC 13 that has been repealed
       by a recodification of IC 13;
   (2) is in force on December 31, 1995; and
   (3) is not amended by a rule that takes effect after December 31, 1995, and before January 1, 2002;
expires not later than January 1, 2002.
   (c) The determination of whether an administrative rule expires
       under this chapter shall be applied at the level of an Indiana Administrative Code section.
ACTS 2005

Laws enacted by the

114th GENERAL ASSEMBLY

at the

FIRST REGULAR SESSION
(2005)

VOLUME V

By the authority of
INDIANA LEGISLATIVE COUNCIL
(IC 2-6-1.5)

Office of Code Revision
Legislative Services Agency
AN ACT to amend the Indiana Code concerning taxation.

_Be it enacted by the General Assembly of the State of Indiana:_

SECTION 1. IC 6-1.1-12.1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. For purposes of this chapter:

1) "Economic revitalization area" means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes:

   (A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and
   (B) a residentially distressed area, except as otherwise provided in this chapter.

2) "City" means any city in this state, and "town" means any town incorporated under IC 36-5-1.

3) "New manufacturing equipment" means any tangible personal property which:

   (A) was installed after February 28, 1983, and on or before January 1, 2006; the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area after February 28, 1983, in which a deduction for tangible personal property is allowed;
   (B) is used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing
of other tangible personal property, including but not limited to use to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(C) was acquired by its owner for use as described in clause (B) and was never before used by its owner for any purpose in Indiana.

However, notwithstanding any other law, the term includes tangible personal property that is used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products and was installed after March 1, 1993, and before March 2, 1996, even if the property was installed before the area where the property is located was designated as an economic revitalization area or the statement of benefits for the property was approved by the designating body.

(4) "Property" means a building or structure, but does not include land.

(5) "Redevelopment" means the construction of new structures, in economic revitalization areas, either:

   (A) on unimproved real estate; or

   (B) on real estate upon which a prior existing structure is demolished to allow for a new construction.

(6) "Rehabilitation" means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

   (A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.

   (B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means either:

   (A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter; or

   (B) the application filed in accordance with section 5.4 of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be
designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

(A) is installed after June 30, 2000, and on or before January 1, 2006; the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) laboratory equipment;

(ii) research and development equipment;

(iii) computers and computer software;

(iv) telecommunications equipment; or

(v) testing equipment;

(C) is used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products; and

(D) is acquired by the property owner for purposes described in this subdivision and was never before used by the owner for any purpose in Indiana.

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

(A) is installed after June 30, 2004, and on or before January 1, 2006; the approval deadline determined under section 9 of this chapter, in an economic revitalization area

(†) in which a deduction for tangible personal property is allowed. and

(††) located in a county referred to in section 2.3 of this chapter; subject to section 2.3(c) of this chapter:
(B) consists of:
(i) racking equipment;
(ii) scanning or coding equipment;
(iii) separators;
(iv) conveyors;
(v) forklifts or lifting equipment (including "walk behinds");
(vi) transitional moving equipment;
(vii) packaging equipment;
(viii) sorting and picking equipment; or
(ix) software for technology used in logistical distribution;

(C) is used for the storage or distribution of goods, services, or information; and

(D) before being used as described in clause (C), was never used by its owner for any purpose in Indiana.

(14) "New information technology equipment" means tangible personal property that:

(A) is installed after June 30, 2004, and on or before January 1, 2006, the approval deadline determined under section 9 of this chapter, in an economic revitalization area

(i) in which a deduction for tangible personal property is allowed. and

(ii) located in a county referred to in section 2.3 of this chapter, subject to section 2.3(c) of this chapter;

(B) consists of equipment, including software, used in the fields of:

(i) information processing;
(ii) office automation;
(iii) telecommunication facilities and networks;
(iv) informatics;
(v) network administration;
(vi) software development; and
(vii) fiber optics; and

(C) before being installed as described in clause (A), was never used by its owner for any purpose in Indiana.

SECTION 2. IC 6-1.1-12.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A designating body may find that a particular area within its jurisdiction is an economic revitalization area. However, the deduction provided by this chapter for economic revitalization areas not within a city or town shall
(b) In a county containing a consolidated city or within a city or town, a designating body may find that a particular area within its jurisdiction is a residentially distressed area. Designation of an area as a residentially distressed area has the same effect as designating an area as an economic revitalization area, except that the amount of the deduction shall be calculated as specified in section 4.1 of this chapter and the deduction is allowed for not more than five (5) years. In order to declare a particular area a residentially distressed area, the designating body must follow the same procedure that is required to designate an area as an economic revitalization area and must make all the following additional findings or all the additional findings described in subsection (c):

1. The area is comprised of parcels that are either unimproved or contain only one (1) or two (2) family dwellings or multifamily dwellings designed for up to four (4) families, including accessory buildings for those dwellings.

2. Any dwellings in the area are not permanently occupied and are:
   - the subject of an order issued under IC 36-7-9; or
   - evidencing significant building deficiencies.

3. Parcels of property in the area:
   - have been sold and not redeemed under IC 6-1.1-24 and IC 6-1.1-25; or
   - are owned by a unit of local government.

However, in a city in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), the designating body is only required to make one (1) of the additional findings described in this subsection or one (1) of the additional findings described in subsection (c).

(c) In a county containing a consolidated city or within a city or town, a designating body that wishes to designate a particular area a residentially distressed area may make the following additional findings as an alternative to the additional findings described in subsection (b):

1. A significant number of dwelling units within the area are not permanently occupied or a significant number of parcels in the area are vacant land.

2. A significant number of dwelling units within the area are:
   - the subject of an order issued under IC 36-7-9; or
(B) evidencing significant building deficiencies.
(3) The area has experienced a net loss in the number of dwelling units, as documented by census information, local building and demolition permits, or certificates of occupancy, or the area is owned by Indiana or the United States.
(4) The area (plus any areas previously designated under this subsection) will not exceed ten percent (10%) of the total area within the designating body's jurisdiction.

However, in a city in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), the designating body is only required to make one (1) of the additional findings described in this subsection as an alternative to one (1) of the additional findings described in subsection (b).

(d) A designating body is required to attach the following conditions to the grant of a residentially distressed area designation:
(1) The deduction will not be allowed unless the dwelling is rehabilitated to meet local code standards for habitability.
(2) If a designation application is filed, the designating body may require that the redevelopment or rehabilitation be completed within a reasonable period of time.

(e) To make a designation described in subsection (a) or (b), the designating body shall use procedures prescribed in section 2.5 of this chapter.

(f) The property tax deductions provided by sections 3 and 4.5 of this chapter are only available within an area which the designating body finds to be an economic revitalization area.

(g) The designating body may adopt a resolution establishing general standards to be used, along with the requirements set forth in the definition of economic revitalization area, by the designating body in finding an area to be an economic revitalization area. The standards must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction. The following three (3) sets of standards may be established:
(1) One (1) relative to the deduction under section 3 of this chapter for economic revitalization areas that are not residentially distressed areas.
(2) One (1) relative to the deduction under section 3 of this chapter for residentially distressed areas.
(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.
(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

(1) limit the time period to a certain number of calendar years during which the economic revitalization area shall be so designated;

(2) limit the type of deductions that will be allowed within the economic revitalization area to either the deduction allowed under section 3 of this chapter or the deduction allowed under section 4.5 of this chapter;

(3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and new information technology equipment if a deduction under this chapter had not been filed before July 1, 1987, for that equipment;

(4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas on or after September 1, 1988; or

(5) impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

To exercise one (1) or more of these powers, a designating body must include this fact in the resolution passed under section 2.5 of this chapter.

(j) Notwithstanding any other provision of this chapter, if a designating body limits the time period during which an area is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new
manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment installed on or before January 1, 2006, the approval deadline determined under section 9 of this chapter, but after the expiration of the economic revitalization area if:

(A) the economic revitalization area designation expires after December 30, 1995; and

(B) the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment was described in a statement of benefits submitted to and approved by the designating body in accordance with section 4.5 of this chapter before the expiration of the economic revitalization area designation; or

(2) limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under section 4 or 4.5 of this chapter.

(k) Notwithstanding any other provision of this chapter, deductions:

(1) that are authorized under section 3 of this chapter for property in an area designated as an urban development area before March 1, 1983, and that are based on an increase in assessed valuation resulting from redevelopment or rehabilitation that occurs before March 1, 1983; or

(2) that are authorized under section 4.5 of this chapter for new manufacturing equipment installed in an area designated as an urban development area before March 1, 1983; apply according to the provisions of this chapter as they existed at the time that an application for the deduction was first made. No deduction that is based on the location of property or new manufacturing equipment in an urban development area is authorized under this chapter after February 28, 1983, unless the initial increase in assessed value resulting from the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment occurred before March 1, 1983.

(l) If property located in an economic revitalization area is also located in an allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), an application for the property tax deduction provided by this chapter may not be approved unless the commission that designated the allocation area adopts a resolution approving the
SECTION 3. IC 6-1.1-12.1-5.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.6. (a) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter before July 1, 1991. In addition to the requirements of section 5.5(b) of this chapter, a deduction application filed under section 5.5 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter. Failure to comply with a statement of benefits approved before July 1, 1991, may not be a basis for rejecting a deduction application.

(b) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter after June 30, 1991. In addition to the requirements of section 5.5(b) of this chapter, a property owner who files a deduction application under section 5.5 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter.

(c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

1. The name and address of the taxpayer.
2. The location and description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the deduction was granted.
3. Any information concerning the number of employees at the facility where the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located, including estimated totals that were provided as part of the statement of benefits.
4. Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.
5. Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment.
6. Any information concerning the assessed value of the new application.
manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) Any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

SECTION 4. IC 6-1.1-12.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. Notwithstanding any other provision of this chapter, a designating body may not approve a statement of benefits for a deduction under section 3 or 4.5 of this chapter after December 31, 2005, the approval deadline, which is determined in the following manner:

(1) The initial approval deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial approval deadline and subsequent approval deadlines are automatically extended in increments of five (5) years, so that approval deadlines subsequent to the initial approval deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an approval deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of approval deadlines under subdivision (2); and

(B) specifically designates a particular date as the final approval deadline.

SECTION 5. IC 6-1.1-39-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If the fiscal body of a unit finds that:

(1) in order to promote opportunities for the gainful employment of its citizens, the attraction of a new business enterprise to the unit, the retention or expansion of a business enterprise existing within the boundaries of the unit, or the preservation or
enhancement of the tax base of the unit, an area under the fiscal body's jurisdiction should be declared an economic development district;

(2) the public health and welfare of the unit will be benefited by designating the area as an economic development district; and

(3) there has been proposed a qualified industrial development project to be located in the economic development district, with the proposal supported by:

(A) financial and economic data; and

(B) preliminary commitments by business enterprises, associations, state or federal governmental units, or similar entities that evidence a reasonable likelihood that the proposed qualified industrial development project will be initiated and accomplished;

the fiscal body may on or before January 1, 2006, the adoption deadline determined under subsection (c), adopt an ordinance declaring the area to be an economic development district and declaring that the public health and welfare of the unit will be benefited by the designation.

(b) For the purpose of adopting an ordinance under subsection (a), it is sufficient to describe the boundaries of the area by its location in relation to public ways or streams or otherwise as determined by the fiscal body.

(c) The adoption deadline referred to in subsection (a) is determined in the following manner:

(1) The initial adoption deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial adoption deadline and subsequent adoption deadlines are automatically extended in increments of five (5) years, so that adoption deadlines subsequent to the initial adoption deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an adoption deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of adoption deadlines under subdivision (2); and

(B) specifically designates a particular date as the final adoption deadline.
"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:
   (A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
   (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:
   (A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
   (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:
   (A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and
   (B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;
the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).
(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before January 1, 2006, the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before January 1, 2006, the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the
specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
   (B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:
   (A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.
   (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.
   (C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.
   (D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements in or serving that allocation area.
   (E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.
   (F) Make payments on leases payable from allocated tax
proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) in or serving that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in or serving that allocation area under any lease entered into under IC 36-1-10.

(I) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:
   (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by
   (ii) the STEP ONE sum.

STEP THREE: Multiply:
   (i) the STEP TWO quotient; times
   (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in
section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with
respect to which the allocation and distribution is made; or
(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or
(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund
(based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 7. IC 36-7-15.1-26, AS AMENDED BY HEA
"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:
   (A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
   (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:
   (A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus
   (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:
   (A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and
   (B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;
the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of
(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before January 1, 2006, the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before January 1, 2006, the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is
established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;
   or
   (B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements in that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.
(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) in that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
   (i) in the allocation area; and
   (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

   However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

   The special fund may not be used for operating expenses of the commission.

(3) Before July 15 of each year, the commission shall do the following:

   (A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocated area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).

   (B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

   The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the
interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from
property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline
and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 8. IC 36-7-15.1-53, AS AMENDED BY HEA 1590-2005, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 53. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter on or before January 1, 2006, the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before January 1, 2006, the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that
establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

1. Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
   (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;
   or
   (B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of the respective taxing units.

2. Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:
   (A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.
   (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.
   (C) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements in that
allocation area.  
(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.  
(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.  
(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 of this chapter) in that allocation area.  
(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.  
(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:  
   (i) in the allocation area; and  
   (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.  
However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.  
The special fund may not be used for operating expenses of the commission.  
(3) Before July 15 of each year, the commission shall do the following:  
   (A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).  
   (B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be
allocated to the respective taxing units in the manner prescribed in subdivision (1).
The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from
allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

   (A) Businesses operating in the enterprise zone.
   (B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.
(i) The allocation deadline referred to in subsection (b) is determined in the following manner:
   (1) The initial allocation deadline is December 31, 2011.
   (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
   (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:
      (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
      (B) specifically designates a particular date as the final allocation deadline.

SECTION 9. IC 6-1.1-12.1-2.3 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 10. [EFFECTIVE JULY 1, 2005] Notwithstanding the amendments to IC 6-1.1-12.1 made by this act, deductions that were approved under IC 6-1.1-12.1 before July 1, 2005, remain in effect after June 30, 2005, according to the provisions of IC 6-1.1-12.1 as they existed on June 30, 2005.
the following:

(1) For purposes of IC 12-9-4, the meaning set forth in IC 12-9-4-1.

(2) For purposes of IC 12-12-8, the meaning set forth in IC 12-12-8-2.5.

(3) For purposes of IC 12-13-4, the meaning set forth in IC 12-13-4-1.

(4) For purposes of IC 12-15-41 and IC 12-15-42, the Medicaid work incentives council established by IC 12-15-42-1.

(5) For purposes of IC 12-17-15, the meaning set forth in IC 12-17-15-2.

(6) For purposes of IC 12-18-3 and IC 12-18-4, the domestic violence prevention and treatment council established by IC 12-18-3-1.

(7) For purposes of IC 12-21-4, the meaning set forth in IC 12-21-4-1.

(8) For purposes of IC 12-28-5, the meaning set forth in IC 12-28-5-1.

SECTION 3. IC 12-7-2-82.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 82.7. "Federal act", for purposes of IC 12-12-8, has the meaning set forth in IC 12-12-8-3.2.

SECTION 4. IC 12-7-2-117.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 117.3. (a) "Individual with a disability", for purposes of IC 12-12-8, has the meaning set forth in IC 12-12-8-3.4.

(b) "Individual with a significant disability", for purposes of IC 12-12-8, has the meaning set forth in IC 12-12-8-3.6.

SECTION 5. IC 12-12-8-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 1.5. As used in this chapter, "commissioner" means the commissioner of the Rehabilitation Services Administration in the United States Department of Education.

SECTION 6. IC 12-12-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. As used in this chapter, "consumer control" means, with respect to a center for independent living or an eligible agency, that:

(1) the center or eligible agency vests power and authority in individuals with disabilities, including individuals who are or
have been recipients of independent living services; and

(2) at least fifty-one percent (51%) of the center's board and staff are individuals with disabilities.

SECTION 7. IC 12-12-8-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. As used in this chapter, "council" means the statewide independent living council established by section 6 of this chapter.

SECTION 8. IC 12-12-8-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.2. As used in this chapter, "federal act" refers to the Federal Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) and amendments to that statute.

SECTION 9. IC 12-12-8-3.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.4. As used in this chapter, "individual with a disability" means an individual who:

(1) has a physical or mental impairment that substantially limits a major life activity;
(2) has a record of an impairment described in subdivision (1); or
(3) is regarded as having an impairment described in subdivision (1).

SECTION 10. IC 12-12-8-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.6. As used in this chapter, "individual with a significant disability" means an individual who has a significant physical or mental impairment that substantially limits the individual's ability to:

(1) function independently in the family or community; or
(2) obtain, maintain, or advance in employment.

SECTION 11. IC 12-12-8-3.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.8. As used in this chapter, "state plan" means the materials jointly developed and submitted by the council and the division to the commissioner containing the state's proposals for the following:

(1) The provision of statewide independent living services.
(2) The development and support of a statewide network of centers for independent living.
(3) Working relationships among:
(A) programs providing independent living services and
independent living centers; and
(B) the vocational rehabilitation program administered by
the division under the federal act and other programs
providing services for individuals with disabilities.

SECTION 12. IC 12-12-8-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Any provision
of this chapter that violates a federal law or federal regulation is
void.

(b) To be eligible to receive state funds, a center for independent
living must meet the requirements for federal funding for a center for
independent living under:
(1) 29 U.S.C. 796; and
(2) 34 CFR Parts 364 through 366;
that are in effect January 1, 1995.

SECTION 13. IC 12-12-8-5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 5. The division is designated as the state unit under
Title VII of the federal act and has the following responsibilities:
(1) To receive, account for, and disburse funds received by the
state under the federal act based on the state plan.
(2) To provide administrative support services to centers for
independent living programs.
(3) To keep records and take actions with respect to the
records as required by the commissioner.
(4) To submit additional information or provide assurances
with respect to the independent living programs as required
by the commissioner.

SECTION 14. IC 12-12-8-6 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 6. (a) There is established a statewide independent
living council. The council is not a part of a state agency.

(b) The council consists of at least twenty (20) members
appointed by the governor, including the following:
(1) Each director of a center for independent living located in
Indiana.
(2) Nonvoting members from state agencies that provide
services for individuals with disabilities.
(3) Other members, who may include the following:
(A) Representatives of centers for independent living.
(B) Parents and guardians of individuals with disabilities.
(C) Advocates for individuals with disabilities.
(D) Representatives from private business.
(E) Representative of organizations that provide services for individuals with disabilities.
(F) Other appropriate individuals.

(c) The members appointed under subsection (b) must:
(1) provide statewide representation;
(2) represent a broad range of individuals with disabilities from diverse backgrounds;
(3) be knowledgeable about centers for independent living and independent living services; and
(4) include a majority of members who:
   (A) are individuals with significant disabilities; and
   (B) are not employed by a state agency or a center for independent living.

SECTION 15. IC 12-12-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 7. (a) Each member of the council who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

   (b) Each member of the council who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 16. IC 12-12-8-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 8. (a) A member appointed to the council by the governor serves a term of three (3) years, beginning on July 1 after appointment. However, a member appointed to fill a vacancy on the council serves for the remainder of the unexpired term.

   (b) A member appointed to the council by the governor may not serve more than two (2) consecutive terms.

SECTION 17. IC 12-12-8-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 9. (a) A member may be removed by the governor for cause.

   (b) A member may resign from the council at any time by giving written notice to the governor.

   (c) If a member resigns or is removed from the council, the governor shall appoint a successor to serve for the remainder of the unexpired term.

   (d) The governor may not remove or terminate a member without the consent of the member.
Sec. 9. If a vacancy occurs among the voting members of the council, the original appointing authority shall appoint a qualified individual to serve for the unexpired term of the vacating member.

SECTION 18. IC 12-12-8-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The council has the powers and duties specified in this chapter.

(b) The council may do the following:

(1) Jointly develop and sign the state plan in conjunction with the designated state unit.
(2) Monitor, review, and evaluate the implementation of the state plan.
(3) Coordinate activities with the state rehabilitation council and other councils that address the needs of specific disability issues.
(4) Submit periodic reports to the funding sources and provide access to the records that are necessary to verify contents of the reports.
(5) Do other things necessary and proper to implement this chapter.

(c) The council shall ensure that all meetings of the council are open to the public and in accessible formats with sufficient advance public notice.

SECTION 19. IC 12-12-8-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 11. The division shall prepare the state plan that must be submitted to the commissioner.

SECTION 20. IC 12-12-8-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 12. The division may award grants to any eligible center for independent living with funds that the division receives under Title VII, Part B of the federal act.

SECTION 21. IC 12-12-8-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 13. The council and the division shall jointly appoint a peer review committee to make recommendations for grants to new organizations eligible to be centers for independent living.

SECTION 22. IC 12-12-8-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS Follows
Sec. 14. A center for independent living is eligible to receive money under this chapter as long as the center complies with the standards and assurances required under Section 725 of the federal act. A center that receives only state or federal funds under Title VII, Part B of the federal act is subject to review by the division. A center that receives federal funds under Title VII, Part C of the federal act is subject to review by the federal government. A finding of noncompliance must be supported by a written report from the peer review committee appointed under section 13 of this chapter.

SECTION 23. IC 12-12-8-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. A center for independent living that receives money under this chapter shall comply with the standards and assurances required under the state plan and Section 725 of the federal act. The center for independent living shall provide the required assurances to the division.

SECTION 24. IC 12-12-8-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) If:

(1) there is no center for independent living serving a region of Indiana or a region of Indiana is underserved; and
(2) the state receives an increase in its federal allotment that is sufficient to support an additional center for independent living in Indiana;

the division may award a grant to an eligible agency for a new center for independent living in the unserved or underserved region. A grant awarded under this section must be consistent with the provisions of the state plan establishing a statewide network of centers for independent living.

(b) The council shall rank eligible agencies applying for a grant under this section using the standards and assurances required under Section 725 of the federal act. The council shall consider the ability of the applicant to operate a center for independent living and shall select an applicant using the following criteria:

(1) Evidence of the need for a center for independent living in the applicant's region of Indiana that is consistent with the state plan.
(2) The past performance of the applicant in providing services comparable to independent living services.
(3) The applicant's plan for complying with, or demonstrated
compliance with, the standards and assurances set forth in Section 725 of the federal act.

(4) The quality of the applicant's key personnel and the involvement of individuals with significant disabilities.

SECTION 25. IC 12-12-8-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The division shall periodically review each new center for independent living that receives:

(1) money under Title VII, Part B of the federal act; or
(2) a grant under this chapter;

to determine whether the center is in compliance with the standards and assurances set forth in Section 725 of the federal act.

(b) If the division determines that a center reviewed under subsection (a) is not in compliance with the standards and assurances set forth in Section 725 of the federal act, the division shall immediately notify the center of the division's determination of noncompliance. A center may appeal the determination by requesting a hearing from the office of the secretary not later than thirty (30) days after receiving notice from the division.

(c) Except as provided in subsection (d), the division shall terminate all funds to a center determined to be in noncompliance under this section not later than ninety (90) days after the date of:

(1) the division's notification of noncompliance; or
(2) a final decision by the office of the secretary in the case of a center that appeals the division's determination under subsection (b).

(d) The division may not terminate the funds of a center for independent living that is determined to be noncompliant with the standards and assurances set forth in Section 725 of the federal act if:

(1) the center submits to the division a plan for achieving compliance within ninety (90) days; and
(2) the division approves the plan.

A plan required under this subsection must be submitted not later than thirty (30) days after the center receives a notice of noncompliance from the division under subsection (b).

SECTION 26. IC 25-22.5-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 11. Physician Referral to Certain Health Care Entities
Sec. 1. (a) As used in this chapter, "financial interest" means an ownership or investment interest through equity, debt, or other means. The term includes an ownership or investment interest in an entity that holds:
   (1) directly; or
   (2) through a subsidiary;
an ownership or investment interest in a health care entity.
(b) The term does not include the following:
   (1) Ownership of investment securities (including shares or bonds, debentures, notes, or other debt instruments) that may be purchased on terms generally available to the public and that are:
      (A) securities:
         (i) listed on the New York Stock Exchange, the American Stock Exchange, any regional exchange in which quotations are published on a daily basis, or foreign securities listed on a recognized foreign, national, or regional exchange in which quotations are published on a daily basis; or
         (ii) traded under the National Association of Securities Dealers, Inc. Automated Quotations System; and
      (B) in a corporation that had, at the end of the corporation's most recent fiscal year, or on average during the previous three (3) fiscal years, stockholder equity exceeding seventy-five million dollars ($75,000,000).
   (2) Ownership of shares in a regulated investment company as defined in section 851(a) of the Internal Revenue Code of 1986, if such company had, at the end of the company's most recent fiscal year, or on average during the previous three (3) fiscal years, total assets exceeding seventy-five million dollars ($75,000,000).
Sec. 2. As used in this chapter, "health care entity" means an organization or a business that provides diagnostic, medical, or surgical services, dental treatment, or rehabilitative care.
Sec. 3. (a) Except as provided in subsection (b), a physician must do the following before referring an individual to a health care entity in which the physician has a financial interest:
   (1) Disclose in writing to the individual that the physician has a financial interest in the health care entity.
   (2) Inform the individual in writing that the individual may choose to be referred to another health care entity.
The individual shall acknowledge receipt of the notice required under this section by signing the notice. The physician shall keep a copy of the signed notice.

(b) Subsection (a) does not apply if a delay in treatment caused by compliance with the requirements of subsection (a) would reasonably be expected by the referring physician to result in serious:

(1) jeopardy to the individual's health;
(2) impairment to the individual's bodily functions; or
(3) dysfunction of a bodily organ or part of the individual.

Sec. 4. Compliance with this chapter is a condition of licensure under this article.

Sec. 5. This chapter is not intended to conflict with 42 U.S.C. 1395nn or 42 U.S.C. 1396b(s).
(2) employees and officers, except members of boards and commissions or individuals hired for or appointed to, after June 30, 1982, positions as appointing authorities, deputies, assistants reporting to appointing authorities, or supervisors of major units within state agencies, irrespective of the title carried by those positions, of the division of disability, aging, and rehabilitative services, Fort Wayne State Developmental Center, Muscatatuck State Developmental Center, division of mental health and addiction, Larue D. Carter Memorial Hospital, Evansville State Psychiatric Treatment Center for Children, Central State Hospital, Evansville State Hospital, Logansport State Hospital, Madison State Hospital, Richmond State Hospital, state department of health, Indiana School for the Blind and Visually Impaired, Indiana School for the Deaf, Indiana Veterans' Home, Indiana Soldiers' and Sailors' Children's Home, Silvercrest Children's Development Center, department of correction, Westville Correctional Facility, Plainfield Juvenile Correctional Facility, Putnamville Correctional Facility, Indianapolis Juvenile Correctional Facility, Indiana State Prison, Indiana Women's Prison, Pendleton Correctional Facility, Reception and Diagnostic Center, Rockville Correctional Facility, Youth Rehabilitation Facility, Plainfield Correctional Facility, department of fire and building services, state emergency management agency (excluding a county emergency management organization and any other local emergency management organization created under IC 10-14-3), civil rights commission, criminal justice planning agency, department of workforce development, Indiana historical bureau, Indiana state library, division of family and children, Indiana state board of animal health, Federal Surplus Property Warehouse, Indiana education employment relations board, department of labor, Indiana protection and advocacy services commission, commission on public records, Indiana horse racing commission, and state personnel department.

SECTION 3. IC 5-22-4-8, AS AMENDED BY HEA 1288-2005, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this section, "board" refers to either of the following:

(1) With respect to the Indiana School for the Blind and Visually Impaired, the board established by IC 20-21-3-1.

(2) With respect to the Indiana School for the Deaf, the board.
established by IC 20-22-3-1.

(b) As used in this section, "school" refers to either of the following:

1. The Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1.

2. The Indiana School for the Deaf established by IC 20-22-2-1.

(c) As used in this section, "superintendent" refers to the superintendents, chief executive officer of the school.

(d) Except as provided in subsection (f), the school is the purchasing agency for the school.

(e) Except as provided in subsection (f), the superintendent is the purchasing agent for the school for purchases with a value of not more than twenty-five thousand dollars ($25,000).

(f) Not later than October 1, 1999; The Indiana department of administration and the board shall develop and implement a written policy for purchases by the school with a value of more than twenty-five thousand dollars ($25,000).

SECTION 4. IC 10-13-3-38.5, AS AMENDED BY HEA 1288-2005, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. (a) Under federal P.L.92-544 (86 Stat. 1115), the department may use an individual's fingerprints submitted by the individual for the following purposes:

1. Determining the individual's suitability for employment with the state, or as an employee of a contractor of the state, in a position:

   A. that has a job description that includes contact with, care of, or supervision over a person less than eighteen (18) years of age;

   B. that has a job description that includes contact with, care of, or supervision over an endangered adult (as defined in IC 12-10-3-2), except the individual is not required to meet the standard for harmed or threatened with harm set forth in IC 12-10-3-2(a)(3);

   C. at a state institution managed by the office of the secretary of family and social services or state department of health;

   D. at the Indiana School for the Deaf established by IC 20-22-2-1;

   E. at the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1;

   F. at a juvenile detention facility;

   G. with the gaming commission under IC 4-33-3-16;
(H) with the department of financial institutions under IC 28-11-2-3; or
(I) that has a job description that includes access to or supervision over state financial or personnel data, including state warrants, banking codes, or payroll information pertaining to state employees.

(2) Identification in a request related to an application for a teacher's license submitted to the professional standards board established by IC 20-28-2-1.

An applicant shall submit the fingerprints in an appropriate format or on forms provided for the employment or license application. The department shall charge each applicant the fee established under section 28 of this chapter and by federal authorities to defray the costs associated with a search for and classification of the applicant's fingerprints. The department may forward fingerprints submitted by an applicant to the Federal Bureau of Investigation or any other agency for processing. The state personnel department or the agency to which the applicant is applying for employment or a license may receive the results of all fingerprint investigations.

(b) An applicant who is an employee of the state may not be charged under subsection (a).

(c) Subsection (a)(1) does not apply to an employee of a contractor of the state if the contract involves the construction or repair of a capital project or other public works project of the state.

SECTION 5. IC 12-12-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The office of the secretary shall, on the first business day of each month, send a copy of a report filed under section 1 of this chapter to the following persons:

(1) For persons less than seventeen (17) years of age, to the following:

(A) The Indiana School for the Blind and Visually Impaired.
(B) The division of disability, aging, and rehabilitative services.
(C) The division of special education of the department of education.

(2) For persons at least seventeen (17) years of age, to the following:

(A) The division of disability, aging, and rehabilitative services.
(B) On request, organizations serving the blind or visually impaired.
impaired and the state department of health.

SECTION 6. IC 12-12-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) On receiving a report under this chapter, the division of disability, aging, and rehabilitative services shall provide information to the visually impaired individual designated in the report concerning available state and local services.

(b) For a visually impaired individual less than seventeen (17) years of age, the Indiana School for the Blind and Visually Impaired:

(1) has the primary duty of initially contacting the visually impaired individual or the individual's family; and

(2) shall notify the division of disability, aging, and rehabilitative services and the department of education of the school's findings.

SECTION 7. IC 12-12-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. This chapter does not prohibit a physician or an optometrist from making a referral to a local school corporation, an agency, the Indiana School for the Blind and Visually Impaired, or an agency or organization working with the blind or visually impaired.

SECTION 8. IC 20-1-6-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) There is created under the Indiana state board of education a division of special education, which shall exercise all the power and duties set out in this chapter. The governor shall appoint, upon the recommendation of the state superintendent of public instruction, a director of special education who serves at the pleasure of the governor. The amount of compensation of the director shall be fixed by the budget agency with the approval of the governor. The duties of the director are as follows:

(1) To have general supervision of all programs, classes, and schools, including those conducted by the public schools, the Indiana School for the Blind and Visually Impaired, the Indiana School for the Deaf, the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of mental health and addiction, for children with disabilities and to coordinate the work of these schools. In addition, relative to programs for preschool children with disabilities as required under section 14.1 of this chapter, the director has general supervision over programs, classes, and schools, including those conducted by the schools or other state or local service providers as contracted for under
section 14.1 of this chapter. However, general supervision does not include the determination of admission standards for the state departments, boards, or agencies authorized to provide programs or classes under this chapter.

(2) To adopt, with the approval of the Indiana state board of education, rules governing the curriculum and instruction, including licensing of personnel in the field of education, as provided by law.

(3) To inspect and rate all schools, programs, or classes for children with disabilities to maintain proper standards of personnel, equipment, and supplies.

(4) With the consent of the state superintendent of public instruction and the budget agency, to appoint and fix salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.

(5) To adopt, with the approval of the Indiana state board of education, the following:

   (A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.

   (B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.

(6) To make recommendations to the Indiana state board of education concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:

   (A) The number of teacher aides recommended for each exceptionality included within the class size ranges.

   (B) The role of the teacher aide.

   (C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.

(7) To cooperate with the interagency coordinating council established under IC 12-17-15 to ensure that the preschool special education programs required under section 14.1 of this chapter are consistent with the early intervention services program described in IC 12-17-15.

(b) The director or the Indiana state board of education may exercise
authority over vocational programs for children with disabilities through a letter of agreement with the department of workforce development.

SECTION 9. IC 20-1-6-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15.1. (a) For the purposes of this section, "comprehensive plan" means a plan for educating all children with disabilities that a school corporation is required to educate under sections 14 through 14.1 of this chapter, and those additional children with disabilities that it elects to educate.

(b) For purposes of this section, "school corporation" includes the following:

(1) The Indiana School for the Blind and Visually Impaired board.

(2) The Indiana School for the Deaf board.

(c) The Indiana state board of education shall adopt rules under IC 4-22-2 detailing the contents of the comprehensive plan. Each school corporation shall complete and submit to the state superintendent of public instruction a comprehensive plan. School corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a school corporation enters into a contractual agreement as permitted under section 14.1 of this chapter, the school corporation shall collaborate with the service provider in formulating the comprehensive plan.

(d) Notwithstanding the age limits set out in section 1 of this chapter, the Indiana state board of education may conduct a program for the early identification of children with disabilities, between the ages of birth and twenty-one (21), not served by the public schools or through a contractual agreement under section 14.1 of this chapter, and may utilize agencies that serve children with disabilities other than the public schools.

(e) The Indiana state board of education shall adopt rules under IC 4-22-2 requiring the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, the Indiana School for the Blind and Visually Impaired board, the Indiana School for the Deaf board, and the division of mental health and addiction to submit to the superintendent of public instruction a plan for the provision of special education for children in programs administered by each respective agency who are entitled to a special education.

(f) The superintendent of public instruction shall furnish
professional consultant services to the school corporations, the
department of correction, the state department of health, the division
of disability, aging, and rehabilitative services, the Indiana School for
the Blind and Visually Impaired board, the Indiana School for the
Deaf board, and the division of mental health and addiction to aid them
in fulfilling the requirements of this section.

SECTION 10. IC 20-1-6-16 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The
superintendent shall appoint a state advisory council on the education
of children with disabilities whose duties shall consist of providing
policy guidance concerning special education and related services for
children with disabilities. The superintendent shall appoint at least
seventeen (17) members who shall serve for a period of four (4) years.
Vacancies shall be filled in like manner for the unexpired balance of
the term.

(b) The members must be citizens of Indiana who are representative
of the state's population and selected on the basis of their involvement
in or concern with the education of children with disabilities. A
majority of the members must be individuals with disabilities or the
parents of children with disabilities. Members must include the
following:

(1) Parents of children with disabilities.
(2) Individuals with disabilities.
(3) Teachers.
(4) Representatives of higher education institutions that prepare
special education and related services personnel.
(5) State and local education officials.
(6) Administrators of programs for children with disabilities.
(7) Representatives of state agencies involved in the financing or
delivery of related services to children with disabilities, including
the following:

(A) The commissioner of the state department of health or the
commissioner's designee.
(B) The director of the division of disability, aging, and
rehabilitative services or the director's designee.
(C) The director of the division of mental health and addiction
or the director's designee.
(D) The director of the division of family and children or the
director's designee.
(8) Representatives of nonpublic schools and freeway schools.
(9) One (1) or more representatives of vocational, community, or business organizations concerned with the provision of transitional services to children with disabilities.
(10) Representatives of the department of correction.
(11) A representative of each of the following:
    (A) The Indiana School for the Blind and Visually Impaired board.
    (B) The Indiana School for the Deaf board.
(c) The responsibilities of the state advisory council are as follows:
    (1) To advise the superintendent and the board regarding all rules pertaining to children with disabilities.
    (2) To recommend approval or rejection of completed comprehensive plans submitted by school corporations acting individually or on a joint school services program basis with other corporations.
    (3) To advise the department of unmet needs within the state in the education of children with disabilities.
    (4) To provide public comment on rules proposed by the board regarding the education of children with disabilities.
    (5) To advise the department in developing evaluations and reporting data to the United States Secretary of Education under 20 U.S.C. 1418.
    (6) To advise the department in developing corrective action plans to address findings identified in federal monitoring reports under 20 U.S.C. 1400 et seq.
    (7) To advise the department in developing and implementing policies related to the coordination of services for children with disabilities.
(d) The council shall organize with a chairperson selected by the superintendent and meet as often as necessary to conduct the council's business at the call of the chairperson upon ten (10) days written notice but not less than four (4) times a year. Members of the council shall be entitled to reasonable amounts for expenses necessarily incurred in the performance of their duties.
(e) The superintendent shall designate the director to act as executive secretary of the council and shall furnish all professional and clerical assistance necessary for the performance of its powers and duties.
(f) The affirmative votes of a majority of the members appointed to the council are required for the council to take action.
SECTION 11. IC 20-1-6-18.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.2. (a) The Indiana state board of education shall adopt rules under IC 4-22-2 which establish limitations on the amount of transportation which may be provided in the student's individualized education program. Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility, these rules shall limit the transportation required by the student's individualized education program to his the student's first entrance and final departure each school year plus round trip transportation each school holiday period and two (2) additional round trips each school year.

(b) Whenever a student is a transfer student receiving special education in a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-8.1-6.1-1 shall bear the cost of transportation required by the student's individualized education program. However, if a transfer student was counted as an eligible student for purposes of a distribution in a calendar year under IC 21-3-3.1, the transportation costs that the transferee school may charge for a school year ending in the calendar year shall be reduced by the sum of the following:

(1) The quotient of the amount of money that the transferee school is eligible to receive under IC 21-3-3.1-2.1 for the calendar year in which the school year ends divided by the number of eligible students for the transferee school for the calendar year (as determined under IC 21-3-3.1-2.1).
(2) The amount of money that the transferee school is eligible to receive under IC 21-3-3.1-4 for the calendar year in which the school year ends for the transportation of the transfer student during the school year.

(c) Whenever a student receives a special education:

(1) in a facility operated by:
   (A) the state department of health;
   (B) the division of disability, aging, and rehabilitative services;
   or
   (C) the division of mental health and addiction;
(2) at the Indiana School for the Blind and Visually Impaired;
or
(3) at the Indiana School for the Deaf;
the school corporation in which the student has legal settlement shall
bear the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the Indiana state board of education shall bear the cost of transportation required by the student's individualized education program.

(d) Whenever a student is placed in a private facility under section 19 of this chapter in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall bear the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the Indiana state board of education shall bear the cost of transportation required by the student's individualized education program.

SECTION 12. IC 20-8.1-4-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. The employment of children in the Indiana School for the Deaf and the Indiana School for the Blind and Visually Impaired is subject to the general restrictions imposed on child labor under this chapter.

SECTION 13. IC 20-9.1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The state school bus committee is hereby created. The committee shall be composed of the following voting members:

1. The state superintendent of public instruction, or the superintendent's authorized representative, who shall serve as chairman of the committee.
2. The commissioner of the bureau of motor vehicles, or the commissioner's authorized representative.
3. The administrator of the motor carrier services division of the department of state revenue.
4. The director of the governor's council on impaired and dangerous driving.
5. A school bus driver, appointed by the state superintendent of public instruction upon the recommendation of the Indiana State Association of School Bus Drivers, Inc.
6. A superintendent of a school corporation, appointed by the state superintendent of public instruction upon the recommendation of the Indiana Association of Public School Superintendents.
7. A member of the governing body of a school corporation,
appointed by the state superintendent of public instruction upon the recommendation of the Indiana School Boards Association.

(8) A representative of the Indiana School for the Blind and Visually Impaired or the Indiana School for the Deaf, appointed by the state superintendent of public instruction.

(9) A member of the School Transportation Association of Indiana, appointed by the state superintendent of public instruction upon the recommendation of the School Transportation Association of Indiana.

(b) The state superintendent of public instruction shall designate a secretary from the department of education who shall keep the official record of the meetings and of official transactions of the committee.

SECTION 14. IC 20-10.1-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The postsecondary enrollment program is established for secondary school students in grades 11 and 12.

(b) A student may upon approval of the student's school corporation enroll in courses offered by an eligible institution under the program on a full-time or part-time basis during grade 11, grade 12, or both.

(c) If a course has been approved for secondary credit by the school corporation, a student is entitled to credit toward graduation requirements for each course the student successfully completes at that institution.

SECTION 15. IC 20-10.1-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A representative of the school corporation shall meet with each student who intends to participate in the program and discuss the following:

(1) The student's eligibility to participate in the program.
(2) The courses in which the student is authorized to enroll.
(3) The postsecondary credit the student earns upon successful completion of a course.
(4) The consequences of a student's failure to successfully complete a course.
(5) The student's schedule.
(6) The financial obligations of the student and the school under the program.
(7) The responsibilities of the student, the student's parent or guardian, and the school under the program.
(8) Other matters concerning the program.
(b) The representative of the school corporation shall make a recommendation to the principal concerning the student's participation in the program.

(c) The principal shall make a determination; based on the recommendation received under subsection (b); concerning:
   (1) the student's eligibility to participate in the program; and
   (2) the courses approved for secondary credit.

(d) The principal shall notify the student and the superintendent of the school corporation; in writing; of the determination under subsection (c). If the principal determines that:
   (1) the student is not eligible to participate in the program; or
   (2) a course in which the student intends to enroll is not approved for secondary credit;
the principal must state, in writing, the reasons for that determination.

SECTION 16. IC 20-10.1-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The governing body of each school corporation shall:
   (1) adopt policies to implement the program, based on guidelines established by the department of education; and
   (2) work with postsecondary institutions to grant secondary credits for any student attending a postsecondary institution while the student is attending secondary school.

SECTION 17. IC 20-10.1-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A student who is approved for participation in the program may apply for enrollment to an eligible institution. The institution shall accept or reject the student based on the standards ordinarily used to decide student enrollments. However, a student who is approved for participation in the program by the student's school corporation may not be refused admission solely because the student has not graduated from a secondary school.

(b) The eligible institution shall promptly inform the:
   (1) student;
   (2) student's principal; and
   (3) department of education;
of its the institution's decision under subsection (a).

(c) Upon demonstration of financial need, an eligible institution may grant financial assistance to a student accepted for admission to that institution.

SECTION 18. IC 20-10.1-15-10.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005] Sec. 10.5. If a student enrolls in a course offered by an eligible institution under the program, the institution and the student's school corporation shall enter into a contract for dual credit. The contract must establish the terms and conditions under which:

1. the institution will award credit for specified classes successfully completed by students in the school corporation; and
2. the school corporation will award credit for specified classes successfully completed by students at the institution.

SECTION 19. IC 20-10.1-15-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005] Sec. 15.5. (a) Each eligible institution shall make and maintain, for each student enrolled in the program, records of the following:

1. The courses in which the student enrolls and the credit hours awarded for those courses.
2. The courses that the student successfully completes and the courses that the student fails to complete.
3. The postsecondary credit granted to the student.
4. Other information requested by the commission for higher education.

(b) The commission for higher education is entitled to have access to the records made and maintained under subsection (a).

SECTION 20. IC 20-10.1-15-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The department of education, in consultation with the commission for higher education, shall:

1. establish guidelines to carry out this chapter; and
2. evaluate the program annually and report to the Indiana state board of education concerning the program, and
3. adopt procedures for the award of grants from the postsecondary enrollment program fund established under section 16 of this chapter.

(b) The guidelines established under subsection (a)(1) must encourage participation by students at all achievement levels and in a variety of academic and vocational subjects.

SECTION 21. IC 20-10.1-15-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The state board of education and the commission for higher education shall jointly
adopt rules under IC 4-22-2 necessary to carry out this chapter.

SECTION 22. IC 20-10.1-25.3-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. As used in this chapter, "school corporation" includes, except as otherwise provided in this chapter, the Indiana School for the Deaf established by IC 20-16 and the Indiana School for the Blind and Visually Impaired established by IC 20-15.

SECTION 23. IC 20-10.1-25.3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The department shall list all school corporations in Indiana according to assessed valuation for property tax purposes per student in ADM, beginning with the school corporation having the lowest assessed valuation for property tax purposes per student in ADM. For purposes of the list made under this section, the Indiana School for the Deaf and the Indiana School for the Blind and Visually Impaired shall be considered to have the lowest assessed valuation for property tax purposes per student in ADM during the six (6) year period beginning on July 1, 2001.

(b) The department must prepare a revised list under subsection (a) before a new series of grants may begin.

(c) The department shall determine those school corporations to be placed in a group to receive a grant in a fiscal year under this chapter as follows:

(1) Beginning with the school corporation that is first on the list developed under subsection (a), the department shall continue sequentially through the list and place school corporations that qualify for a grant under section 6 of this chapter in a group until the cumulative total ADM of all school corporations in the group depletes the money that is available for grants in the fiscal year.

(2) Each fiscal year the department shall develop a new group by continuing sequentially through the list beginning with the first qualifying school corporation on the list that was not placed in a group in the prior fiscal year.

(3) If the final group developed from the list contains substantially fewer students in ADM than available money, the department shall:

(A) prepare a revised list of school corporations under subsection (a); and

(B) place in the group qualifying school corporations from the top of the revised list.
(4) The department shall label the groups with sequential numbers beginning with "group one".

SECTION 24. IC 20-10.1-25.3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section applies in a year when a school corporation receives a grant under this chapter. The school corporation's capital projects fund budget must include an expenditure for technology that is not less than the school corporation's average annual expenditure for technology from the capital projects fund in the six (6) budget years preceding the year of the grant. If the Indiana School for the Deaf or the Indiana School for the Blind and Visually Impaired receives a grant under this chapter, the school's expenditures for technology in the year of the grant must exceed the school's average annual expenditure for technology in the six (6) budget years preceding the year of the grant.

(b) For each year that a school corporation fails to observe subsection (a), the school corporation forfeits a grant under this chapter. The forfeit of the grant shall occur in the first grant year after the school corporation fails to observe subsection (a).

SECTION 25. IC 20-10.1-25.3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. A school corporation that receives a grant under this chapter must deposit the grant in the school technology fund established under IC 21-2-18. If the Indiana School for the Deaf or the Indiana School for the Blind and Visually Impaired receives a grant under this chapter, the school must deposit the grant in an account or fund that the school uses exclusively for the funding of technology.

SECTION 26. IC 20-15-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. "Executive" refers to the chief executive officer of the school appointed under IC 20-15-2-4.

SECTION 27. IC 20-15-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. "School" refers to the Indiana School for the Blind and Visually Impaired established by IC 20-15-2-1.

SECTION 28. IC 20-15-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The Indiana School for the Blind and Visually Impaired is established as a state educational resource center that includes the following:

(1) A residential and day school.
(2) Outreach services.
(3) Consultative services to local educational agencies to assist them in meeting the needs of locally enrolled students with visual disabilities.

SECTION 29. IC 20-15-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall appoint the superintendent, chief executive officer, subject to the approval of the governor. The superintendent serves at the pleasure of the board and may be removed for cause.

(b) The superintendent appointee must have the following qualifications:

1. Be an educator with knowledge, skill, and ability in the appointee's profession.
2. Have a minimum of five (5) years of experience in instruction of students with visual impairment disabilities.
3. Have a master's degree or a higher degree.
4. Meet the qualifications for an Indiana teacher's certificate in the area of visual impairment disabilities.
5. Have a superintendent's license or obtain a superintendent's license within two (2) years of appointment by the board.
6. Have at least five (5) years experience supervising other people.

SECTION 30. IC 20-15-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The superintendent, executive, subject to the approval of the board and IC 20-15-4, has complete responsibility for management of the school.

(b) The superintendent executive has responsibility for the following:

1. Direction of the education, care, safety, and well-being of all students in attendance.
2. Evaluation and improvement of the school staff, educational programs, and support services.
3. Implementation and administration of the policies, mission, and goals of the school as established by the board.
4. Serving as the purchasing agent for the school as provided in IC 5-22-4-8.
5. Implementation of budgetary matters as recommended by the board and the department of education under IC 20-15-3-10(7).
6. Management of the school's outreach program with local public schools.
7. Advocating on behalf of the school under guidelines
established by the board.

(8) Executing contracts on behalf of the school.

(c) The superintendent executive is the appointing authority for all employees necessary to properly conduct and operate the school.

SECTION 31. IC 20-15-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Subject to:

(1) the determination by case conference committees based on individualized education programs as defined under IC 20-1-6-1; and

(2) the school's admissions criteria adopted by the board under IC 20-15-3-10(4);

the superintendent executive shall receive as students in the school Indiana residents who are visually disabled school age individuals.

SECTION 32. IC 20-15-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A placement review committee for the school is established. The committee consists of one (1) representative of each of the following:

(1) The board.

(2) The office of the secretary of family and social services.

(3) The superintendent of public instruction.

(b) The placement review committee shall meet upon petition of an interested party to review the following:

(1) Applications to the school denied through the process described in section 6 of this chapter.

(2) All instances of dismissal from the school for reasons other than graduation, voluntary transition to another educational facility, or voluntary departure from the school.

(c) The superintendent executive shall serve as an adviser to the placement review committee. The superintendent executive shall provide the placement review committee with information and justification for all application denials and dismissals under review.

(d) The placement review committee may recommend that application denials or dismissals be reconsidered.

SECTION 33. IC 20-15-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. The superintendent executive may, subject to the approval of the governor and the policies of the board, receive, for the use of the school, gifts, legacies, devises, and conveyances of real or personal property that are made, given, or granted to or for the school.

SECTION 34. IC 20-15-3-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The Indiana School for the Blind and Visually Impaired board is established.

SECTION 35. IC 20-15-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The board shall do the following:

1. Establish policies and accountability measures for the school.
2. Implement this article.
3. Perform the duties required by IC 5-22-4-8.
4. Adopt rules under IC 4-22-2 to establish criteria for the admission of children with visual disabilities, including children with multiple disabilities, at the school.
5. Hire the superintendent, who serves at the pleasure of the board.
6. Determine the salary and benefits of the superintendent.
7. Adopt rules under IC 4-22-2 required by this article.

(b) The board shall submit the school's biennial budget to the department of education, which shall review the proposed budget. As part of its review, the department may request and shall receive from the board, in a form as may reasonably be required by the department, all information used by the board to develop the proposed budget. If, upon review, the department determines that any part of the budget request is not supported by the information provided, the department shall meet with the board at the earliest date possible in order to reconcile the budget request. The department shall submit the reconciled budget to the budget agency and the budget committee.

SECTION 36. IC 20-15-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This section applies after March 31, 2000.

(b) The superintendent shall hire directly for those positions as approved by the state personnel department and the board any candidate the superintendent considers qualified to fill a position at the school. The state personnel department, in collaboration with the board, shall annually develop a list of job classifications for positions at the school for which the superintendent may fill a vacancy by hiring a candidate for the position based on a search for qualified candidates outside the state personnel hiring list.

SECTION 37. IC 20-16-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 4.5. "Executive" refers to the chief executive officer of the school appointed under IC 20-16-2-4.

SECTION 38. IC 20-16-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall appoint the superintendent chief executive officer subject to the approval of the governor. The superintendent executive serves at the pleasure of the board and may be removed for cause.

(b) The superintendent executive appointee must have the following qualifications:

1. Be an educator with knowledge, skill, and ability in the appointee's profession.
2. Have a minimum of five (5) years of experience in instruction of students with hearing impairment disabilities.
3. Have a master's degree or a higher degree.
4. Meet the qualifications for an Indiana teacher's certificate in the area of hearing impairment disabilities.
5. Have a superintendent's license or obtain a superintendent's license within two (2) years of appointment by the board.

5. Have at least five (5) years experience supervising other people.

SECTION 39. IC 20-16-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The superintendent executive, subject to the approval of the board and IC 20-16-4, has complete responsibility for management of the school.

(b) The superintendent executive has responsibility for the following:

1. Direction of the education, care, safety, and well-being of all students in attendance.
2. Evaluation and improvement of the school staff, educational programs, and support services.
3. Implementation and administration of the policies, mission, and goals of the school as established by the board.
4. Serving as the purchasing agent for the school as provided in IC 5-22-4-8.
5. Implementation of budgetary matters as recommended by the board and the department of education under IC 20-16-3-10(7).
6. Management of the school's outreach program with local public schools.
7. Advocating on behalf of the school under guidelines established by the board.
(8) Executing contracts on behalf of the school.

(c) The superintendent executive is the appointing authority for all employees necessary to properly conduct and operate the school.

SECTION 40. IC 20-16-2-6 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 6. Subject to:

(1) the determination by case conference committee based on individualized education programs, as defined under IC 20-1-6-1;

and

(2) the school's admission criteria adopted by the board under IC 20-16-3-10(4);

the superintendent executive shall receive as students in the school Indiana residents who are hearing disabled school age individuals.

SECTION 41. IC 20-16-2-7 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A placement review committee for the school is established. The committee consists of one (1) representative of each of the following:

(1) The board.

(2) The office of the secretary of family and social services.

(3) The superintendent of public instruction.

(b) The placement review committee shall meet upon petition of an interested party to review the following:

(1) Applications to the school denied through the process described in section 6 of this chapter.

(2) All instances of dismissal from the school for reasons other than graduation, voluntary transition to another educational facility, or voluntary departure from the school.

(c) The superintendent executive shall serve as an adviser to the placement review committee. The superintendent executive shall provide the placement review committee with information and justification for all application denials and dismissals under review.

(d) The placement review committee may recommend that application denials or dismissals be reconsidered.

SECTION 42. IC 20-16-2-13 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 13. The superintendent executive may, subject to the approval of the governor and the policies of the board, receive, for the use of the school, gifts, legacies, devises, and conveyances of real and personal property that are made, given, or granted to or for the school.

SECTION 43. IC 20-16-3-10 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The board shall
do the following:
   (1) Establish policies and accountability measures for the school.
   (2) Implement this article.
   (3) Perform the duties required by IC 5-22-4-8.
   (4) Adopt rules under IC 4-22-2 to establish criteria for the admission of children with hearing disabilities, including children with multiple disabilities, at the school.
   (5) Hire the superintendent, who serves at the pleasure of the board.
   (6) Determine the salary and benefits of the superintendent.
   (7) Adopt rules under IC 4-22-2 required by this article.

(b) The board shall submit the school's biennial budget to the department of education, which shall review the proposed budget. As part of its review, the department may request and shall receive from the board, in a form as may reasonably be required by the department, all information used by the board to develop the proposed budget. If, upon review, the department determines that any part of the budget request is not supported by the information provided, the department shall meet with the board at the earliest date possible in order to reconcile the budget request. The department shall submit the reconciled budget to the budget agency and the budget committee.

SECTION 44. IC 20-16-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This section applies after March 31, 2000.
   (b) The superintendent shall hire directly for those positions as approved by the state personnel department and the board any candidate the superintendent considers qualified to fill a position at the school. The state personnel department, in collaboration with the board, shall annually develop a list of job classifications for positions at the school for which the superintendent may fill a vacancy by hiring a candidate for the position based on a search for qualified candidates outside the state personnel hiring list.

SECTION 45. IC 20-20-13-3, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in sections 13 through 24 of this chapter, "school corporation" includes, except as otherwise provided in this chapter, the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1 and the Indiana School for the
Deaf established by IC 20-22-2-1. and the Indiana School for the Blind established by IC 20-21-2-1.

SECTION 46. IC 20-20-13-19, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) The department shall list all school corporations in Indiana according to assessed valuation for property tax purposes per student in ADM, beginning with the school corporation having the lowest assessed valuation for property tax purposes per student in ADM. For purposes of the list made under this section, the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1 and the Indiana School for the Deaf established by IC 20-22-2-1 shall be considered to have the lowest assessed valuation for property tax purposes per student in ADM during the six (6) year period beginning July 1, 2001.

(b) The department must prepare a revised list under subsection (a) before a new series of grants may begin.

(c) The department shall determine those school corporations to be placed in a group to receive a grant in a fiscal year under sections 13 through 24 of this chapter as follows:

1. Beginning with the school corporation that is first on the list developed under subsection (a), the department shall continue sequentially through the list and place school corporations that qualify for a grant under section 15 of this chapter in a group until the cumulative total ADM of all school corporations in the group depletes the money that is available for grants in the fiscal year.
2. Each fiscal year the department shall develop a new group by continuing sequentially through the list beginning with the first qualifying school corporation on the list that was not placed in a group in the prior fiscal year.
3. If the final group developed from the list contains substantially fewer students in ADM than available money, the department shall:
   A. prepare a revised list of school corporations under subsection (a); and
   B. place in the group qualifying school corporations from the top of the revised list.
4. The department shall label the groups with sequential numbers beginning with "group one".

SECTION 47. IC 20-20-13-22, AS ADDED BY HEA 1288-2005,
SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) This section applies in a year when a school corporation receives a grant under sections 13 through 24 of this chapter. The school corporation's capital projects fund budget must include an expenditure for technology that is not less than the school corporation's average annual expenditure for technology from the capital projects fund in the six (6) budget years preceding the year of the grant. If the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1 or the Indiana School for the Deaf established by IC 20-22-2-1 or the Indiana School for the Blind established by IC 20-21-2-1 receives a grant under sections 13 through 24 of this chapter, the school's expenditures for technology in the year of the grant must exceed the school's average annual expenditure for technology in the six (6) budget years preceding the year of the grant. (b) For each year that a school corporation fails to observe subsection (a), the school corporation forfeits a grant under sections 13 through 24 of this chapter. The forfeit of the grant must occur in the first grant year after the school corporation fails to observe subsection (a).

SECTION 48. IC 20-20-13-24, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. A school corporation that receives a grant under sections 13 through 24 of this chapter shall deposit the grant in the school technology fund established under IC 21-2-18. If the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1 or the Indiana School for the Deaf established by IC 20-22-2-1 or the Indiana School for the Blind established by IC 20-21-2-1 receives a grant under sections 13 through 24 of this chapter, the school shall deposit the grant in an account or fund that the school uses exclusively for the funding of technology.

SECTION 49. IC 20-21-1-2, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. "Board" refers to the Indiana School for the Blind and Visually Impaired board established by IC 20-21-3-1.

SECTION 50. IC 20-21-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. "Executive" refers to the chief executive officer of the school appointed under IC 20-21-2-4.

SECTION 51. IC 20-21-1-5, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 5. "School" refers to the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1.

SECTION 52. IC 20-21-2-1, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The Indiana School for the Blind and Visually Impaired is established as a state educational resource center that includes the following:

1. A residential and day school.
2. Outreach services.
3. Consultative services to local educational agencies to assist the agencies in meeting the needs of locally enrolled students with visual disabilities.

SECTION 53. IC 20-21-2-4, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall appoint the superintendent, chief executive officer, subject to the approval of the governor. The superintendent serves at the pleasure of the board and may be removed for cause.

(b) The superintendent appointee must have the following qualifications:

1. Be an educator with knowledge, skill, and ability in the appointee’s profession.
2. Have at least five (5) years experience in instruction of visually disabled students with visual impairment disabilities.
3. Have a master's degree or a higher degree.
4. Meet the qualifications for an Indiana teacher's certificate in the area of visual impairment disabilities.
5. Have a superintendent's license or obtain a superintendent's license not more than two (2) years after appointment by the board.

5. Have at least five (5) years experience supervising other individuals.

SECTION 54. IC 20-21-2-5, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The superintendent, executive, subject to the approval of the board and IC 20-21-4, has complete responsibility for management of the school.

(b) The superintendent executive has responsibility for the following:

1. Direction of the education, care, safety, and well-being of all
students in attendance.

(2) Evaluation and improvement of the school staff, educational programs, and support services.

(3) Implementation and administration of the policies, mission, and goals of the school as established by the board.

(4) Serving as the purchasing agent for the school under IC 5-22-4-8.

(5) Implementation of budgetary matters as recommended by the board and the department of education under IC 20-21-3-10(b).

(6) Management of the school's outreach program with local public schools.

(7) Advocating on behalf of the school under guidelines established by the board.

(8) Executing contracts on behalf of the school.

(c) The superintendent is the appointing authority for all employees necessary to properly conduct and operate the school.

SECTION 55. IC 20-21-2-6, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Subject to:

(1) the determination by case conference committees based on individualized education programs; and

(2) the school's admissions criteria adopted by the board under IC 20-21-3-10(a)(4);

the superintendent shall receive as students in the school Indiana residents who are visually disabled school age individuals.

SECTION 56. IC 20-21-2-7, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A placement review committee for the school is established. The placement review committee consists of one representative of each of the following:

(1) The board.

(2) The office of the secretary of family and social services.

(3) The state superintendent.

(b) The placement review committee shall meet upon petition of an interested party to review the following:

(1) Applications to the school denied through the process described in section 6 of this chapter.

(2) All instances of dismissal from the school for reasons other than graduation, voluntary transition to another educational facility, or voluntary departure from the school.
(c) The superintendent executive shall serve as an adviser to the placement review committee. The superintendent executive shall provide the placement review committee with information and justification for all application denials and dismissals under review.

(d) The placement review committee may recommend that application denials or dismissals be reconsidered.

SECTION 57. IC 20-21-2-13, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. The superintendent executive may, subject to the approval of the governor and the policies of the board, receive, for the use of the school, gifts, legacies, devises, and conveyances of real or personal property that are made, given, or granted to or for the school.

SECTION 58. IC 20-21-3-1, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The Indiana School for the Blind and Visually Impaired board is established.

SECTION 59. IC 20-21-3-10, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The board shall do the following:

1. Establish policies and accountability measures for the school.
2. Implement this article.
3. Perform the duties required by IC 5-22-4-8.
4. Adopt rules under IC 4-22-2 to establish criteria for the admission of visually disabled children, including children with multiple disabilities, at the school.
5. Hire the superintendent executive, who serves at the pleasure of the board.
6. Determine the salary and benefits of the superintendent executive.
7. Adopt rules under IC 4-22-2 required by this article.

(b) The board shall submit the school’s biennial budget to the department, which shall review the proposed budget. As part of its review, the department may request and shall receive from the board, in a form as may reasonably be required by the department, all information used by the board to develop the proposed budget. If, upon review, the department determines that any part of the budget request is not supported by the information provided, the department shall meet with the board at the earliest date possible in order to reconcile the budget request. The department shall submit the reconciled budget to
the budget agency and the budget committee.

SECTION 60. IC 20-21-4-2, AS ADDED BY HEA 1288-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The superintendent executive shall hire directly for those positions as approved by the state personnel department and the board any candidate the superintendent executive considers qualified to fill a position at the school. The state personnel department, in collaboration with the board, shall annually develop a list of job classifications for positions at the school for which the superintendent executive may fill a vacancy by hiring a candidate for the position based on a search for qualified candidates outside the state personnel hiring list.

SECTION 61. IC 20-22-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. "Executive" refers to the chief executive officer of the school appointed under IC 20-22-2-4.

SECTION 62. IC 20-22-2-4, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall appoint the superintendent, chief executive officer, subject to the approval of the governor. The superintendent executive serves at the pleasure of the board and may be removed for cause.

(b) The superintendent executive appointee must have the following qualifications:

(1) Be an educator with knowledge, skill, and ability in the appointee's profession.
(2) Have at least five (5) years experience in instruction of hearing disabled students with hearing impairment disabilities.
(3) Have a master's degree or a higher degree.
(4) Meet the qualifications for an Indiana teacher's certificate in the area of hearing impairment disabilities.
(5) Have a superintendent's license or obtain a superintendent's license not more than two (2) years after appointment by the board.
(6) Have at least five (5) years experience supervising other individuals.

SECTION 63. IC 20-22-2-5, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The superintendent executive, subject to the approval of the board and IC 20-21-4, has complete responsibility
for management of the school.

(b) The superintendent executive has responsibility for the following:

1. Direction of the education, care, safety, and well-being of all students in attendance.
2. Evaluation and improvement of the school staff, educational programs, and support services.
3. Implementation and administration of the policies, mission, and goals of the school as established by the board.
4. Serving as the purchasing agent for the school under IC 5-22-4-8.
5. Implementation of budgetary matters as recommended by the board and the department of education under IC 20-22-3-10(b).
6. Management of the school’s outreach program with local public schools.
7. Advocating on behalf of the school under guidelines established by the board.
8. Executing contracts on behalf of the school.

(c) The superintendent executive is the appointing authority for all employees necessary to properly conduct and operate the school.

SECTION 64. IC 20-22-2-6, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Subject to:

1. the determination by case conference committees based on individualized education programs; and
2. the school’s admissions criteria adopted by the board under IC 20-22-3-10(a)(4);
the superintendent executive shall receive as students in the school Indiana residents who are hearing disabled school age individuals.

SECTION 65. IC 20-22-2-7, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A placement review committee for the school is established. The placement review committee consists of one representative of each of the following:

1. The board.
2. The office of the secretary of family and social services.
3. The state superintendent.

(b) The placement review committee shall meet upon petition of an interested party to review the following:

1. Applications to the school denied through the process
described in section 6 of this chapter.

(2) All instances of dismissal from the school for reasons other than graduation, voluntary transition to another educational facility, or voluntary departure from the school.

(c) The superintendent executive shall serve as an adviser to the placement review committee. The superintendent executive shall provide the placement review committee with information and justification for all application denials and dismissals under review.

(d) The placement review committee may recommend that application denials or dismissals be reconsidered.

SECTION 66. IC 20-22-2-13, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. The superintendent executive may, subject to the approval of the governor and the policies of the board, receive, for the use of the school, gifts, legacies, devises, and conveyances of real or personal property that are made, given, or granted to or for the school.

SECTION 67. IC 20-22-3-10, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The board shall do the following:

(1) Establish policies and accountability measures for the school.
(2) Implement this article.
(3) Perform the duties required by IC 5-22-4-8.
(4) Adopt rules under IC 4-22-2 to establish criteria for the admission of hearing disabled children, including children with multiple disabilities, at the school.
(5) Hire the superintendent executive, who serves at the pleasure of the board.
(6) Determine the salary and benefits of the superintendent executive.
(7) Adopt rules under IC 4-22-2 required by this article.

(b) The board shall submit the school's biennial budget to the department, which shall review the proposed budget. As part of its review, the department may request and shall receive from the board, in a form as may reasonably be required by the department, all information used by the board to develop the proposed budget. If, upon review, the department determines that any part of the budget request is not supported by the information provided, the department shall meet with the board at the earliest date possible in order to reconcile the budget request. The department shall submit the reconciled budget to
the budget agency and the budget committee.

SECTION 68. IC 20-22-4-2, AS ADDED BY HEA 1288-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The superintendent shall hire directly for those positions as approved by the state personnel department and the board any candidate the superintendent considers qualified to fill a position at the school. The state personnel department, in collaboration with the board, shall annually develop a list of job classifications for positions at the school for which the superintendent may fill a vacancy by hiring a candidate for the position based on a search for qualified candidates outside the state personnel hiring list.

SECTION 69. IC 20-27-3-1, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The state school bus committee is established. The committee has the following voting members:

1. The state superintendent or the state superintendent's authorized representative, who serves as chairperson of the committee.
2. The commissioner of the bureau of motor vehicles, or the commissioner's authorized representative.
3. The administrator of the motor carrier services division of the department of state revenue.
4. The director of the governor's council on impaired and dangerous driving.
5. A school bus driver appointed by the state superintendent upon the recommendation of the Indiana State Association of School Bus Drivers, Inc.
6. A superintendent of a school corporation appointed by the state superintendent upon the recommendation of the Indiana Association of Public School Superintendents.
7. A member of the governing body of a school corporation appointed by the state superintendent upon the recommendation of the Indiana School Boards Association.
8. A representative of the Indiana School for the Blind and Visually Impaired or the Indiana School for the Deaf appointed by the state superintendent.
9. A member of the School Transportation Association of Indiana appointed by the state superintendent upon the recommendation of the School Transportation Association of...
Indiana.

(b) The state superintendent shall designate a secretary from the department who shall keep the official record of the meetings and of official transactions of the committee.

SECTION 70. IC 20-30-11-4, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The postsecondary enrollment program is established for secondary school students in grades 11 and 12.

(b) A student may upon approval of the student's school corporation, enroll in courses offered by an eligible institution under the program on a full-time or part-time basis during grade 11 or grade 12, or both.

(c) If a school corporation has approved a course offered by an eligible institution for secondary credit, a student is entitled to credit toward graduation requirements for each course the student successfully completes at the eligible institution.

SECTION 71. IC 20-30-11-7, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A representative of the school corporation shall meet with each student who intends to participate in the program and discuss the following:

1. The student's eligibility to participate in the program.
2. The courses in which the student is authorized to enroll.
3. The postsecondary credit the student earns upon successful completion of a course.
4. The consequences of a student's failure to successfully complete a course.
5. The student's schedule.
6. The financial obligations of the student and the school under the program.
7. The responsibilities of the student, the student's parent, and the school under the program.
8. Other matters concerning the program.

(b) The representative of the school corporation shall make a recommendation to the principal concerning the student's participation in the program:

(c) Based on the recommendation received under subsection (b), the principal shall determine:

1. The student's eligibility to participate in the program; and
2. The courses approved for secondary credit.

(d) The principal shall notify the student and the superintendent; in
If the principal determines that:

1. the student is not eligible to participate in the program; or
2. a course in which the student intends to enroll is not approved for secondary credit;
the principal must state, in writing, the reasons for that determination.

SECTION 72. IC 20-30-11-8, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The governing body of each school corporation shall:

1. adopt policies to implement the program, based on guidelines established by the department; and
2. work with eligible institutions to grant secondary credits to a student who attends a postsecondary institution while the student is also attending secondary school.

SECTION 73. IC 20-30-11-10, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A student who is approved for participation in the program may apply for enrollment to an eligible institution. The eligible institution shall accept or reject the student based on the standards ordinarily used to decide student enrollments. However, a student who is approved for participation in the program by the student's school corporation may not be refused admission solely because the student has not graduated from a secondary school.

(b) The eligible institution shall promptly inform the:

1. student;
2. student's principal; and
3. department;

of the decision under subsection (a).

(c) Upon demonstration of financial need, an eligible institution may grant financial assistance to a student accepted for admission to the eligible institution.

SECTION 74. IC 20-30-11-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005] Sec. 10.5. If a student enrolls in a course offered by an eligible institution under the program, the institution and the student's school corporation shall enter into a contract for dual credit. The contract must establish the terms and conditions under which:

1. the institution will award credit for specified classes
successfully completed by students in the school corporation; and

(2) the school corporation will award credit for specified classes successfully completed by students at the institution.

SECTION 75. IC 20-30-11-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005] Sec. 15.5. (a) Each eligible institution shall make and maintain, for each student enrolled in the program, records of the following:

(1) The courses in which the student enrolls and the credit hours awarded for those courses.

(2) The courses that the student successfully completes and the courses that the student fails to complete.

(3) The postsecondary credit granted to the student.

(4) Other information requested by the commission for higher education.

(b) The commission for higher education is entitled to have access to the records made and maintained under subsection (a).

SECTION 76. IC 20-30-11-17, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The department, in consultation with the commission for higher education, shall:

(1) establish guidelines to carry out this chapter; and

(2) evaluate the program annually and report to the state board concerning the program. and

(3) adopt procedures for the award of grants from the postsecondary enrollment program fund established by section 16 of this chapter.

(b) The guidelines established under subsection (a)(1) must encourage participation by students at all achievement levels and in a variety of academic and vocational subjects.

SECTION 77. IC 20-30-11-18, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The state board and the commission for higher education shall adopt rules under IC 4-22-2 to carry out this chapter.

SECTION 78. IC 20-33-3-33, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. The employment of children by the:

(1) Indiana School for the Deaf; and
(2) Indiana School for the Blind and Visually Impaired; is subject to the general restrictions imposed on child labor under this chapter.

SECTION 79. IC 20-35-2-1, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) There is established under the state board a division of special education. The division shall exercise all the power and duties set out in this chapter, IC 20-35-3 through IC 20-35-6, and IC 20-35-8.

(b) The governor shall appoint, upon the recommendation of the state superintendent, a director of special education who serves at the pleasure of the governor. The amount of compensation of the director shall be determined by the budget agency with the approval of the governor. The director has the following duties:

(1) To do the following:

(A) Have general supervision of all programs, classes, and schools for children with disabilities, including those conducted by public schools, the Indiana School for the Blind and Visually Impaired, the Indiana School for the Deaf, the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of mental health and addiction.

(B) Coordinate the work of schools described in clause (A). For programs for preschool children with disabilities as required under IC 20-35-4-9, have general supervision over programs, classes, and schools, including those conducted by the schools or other state or local service providers as contracted for under IC 20-35-4-9. However, general supervision does not include the determination of admission standards for the state departments, boards, or agencies authorized to provide programs or classes under this chapter.

(2) To adopt, with the approval of the state board, rules governing the curriculum and instruction, including licensing of personnel in the field of education, as provided by law.

(3) To inspect and rate all schools, programs, or classes for children with disabilities to maintain proper standards of personnel, equipment, and supplies.

(4) With the consent of the state superintendent and the budget agency, to appoint and determine salaries for any assistants and other personnel needed to enable the director to accomplish the
duties of the director's office.

(5) To adopt, with the approval of the state board, the following:
   (A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.
   (B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.

(6) To make recommendations to the state board concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:
   (A) The number of teacher aides recommended for each exceptionality included within the class size ranges.
   (B) The role of the teacher aide.
   (C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.

(7) To cooperate with the interagency coordinating council established by IC 12-17-15-7 to ensure that the preschool special education programs required IC 20-35-4-9 are consistent with the early intervention services program described in IC 12-17-15.

c) The director or the state board may exercise authority over vocational programs for children with disabilities through a letter of agreement with the department of workforce development.

SECTION 80. IC 20-35-3-1, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The state superintendent shall appoint a state advisory council on the education of children with disabilities. The state advisory council's duties consist of providing policy guidance concerning special education and related services for children with disabilities. The state superintendent shall appoint at least seventeen (17) members who serve for a term of four (4) years. Vacancies shall be filled in the same manner for the unexpired balance of the term.

(b) The members of the state advisory council must be:
   (1) citizens of Indiana;
   (2) representative of the state's population; and
   (3) selected on the basis of their involvement in or concern with the education of children with disabilities.
(c) A majority of the members of the state advisory council must be individuals with disabilities or the parents of children with disabilities. Members must include the following:

1. Parents of children with disabilities.
2. Individuals with disabilities.
3. Teachers.
4. Representatives of higher education institutions that prepare special education and related services personnel.
5. State and local education officials.
7. Representatives of state agencies involved in the financing or delivery of related services to children with disabilities, including the following:
   - (A) The commissioner of the state department of health or the commissioner's designee.
   - (B) The director of the division of disability, aging, and rehabilitative services or the director's designee.
   - (C) The director of the division of mental health and addiction or the director's designee.
   - (D) The director of the division of family and children or the director's designee.
8. Representatives of nonpublic schools and freeway schools.
9. One (1) or more representatives of vocational, community, or business organizations concerned with the provision of transitional services to children with disabilities.
10. Representatives of the department of correction.
11. A representative from each of the following:
   - (A) The Indiana School for the Blind and Visually Impaired board.
   - (B) The Indiana School for the Deaf board.

(d) The responsibilities of the state advisory council are as follows:

1. To advise the state superintendent and the state board regarding all rules pertaining to children with disabilities.
2. To recommend approval or rejection of completed comprehensive plans submitted by school corporations acting individually or on a joint school services program basis with other corporations.
3. To advise the department of unmet needs within Indiana in the education of children with disabilities.
4. To provide public comment on rules proposed by the state
board regarding the education of children with disabilities.
(5) To advise the department in developing evaluations and reporting data to the United States Secretary of Education under 20 U.S.C. 1418.
(6) To advise the department in developing corrective action plans to address findings identified in federal monitoring reports under 20 U.S.C. 1400 et seq.
(7) To advise the department in developing and implementing policies related to the coordination of services for children with disabilities.
(e) The state advisory council shall do the following:
(1) Organize with a chairperson selected by the state superintendent.
(2) Meet as often as necessary to conduct the council’s business at the call of the chairperson, upon ten (10) days written notice, but not less than four (4) times a year.
(f) Members of the state advisory council are entitled to reasonable amounts for expenses necessarily incurred in the performance of their duties.
(g) The state superintendent shall do the following:
(1) Designate the director to act as executive secretary of the state advisory council.
(2) Furnish all professional and clerical assistance necessary for the performance of the state advisory council’s powers and duties.
(h) The affirmative votes of a majority of the members appointed to the state advisory council are required for the state advisory council to take action.
SECTION 81. IC 20-35-4-10, AS AMENDED BY SEA 397-2005, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) For purposes of this section, "comprehensive plan" means a plan for educating the following:
(1) All children with disabilities that a school corporation is required to educate under sections 8 through 9 of this chapter.
(2) The additional children with disabilities that the school corporation elects to educate.
(b) For purposes of this section, "school corporation" includes the following:
(1) The Indiana School for the Blind and Visually Impaired board.
(2) The Indiana School for the Deaf board.
(c) The state board shall adopt rules under IC 4-22-2 detailing the contents of the comprehensive plan. Each school corporation shall complete and submit to the state superintendent a comprehensive plan. School corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a school corporation enters into a contractual agreement as permitted under section 9 of this chapter, the school corporation shall collaborate with the service provider in formulating the comprehensive plan.

(d) Notwithstanding the age limits set out in IC 20-35-1-2, the state board may:

(1) conduct a program for the early identification of children with disabilities, between the ages of birth and less than twenty-two years of age not served by the public schools or through a contractual agreement under section 9 of this chapter; and

(2) use agencies that serve children with disabilities other than the public schools.

(e) The state board shall adopt rules under IC 4-22-2 requiring the:

(1) department of correction;
(2) state department of health;
(3) division of disability, aging, and rehabilitative services;
(4) Indiana School for the Blind and Visually Impaired board;
(5) Indiana School for the Deaf board; and
(6) division of mental health and addiction;

to submit to the state superintendent a plan for the provision of special education for children in programs administered by each respective agency who are entitled to a special education.

(f) The state superintendent shall furnish professional consultant services to school corporations and the entities listed in subsection (e) to aid them in fulfilling the requirements of this section.

SECTION 82. IC 20-35-8-2, AS AMENDED BY SEA 397-2005, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The state board shall adopt rules under IC 4-22-2 to establish limits on the amount of transportation that may be provided in the student's individualized education program. Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility, these rules must limit the transportation required by the student's individualized education program to the following:

(1) The student's first entrance and final departure each school year.
(2) Round trip transportation each school holiday period.
(3) Two (2) additional round trips each school year.

(b) If a student is a transfer student receiving special education in a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-26-11-1 through IC 20-26-11-4 shall pay the cost of transportation required by the student's individualized education program. However, if a transfer student was counted as an eligible student for purposes of a distribution in a calendar year under IC 21-3-3.1, the transportation costs that the transferee school may charge for a school year ending in the calendar year shall be reduced by the sum of the following:

(1) The quotient of:
   (A) the amount of money that the transferee school is eligible to receive under IC 21-3-3.1-2.1 for the calendar year in which the school year ends; divided by
   (B) the number of eligible students for the transferee school for the calendar year (as determined under IC 21-3-3.1-2.1).

(2) The amount of money that the transferee school is eligible to receive under IC 21-3-3.1-4 for the calendar year in which the school year ends for the transportation of the transfer student during the school year.

(c) If a student receives a special education:

(1) in a facility operated by:
   (A) the state department of health;
   (B) the division of disability, aging, and rehabilitative services; or
   (C) the division of mental health and addiction;

(2) at the Indiana School for the Blind and Visually Impaired; or

(3) at the Indiana School for the Deaf; the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

(d) If a student is placed in a private facility under IC 20-35-6-2 in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program.
education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

SECTION 83. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-10.1-15-9; IC 20-10.1-15-16; IC 20-12-17-3; IC 20-15-1-7; IC 20-16-1-7; IC 20-21-1-7; IC 20-22-1-7; IC 20-30-11-9; IC 20-30-11-16.

P.L.219-2005
[H.1315. Approved May 11, 2005.]

AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 9-13-2-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 42. (a) "Dealer" means, except as otherwise provided in this section, a person who sells to the general public, including a person who sells directly by the Internet or other computer network, at least twelve (12) vehicles each year for delivery in Indiana. A dealer must have an established place of business that meets the minimum standards prescribed by the bureau under rules adopted under IC 4-22-2.

(b) The term does not include the following:

   (1) A receiver, trustee, or other person appointed by or acting under the judgment or order of a court.
   (2) A public officer while performing official duties.
   (3) A person who is a dealer solely because of activities as a transfer dealer.

   (4) A person who sells off-road vehicles.

(c) "Dealer", for purposes of IC 9-31, means a person that sells to the general public for delivery in Indiana at least six (6) boats per year.

SECTION 2. IC 9-13-2-117.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 117.3. "Off-road vehicle" has the meaning set forth in IC 14-16-1-3.

SECTION 3. IC 9-13-2-123 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 123. (a) "Passenger motor vehicle" means, except as provided in subsection (b), a motor vehicle designed for carrying passengers. The term includes a low speed vehicle but does not include a motorcycle, a bus, or a school bus, or an off-road vehicle.

(b) For purposes of IC 9-19-10, the term includes buses, school buses, and private buses, and excludes trucks, tractors, and recreational vehicles.

SECTION 4. IC 9-17-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) This section does not apply to an off-road vehicle that is at least five (5) model years old.

(b) Within sixty (60) days of becoming an Indiana resident, a person must obtain a certificate of title for all vehicles owned by the person that:

(1) are subject to the motor vehicle excise tax under IC 6-6-5; or
(2) are off-road vehicles;

and (2) that will be operated in Indiana.

(c) Within sixty (60) days after becoming an Indiana resident, a person shall obtain a certificate of title for all commercial vehicles owned by the person that:

(1) are subject to the commercial vehicle excise tax under IC 6-6-5.5;
(2) are not subject to proportional registration under the International Registration Plan; and
(3) will be operated in Indiana.

(d) A person must produce evidence concerning the date on which the person became an Indiana resident.

SECTION 5. IC 9-17-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section does not apply to an off-road vehicle that is at least five (5) model years old.

(b) A person who purchases an off-road vehicle after December 31, 2005, must obtain a certificate of title for the off-road vehicle from the bureau.

SECTION 6. IC 9-17-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. If an application for a certificate of title is for a vehicle or off-road vehicle brought into Indiana from another state, the application must be accompanied by:

(1) the certificate of title issued for the vehicle or off-road vehicle by the other state if the other state has a certificate of title
(2) a sworn bill of sale or dealer’s invoice fully describing the vehicle or off-road vehicle and the most recent registration receipt issued for the vehicle or off-road vehicle if the other state does not have a certificate of title law; or

(3) other information that the bureau requires, if the other state does not have a certificate of title or registration law that pertains to the vehicle or off-road vehicle.

SECTION 7. IC 9-17-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. (a) This section does not apply to a motor vehicle requiring a certificate of title under section 1(b)(2) or 1.5 of this chapter.

(b) A certificate of title issued for a vehicle that is required to be registered under this title at a declared gross weight of sixteen thousand (16,000) pounds or less must contain the odometer reading of the vehicle in miles or kilometers as of the date of sale or transfer of the vehicle.

(c) A person may not knowingly furnish to the bureau odometer information that does not accurately indicate the total recorded miles or kilometers on the vehicle.

(d) The bureau and its license branches are not subject to a criminal or civil action by a person for an invalid odometer reading on a certificate of title.

SECTION 8. IC 9-17-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. (a) This section does not apply to a motor vehicle requiring a certificate of title under section 1(a)(2) or 1.5 of this chapter.

(b) A person applying for a certificate of title must:

(1) apply for registration of the vehicle described in the application for the certificate of title; or

(2) transfer the current registration of the vehicle owned or previously owned by the person.

SECTION 9. IC 9-17-2-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 17. A certificate of title issued under this chapter does not relieve an owner of an off-road vehicle from any registration requirement for the off-road vehicle under IC 14-16-1.

SECTION 10. IC 9-17-8-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 0.5. This chapter does not apply to an
off-road vehicle.

SECTION 11. IC 9-18-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. This article does not apply to the following:

1. Farm wagons.
2. Farm tractors.
3. Farm machinery.
4. A new motor vehicle, if the new motor vehicle is being operated in Indiana solely to remove it from an accident site to a storage location because:
   a. the new motor vehicle was being transported on a railroad car or semitrailer; and
   b. the railroad car or semitrailer was involved in an accident that required the unloading of the new motor vehicle to preserve or prevent further damage to it.
5. Off-road vehicles.

SECTION 12. IC 9-22-3-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 0.5. For purposes of this chapter, "motor vehicle" does not include an off-road vehicle.

SECTION 13. IC 9-23-0.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 0.5. Application
Sec. 1. For purposes of this article, "motor vehicle" or "vehicle" does not include an off-road vehicle.

SECTION 14. IC 9-29-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) The fee for a delinquent title is ten dollars ($10). Except as provided in subsections (b), and (c), and (d), the bureau shall collect this fee when a purchaser or transferee fails to apply for an original certificate of title or a transfer of title, by assignment, within thirty-one (31) days after the vehicle is purchased or otherwise acquired. This fee is in addition to all other fees imposed for the issuance of a certificate of title.

(b) A dealer who titles a vehicle in the dealership's name for purposes of putting the vehicle in rental, leasing, or demonstrating service is not required to pay a delinquent title fee under this section, but shall pay the following for each title:

1. The title fee under section 3 of this chapter.
2. A service charge under IC 9-29-3.
(c) A dealer who titles a vehicle in the dealership's name for the purpose of selling the vehicle shall pay the following:

(1) The title fee under section 3 of this chapter.

(2) A service charge under IC 9-29-3.

(d) IC 9-17-2-1.5 applies to the purchase or acquisition of an off-road vehicle that is less than five (5) model years old.

SECTION 15. IC 14-8-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.5. "Alcoholic beverage", for purposes of IC 14-16-1, has the meaning set forth in IC 14-16-1-1.5.

SECTION 16. IC 14-16-1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. As used in this chapter, "alcoholic beverage" has the meaning set forth in IC 7.1-1-3-5.

SECTION 17. IC 14-16-1-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9.5. Registration under this chapter does not relieve an owner of an off-road vehicle from any requirement to obtain a certificate of title for the off-road vehicle under IC 9-17-2.

SECTION 18. IC 14-16-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 18. (a) A dealer shall maintain in safe operating condition all vehicles rented, leased, or furnished by the dealer. The dealer or the dealer's agents or employees shall explain the operation of a vehicle being rented, leased, or furnished. If the dealer or the dealer's agent or employee believes the person to whom the vehicle is to be rented, leased, or furnished is not competent to operate the vehicle with safety to the person or others, the dealer or the dealer's agent or employee shall refuse to rent, lease, or furnish the vehicle.

(b) A dealer renting, leasing, or furnishing a vehicle shall carry a policy of liability insurance subject to minimum limits, exclusive of interest and costs, with respect to the vehicle as follows:

(1) Twenty thousand dollars ($20,000) for bodily injury to or death of one (1) person in any one (1) accident.

(2) Subject to the limit for one (1) person, forty thousand dollars ($40,000) for bodily injury to or death of at least two (2) persons in any one (1) accident.

(3) Ten thousand dollars ($10,000) for injury to or destruction of
property of others in any one (1) accident.
(c) In the alternative, a dealer may demand and must be shown proof that the person renting, leasing, or being furnished a vehicle carries a liability policy of at least the type and coverage specified in subsection (b).
(d) A dealer:
   (1) shall prepare an application for a certificate of title as required by IC 9-17-2-1.5 for a purchaser of an off-road vehicle and shall submit the application for the certificate of title in the format required by IC 9-17-2-2 to the bureau of motor vehicles; and
   (2) may charge a processing fee for this service that may not exceed ten dollars ($10).
(e) This subsection does not apply to an off-road vehicle that is at least five (5) model years old. After January 1, 2008, a dealer may not have on its premise an off-road vehicle that does not have a certificate of:
   (1) origin from its manufacturer; or
   (2) title issued by;
       (A) the bureau of motor vehicles or its equivalent in another state; or
       (B) a foreign country.
SECTION 19. IC 14-16-1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) An individual shall not operate a vehicle under any of the following conditions:
   (1) At a rate of speed greater than is reasonable and proper having due regard for existing conditions or in a manner that unnecessarily endangers the person or property of another.
   (2) While:
       (A) under the influence of intoxicating liquor, an alcoholic beverage; or
       (B) unlawfully under the influence of a narcotic or other habit forming or dangerous depressant or stimulant drug.
   (3) During the hours from thirty (30) minutes after sunset to thirty (30) minutes before sunrise without displaying a lighted headlight and a lighted taillight.
   (4) In a forest nursery, a planting area, or public land posted or reasonably identified as an area of forest or plant reproduction and when growing stock may be damaged.
   (5) On the frozen surface of public waters within:
       (A) one hundred (100) feet of an individual not in or upon a
vehicle; or
(B) one hundred (100) feet of a fishing shanty or shelter; except at a speed of not more than five (5) miles per hour.

(6) Unless the vehicle is equipped with a muffler in good working order and in constant operation to prevent excessive or unusual noise and annoying smoke.

(7) Within one hundred (100) feet of a dwelling between midnight and 6:00 a.m., except on the individual's own property or property under the individual's control or as an invited guest.

(8) On any property without the consent of the landowner or tenant.

(9) While transporting on or in the vehicle a firearm unless the firearm is:
   (A) unloaded; and
   (B) securely encased or equipped with and made inoperative by a manufactured keylocked trigger housing mechanism.

(10) On or across a cemetery or burial ground.

(11) Within one hundred (100) feet of a slide, ski, or skating area, except for the purpose of servicing the area.

(12) On a railroad track or railroad right-of-way, except railroad personnel in the performance of duties.

(13) In or upon a flowing river, stream, or creek, except for the purpose of crossing by the shortest possible route, unless the river, stream, or creek is of sufficient water depth to permit movement by flotation of the vehicle at all times.

(14) An individual shall not operate a vehicle while a bow is present in or on the vehicle if the nock of an arrow is in position on the string of the bow.

(b) Subsection (a)(9) does not apply to a person who is carrying a handgun if the person:
   (1) has been issued an unlimited handgun license to carry a handgun under IC 35-47-2; or
   (2) is not required to possess a license to carry a handgun under IC 35-47-2-2.

SECTION 20. IC 14-16-1-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 29. (a) Except as provided in subsection (b), subsections (b) and (c), a person who violates this chapter commits a Class C infraction.

(b) A person who violates section 18, 18(a), 18(b), 18(c), 23(1), 23(2), or 24 of this chapter commits a Class B misdemeanor.
(c) A person who violates section 18(d) or 18(e) of this chapter commits a Class A infraction.

P.L.220-2005
[H.1394. Approved May 11, 2005.]

AN ACT concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-10-1.1-1.5 IS AMENDED TO READ AS FOWLLS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) The state, through the budget agency, may adopt a defined contribution plan, under Section 401(a) of the Internal Revenue Code, for the purpose of matching all or a specified portion of state employees' contributions to the state employees' deferred compensation plan and for any additional purposes established by statute.

(b) The deferred compensation committee shall be the trustee of a plan established under subsection (a) as described in section 4 of this chapter. A plan established under subsection (a) shall be administered by the auditor of state as described in section 5 of this chapter.

(c) The deferred compensation committee may approve funding offerings for a plan established under subsection (a), which may be the same as offerings for the state employees' deferred compensation plan. All funds in each plan shall be separately accounted for but may be commingled for investment purposes.

(d) Contributions to a plan established under subsection (a) are limited to the amount of biennial appropriations the budget agency determines are available for any such purposes. The deferred compensation committee may use funds available under the plan to hire or contract with qualified attorneys, financial advisers, or other professional or administrative persons that the committee believes are necessary or useful in the administration of the plan.

(e) A plan established under subsection (a) must include appropriate provisions concerning the plan's day to day operation and any other provisions that are appropriate. Notwithstanding IC 22-2-6-2, the plan may also include provisions for the use of automated voice response
units and telephonic communications, online activities, and other technology for participant elections, directions, and services if the technology has sufficient capacity to record and store the elections and directions.

(f) The state is obligated at any particular time only for the current market value of the funding previously made to a plan established under subsection (a).

(g) The state board of finance shall extend the plan established under subsection (a) to any political subdivision that also elects to use the state employees' deferred compensation plan for its employees as authorized in section 7(b)(2) or 7(b)(3) of this chapter.

SECTION 2. IC 5-10-1.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The deferred compensation committee is established. The committee consists of five (5) persons appointed by the state board of finance as follows:

1. Each member of the state board of finance shall appoint one (1) member to the committee.

2. The remaining two (2) members:
   A. must be participants in the state employees’ deferred compensation plan;
   B. may not be employees of the members of the state board of finance;
   C. must be from different political parties; and
   D. may not serve for more than two (2) consecutive three (3) year terms.

(b) The deferred compensation committee may annually elect a chairperson and a secretary.

(c) The deferred compensation committee may approve proposed investment products for the state employees’ deferred compensation plan.

(d) All amounts deferred under the state employees’ deferred compensation plan must be put into a trust for the exclusive benefit of plan participants, as required by Section 457(g) of the Internal Revenue Code. The deferred compensation committee is the trustee of the trust.

(e) The plan shall include appropriate provisions pertaining to its day to day operation providing for methods of electing to defer income, methods of changing the amount of income to be deferred, and such other provisions as may be appropriate. Notwithstanding IC 22-2-6-2, the plan may also include provisions for the use of automated voice response units and telephonic communications, on-line activities, and
other technology for participant elections, directions, and services if the technology has sufficient capacity to record and store the elections and directions.

(f) The plan shall provide for the preparation and distribution, from time to time to all eligible employees, of pamphlets describing the plan and outlining the opportunities available to employees under the plan.

(g) The state board of finance shall extend the plan to any political subdivision which elects to utilize the state employees’ deferred compensation plan for its employees as authorized in section 7(b)(2) or 7(b)(3) of this chapter.

(h) At least annually, the deferred compensation committee shall report to the state board of finance on the status of the state employees' deferred compensation plan, including any changes to the plan.

SECTION 3. IC 5-10-1.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Any political subdivision (as defined by IC 36-1-2-13) may establish for its employees a deferred compensation plan. The plan shall be selected by the governing body of the political subdivision, which in the case of a unit subject to IC 36-1-3 shall be done by ordinance. Participation shall be by written agreement between each employee and the governing body of the political subdivision, which agreement provides for the deferral of compensation and subsequent administration of such funds.

(b) For funding such agreements, the governing body of the political subdivision may:

(1) designate one (1) of its agencies or departments to establish and administer such plans and choose such funding as deemed appropriate by the agency or department, which may include more than one (1) funding product; or

(2) extend the state employees' deferred compensation plan to employees of the political subdivision, subject to the terms and conditions of the state employees' deferred compensation plan as it is established from time to time; or

(3) **offer both of the plans described in subdivisions (1) and (2).**

(c) This section does not limit the power or authority of any political subdivision to establish and administer other plans deemed appropriate by the governing bodies of such subdivisions, including plans established under section 1(2) of this chapter.

SECTION 4. IC 5-10-1.1-7.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.3. (a) Any political
subdivision (as defined in IC 36-1-2-13) that elects to use the state employees' deferred compensation plan for its employees as authorized in section 7(b)(2) or 7(b)(3) of this chapter also may elect to participate in the state's defined contribution plan established by section 1.5 of this chapter for the purpose of matching all or a specified portion of the political subdivision's employees' contributions to the deferred compensation plan.

(b) Participation in the state's defined contribution plan described in subsection (a) shall be authorized by the governing body of the political subdivision, which in the case of a unit subject to IC 36-1-3 shall be done by ordinance.

(c) Contributions by a political subdivision to the state's defined contribution plan described in subsection (a) for the purpose of matching all or a specified portion of employee contributions are limited to the amount of appropriations made each year for that purpose.

(d) The political subdivision is obligated at any particular time only for the current market value of the funding previously made to the state's defined contribution plan described in subsection (a).

(e) This section does not limit the power or authority of any political subdivision to establish and administer any other plans considered appropriate by the governing body of the political subdivision, including plans established under section 1(2) of this chapter.

SECTION 5. IC 5-10-1.1-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) As used in this section, "state agency" means the following:

(1) An authority, a board, a branch, a commission, a committee, a department, a division, or other instrumentality of state government.

(2) A separate corporate body politic that adopts the plan described in subsection (b).

(3) State elected officials and their office staff.

(4) The legislative services agency.

(5) Legislative staff eligible to participate in the state employees' deferred compensation plan established by section 1 of this chapter.

However, the term does not include a state educational institution (as defined in IC 20-12-0.5-1) or a political subdivision.

(b) The deferred compensation committee shall adopt provisions in a defined contribution plan, under Sections 401(a) and 414(d) of the
Internal Revenue Code, for the purpose of converting unused excess accrued leave to a monetary contribution for employees of a state agency. These provisions may be part of the plan and trust established under section 1.5(a) of this chapter.

(c) The deferred compensation committee is the trustee of the plan described in subsection (b). The plan must be a qualified plan, as determined by the Internal Revenue Service.

(d) The state personnel department shall adopt rules under IC 4-22-2 that it considers appropriate or necessary to implement this section. The rules adopted by the state personnel department under this section must:

(1) be consistent with the plan described in subsection (b);
(2) include provisions concerning:
   (A) the type and amount of leave that may be converted to a monetary contribution;
   (B) the conversion formula for valuing any leave that is converted;
   (C) the manner of employee selection of leave conversion; and
   (D) the vesting schedule for any leave that is converted; and
(3) apply to all state agencies.

(e) The rules adopted by the state personnel department under subsection (d) specifying the conversion formula must provide for a conversion rate under which the amount contributed on behalf of a participating employee for a day of leave that is converted under this section is equal to at least sixty percent (60%) of the employee's daily pay as of the date the leave is converted.

(f) The deferred compensation committee may adopt the following:

(1) Plan provisions governing:
   (A) the investment of accounts in the plan; and
   (B) the accounting for converted leave.
(2) Any other plan provisions that are necessary or appropriate for operation of the plan.

(g) The plan described in subsection (b) may be implemented only if the deferred compensation committee has received from the Internal Revenue Service any rulings or determination letters that the committee considers necessary or appropriate.

(h) To the extent allowed by:

(1) the Internal Revenue Code; and
(2) rules adopted by:

   (A) the state personnel department under this section; and
(B) the board of trustees of the public employees' retirement fund under IC 5-10.3-8-14; an employee of a state agency may convert unused excess accrued leave to a monetary contribution under this section and under IC 5-10.3-8-14.

SECTION 6. IC 5-10.3-8-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section applies to employees of the state (as defined in IC 5-10.3-7-1(d)) who are members of the fund.

(b) The board shall adopt provisions to establish a retirement medical benefits account within the fund under Section 401(h) or as a separate fund under another applicable section of the Internal Revenue Code for the purpose of converting unused excess accrued leave to a monetary contribution for an employee of the state to fund on a pretax basis benefits for sickness, accident, hospitalization, and medical expenses for the employee and the spouse and dependents of the employee after the employee's retirement.

(c) The board is the trustee of the account described in subsection (b). The account must be qualified, as determined by the Internal Revenue Service, as a separate account within the fund whose benefits are subordinate to the retirement benefits provided by the fund.

(d) The board may adopt rules under IC 5-10.3-3-8 that it considers appropriate or necessary to implement this section after consulting with the state personnel department. The rules adopted by the board under this section must:

(1) be consistent with the federal and state law that applies to:

(A) the account described in subsection (b); and

(B) the fund; and

(2) include provisions concerning:

(A) the type and amount of leave that may be converted to a monetary contribution;

(B) the conversion formula for valuing any leave that is converted;

(C) the manner of employee selection of leave conversion; and

(D) the vesting schedule for any leave that is converted.

(e) The board may adopt the following:

(1) Account provisions governing:

(A) the investment of amounts in the account; and
(B) the accounting for converted leave.
(2) Any other provisions that are necessary or appropriate for operation of the account.

(f) The account described in subsection (b) may be implemented only if the board has received from the Internal Revenue Service any rulings or determination letters that the board considers necessary or appropriate.

(g) To the extent allowed by:
(1) the Internal Revenue Code; and
(2) rules adopted by:
   (A) the board under this section; and
   (B) the state personnel department under IC 5-10-1.1-7.5;
employees of the state may convert unused excess accrued leave to a monetary contribution under this section and under IC 5-10-1.1-7.5.

SECTION 7. P.L.126-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: SECTION 1. (a) As used in this SECTION, "PERF board" refers to the public employees' retirement fund board of trustees established by IC 5-10.3-1-1.

(b) As used in this SECTION, "fund" refers to the fund for the defined contribution plan of the legislators' retirement system established by IC 2-3.5-3-2.

(c) Beginning January 1, 2004, the PERF board shall conduct a pilot program concerning:
   (1) the implementation of a member's investment selection; and
   (2) the crediting of a member's contributions and earnings; for the fund.

(d) The pilot program referred to in subsection (c) must include the following elements:
   (1) Notwithstanding IC 2-3.5-5-3(b)(2), the PERF board shall implement a member's selection under IC 2-3.5-5-3 not later than the next business day following receipt of the member's selection by the PERF board. This date is the effective date of the member's selection.
   (2) Notwithstanding IC 2-3.5-5-3(b)(7), all contributions to a member's account in the fund must be allocated under IC 2-3.5-5-3 not later than the last day of the quarter in which the contributions are received and reconciled in accordance with the member's most recent effective direction.
   (3) Notwithstanding IC 2-3.5-5-3(c) and IC 2-3.5-5-3(d), when a member retires, becomes disabled, dies, or withdraws from the
fund, the amount credited to the member is the market value of
the member's investment as of five (5) business days preceding
the member's distribution or annuitization at retirement, disability,
death, or withdrawal, plus contributions received after that date.
(4) Notwithstanding IC 2-3.5-5-4, contributions to the fund under
IC 2-3.5-5-4 must be credited to the fund not later than the last
day of the quarter in which the contributions were deducted.
(5) Notwithstanding IC 2-3.5-5-5, the state shall make
contributions under IC 2-3.5-5-5 to the fund not later than the last
day of each quarter. The contributions must equal twenty percent
(20%) of the annual salary received by each participant during
that quarter.

(c) Before November 1, 2005, the PERF board shall report to the
pension management oversight commission established by IC 2-5-12
the results of the pilot program referred to in subsection (c) and shall
recommend proposed legislation if the report includes a finding that the
pilot program should be implemented on a permanent basis. If the
PERF board recommends implementing the pilot program on a
permanent basis, the PERF board shall provide to the pension
management oversight commission a schedule to implement the
elements of the pilot program on a permanent basis for all funds for
which it has responsibility.

(f) This SECTION expires December 31, 2005. July 1, 2006.

SECTION 8. [EFFECTIVE UPON PASSAGE] (a) As used in this
SECTION, "committee" refers to the deferred compensation
committee established by IC 5-10-1.1-4.

(b) As used in this SECTION, "plan" refers to the deferred
compensation plan described in IC 5-10-1.1-1.5.

(c) The committee shall adopt a pilot program that enables the
employees of at least one (1) branch of state government to make
the first conversion of unused excess accrued leave to a monetary
contribution under the plan not later than December 31, 2005.

(d) The auditor of state shall provide for the administration of
the pilot program under IC 5-10-1.1-5.

(e) The provisions of IC 5-10-1.1-7.5 apply to the pilot program
described in subsection (e).

(f) This SECTION expires on the earlier of:

(1) the date the leave conversion provisions of the plan are
fully implemented on a permanent basis for all state agencies
(as defined in IC 5-10-1.1-7.5(a)); or
(2) July 1, 2010.
SECTION 9. [EFFECTIVE JULY 1, 2005] (a) A member of the Indiana state teachers' retirement fund (referred to in this SECTION as "fund") who is:

(1) receiving a benefit from the fund; and
(2) a party in an action for dissolution of marriage in which a court issues an order that prohibits the fund member's designated beneficiary from receiving any of the fund member's benefit from the fund;

may, before January 1, 2006, make the election described in subsection (b).

(b) A fund member described in subsection (a) may elect to:

(1) change the fund member's designated beneficiary or form of benefit under IC 5-10.2-4-7(b); and
(2) receive an actuarially adjusted and recalculated benefit for the remainder of:
   (A) the fund member's life; or
   (B) the fund member's life and the life of the newly designated beneficiary.

(c) A fund member making the election under subsection (b) may not elect to change to a five (5) year guaranteed form of benefit.

(d) If a fund member elects a benefit under subsection (b)(2)(B), the fund member must indicate whether the newly designated beneficiary's benefit will equal:

(1) the fund member's full recalculated retirement benefit;
(2) two-thirds (2/3) of the fund member's recalculated retirement benefit; or
(3) one-half (1/2) of the fund member's recalculated retirement benefit.

(e) The fund member bears the cost of recalculating a benefit under subsection (b)(2), and the cost shall be included in the actuarial adjustment.

(f) This SECTION expires January 1, 2006.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the state personnel department established by IC 4-15-1.8-2.

(b) Notwithstanding IC 5-10-1.1-7.5(d), the department shall adopt any rules to implement IC 5-10-1.1-7.5, as amended by this act, and SECTION 8 of this act, in the same manner as emergency rules are adopted under IC 4-22-2-37.1.

(c) Any rules adopted under this SECTION must be adopted so
that employees of at least one (1) branch of state government are able to make the first conversion of unused excess accrued leave not later than December 31, 2005.

(d) A rule adopted under this SECTION expires on the earlier of:

(1) the date rules are adopted by the department under IC 4-22-2-24 through IC 4-22-2-36 to implement IC 5-10-1.1-7.5, as amended by this act, for all state agencies (as defined in IC 5-10-1.1-7.5(a)); or

(2) July 1, 2010.

(c) This SECTION expires July 1, 2010.

SECTION 11. [EFFECTIVE JULY 1, 2005] (a) This SECTION applies to a surviving spouse of an employee beneficiary who:

(1) died before July 1, 2005; and

(2) was a member of a retirement plan established under IC 36-8-10-12.

(b) A monthly pension paid under IC 36-8-10-16(c), before its amendment by SEA 611-2005, to a surviving spouse after the date the surviving spouse remarried and before July 1, 2005, shall be treated as properly paid.

(c) The monthly pension of a surviving spouse:

(1) who remarried after December 31, 1989; and

(2) whose monthly pension paid under IC 36-8-10-16(c), before its amendment by SEA 611-2005, ceased on the date of remarriage;

shall be reinstated on July 1, 2005, under IC 36-8-10-16, as amended by SEA 611-2005, SECTION 2, and continue during the life of the surviving spouse.

SECTION 12. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning elections.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 3-5-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. "Ballot" means:
(1) the paper ballot prepared, printed, and supplied for use at an election;
(2) the ballot label prepared, printed, and supplied for use on the front of a voting machine or an electronic voting system; or
(3) the ballot card prepared, printed, and supplied for use in a ballot card voting system.

SECTION 2. IC 3-5-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. "Ballot card" refers to either a punch card ballot or an optical scan ballot.

SECTION 3. IC 3-5-2-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. "Ballot card voting system" refers to either a punch card voting system or an optical scan voting system.

SECTION 4. IC 3-5-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. "Ballot label" means:
(1) the printed strip or sheet of cardboard or paper, supplied for use on a voting machine or an electronic voting system, that contains the names of the candidates and the public questions on the ballot; or
(2) the booklet, pamphlet, or other material, supplied for use with a ballot card voting system, that contains those names and questions.

SECTION 5. IC 3-5-2-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. "Marking device" means:
(1) an apparatus in which paper ballots or ballot cards are inserted and used in connection with a punch apparatus for the piercing of ballots by the voter;
(2) (1) a pencil for marking a paper ballot or ballot card; or
(3) (2) an approved touch-sensitive device that automatically registers a vote on an electronic voting system.

SECTION 6. IC 3-5-2-48.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 48.5. "Testing authority" means an independent test authority as described in:
(1) as described in the Voting System Standards issued by the Federal Election Commission on April 30, 2002; or
(2) other more recent voting systems standards adopted by the commission under IC 3-11-15-13;
(2) accredited under Section 231 of HAVA (42 U.S.C. 15371).

SECTION 7. IC 3-5-2-52 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 52. "Voting method" means the use of:

(1) paper ballots;
(2) voting machines;
(3) ballot card voting systems;
(4) electronic voting systems; or
(5) any combination of these;

to register votes in a precinct.

SECTION 8. IC 3-6-4.2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. The election division shall do the following:

(1) Prepare and distribute paper ballots for the election or retention of persons to federal and state offices and for public questions in compliance with this title:
(2) Maintain complete and uniform descriptions and maps of all precincts in Indiana.
(3) Promptly update the information required by subdivision (1) after each precinct establishment order is filed with the commission under IC 3-11-1.5.
(4) Issue media watcher cards under IC 3-6-10-6.
(5) Prepare and transfer to the department of state revenue voter registration affidavits for inclusion in state adjusted gross income tax booklets under IC 6-8.1-3-19.
(6) After December 31, 2003; (5) Serve in accordance with 42 U.S.C. 1973 ff-1(b) as the office in Indiana responsible for providing information regarding voter registration procedures and absentee ballot procedures to absent uniformed services voters and overseas voters.
(7) As required by 42 U.S.C. 1973 ff-1(c), submit a report to the federal Election Assistance Commission not later than ninety (90) days after each general election setting forth the combined number of absentee ballots:
   (A) transmitted to absent uniformed services voters and overseas voters for the election; and
   (B) returned by absent uniformed services voters and overseas voters and cast in the election.
(8) Implement the state plan in accordance with the requirements of HAVA (42 U.S.C. 15401 through 15406) and this title, and appoint members of the committee established under 42 U.S.C. 15405.
(9) (8) Submit reports required under 42 U.S.C. 15408 to the federal Election Assistance Commission concerning the use of federal funds under Title II, Subtitle D, Part I of HAVA.

SECTION 9. IC 3-6-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) Each county election board, in addition to duties otherwise prescribed by law, shall do the following:

(1) Adopt and amend a written plan to implement NVRA within the county.
(2) Conduct all elections and administer the election laws within the county, except as provided in IC 3-8-5 and IC 3-10-7 for town conventions and municipal elections in certain small towns.
(3) Prepare all ballots, except those prepared by the election division.
(4) Distribute all ballots and pasters to all of the precincts in the county.

(b) This subsection does not apply to pasters to be attached to ballots during the final three (3) days before an election. Not later than the Monday before distributing ballots, pasters, and voting systems to the precincts in the county, the county election board shall notify the county chairman of each major political party and, upon request, the chairman of any other bona fide political party in the county, that sample ballots and pasters are available for inspection.

SECTION 10. IC 3-6-6-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) In a precinct where the voting is by any voting method except entirely by paper ballot, the poll clerks of the precinct shall perform all the duties connected with voting by voting machine, ballot card voting system or electronic voting system, and the assistant poll clerks shall perform all the duties connected with voting by paper ballot. It is necessary for only the two (2) assistant poll clerks to place their initials on the back of the paper ballots.

(b) The poll clerks shall tally the vote cast by paper ballot, and they alone shall sign the election certificates and returns. However, the precinct election board may call upon the assistant poll clerks to assist the poll clerks in any of their duties.

SECTION 11. IC 3-6-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A watcher appointed under this chapter is entitled to:

(1) enter the polls at least thirty (30) minutes before the opening
of the polls and remain there throughout election day until all tabulations have been completed;
(2) inspect the paper ballot boxes, voting machines, ballot card voting system, or electronic voting system before votes have been cast;
(3) inspect the work being done by any precinct election officer;
(4) enter, leave, and reenter the polls at any time on election day;
(5) witness the calling and recording of the votes the reading of the totals from the voting machines; and any other proceedings of the precinct election officers in the performance of official duties;
(6) receive a summary of the vote prepared under IC 3-12-2-15, IC 3-12-2.5-4, IC 3-12-3-2, IC 3-12-3-11, or IC 3-12-3.5-3, signed by the precinct election board, providing:
   (A) the names of all candidates of the political party whose primary election is being observed by the watcher and the number of votes cast for each candidate;
   (B) the names of all candidates at a general, municipal, or special election and the number of votes cast for each candidate; or
   (C) the vote cast for or against a public question;
(7) accompany the inspector and judge in delivering the tabulation and election returns to the county election board by the most direct route;
(8) be present when the inspector takes a receipt for the tabulation and election returns delivered to the county election board; and
(9) call upon the election sheriffs to make arrests.
SECTION 12. IC 3-6-9-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. A watcher appointed under this chapter is entitled to do the following:
(1) Enter the polls at least thirty (30) minutes before the opening of the polls and remain there throughout election day until all tabulations have been completed.
(2) Inspect the paper ballot boxes, voting machines, ballot card voting system, or electronic voting system before votes have been cast.
(3) Inspect the work being done by any precinct election officer.
(4) Enter, leave, and reenter the polls at any time on election day.
(5) Witness the calling and recording of the votes the reading of the totals from the voting machines; and any other proceedings of the precinct election officers in the performance of official duties.
(6) Receive a summary of the vote prepared under IC 3-12-2-15, IC 3-12-2.5-4, IC 3-12-3-2, IC 3-12-3-11, or IC 3-12-3.5-3, signed by the precinct election board, providing:
   (A) the names of all candidates of the political party whose primary election is being observed by the watcher and the number of votes cast for each candidate if the watcher is appointed under section 1(a)(1) of this chapter; or
   (B) the names of all candidates at a school board election and the number of votes cast for each candidate if the watcher is appointed under section 1(a)(2) of this chapter.

(7) Accompany the inspector and the judge in delivering the tabulation and the election returns to the county election board by the most direct route.

(8) Be present when the inspector takes a receipt for the tabulation and the election returns delivered to the county election board.

(9) Call upon the election sheriffs to make arrests.

SECTION 13. IC 3-6-10-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. A watcher appointed under this chapter is entitled to do the following:
   (1) Enter the polls at least thirty (30) minutes before the opening of the polls and remain there throughout election day until all tabulations have been completed.
   (2) Inspect the paper ballot boxes, voting machines, ballot card voting system, or electronic voting system before votes have been cast.
   (3) Inspect the work being done by any precinct election officer.
   (4) Enter, leave, and reenter the polls at any time on election day.
   (5) Witness the calling and recording of the votes and the reading of the totals from the voting machines; and any other proceedings of the precinct election officers in the performance of official duties.
   (6) Receive a summary of the vote prepared under IC 3-12-2-15, IC 3-12-2.5-4, IC 3-12-3-2, IC 3-12-3-11, or IC 3-12-3.5-3, signed by the precinct election board, providing the names of all candidates and the number of votes cast for each candidate and the votes cast for or against a public question.
   (7) Accompany the inspector and the judge in delivering the tabulation and the election returns to the county election board by the most direct route.
   (8) Be present when the inspector takes a receipt for the
tabulation and the election returns delivered to the county election board.

SECTION 14. IC 3-8-3-9 IS AMENDED TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 9. Each circuit court clerk shall, not later than noon on the second Monday after the day the primary election is held, send to the election division by certified mail or hand delivery one (1) complete copy of all returns for presidential candidates. The clerk shall state the number of votes received by each candidate in each congressional district within the county.

SECTION 15. IC 3-8-4-5 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to each political party that elects delegates to the party's state convention at a primary election.

(b) Each circuit court clerk, not later than noon on the second Monday after a primary election, shall furnish the election division with a complete list of all delegates elected at the primary election to the state convention of a political party. The list must include the address of each delegate and the United States congressional district in which each delegate resides.

SECTION 16. IC 3-8-4-8 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 8. Candidates shall be nominated or elected at a state convention by using voting machines; ballot card systems or electronic voting systems. However, if there is no contest for an office, the nomination or election may be by motion and acclamation.

SECTION 17. IC 3-8-4-9 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 9. The state chairman of the political party holding a state convention shall appoint an inspector and two (2) poll clerks to attend each voting machine or system at the convention. Each candidate may have one (1) watcher at each voting machine or system to check the voting machine or system before and after each ballot and to check the work of any election officer. The inspector and poll clerks:

(1) shall take an oath to perform their duties faithfully and to the best of their abilities before anyone entitled to administer an oath;
(2) must be qualified in relationship to candidates in the same manner as precinct election officers under IC 3-6-6-7; and
(3) are subject to the same penalties as precinct election officers.

SECTION 18. IC 3-8-7-5 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Each circuit court clerk, not
later than noon on the **first second** Monday after a primary election conducted in a year in which a general election will be held, shall furnish the election division with a complete list of all:

(1) candidates nominated; and
(2) state convention delegates elected;

at the primary election.

(b) The list must include the address of each candidate and delegate and the United States congressional district in which each candidate and delegate resides.

SECTION 19. IC 3-9-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The election division shall develop a filing and coding system consistent with the purposes of this article. The election division and each county election board shall use the filing and coding system. The coding system must provide:

(1) not more than ten (10) codes to account for various campaign expenditure items; and

(2) a clear explanation of the kinds of expenditure items that must be accounted for under each code.

(b) The election division shall develop and use a computer system to store campaign finance reports required to be filed under IC 3-9-5-6, IC 3-9-5-10, and IC 3-9-5-20.1. The computer system must enable the election division to do the following:

(1) Identify all candidates or committees that received contributions from a contributor over the past three (3) years.
(2) Identify all contributors to a candidate or committee over the past three (3) years.
(3) Provide for electronic submission, retrieval, storage, and disclosure of campaign finance reports of candidates for the following:

(A) Legislative office.

(B) State office.

The election division shall provide training at no cost to candidates to enable candidates described in this subdivision to file campaign finance reports electronically.

(c) The election division shall notify each candidate's committee that the election division will provide at the committee's request at no cost a standardized software program to permit the committee to install the software on a computer and generate an electronic version of the reports and statements required to be filed with the election division.
under this article. However, the election division is not required to provide or alter the software program to make the program compatible for installation or operation on a specific computer.

(d) This subsection applies after December 31, 2005, to the following committees:

1. A committee for a candidate seeking election to a state office.
2. A political action committee that has received more than fifty thousand dollars ($50,000) in contributions since the close of the previous reporting period.

The committee must file electronically the report or statement required under this article with the election division using a standardized software program supplied to the committee without charge under subsection (c) or another format approved by the election division. An electronic filing approved by the election division under this subsection may not require manual reentry into a computer system of the data contained in the report or statement in order to make the data available to the general public under subsection (g).

(e) This subsection applies to an electronic submission under subsection (b)(3). An electronic submission must be in a format previously approved by the commission that permits the election division to print out a hard copy of the report after the receipt of the electronic submission from the candidate. Filing of a report occurs under IC 3-5-2-24.5 on the date and at the time electronically recorded by the election division's computer system. If a discrepancy exists between the text of the electronic submission and the printed report, the text of the printed report prevails until an amendment is filed under this article to correct the discrepancy.

(f) The election division is not required to accept an electronic submission unless the submission complies with subsection (b)(3). Upon receiving approval from the commission, the election division may accept an electronic submission from candidates, committees, or persons described in subsection (b)(3).

(g) The election division shall make campaign finance reports stored on the computer system under subsection (b) available to the general public through an on-line service.

SECTION 20. IC 3-9-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) In addition to any other penalty imposed, a person who does any of the following is subject to a civil penalty under this section:
(1) Fails to file with the election division a report in the manner required under IC 3-9-5.
(2) Fails to file a statement of organization required under IC 3-9-1.
(3) Is a committee or a member of a committee who disburses or expends money or other property for any political purpose before the money or other property has passed through the hands of the treasurer of the committee.
(4) Makes a contribution other than to a committee subject to this article or to a person authorized by law or a committee to receive contributions on the committee's behalf.
(5) Is a corporation or labor organization that exceeds any of the limitations on contributions prescribed by IC 3-9-2-4.
(6) Makes a contribution in the name of another person.
(7) Accepts a contribution made by one (1) person in the name of another person.
(8) Is not the treasurer of a committee subject to this article, and pays any expenses of an election or a caucus except as authorized by this article.
(9) Commingles the funds of a committee with the personal funds of an officer, a member, or an associate of the committee.
(10) Wrongfully uses campaign contributions in violation of IC 3-9-3-4.
(11) Violates IC 3-9-2-12.
(12) Fails to designate a contribution as required by IC 3-9-2-5(c).
(13) Violates IC 3-9-3-5.
(14) Serves as a treasurer of a committee in violation of any of the following:
    (A) IC 3-9-1-13(1).
    (B) IC 3-9-1-13(2).
    (C) IC 3-9-1-18.

**15) Fails to comply with section 4(d) of this chapter.**

(b) This subsection applies to a person who is subject to a civil penalty under subsection (a)(1) or (a)(2) for filing a defective report or statement. If the commission determines that a person failed to file the amended report or statement of organization not later than noon five (5) days after being given notice under section 14 of this chapter, the commission may assess a civil penalty. The penalty is ten dollars ($10) for each day the report is late after the expiration of the five (5) day period, not to exceed one hundred dollars ($100) plus any investigative
costs incurred and documented by the election division. The civil penalty limit under this subsection applies to each report separately.

(c) This subsection applies to a person who is subject to a civil penalty under subsection (a)(1) or (a)(2) for a delinquent report or statement. If the commission determines that a person failed to file the report or statement of organization by the deadline prescribed under this article, the commission shall assess a civil penalty. The penalty is fifty dollars ($50) for each day the report or statement is late, with the afternoon of the final date for filing the report or statement being calculated as the first day. The civil penalty under this subsection may not exceed one thousand dollars ($1,000) plus any investigative costs incurred and documented by the election division. The civil penalty limit under this subsection applies to each report separately.

(d) This subsection applies to a person who is subject to a civil penalty under subsection (a)(3), (a)(4), (a)(6), (a)(7), (a)(8), (a)(9), or (a)(10). If the commission determines that a person is subject to a civil penalty under subsection (a), the commission may assess a civil penalty of not more than one thousand dollars ($1,000), plus any investigative costs incurred and documented by the election division.

(e) This subsection applies to a person who is subject to a civil penalty under subsection (a)(5). If the commission determines that a person is subject to a civil penalty under subsection (a)(5), the commission may assess a civil penalty of not more than three (3) times the amount of the contribution in excess of the limit prescribed by IC 3-9-2-4, plus any investigative costs incurred and documented by the election division.

(f) This subsection applies to a person who is subject to a civil penalty under subsection (a)(11). If the commission determines that a candidate or the candidate's committee has violated IC 3-9-2-12, the commission shall assess a civil penalty equal to the greater of the following, plus any investigative costs incurred and documented by the election division:

1. Two (2) times the amount of any contributions received.
2. One thousand dollars ($1,000).

(g) This subsection applies to a person who is subject to a civil penalty under subsection (a)(12). If the commission determines that a corporation or a labor organization has failed to designate a contribution in violation of IC 3-9-2-5(c), the commission shall assess a civil penalty equal to the greater of the following, plus any investigative costs incurred and documented by the election division:
(1) Two (2) times the amount of the contributions undesignated.

(2) One thousand dollars ($1,000).

(h) This subsection applies to a person who is subject to a civil penalty under subsection (a)(13). If the commission determines, by unanimous vote of the entire membership of the commission, that a person has violated IC 3-9-3-5, the commission may assess a civil penalty of not more than five hundred dollars ($500), plus any investigative costs incurred and documented by the election division.

(i) This subsection applies to a person who is subject to a civil penalty under subsection (a)(14). If the commission determines, by unanimous vote of the entire membership of the commission, that a person has served as the treasurer of a committee in violation of any of the statutes listed in subsection (a)(14), the commission may assess a civil penalty of not more than five hundred dollars ($500), plus any investigative costs incurred and documented by the election division.

(j) This subsection applies to a person who is subject to a civil penalty under subsection (a)(15). The commission may assess a civil penalty equal to the costs incurred by the election division for the manual entry of the data contained in the report or statement, plus any investigative costs incurred and documented by the election division.

(k) All civil penalties collected under this section shall be deposited with the treasurer of state in the campaign finance enforcement account.

(l) Proceedings of the commission under this section are subject to IC 4-21.5.

SECTION 21. IC 3-9-4-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) Notwithstanding section 16 of this chapter, if a person is notified by the election division that the commission may assess a proposed civil penalty under this article against the person, the person may enter into an agreement with the election division to pay the proposed penalty and waive a hearing before the commission otherwise required under section 16 of this chapter.

(b) An agreement entered into under this section must:

(1) provide for the payment of the entire proposed civil penalty not later than the date of the execution of the agreement; and

(2) be presented to the commission by the election division for ratification at the commission's next regularly scheduled
meeting.

SECTION 22. IC 3-9-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This subsection applies to a candidate's committee other than a candidate's committee of a candidate for a state office. Except as otherwise provided in this chapter, each committee, the committee's treasurer, and each candidate shall complete a report required by this chapter current and dated as of the following dates:

1. Twenty-five (25) days before the nomination date.
2. Twenty-five (25) days before the general, municipal, or special election.
3. The annual report filed and dated as required by section 10 of this chapter.

(b) This subsection applies to a regular party committee. Except as otherwise provided in this chapter, each committee and the committee's treasurer shall complete a report required by this chapter current and dated as of the following dates:

1. Twenty-five (25) days before a primary election.
2. Twenty-five (25) days before a general, municipal, or special election.
3. The date of the annual report filed and dated as required under section 10 of this chapter.

(c) This subsection applies to a legislative caucus committee. Except as otherwise provided in this chapter, each committee and the committee's treasurer shall complete a report required under this chapter current and dated as of the following dates:

1. Twenty-five (25) days before a primary election conducted in an even-numbered year.
2. Twenty-five (25) days before a general election conducted in an even-numbered year.
3. The date of the annual report filed and dated as required under section 10 of this chapter.

A legislative caucus committee is not required to file any report concerning the committee's activity during an odd-numbered year other than the annual report filed and dated under section 10 of this chapter.

(d) This subsection applies to a political action committee. Except as otherwise provided in this chapter, each committee and the committee's treasurer shall complete a report required by this chapter current and dated as of the following dates:

1. Twenty-five (25) days before a primary election.
(2) Twenty-five (25) days before a general, municipal, or special election.
(3) The date of the annual report filed and dated as required under section 10 of this chapter.

(e) This subsection applies to a candidate's committee of a candidate for a state office. A candidate's committee is not required to file a report under section 8.2, 8.4, or 8.5 of this chapter. For a year in which an election to the state office is held, the treasurer of a candidate's committee shall file the following reports:

(1) A report covering the period from January 1 through March 31 of the year of the report. A report required by this subdivision must be filed not later than noon April 15 of the year covered by the report.
(2) A report covering the period from April 1 through June 30 of the year of the report. A report required by this subdivision must be filed not later than noon July 15 of the year covered by the report.
(3) A report covering the period from July 1 through September 30 of the year of the report. A report required by this subdivision must be filed not later than noon October 15 of the year covered by the report.
(4) A report covering the period from October 1 of the year of the report through the date that is fifteen (15) days before the date of the election. A report required by this subdivision must be filed not later than noon seven (7) days before the date of the election.
(5) A report covering the period from the date that is fifteen (15) days before the date of the election through December 31 of the year of the report. A report required by this subdivision must:

(A) provide cumulative totals from January 1 through December 31 of the year of the report; and
(B) be filed not later than the deadline specified in section 10 of this chapter.

SECTION 23. IC 3-9-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section:

(1) applies to a candidate for nomination to an office in a convention who becomes a candidate less than twenty-five (25) days before the nomination date for a candidate chosen at a convention; and
(2) does not apply to a candidate for nomination to a state office by a major political party at a convention conducted under IC 3-8-4.

(b) A candidate is not required to file a report in accordance with section 6(a)(1) of this chapter. The candidate shall file the candidate's first report not later than noon twenty (20) days after the nomination date for a candidate chosen at a convention.

(c) The reporting period for the first report required for a candidate begins on the date that the individual became a candidate and ends on the day following the adjournment of the convention.

SECTION 24. IC 3-9-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Except as provided in subsections (b) and (c), in a year in which a candidate is not a candidate for election to an office to which this article applies or does not seek nomination at a caucus or state convention for election to an office to which this article applies, the treasurer of the candidate's committee shall file only the report required by section 10 of this chapter.

(b) This subsection applies to a candidate who holds one (1) office and is a candidate for a different office (or has filed a statement of organization for an exploratory committee without indicating that the individual is a candidate for a specific office). The treasurer of the candidate's committee for the office the candidate holds shall file the following reports:

(1) If the committee spends, transfers in, or transfers out at least ten thousand dollars ($10,000) from January 1 until twenty-five (25) days before the primary election, the treasurer shall file a preprimary report under section 6 of this chapter.

(2) If the committee spends, transfers in, or transfers out at least ten thousand dollars ($10,000) from twenty-five (25) days before the primary election until twenty-five (25) days before the general election, the treasurer shall file a pregeneral election report under section 6 of this chapter.

(3) The report required under section 10 of this chapter.

(c) This subsection applies to a candidate who is required to file a preprimary report or preconvention report under section 6 of this chapter and who:

(1) is defeated at the primary election or convention; or

(2) withdraws or is disqualified as a candidate before the general election.
The treasurer of a candidate's committee described by this subsection is not required to file a pregeneral election report under section 6 of this chapter but shall file the report required by section 10 of this chapter.

(d) This subsection applies to a candidate for election to a city office or a town office. If a municipal primary is not conducted in the municipality by one (1) or more parties authorized to conduct a primary, the candidate must file a report in accordance with the schedule set forth in section 6 of this chapter as if the primary were conducted. If a municipal election is not conducted in the municipality, the candidate must file a report in accordance with section 6 of this chapter as if the municipal election were conducted.

(e) This subsection applies to a candidate's committee of a candidate for a state office. For a year in which an election to the state office is not held, the treasurer of a candidate's committee shall file the following reports in addition to any other report required by this article:

1. A report covering the period from January 1 through June 30 of the year of the report. A report required by this subdivision must be filed not later than noon July 15 of the year covered by the report.
2. A report covering the period from July 1 through December 31 of the year of the report. A report required by this subdivision must:
   A. provide cumulative totals from January 1 through December 31 of the year of the report; and
   B. be filed by the deadline specified in section 10 of this chapter.

SECTION 25. IC 3-9-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The treasurer of each committee shall file a report each year that is complete as of December 31 of the previous year and covers the period since the last report. This annual report is due by noon:

1. the third Wednesday in January, in the case of:
   A. a candidate's committee;
   B. a legislative caucus committee; or
   C. a political action committee; or
2. March 1, in the case of a regular party committee.

(b) A candidate's committee of a candidate for a state office that files a report:

1. under section 6(e)(5) or 9(e)(2) of this chapter; and
(2) by the deadline specified under subsection (a) for filing a
candidate's committee report;
is not required to file an additional report under this section.
SECTION 26. IC 3-9-5-20.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20.1. (a) This section:
(1) applies only to a large contribution that is received by a
candidate, the candidate's committee, or the treasurer of the
candidate's committee; and
(2) does not apply to a candidate for a state office, the
candidate's committee, or the treasurer of the candidate's
committee.
(b) As used in this section, "election" refers to any of the following:
(1) A primary election.
(2) A general election.
(3) A municipal election.
(4) A special election.
(5) For candidates nominated at a state convention, the state
convention.
(c) As used in this section, "large contribution" means contributions:
(1) that total at least one thousand dollars ($1,000); and
(2) that are received:
  (A) not more than twenty-five (25) days before an election; and
  (B) not less than forty-eight (48) hours before an election.
(d) The treasurer of a candidate's committee shall file a
supplemental large contribution report with the election division or a
county election board not later than forty-eight (48) hours after the
contribution is received. A candidate for a legislative office shall file
a report required by this section with the election division and the
county election board as required by section 3 of this chapter. A report
filed under this section may be filed by facsimile (fax) transmission.
(e) A report required by subsection (d) must contain the following
information for each large contribution:
(1) The name of the person making the contribution.
(2) The address of the person making the contribution.
(3) If the person making the contribution is an individual, the
individual's occupation.
(4) The total amount of the contribution.
(5) The dates and times the contributions making up the large
contribution were received by the treasurer, the candidate, or the
candidate's committee.

(f) The commission shall prescribe the form for the report required by this section.

SECTION 27. IC 3-9-5-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) This section applies only to a large contribution that is received by a candidate for a state office, the candidate's committee, or the treasurer of the candidate's committee.

(b) As used in this section, "election" refers to any of the following:

(1) For a candidate nominated at a primary election, the primary election.
(2) For a candidate nominated at a state convention, the state convention.
(3) A general election.

(c) As used in this section, "large contribution" means either of the following:

(1) Contributions:
   (A) that total at least one thousand dollars ($1,000); and
   (B) that are received:
      (i) after the end of a reporting period and before the deadline for the candidate's committee to file a report under section 6 of this chapter; and
      (ii) not less than forty-eight (48) hours before an election.
   (2) A single contribution that is at least ten thousand dollars ($10,000) that is received at any time.

(d) The treasurer of a candidate's committee shall file a supplemental large contribution report with the election division not later than:

(1) forty-eight (48) hours after a contribution described by subsection (c)(1) is received; or
(2) noon seven (7) days after a contribution described by subsection (c)(2) is received.

(e) A report filed under this section may be filed by facsimile transmission or as an electronic report when the requirements of IC 3-9-4 or this chapter have been met. A report required by subsection (d) must contain the following information for each large contribution:

(1) The name of the person making the contribution.
(2) The address of the person making the contribution.
(3) If the person making the contribution is an individual, the individual's occupation.
(4) The total amount of the contribution.
(5) The dates and times the contributions making up the large contribution described in subsection (c)(1) or a large contribution described in subsection (c)(2) were received by the treasurer, the candidate, or the candidate's committee.

(f) The commission shall prescribe the form for the report required by this section.

SECTION 28. IC 3-10-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) Except as provided by subsection (b), the names of all candidates for each office who have qualified under IC 3-8 shall be arranged in alphabetical order by surnames under the designation of the office.

(b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). The names of all candidates for each office who have qualified under IC 3-8, except for a school board office, precinct committeeman, or state convention delegate, shall be arranged in random order by surnames under the designation of the office. The random order shall be determined using a lottery. The lottery held in accordance with this subsection shall be conducted in public by the county election board. The lottery shall be held not later than fifteen (15) days following the last day for a declaration of candidacy under IC 3-8-2-4. All candidates whose names are to be arranged by way of the lottery shall be notified at least five (5) days prior to the lottery of the time and place at which the lottery is to be held. Each candidate may have one (1) designated watcher, and each county political party may have one (1) designated watcher who shall be allowed to observe the lottery procedure.

(c) For paper ballots, the left margin of the ballot for each political party must show the name of the uppermost candidate printed to the right of the number 1, the next candidate number 2, the next candidate number 3, and so on, consecutively to the end of the ballot as prescribed in section 19 of this chapter. The same order shall be followed for the printing of ballot labels and their placement on the voting machine or electronic voting system and for the printing of ballot cards.

(d) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred
thousand (700,000). If there is insufficient room on a row to list each candidate of a political party, a second or subsequent row may be utilized. However, a second or subsequent row may not be utilized unless the first row, and all preceding rows, have been filled.

SECTION 29. IC 3-10-1-19, AS AMENDED BY SEA 14-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) The ballot for a primary election shall be printed in substantially the following form for all the offices for which candidates have qualified under IC 3-8:

OFFICIAL PRIMARY BALLOT
_________________ Party

For paper ballots, print: To vote for a person, make a voting mark (X or ✓) on or in the box before the person's name in the proper column. For punch card ballots, print: To vote for a person, punch through the chad before the number assigned to the person's name in the proper column. For optical scan ballots, print: To vote for a person, darken or shade in the circle, oval, or square (or draw a line to connect the arrow) that precedes the person's name in the proper column. For optical scan ballots that do not contain a candidate's name, print: To vote for a person, darken or shade in the oval that precedes the number assigned to the person's name in the proper column. For electronic voting systems, print: To vote for a person, touch the screen (or press the button) in the location indicated.

Vote for one (1) only
Representative in Congress
[ ] (1) AB__________
[ ] (2) CD__________
[ ] (3) EF__________
[ ] (4) GH__________

(b) The offices with candidates for nomination shall be placed on the primary election ballot in the following order:

(1) Federal and state offices:
   (A) President of the United States.
   (B) United States Senator.
   (C) Governor.
   (D) United States Representative.

(2) Legislative offices:
   (A) State senator.
   (B) State representative.

(3) Circuit offices and county judicial offices:
(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.
(C) Judge of the probate court.
(D) Judge of the county court, with each division separate, as required by IC 33-30-3-3.
(E) Prosecuting attorney.
(F) Clerk of the Circuit court clerk.

(4) County offices:
(A) County auditor.
(B) County recorder.
(C) County treasurer.
(D) County sheriff.
(E) County coroner.
(F) County surveyor.
(G) County assessor.
(H) County commissioner.
(I) County council member.

(5) Township offices:
(A) Township assessor.
(B) Township trustee.
(C) Township board member.
(D) Judge of the small claims court.
(E) Constable of the small claims court.

(6) City offices:
(A) Mayor.
(B) Clerk or clerk-treasurer.
(C) Judge of the city court.
(D) City-county council member or common council member.

(7) Town offices:
(A) Clerk-treasurer.
(B) Judge of the town court.
(C) Town council member.

(c) The political party offices with candidates for election shall be placed on the primary election ballot in the following order after the offices described in subsection (b):
(1) Precinct committeeman.
(2) State convention delegate.
(d) The following offices and public questions shall be placed on the primary election ballot in the following order after the offices described in subsection (c):
(1) School board offices to be elected at the primary election.
(2) Other local offices to be elected at the primary election.
(3) Local public questions.
(e) The offices and public questions described in subsection (d) shall be placed:
(1) in a separate column on the ballot if voting is by paper ballot;
(2) after the offices described in subsection (c) in the form specified in IC 3-11-13-11 if voting is by ballot card; or
(3) either:
   (A) on a separate screen for each office or public question; or
   (B) after the offices described in subsection (c) in the form specified in IC 3-11-14-3.5;
   (4) in a separate column of ballot labels if voting is by voting machine;
(f) A public question shall be placed on the primary election ballot in the following form:
   (The explanatory text for the public question, if required by law.)
   "Shall (insert public question)?"
   [ ] YES
   [ ] NO

SECTION 30. IC 3-10-1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. In a primary election in a county having a city, voting machines, ballot card voting systems and electronic voting systems shall be employed as available and adaptable and shall be supplemented by paper ballots as necessary. However, this section does not require the purchase of voting machines, ballot card voting systems or electronic voting systems for a primary election.

SECTION 31. IC 3-10-1-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. If voting machines or electronic voting systems are used in a precinct, one (1) of the poll clerks shall give a printed political party identification card to a voter after the voter signs the poll list. Before entering the voting machine or voting booth, the voter must give the party identification card to a
judge, and the judge shall set or have the voting machine or electronic voting system set to allow the voter to vote only for the candidates of the voter's party. After the machine or system is set, the voter may register a vote upon it within the time provided under

(1) IC 3-11-12-29.5, for a voting machine; or
(2) IC 3-11-14-26, for an electronic voting system.

SECTION 32. IC 3-10-1-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. After setting the voting machine or electronic voting system, the judge shall immediately deposit the political party identification card in a sealed container provided for that purpose. After the polls have closed, all party identification cards shall be counted and compared with the total number of votes cast in the election. All party identification cards must be of durable quality and the same color irrespective of the party that is designated.

SECTION 33. IC 3-10-1-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) The county election board shall also make an additional duplicate showing the votes cast for each candidate required to file a declaration of candidacy with the election division under IC 3-8-2.

   (b) The circuit court clerk shall, not later than noon on the second Monday following the primary election, send to the election division by certified mail or hand deliver to the election division one (1) complete copy of all returns for these candidates.

SECTION 34. IC 3-10-7-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. Upon request of a town election board, the county election board of each county in which the town is located shall furnish any available equipment that is necessary for a municipal election, including voting machines, ballot card voting systems and electronic voting systems. The town shall pay the expense of moving the equipment to and from the polls and for any loss of or damage to the equipment.

SECTION 35. IC 3-11-1.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. If a county executive adopts the use of voting machines, ballot card voting systems or electronic voting systems in a county in which voting machines, ballot card voting systems or electronic voting systems have not been previously used, the county executive may establish precincts after primary election day and before August 1 by combining two (2) or more precincts into one (1) precinct.
SECTION 36. IC 3-11-1.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) If the co-directors or designated employee election division determines that the proposed precinct establishment order would comply with this chapter, the co-directors shall advise the county executive that the co-directors will recommend that the commission approve the proposed order based on the order's compliance election division shall issue an order authorizing the county executive to establish the proposed precincts.

(b) The order issued by the election division under subsection (a) must state that the election division finds that the proposed precincts would comply with the standards set forth in this chapter. The election division shall promptly provide a copy of the order to the county executive.

(c) The county executive must give notice of the proposed order to the voters of the county by one (1) publication under IC 5-3-1-4. The notice must state the following:

1. The name of each existing precinct whose boundaries would be changed by the adoption of the proposed order by the county.

2. That any registered voter of the county may object to the proposed order by filing a sworn statement with the election division setting forth the voter’s specific objections to the proposed order and requesting that a hearing be conducted by the commission under IC 4-21.5.

3. The mailing address of the election division.

4. The deadline for filing the objection with the election division under this section.

(d) An objection to a proposed precinct establishment order must be filed not later than noon ten (10) days after the publication of the notice by the county executive.

(e) If an objection is not filed with the election division by the date and time specified under subsection (d), the election division shall promptly notify the county executive. The county executive may proceed immediately to adopt the proposed order.

(f) If an objection is filed with the election division by the date and time specified under subsection (d), the election division shall promptly notify the county executive. The county executive may not adopt the proposed order until the commission conducts a hearing under IC 4-21.5 and determines whether the proposed precincts would comply with the standards set forth in this
chapter.

SECTION 37. IC 3-11-1.5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. When a county executive receives a proposed order approved by:

1. the election division; or
2. the commission under section 18(f) of this chapter, the county executive may issue the order.

SECTION 38. IC 3-11-1.5-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. Not later than fourteen (14) days following notice of final approval of a precinct establishment order by the commission under section 18(f) of this chapter, the county executive shall give notice of the approval by one (1) publication under IC 5-3-1-4.

SECTION 39. IC 3-11-1.5-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) This section applies to a proposed precinct establishment order that requires that a hearing by the commission be conducted under this chapter.

(b) After the co-directors have election division has reviewed the proposed precinct establishment order, and the order has been revised, if necessary, to comply with this chapter, the commission shall:

1. approve a proposed precinct establishment order under this section no not later than the following January 31; and
2. order that the precinct establishment order takes effect January 31 of the year in which the municipal election will be held.

SECTION 40. IC 3-11-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The following statement shall be printed in underlined print at the extreme top of a ballot to be used in an election covered by this title: (or in the voting instructions for a voting machine): "It is a crime to falsify this ballot or to violate Indiana election laws."

SECTION 41. IC 3-11-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. All written or printed instructions must be at the top of the ballot (or above the ballot labels on a voting machine) immediately below the statement required by section 7 of this chapter. No other instructions or writing may appear at any other place on the ballot, including the ballot for federal and state offices, except as specified by this title. The instructions must be in English and any other language that the board considers necessary, clear, concise, and written so that a voter will not be confused about the
effect of the voter's voting mark and vote.

SECTION 42. IC 3-11-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If, in the judgment of a county election board, the number of voters in a precinct of the county where a voting machine system is used for voting is so large that the machine voting system in use will not be sufficient to register the vote of all the voters in the precinct, the board may use paper ballots in addition to the machine voting system. The voting by paper ballot is subject to all the restrictions prescribed by this article.

(b) The county election board shall then notify the election division of the board's determination and of the estimated number of state and presidential ballots that will be required in the precinct.

SECTION 43. IC 3-11-3-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The local ballots delivered to the inspector of each precinct under section 11 of this chapter shall be placed in a strong and stout paper envelope or bag, which shall then be tightly closed, fastened securely, and attested by the initials of the circuit court clerk or the clerk's designee in the presence of the inspector or the inspector's representative. The inspector shall sign a receipt for the ballots. The ballot packages may not be opened until:

1. they have been delivered to the precinct election board to which they are directed; and
2. the precinct election board is fully organized and ready for the reception of votes.

(b) The local provisional ballots delivered to the inspector of each precinct under section 11 of this chapter shall be placed in a strong and stout paper envelope or bag, separate from the bag described in subsection (a), which shall then be tightly closed, fastened securely, and attested by the initials of the circuit court clerk or the clerk's designee in the presence of the inspector or the inspector's representative. The inspector shall sign a receipt for the provisional ballots. The provisional ballot packages may not be opened until:

1. they have been delivered to the precinct election board to which they are directed; and
2. the precinct election board is fully organized and ready to receive votes.

SECTION 44. IC 3-11-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Each county election board shall have printed in at least 14 point type on cards in
English, braille, and any other language that the board considers necessary, the following:

1. Instructions for the guidance of voters in preparing their ballots.

2. Instructions explaining the procedure for write-in voting.

3. Write-in voting notice cards that must be posted in each precinct that utilizes a voting machine or ballot card voting system that does not permit write-in voting. The notice cards must direct voters who want to cast write-in votes to request a write-in ballot from an election official.

(b) The board shall furnish the number of cards it determines to be adequate for each precinct to the inspector at the same time the board delivers the ballots for the precinct and shall furnish a magnifier upon request to a voter who requests a magnifier to read the cards.

SECTION 45. IC 3-11-3-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) This section applies to a county having a population of more than four hundred thousand (400,000), but less than seven hundred thousand (700,000).

(b) In each precinct where voting is by voting machine or electronic voting system, the county election board shall provide the following to be used if a voting machine or an electronic voting system malfunctions:

1. The following number of paper ballots:
   
   A) Not less than ten (10) if the number of registered voters in the precinct is not more than three hundred (300).
   
   B) Not less than twenty-five (25) if the number of registered voters in the precinct is more than three hundred (300).

2. The necessary supplies and equipment as required by IC 3-11-11.

(c) Upon notice that a voting machine or an electronic voting system is out of order or fails to work, the precinct election board shall make the paper ballots provided under subsection (b) available to voters. The precinct election board shall contact the county election board to obtain additional ballots.

(d) Upon notice that a voting machine or an electronic voting system is out of order or fails to work, the county election board shall deliver additional necessary supplies to any precinct in the county, including additional paper ballots.

SECTION 46. IC 3-11-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The legislative body
of a county may establish a cumulative fund under IC 6-1.1-41 to provide funds for the purchase of voting machines; ballot card voting systems or electronic voting systems.

SECTION 47. IC 3-11-6.5-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) When approving applications for reimbursement for voting systems under this chapter, the budget agency shall give priority to approving applications to replace a punch card voting system or voting machine system.

(b) This section expires January 1, 2006.

SECTION 48. IC 3-11-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The commission must approve a ballot card voting system before it may be used in an election.

(b) After June 30, 2001, the commission may not approve a punch card voting system for use in an election.

SECTION 49. IC 3-11-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A ballot card voting system must permit a voter to vote either:

1. a straight party ticket for all of the candidates of a political party by a single mark or punch on each ballot card;
2. a split ticket for the candidates of different political parties and for independent candidates; or
3. a straight party ticket and then split that ticket by casting individual votes for candidates of another political party or independent candidate.

SECTION 50. IC 3-11-7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The commission shall:

1. require the vendor to have tests conducted concerning the suitability compliance of a ballot card voting system with HAVA and the standards set forth in this chapter and IC 3-11-15; and
2. have the results of the tests evaluated by the person designated under IC 3-11-16;
before determining whether to approve the application for certification of a ballot card voting system.

(b) The tests required under this section must be performed by an independent laboratory accredited under 42 U.S.C. 15371. The vendor shall pay any testing expenses incurred under this section.

(c) A ballot card voting system may not be marketed, sold,
leased, installed, or implemented in Indiana before the application for certification of the system is approved by the commission.

(d) An approval of a ballot card voting system under this chapter expires on the date specified in section 19(a) of this chapter.

SECTION 51. IC 3-11-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) A vendor may apply for approval of a proposed improvement or change to a ballot card voting system shall be reported to the election division by:

(1) the vendor, if a vendor is involved in the proposed change; and

(2) the county election board, if a county is proposing the change.

A proposed improvement or change may not be marketed, sold, leased, installed, or implemented in Indiana before the application for the improvement or change is approved by the commission.

(b) A report of an application for approval of an improvement or change must be in the form prescribed by the commission.

(c) The vendor applying for approval of an improvement or a change must have the improvement or change to the voting system tested by an independent laboratory accredited under 42 U.S.C. 15371. The vendor shall pay any testing expenses incurred under this subsection.

(d) The election division (or a competent person designated by the commission to act on behalf of the election division under IC 3-11-16) shall review the proposed improvement or change to the voting system and report the results of the review to the commission. The commission shall determine, within a reasonable period of time, whether the improvement or change impairs the accuracy, efficiency, capacity, or ability to meet the requirements of this chapter or the standards adopted by the commission under section 2 of this chapter. The review must indicate:

(1) whether the proposed improvement or change has been approved by an independent laboratory accredited under 42 U.S.C. 15371; and

(2) whether the proposed improvement or change would comply with HAVA and the standards set forth in this chapter and IC 3-11-15.

(e) After the commission has approved the application for an improvement or change to a ballot card voting system, the
improvement or change may be marketed, sold, leased, installed, or implemented in Indiana.

(f) An approval of an application under this section expires on the date specified under section 19(a) of this chapter.

SECTION 52. IC 3-11-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. The commission may not approve the marketing, sale, lease, installation, or implementation of a ballot card voting system by a vendor if the commission finds that the system fails to meet all statutory requirements.

SECTION 53. IC 3-11-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) The election division (or a competent person designated by the commission to act on behalf of the election division under IC 3-11-16) may periodically examine a ballot card voting system that the commission has previously approved to determine whether the system is still in compliance with all statutory requirements and whether the voting system in use in a county has the same hardware, firmware, and software as the version of the voting system that was certified by the commission.

(b) If the election division or competent person finds that a system examined under does not comply with subsection (a), fails to meet all requirements and standards, and the commission concurs in these findings, the commission may by unanimous vote of all of the members of the commission rescind the commission's approval of the voting system.

(c) If the commission's approval is rescinded under subsection (b), the commission may by unanimous vote of all of the members of the commission:

(1) recommend that use of the system be discontinued; and

(2) prohibit the system from being installed, implemented, leased, marketed, used, permitted to be used, or sold for use in Indiana in an election conducted under this title.

(d) This subsection applies to a ballot card voting system approved for its initial certification before:

(1) March 25, 1992; or

(2) a revision of IC 3-11-15 enacted after July 1, 1997; that imposes additional standards that did not apply to the voting system at the time of the system's initial certification.

The commission may, by unanimous consent of its entire membership,
require the voting system to be tested by an independent authority designated by the commission; the vendor shall pay any testing expenses under this subsection:

(c) If the independent testing authority determines that a voting system tested under subsection (d) does not comply with this article, the commission may, by unanimous consent of its entire membership, prohibit the system from being leased, marketed, or sold for use in Indiana in an election conducted under this title.

SECTION 54. IC 3-11-7-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 18. (a) The commission may require a county executive to file a copy of all contracts, leases, or purchase orders, including modifications, for the sale or lease of voting equipment, systems, or software with the election division.

(b) The election division may advise or instruct county officials on the content of the documents listed in subsection (a) must be filed not later than thirty (30) days after the date of approval of the contract, lease, or purchase order by the county executive.

SECTION 55. IC 3-11-7-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 19. (a) Except as provided in subsection (g), the approval of a ballot card voting system under this chapter expires five (5) years after the date the commission approves the system. October 1 of the year following the year in which presidential electors are elected under IC 3-10-2-3.

(b) The vendor of a voting system approved under this chapter may request that the approval be renewed by filing an application with the election division.

(c) The application described in subsection (b) must identify all counties that are currently using the voting system. Before considering the application for renewal, the election division shall give notice by regular United States mail of the application to the circuit court clerk of each county listed in the application.

(d) When the commission considers the application, the commission shall request comments regarding the renewal of the application from any interested person. Before acting on the application for renewal, the commission must receive a report from the person designated under IC 3-11-16 indicating that the hardware, firmware, and software included in the application for renewal of the voting system is identical to the version of the voting system previously certified by the commission.
(e) The commission may, by unanimous consent of its entire membership, order the voting system to be tested by an independent authority designated by the commission. The vendor shall pay any testing expenses under this subsection.

(f) After receiving the report under subsection (d) and receiving comments from interested persons, the commission shall approve an application for renewal under this section if the commission finds that the voting system:

1. complies with the standards prescribed under this chapter;
2. has worked effectively where the system has been used; and
3. has been adequately supported by the vendor of the system.

(g) If the commission finds that a vendor has marketed, sold, leased, installed, implemented, or permitted the use of a voting system in Indiana that:

1. has not been certified by the commission for use in Indiana; or
2. includes hardware, firmware, or software in a version that has not been approved for use in Indiana;

the commission may revoke the approval granted under this section and prohibit the vendor from marketing, leasing, or selling any voting system in Indiana for a specific period not to exceed five (5) years.

(h) A vendor subject to subsection (g) may continue to provide support during the period specified in subsection (g) to a county that has acquired a voting system from the vendor after the vendor certifies that the voting system to be supported by the vendor only includes hardware, firmware, and software approved for use in Indiana.

SECTION 56. IC 3-11.7-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) After the close of the polls, provisional ballots shall be counted as provided in this chapter.

(b) Notwithstanding IC 3-5-4-1.5 and any legal holiday observed under IC 1-1-9, all provisional ballots must be counted by not later than noon on the second Monday following the election.

SECTION 57. IC 3-11-7.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A person owning or interested in an electronic voting system may request the election division (or a competent person designated by the commission to act on behalf of the election division) to examine an application for approval of an electronic voting system and report on its accuracy, efficiency, and capacity in the form prescribed by the
commission.

SECTION 58. IC 3-11-7.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The commission shall:

(1) require the vendor to have tests conducted concerning the compliance of an electronic voting system with HAVA and the standards set forth in this chapter and IC 3-11-15; and
(2) have the results of the tests evaluated by the person designated under IC 3-11-16;
before determining whether to approve the application for certification of an electronic voting system.

(b) The tests required under this section must be performed by an independent laboratory accredited under 42 U.S.C. 15371. The vendor shall pay any testing expenses under this section.

(c) If the commission finds that an electronic voting system complies with this article, the commission may approve the system. The approved system then may be adopted for use at an election.

(d) An electronic voting system may not be marketed, sold, leased, installed, or implemented in Indiana before the application for certification of the system is approved by the commission.

(e) An approval of an electronic voting system under this chapter expires on the date specified by section 28(a) of this chapter.

SECTION 59. IC 3-11-7.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A vendor may apply for approval of a proposed improvement or change to an electronic voting system shall be reported to the election division by:

(1) the vendor, if a vendor is involved in the proposed change; and
(2) the county election board, if a county is proposing the change. A proposed improvement or change may not be marketed, sold, leased, installed, or implemented in Indiana before the application for the improvement or change is approved by the commission.

(b) A report of an application for approval of an improvement or a change must be in the form prescribed by the commission.

(c) The vendor applying for approval of an improvement or a change must have the improvement or change to the voting system tested by an independent laboratory accredited under 42 U.S.C. 15371. The vendor shall pay any testing expenses incurred under this subsection.
(d) The election division (or a competent person designated by the commission to act on behalf of the election division under IC 3-11-16) shall review the improvement or change to the voting system and report the results of the review to the commission. The commission shall determine within a reasonable period of time whether the improvement or change impairs the accuracy, efficiency, capacity, or ability to meet the requirements of this article. The review must indicate:

1. Whether the proposed improvement or change has been approved by an independent laboratory accredited under 42 U.S.C. 15371; and
2. Whether the proposed improvement or change would comply with HAVA and the standards set forth in this chapter and IC 3-11-15.

(e) After the commission has examined and approved the application for an improvement or change to an electronic voting system, the improvement or change may be marketed, sold, leased, installed, or implemented in Indiana.

(f) An approval of an application under this section expires on the date specified by section 28(a) of this chapter.

SECTION 60. IC 3-11-7.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The commission may not approve the marketing, sale, lease, installation, or implementation of an electronic voting system unless the system meets the specifications in sections 8 through 19 of this chapter and in IC 3-11-15.

SECTION 61. IC 3-11-7.5-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. A county executive may adopt and purchase, or procure, lease, install, implement, or authorize the use of an electronic voting system only after the system has been approved by the commission.

SECTION 62. IC 3-11-7.5-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) The election division (or a competent person designated by the commission to act on behalf of the election division under IC 3-11-16) may periodically examine an electronic voting system that the commission has previously approved to determine if the system is still in compliance with all statutory requirements and whether the voting system in use in a county has the same hardware, firmware, and software as the version of the voting system that was certified by
the commission.

(b) If the election division or competent person finds that a system examined under does not comply with subsection (a), fails to meet all requirements and standards; and the commission concurs in these findings; the commission may by unanimous vote of all of the members of the commission; rescind the commission’s approval of the voting system.

(c) If the commission’s approval is rescinded under subsection (b), the commission may by unanimous vote of all of the members of the commission:

(1) recommend that use of the system be discontinued; and

(2) prohibit the system from being installed, implemented, leased, marketed, used, permitted to be used, or sold for use in Indiana in an election conducted under this title.

(d) This subsection applies to an electronic voting system approved for its initial certification before:

(1) March 25, 1992; or

(2) a revision of IC 3-11-15 enacted after July 1, 1997; that imposes additional standards that did not apply to the voting system at the time of the system’s initial certification.

The commission may, by unanimous consent of its entire membership; require the voting system to be tested by an independent authority designated by the commission. The vendor shall pay any testing expenses under this subsection:

(e) If the independent testing authority determines that a voting system tested under subsection (d) does not comply with this article; the commission may; by unanimous consent of its entire membership; prohibit the system from being leased; marketed; or sold for use in Indiana in an election conducted under this title.

SECTION 63. IC 3-11-7.5-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) The commission may require a county executive to file a copy of all contracts, leases, or purchase orders, including modifications, for the sale or lease of voting equipment, systems, or software with the election division.

(b) The election division may advise or instruct county officials on the content of the documents listed in subsection (a) must be filed not later than thirty (30) days after the date of approval of the contract, lease, or purchase order by the county executive.

SECTION 64. IC 3-11-7.5-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) Except as
provided in subsection (g), the approval of an electronic voting system under this chapter expires five (5) years after the date the commission approves the system: October 1 of the year following the year in which presidential electors are elected under IC 3-10-2-3.

(b) The vendor of a voting system approved under this chapter may request that the approval be renewed by filing an application with the election division.

(c) The application described in subsection (b) must identify all counties that are currently using the voting system. Before the commission considers the application for renewal, the election division shall give notice by regular United States mail of the application to the circuit court clerk of each county listed in the application.

(d) When the commission considers the application, the election division shall request comments regarding the renewal of the application from any interested person. Before acting on the application for renewal, the commission must receive a report from the person designated under IC 3-11-16 indicating that the hardware, firmware, and software included in the application for renewal of the voting system is identical to the version of the voting system previously certified by the commission.

(e) The commission may, by unanimous consent of the commission's entire membership, order the voting system to be tested by an independent authority designated by the commission. The vendor shall pay any testing expenses under this subsection:

(f) After receiving the report under subsection (d) and comments from interested persons, the commission shall approve an application for renewal under this section if the commission finds that the voting system:

1. complies with the standards prescribed under this chapter;
2. has worked effectively where the system has been used; and
3. has been adequately supported by the vendor of the system.

(ge) If the commission finds that a vendor has marketed, sold, leased, installed, implemented, or permitted the use of a voting system in Indiana that:

1. has not been certified by the commission for use in Indiana; or
2. includes hardware, firmware, or software in a version that has not been approved for use in Indiana;

the commission may revoke the approval granted under this section and prohibit the vendor from marketing, leasing, or selling any voting system in Indiana for a specific period not to exceed five (5) years.
A vendor subject to subsection (g) subsection (f) may continue to provide support during the period specified in subsection (f) to a county that has acquired a voting system from the vendor after the vendor certifies that the voting system to be supported by the vendor only includes hardware, firmware, and software approved for use in Indiana.

SECTION 65. IC 3-11-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. In preparing the polls for an election, the county executive shall:

(1) have placed within the room a railing separating the part of the room to be occupied by the precinct election board from that part of the room to be occupied by the voting machines; ballot card voting systems, electronic voting systems, and the three (3) or more booths or compartments for marking paper ballots, whenever either or two (2) of these voting systems are used;
(2) ensure that the portion of the room set apart for the precinct election board includes a door at which each voter appears for challenge; and
(3) provide a method or material for designating the boundaries of the chute, with such as a railing, rope, or wire on each side, beginning a distance equal to the length of the chute (as defined in IC 3-5-2-10) away from and leading to the door for challenge and to the room in which the election is held.

SECTION 66. IC 3-11-8-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) When the hour for closing the polls occurs, the precinct election board shall permit all voters who:

(1) have passed the challengers and who are waiting to announce their names to the poll clerks for the purpose of signing the poll list;
(2) have signed the poll list but who have not voted; or
(3) are in the act of voting;

to vote. In addition, the inspector shall require all voters who have not yet passed the challengers to line up in single file within the chute. The poll clerks shall record the names of the voters in the chute, and these voters may vote unless otherwise prevented according to law.

(b) This subsection applies

(1) after December 31, 2003; and
(2) if a court order (or other order) has been issued to extend the hours that the polls are open under section 8 of this chapter.
As provided in 42 U.S.C. 15482, the inspector shall identify the voters who would not otherwise be eligible to vote after the closing of the polls under subsection (a) and shall provide a provisional ballot to the voter in accordance with IC 3-11.7.

SECTION 67. IC 3-11-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A voter who:

(1) is a voter with disabilities; or

(2) is unable to read or write English;

may request assistance in voting before entering the voting booth and designate a person (other than the voter's employer, an officer of the voter's union, or an agent of the voter's employer or union) to assist the voter in voting at an election, as required by 42 U.S.C. 1973aa-6.

(b) This subsection does not apply to a person designated by a voter described by subsection (a) who is voting absentee before two (2) members of the absentee voter board. The person designated must execute a sworn affidavit on a form provided by the precinct election board stating that, to the best of the designated person's knowledge, the voter:

(1) is a voter with disabilities or is unable to read or write English; and

(2) has requested the designated person to assist the voter in voting under this section.

(c) The person designated may then accompany the voter into the voting booth and assist the voter in marking the voter's paper ballot or ballot card or in registering the voter's vote on the voting machine or electronic voting system.

SECTION 68. IC 3-11-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The following individuals shall assist a voter described by section 2 of this chapter who requests assistance in voting before entering the voting booth but does not wish to designate a person under that section:

(1) The two (2) judges if the voter is voting at a precinct.

(2) Two (2) members of the absentee voter board if the voter is voting absentee.

(b) This subsection does not apply to a person designated by a voter described by subsection (a) who is voting absentee before two (2) members of the absentee voter board. The individuals described in subsection (a) shall execute a sworn affidavit on a form provided by the precinct election board stating that, to the best of the individuals' knowledge, the voter:
(1) is a voter with disabilities or is unable to read or write English; (2) has requested assistance in voting; and (3) does not wish to designate a person to assist the voter in voting under section 2 of this chapter.

(c) The two (2) individuals described in subsection (a) shall then accompany the voter into the voting booth to assist the voter in marking the voter’s paper ballot or ballot card or in registering the voter’s vote on the voting machine or electronic voting system.

SECTION 69. IC 3-11-10-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) This section applies after December 31, 2003.

(b) (a) Upon receipt of an absentee ballot from a voter required to provide additional information to the county voter registration office under IC 3-7-33-4.5, the county election board shall contact the county voter registration office to determine if the additional information has been filed with the office by the voter.

(c) (b) If the voter has filed the information with the county voter registration office, the county election board shall add a notation to the application indicating that the required information has been filed and that the absentee ballot may be counted if the ballot otherwise complies with this article.

(d) (c) If the voter has not filed the information with the county voter registration office, the county election board shall add a notation on the application filed by a voter described under subsection (b) and on the envelope provided under this chapter reading substantially as follows:

"INSPECTOR: AS OF (insert date absentee ballot application approved) THIS VOTER WAS REQUIRED TO FILE ADDITIONAL DOCUMENTATION WITH THE COUNTY VOTER REGISTRATION OFFICE BEFORE THIS BALLOT MAY BE COUNTED. CHECK THE POLL LIST AND COUNTY ELECTION BOARD CERTIFICATION TO SEE IF THE VOTER HAS FILED THIS INFORMATION. IF NOT, PROCESS AS A PROVISIONAL BALLOT IF THIS BALLOT OTHERWISE COMPLIES WITH INDIANA LAW."

SECTION 70. IC 3-11-10-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) On election day each circuit court clerk (or an agent of the clerk) shall visit the appropriate post office to accept delivery of absentee envelopes at the latest possible time that will permit delivery of the ballots to the
appropriate precinct election boards before 6 p.m.

(b) This subsection applies after December 31, 2003: Not later than noon on election day, the county voter registration office shall visit the appropriate post office to accept delivery of mail containing documentation submitted by a voter to comply with IC 3-7-33-4.5. The office shall immediately notify the county election board regarding the filing of this documentation to permit the board to provide certification of this filing to the appropriate precinct election boards before 6 p.m.

SECTION 71. IC 3-11-10-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) If the inspector finds under section 15 of this chapter that:
(1) the affidavit is properly executed;
(2) the signatures correspond;
(3) the absentee voter is a qualified voter of the precinct;
(4) the absentee voter is registered and is not required to file additional information with the county voter registration office under IC 3-7-33-4.5;
(5) the absentee voter has not voted in person at the election; and
(6) in case of a primary election, if the absentee voter has not previously voted, the absentee voter has executed the proper declaration relative to age and qualifications and the political party with which the absentee voter intends to affiliate;
then the inspector shall open the envelope containing the absentee ballots so as not to deface or destroy the affidavit and take out each ballot enclosed without unfolding or permitting a ballot to be unfolded or examined.

(b) The inspector shall then hand the ballots to the judges who shall deposit the ballots in the proper ballot box and enter the absentee voter's name on the poll list, as if the absentee voter had been present and voted in person. The judges shall mark the poll list to indicate that the voter has voted by absentee ballot. If the voter has registered and voted under IC 3-7-36-14, the inspector shall attach to the poll list the circuit court clerk's certification that the voter has registered.

(c) If an absentee ballot is opened under this section in a precinct using voting machines; the precinct election board shall prepare certificates and memoranda under IC 3-12-2-6 that distinguish the votes cast by absentee ballots from votes cast on voting machines.

SECTION 72. IC 3-11-10-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16.5. (a) This section applies after December 31, 2003:
If the inspector finds under section 16(a) of this chapter that the voter has not filed the additional information required to be filed with the county voter registration office under IC 3-7-33-4.5, but that all of the other findings listed under section 16(a) of this chapter apply, the inspector shall direct that the absentee ballot be processed as a provisional ballot under IC 3-11.7.

SECTION 73. IC 3-11-10-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) A voter voting before an absentee voter board shall mark the voter's ballot in the presence of the board, but not in such a manner that either of the members of the board can see for whom the voter voted, unless the voter requests the help of the board in marking a ballot under IC 3-11-9.

(b) The voter shall then, in the presence of the board, place the ballot in an envelope furnished by the county election board.

(c) The circuit court clerk shall provide, to the extent practicable, the same degree of privacy to absentee voters voting at the office of the circuit court clerk as provided to voters at the polls on election day.

(d) This subsection applies to a voter required to present additional information under IC 3-7-33-4.5. If the voter does not present the required additional information before receiving the absentee ballot, the absentee ballot shall be processed in accordance with section 4.5(d) of this chapter.

(e) Upon accepting the completed absentee ballot from the voter, the board shall provide the voter with a notice:

1. listing the documentation the voter may submit to the county voter registration office to comply with IC 3-7-33-4.5; and
2. stating the address and hours of the county voter registration office.

SECTION 74. IC 3-11-10-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) After December 31, 2003, this section does not apply to an absentee ballot required to be treated as a provisional ballot under IC 3-11.7.

(b) If an envelope containing an absentee ballot has not been opened before the close of the polls, then the envelope may not be opened without an order of a court.

SECTION 75. IC 3-11-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) On the morning of election day, the precinct election officers shall meet at the polls at least one (1) hour before the time for opening the polls. The inspector
then shall have:

(1) the boundaries of the chute erected designated;
(2) the sample ballots and instruction cards posted; and
(3) everything put in readiness for the commencement of voting at the opening of the polls.

(b) At the opening of the polls, the inspector and judges shall see that there are no ballots in the ballot box before the voting begins. After the inspection of the box, the inspector shall:

(1) securely lock the box;
(2) give one (1) key to the judge of the opposite political party; and
(3) retain one (1) key.

(c) Once securely locked, the ballot box may not be opened again until after the polls have been closed and the precinct election board is ready to immediately proceed with the counting, except as otherwise provided for central counting.

(d) The voting booths or compartments must be of a size and design to permit a voter to mark ballots in secret.

SECTION 76. IC 3-11-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Before an election at which a ballot card voting system is used, a county election board shall:

(1) have the marking devices prepared for the election;
(2) have the marking devices put in order, set and adjusted, and made ready for voting when delivered to the precincts; and
(3) provide the precinct election officers with marking devices, a demonstration marking device, (except in precincts using optical scan ballots), ballot cards, ballot boxes, ballot labels, and other records and supplies as required.

(b) While acting under subsection (a), the county election board may restrict access to parts of the room where marking devices and other election material are being handled to safeguard this material.

(c) Each county election board shall have each ballot card voting system, along with all necessary furniture and appliances that go with the system at the polls, delivered to the appropriate precinct not later than 6 p.m. of the day before election day. The county executive shall provide transportation for the systems if requested to do so by the county election board.

SECTION 77. IC 3-11-13-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. In partisan
elections, the ballot labels must include a voting square or position where a voter may by one (1) mark or punch on each card record a straight party or an independent ticket vote for all the candidates of one (1) political party or the independent ticket, except for offices for which the voter has voted individually for a candidate. If the voter records a vote for the two (2) candidates comprising an independent ticket, the vote must not count for any other independent candidate on the ballot.

SECTION 78. IC 3-11-13-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) This subsection does not apply to an optical scan voting system and expires January 1, 2006. Each ballot card provided under section 17 of this chapter must have two (2) attached perforated stubs on which is printed the same serial number. The top stub shall be bound or stapled in the package of ballot cards retained by the precinct election officers. The following information must be printed on the second stub:

1. The name of the political subdivision holding the election:
2. The designation of the election:
3. The date of the election:
4. The instructions to the voters:
5. In a primary election: the name of the political party:

(b) (a) The county election board in a county using a ballot card voting system shall provide ballot cards to the precinct election board that permit voters to cast write-in votes for each officer to be voted for at that election.

(c) (b) The ballot cards provided under subsection (b) subsection (a) must be:
(1) designed to be folded; or
(2) accompanied by a secrecy envelope;
to ensure the secrecy of each of the votes cast by a voter.

(d) (c) This subsection is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what constitutes a vote on an optical scan voting system. Except as provided in subsection (e); (d), a write-in vote shall be cast by printing the name of the candidate and the title of the office in the space provided for write-in votes on a ballot card or secrecy envelope.

(e) (d) Space for write-in voting for an office is not required if there are no declared write-in candidates for that office. However, procedures must be implemented to permit write-in voting for candidates for federal offices.

SECTION 79. IC 3-11-13-24 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. The test required by section 22 of this chapter must:

1. include the visual inspection of the voting devices for the correct alignment of the card stock and the templates for proper punching;
2. (1) be conducted by processing a preaudited group of ballot cards punched or marked so as to record a predetermined number of valid votes for each candidate and on each public question; and
3. (2) include for each office one (1) or more ballot cards that have votes in excess of the number allowed by law in order to test the ability of the automatic tabulating machines to reject the votes.

SECTION 80. IC 3-11-13-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. After completion of the count, the tabulating machines shall be sealed in the same manner as voting machines under IC 3-12-2.5-6, as provided in IC 3-12-3-10. The ballot cards and all other election materials shall be sealed, retained, and disposed of as provided for paper ballots.

SECTION 81. IC 3-11-13-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) After the delivery of a ballot card voting system to a precinct, the precinct election board may meet at the polls on the same day and open the package containing the sample ballot cards, to determine whether the system is ready for use in accordance with section 16 of this chapter. If a ballot card voting system is not in compliance with that section, the board shall immediately label, set and adjust, and place the system in order or have it done.

(b) While acting under subsection (a), the precinct election board may restrict access to parts of the room where marking devices and other election material are being handled to safeguard this material.

(c) On the morning of election day, the precinct election officers shall meet at the polls at least one (1) hour before the time for opening the polls. The inspector then shall have:

1. the boundaries of the chute erected; designated;
2. the sample ballots and instruction cards posted; and
3. everything put in readiness for the commencement of voting at the opening of the polls.

(d) Before the opening of the polls, the precinct election officers shall do the following:

1. Compare the ballot cards used in the marking device with the
sample ballots furnished and determine whether the names, numbers, and letters are in agreement.

(2) Determine that the system records that zero (0) votes have been cast for each candidate and on each public question.

(3) Assure that the system is otherwise in perfect order.

(e) The officers then shall certify that:

(1) the marking device and the sample ballots are in agreement;

(2) the system records zero (0) votes cast; and

(3) the system appears to be in perfect order.

Forms shall be provided for certification, and the certification shall be filed with the election returns.

SECTION 82. IC 3-11-13-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.5. (a) Unless challenged, a voter may proceed to vote.

(b) This subsection does not apply to an optical scan voting system.

After a voter has signed the poll list, the poll clerk holding the ballot card shall remove the top stub; as described in section 18 of this chapter; and deliver to the voter one (1) of each ballot card that the voter is entitled to vote at the election. The top stub (and any second stub declined by the voter under section 33 of this chapter) shall be retained by the precinct election board and returned to the election board following the close of the polls.

(c) (b) As each successive voter calls for a ballot, the poll clerks shall deliver to the voter the first initialed ballot of each type. The inspector shall then deliver to the poll clerks another ballot of each type, which the clerks shall initial as before.

(d) (c) This subsection applies after December 31, 2005, to an optical scan ballot card ballot tabulated at a central location. As provided by 42 U.S.C. 15481, when a voter receives an optical scan ballot card ballot, the board must also provide the voter with:

(1) information concerning the effect of casting multiple votes for an office; and

(2) instructions on how to correct the ballot before the ballot is cast and counted, including the issuance of replacement ballots.

SECTION 83. IC 3-11-13-28.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.7. (a) The two (2) poll clerks of each precinct shall place their initials in ink on the secrecy envelope of a ballot card (or on the fold-over part of a ballot card described in section 18(e)(1) section 18(b)(1) of this chapter) at the time the card is issued to a voter. The initials must be in the poll
clerk's ordinary handwriting or printing and without a distinguishing mark of any kind.

(b) This subsection is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what constitutes a vote on an optical scan voting system. A write-in vote cast on a secrecy envelope or fold-over envelope:

1. is not valid unless:
   (A) the secrecy envelope is initialed by both poll clerks; and
   (B) the vote includes both the name of the write-in candidate and the office for which the write-in vote is cast; and
2. makes the secrecy envelope or fold-over envelope a ballot for purposes of this title.

SECTION 84. IC 3-11-13-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) In addition to the instructions printed on the ballot card or ballot labels, instructions to voters shall be posted in each voting booth or placed on the marking device. Each voter shall be instructed by both judges, on request, on how to operate the voting device before the voter enters the voting booth.

(b) The instructions posted in the voting booth or placed on the marking device must state the following:

1. That the voter should examine the ballot card to determine if it contains the initials of the poll clerks in ink on the back of the card.
2. That the voter should not make an unnecessary mark or punch on the ballot card because the mark or punch may void the card.
3. That the voter should examine the ballot card to determine if the card has any mark (other than the initials of the poll clerks) before voting.
4. That the voter should return the ballot card to the poll clerks and request another ballot card if:
   (A) the poll clerks' initials have not been properly placed on the card;
   (B) the card has a mark (other than the initials of the poll clerks) before the voter places a voting mark on the ballot; or
   (C) the voter has improperly marked or punched the card.
5. That the voter should examine the ballot card after voting to determine that all marks or punches made on the card to indicate the voter's selections have been completely marked or punched:

(c) This subsection applies after December 31, 2005. As provided
by 42 U.S.C. 15481, a voter casting an optical scan ballot card under this section must be:

1. permitted to verify in a private and an independent manner the votes selected by the voter before the ballot is cast and counted;
2. provided the opportunity to change the ballot or correct any error in a private and independent manner before the ballot is cast and counted, including the opportunity to receive a replacement ballot if the voter is otherwise unable to change or correct the ballot; and
3. notified before the ballot is cast regarding the effect of casting multiple votes for the office and provided an opportunity to correct the ballot before the ballot is cast and counted.

SECTION 85. IC 3-11-13-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. When a voter is handed a ballot card, the voter shall be instructed to:

1. use only the marking device provided for punching, slotting, or marking the cards and that the voter is not to mark a card in any other way;
2. be certain that the initials of the poll clerks appear on the voter's card and that if the initials are not on the card it will not be counted, except as provided by IC 3-12-1-12; and
3. place the voter's card in an envelope after the voter has voted or to fold the card in a manner so that no card is exposed upon which a choice is indicated.

SECTION 86. IC 3-11-13-31.7, AS AMENDED BY SEA 14-2005, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31.7. (a) This section is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what constitutes a vote on an optical scan voting system.

(b) After receiving ballot cards, a voter shall, without leaving the room, go alone into one (1) of the booths or compartments that is unoccupied and indicate:

1. the candidates for whom the voter desires to vote by punching a hole in or marking the connectable arrows, circles, ovals, or squares immediately beside:
   - (A) the candidates' names; or
   - (B) the numbers referring to the candidates; and
2. the voter's preference on each public question by punching a hole in or marking the connectable arrow, oval, or square beside:
(A) the word "yes" or "no" under the question; or
(B) the number referring to the word "yes" or "no" on the ballot.

(c) If an election is a general or municipal election and a voter desires to vote for all the candidates of one (1) political party or independent ticket (described in IC 3-11-2-6), the voter may punch a hole in or mark:

1) the circle enclosing the device; or
2) the connectable arrow, circle, oval, or square described in section 11 of this chapter;

that designates the candidates of that political party or independent ticket (described in IC 3-11-2-6). The voter's vote shall then be counted for all the candidates of that political party or included in the independent ticket (described in IC 3-11-2-6). However, if the voter punches a hole in or marks the circle, arrow, oval, or square of an independent ticket (described in IC 3-11-2-6), the vote shall not be counted for any other independent candidate on the ballot.

SECTION 87. IC 3-11-13-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) After a voter has marked a ballot card, the voter shall place it inside the envelope provided for this purpose or fold the envelope described in section 18(b)(1) of this chapter and return the ballot card to the judge.

(b) This subsection does not apply to an optical scan ballot or to a ballot card with a fold-over envelope. The judge shall remove the second stub, as described in section 18 of this chapter, from the envelope and offer the second stub to the voter.

(c) (b) The judge shall offer to return the envelope with the ballot card inside to the voter. The voter shall:

1) accept the envelope and deposit it in the ballot box; or
2) decline the envelope and require the judge to deposit it in the ballot box.

(d) (c) If a voter offers to vote a ballot card that is not inside the envelope provided for this purpose or with the envelope not folded if the ballot is described in section 18(c)(1) section 18(b)(1) of this chapter, the precinct election board shall direct the voter to return to the booth and place the ballot card in the envelope provided for this purpose or fold the envelope.

(e) (d) After a voter's ballot cards have been deposited in the ballot box, the poll clerks shall make a voting mark after the voter's name on the poll list.
(f) (e) After voting, a voter shall leave the polls. However, a voter to whom ballot cards and a marking device have been delivered may not leave the polls without voting the ballot cards or returning them to the poll clerk from whom the voter received them.

SECTION 88. IC 3-11-13-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) If a voter spoils or defaces a ballot card or marks it erroneously, the voter shall return the card so as not to disclose any choices that the voter has made.

(b) This subsection does not apply to an optical scan ballot. A voter returning a ballot must comply with subsection (a) by folding the stub on the ballot card:

(c) After complying with subsection (b); the voter then may receive another ballot card. Upon receipt of a defective ballot card; the precinct election board shall:

(1) immediately cancel the defective card by writing on the back of the card and stub the word "VOID" in ink or in indelible pencil; and
(2) without detaching any stub attached to the card; place the card in the container for voided ballots in a manner that does not expose the choices of the voter.

SECTION 89. IC 3-11-14-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Before an electronic voting system is delivered to a precinct, the county election board shall have the system put in order, set and adjusted, and ready for use in voting. As part of the system's preparation, the county election board may conduct any of the comparisons and determinations required under section 17 of the chapter. However, notwithstanding any action taken by the county election board, each precinct election board must also perform the comparisons and determinations required under section 17 of this chapter before the opening of the polls. The board may employ one (1) or more competent persons to prepare systems in accordance with this section.

(b) While acting under subsection (a), the county election board may restrict access to parts of the room where voting systems and other election material are being handled to safeguard this material.

SECTION 90. IC 3-11-14-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. On the morning of election day, the precinct election officers shall meet at the polls at least one (1) hour before the time for opening the polls. The inspector
then shall have:

(1) the **boundaries of the chute** erected designated;
(2) the sample ballots and instruction cards posted; and
(3) everything put in readiness for the commencement of voting at the opening of the polls.

SECTION 91. IC 3-11-14.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 14.5. Public Tests of Electronic Voting Systems
Sec. 1. At least fourteen (14) days before election day, the county election board of each county planning to use an electronic voting system at the next election shall randomly select at least three (3) precincts within the county and test the voting system units to be used at those precincts on election day. Each voting system shall be tested to ascertain that the system will correctly count the votes cast for all candidates and on all public questions in that precinct.

Sec. 2. Public notice of the time and place shall be given at least forty-eight (48) hours before the test. The notice shall be published once in accordance with IC 5-3-1-4.

Sec. 3. The two (2) appointed members of the county election board shall observe the test required by this chapter and, if they so determine, shall certify the test as meeting the requirements of this chapter.

Sec. 4. The test must be open to representatives of political parties, candidates, the media, and the public.

Sec. 5. The test required by this chapter must include the following:

(1) The visual inspection of the voting system and ballot labels.
(2) The manual entry of a preaudited group of ballots marked so as to record a predetermined number of valid votes for each candidate and on each public question.
(3) At least one (1) ballot for each office that has votes in excess of the number allowed by law in order to test the ability of the electronic voting system to reject the overvotes.

Sec. 6. If an error is detected during the test required by section 5 of this chapter, the cause of the error shall be determined and corrected, and an errorless count must be made before the use of the electronic voting system at the election is approved.

Sec. 7. After completion of the count, the voting system shall be sealed. The ballots used to conduct the test and all other election
materials shall be sealed, retained, and disposed of as provided for paper ballots.

Sec. 8. Immediately following the completion of the voting system test under section 5 of this chapter, the county election board shall enter the vote totals from the voting systems tested under this chapter into the component of the voting system used by the county election board to tabulate election results under IC 3-12-3.5. The board shall determine whether this component of the voting system properly tabulates the votes cast in each of the precincts tested under this chapter.

Sec. 9. Not later than seven (7) days after conducting the tests required under this chapter, the county election board shall certify to the election division that the tests have been conducted in conformity with this chapter.

Sec. 10. A copy of the certification of the tests conducted under this chapter shall be filed with the election returns.

SECTION 92. IC 3-11-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The performance and test standards and fees under this chapter apply to an optical scan voting system or an electronic voting system procured after March 25, 1992, described in IC 3-11-7 or IC 3-11-7.5.

SECTION 93. IC 3-11-15-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The commission shall not approve any system until the fee and the expenses incurred by the election division (or the person designated by the commission to act on behalf of the election division under IC 3-11-16) in making the examination are paid by the person making the application.

SECTION 94. IC 3-11-15-13.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.3. (a) This section applies after December 31, 2005.

(b) To be approved by the commission for use in Indiana, a voting system must meet the Voting System Standards adopted by the Federal Election Commission on April 30, 2002.

(c) The commission may adopt rules under IC 4-22-2 to require a voting system to meet standards more recent than standards described in subsection (b). If the commission adopts rules under this subsection, a voting system must meet the standards described in the rules instead of the standards described in subsection (b).

(c) A county may continue to use an optical scan ballot card voting system or an electronic voting system whose approval or
certification expired on or before October 1, 2005, if the voting system:

(1) was:
   (A) approved by the commission for use in elections in Indiana before July 1, 2003; and
   (B) purchased by the county before July 1, 2003; and
(2) otherwise complies with the applicable provisions of HAVA and this article.

However, a voting system vendor may not market, sell, lease, or install a voting system described in this subsection.

(d) As provided by 42 U.S.C. 15481, to be used in an election in Indiana, a voting system must be accessible for individuals with disabilities, including nonvisual accessibility for the blind and visually impaired, in a manner that provides the same opportunity for access and participation (including privacy and independence) as for other voters.

(e) As provided by 42 U.S.C. 15481, an election board conducting an election satisfies the requirements of subsection (d) if the election board provides at least one (1) electronic voting system or other voting system equipped for individuals with disabilities at each polling place.

(f) If a voter who is otherwise qualified to cast a ballot in a precinct chooses to cast the voter's ballot on the voting system provided under subsection (e), the voter must be allowed to cast the voter's ballot on that voting system, whether or not the voter is an individual with disabilities.

SECTION 95. IC 3-11-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 16. Voting System Technical Oversight Program

Sec. 1. As used in this chapter, "program" refers to the voting system technical oversight program established by section 2 of this chapter.

Sec. 2. The voting system technical oversight program is established.

Sec. 3. The secretary of state shall contract with a person or an entity to conduct the program for a term specified in the contract.

Sec. 4. The person or entity designated under this chapter to conduct the program shall do the following:

(1) Develop and propose procedures and standards for the certification, acquisition, functioning, training, and security for voting systems used to conduct elections in Indiana.
(2) Compile and maintain an inventory of all voting systems used to conduct elections in Indiana.
(3) Review reports concerning voting systems prepared by independent laboratories and submitted by applicants for voting system certification.
(4) Recommend to the commission whether an application for voting system certification should be approved and, if so, whether the approval should be subject to any restrictions or conditions to ensure compliance with Indiana law.
(5) Perform any additional testing of a voting system necessary to determine whether the voting system complies with state law.
(6) Each year perform random audits of voting systems used to conduct Indiana elections and prepare reports indicating whether the voting systems have been certified, programmed, and used in compliance with Indiana law.
(7) Review contracts, leases, purchase orders, and amendments to those documents concerning the acquisition or maintenance of voting systems.
(8) Assist with the development of quantity purchase agreements and other contracts for the lease or purchase of voting systems.
(9) Perform any other duties related to the approval or use of voting systems as provided in:
   (A) state law; or
   (B) the contract described in section 3 of this chapter.

SECTION 96. IC 3-11-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 17. Voting System Violations

Sec. 1. This chapter applies to a voting system vendor who sells, leases, installs, implements, or permits the use of a voting system in an election conducted in Indiana.

Sec. 2. In addition to any other penalty imposed, a vendor who knowingly, recklessly, or negligently sells, leases, installs, implements, or permits the use of a voting system in an election conducted in Indiana in violation of this title is subject to a civil penalty under this chapter.

Sec. 3. If the secretary of state determines that a vendor is subject to a civil penalty under section 2 of this chapter, the secretary of state may assess a civil penalty. The civil penalty
assessed under this section may not exceed three hundred thousand dollars ($300,000), plus any investigative costs incurred and documented by the secretary of state.

Sec. 4. The secretary of state is subject to IC 4-21.5 in imposing a civil penalty under this chapter.

Sec. 5. All civil penalties collected under this chapter shall be deposited with the treasurer of state in the voting system technical oversight program account established by section 6 of this chapter.

Sec. 6. (a) The voting system technical oversight program account is established with the state general fund to provide money for administering and enforcing IC 3-11-7, IC 3-11-7.5, IC 3-11-15, IC 3-11-16, and this chapter.

(b) The election division shall administer the account. With the approval of the budget agency, funds in the account are available to augment and supplement the funds appropriated to the election division for the purposes described in this section.

(c) The expenses of administering the account shall be paid from the money in the account. The account consists of all civil penalties collected under this chapter.

SECTION 97. IC 3-11.5-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) If the absentee ballot counters find under section 11 of this chapter that:

(1) the affidavit is properly executed;
(2) the signatures correspond;
(3) the absentee voter is a qualified voter of the precinct;
(4) the absentee voter is registered and after December 31, 2003, is not required to file additional information with the county voter registration office under IC 3-7-33-4.5;
(5) the absentee voter has not voted in person at the election; and
(6) in case of a primary election, if the absentee voter has not previously voted, the absentee voter has executed the proper declaration relative to age and qualifications and the political party with which the absentee voter intends to affiliate;

the absentee ballot counters shall open the envelope containing the absentee ballots so as not to deface or destroy the affidavit and take out each ballot enclosed without unfolding or permitting a ballot to be unfolded or examined.

(b) This subsection applies after December 31, 2003: If the absentee ballot counters find under subsection (a) that the voter has not filed the additional information required to be filed with the county voter registration office under IC 3-7-33-4.5, but that all of the other findings
listed under subsection (a) apply, the absentee ballot shall be processed as a provisional ballot under IC 3-11.7.

(c) The absentee ballot counters shall then deposit the ballots in a secure envelope with the name of the precinct set forth on the outside of the envelope. After the absentee ballot counters or the county election board has made the findings described in subsection (a) or section 13 of this chapter for all absentee ballots of the precinct, the absentee ballot counters shall remove all the ballots deposited in the envelope under this section for counting under IC 3-11.5-5 or IC 3-11.5-6.

SECTION 98. IC 3-11.5-4-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) In addition to the preparations described in IC 3-11-11-2, IC 3-11-12-24, IC 3-11-13-27, or IC 3-11-14-16, the inspector shall:

1) mark the poll list; and
2) attach the certificates of voters who have registered and voted under IC 3-7-36-14 to the poll list;

in the presence of the poll clerks to indicate the voters of the precinct whose absentee ballots have been received by the county election board according to the certificate supplied under section 1 of this chapter.

(b) The poll clerks shall sign the statement printed on the certificate supplied under section 1 of this chapter indicating that the inspector:

1) marked the poll list; and
2) attached the certificates described in subsection (a)(2);

under this section in the presence of both poll clerks.

(c) The inspector shall retain custody of the certificate supplied under section 1 of this chapter until the certificate is returned under section 9 of this chapter.

SECTION 99. IC 3-11.7-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section applies to a provisional ballot that:

1) has been marked and cast by a voter in compliance with this title; but
2) may not otherwise be counted solely as the result of the act or failure to act of an election officer.

(b) A provisional ballot described in subsection (a) shall nevertheless be counted unless evidence of fraud, tampering, or misconduct affecting the integrity of the ballot is demonstrated. The act or failure to act by an election officer is not by itself
evidence of fraud, tampering, or misconduct affecting the integrity of the ballot.

(c) Notwithstanding subsection (b), if the county election board, by a majority vote of its members, determines that there is a reason not to count a provisional ballot, the provisional ballot may not be counted.

SECTION 100. IC 3-12-1-9.5, AS AMENDED BY SEA 14-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]; Sec. 9.5. (a) This section applies to counting votes cast on ballot cards.

(b) A chad that has been pierced; but not entirely punched out of the card; shall be counted as a vote for the indicated candidate or for the indicated response to a public question:

(c) A chad that has been indented; but not in any way separated from the remainder of the card; may not be counted as a vote for a candidate or on a public question:

(d) Whenever:
(1) a ballot card contains a numbered box indicating which chad should be punched out by the voter to cast a vote for a candidate or on a public question;
(2) the indicated chad has not been punched out; and
(3) a hole has been made in the card that touches any part of the numbered box;
the hole shall be counted as a vote for the candidate or on the public question as if the indicated chad had been punched out; However; if a hole has been made in the ballot that does not touch a numbered box or punch out a chad; the hole may not be counted as a vote for a candidate or on a public question:

(e) Whenever:
(1) a chad has been punched out of a ballot card;
(2) a numbered box indicates that another chad may be punched out to cast a vote for:
   (A) a different candidate for the same office as the candidate for whom a vote was cast under subdivision (1); or
   (B) a different response to the same public question on which a vote was cast under subdivision (1); and
(3) a hole has been punched in the card that touches the numbered box described in subdivision (2);
neither the chad described in subdivision (1) nor the hole described in subdivision (3) may be counted as a vote for a candidate or on a public
question:

(f) (b) This subsection applies to a ballot card that:

1. has been cast in a precinct whose votes are being recounted by a local recount commission or the state recount commission;
2. is damaged or defective so that it cannot properly be counted by automated tabulating machines; and
3. cannot be counted for the office subject to the recount due to the damage or defect.

The ballot card shall be remade only if the conditions in subdivisions (1) through (3) exist.

(g) Subsections (b) through (e) expire December 31, 2005.

SECTION 101. IC 3-12-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2005]: Sec. 6. (a) When all votes have been counted, the precinct election board shall prepare a certificate stating the number of votes that each candidate received for each office and the number of votes cast on each public question. The number of votes that each candidate and public question received shall be written in words and numbers. The board shall also prepare a memorandum of the total vote cast for each candidate and ensure that each member of the board receives a copy of the memorandum.

(b) If:

1. an absentee ballot has been cast in the precinct; and
2. the precinct used voting machines;

the certificates and memoranda prepared under this section must comply with IC 3-11-10-16(c).

SECTION 102. IC 3-12-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2005]: Sec. 2. After each electronic voting system has been secured and the paper vote total printouts obtained, the inspector shall announce in a distinct tone of voice the result of the vote as shown by the printouts are available for inspection by the members of the precinct election board and any watchers present within the polls. The members and watchers are entitled to inspect and copy the printouts to document the votes cast for:

1. each candidate in the order as their offices are arranged on each system; and
2. each public question on each system.

SECTION 103. IC 3-12-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2005]: Sec. 12. Not later than noon on the second Monday after the county election board certifies the
election results under section 9 of this chapter, the circuit court clerk shall furnish to the county chairman of each political party a copy of the statement.

SECTION 104. IC 3-12-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. A county election board may not reject the certificates, poll lists, or tally papers returned from a precinct election board:

(1) for lack of form or for not being strictly in accordance with the directions contained in this title if the certificates can be satisfactorily understood; or

(2) if the returns are certified by the precinct election board as required by IC 3-12-2-6, IC 3-12-2.5-6, IC 3-12-3-2, and IC 3-12-3.5-6 and returned by the inspector or one (1) of the judges of the board.

SECTION 105. IC 3-12-4-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. If voting machines or electronic voting systems are used in a precinct, the county election board may request authorization from the state recount commission to inspect the registering counter or other mechanical recording device on any voting machine or electronic voting system showing the number of votes cast for any candidate or public question. If authorized by the state recount commission, the board may conduct an inspection either before it proceeds to count and tabulate the vote or within one (1) day after the count and tabulation are finished.

SECTION 106. IC 3-12-4-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. To inspect a voting machine or an electronic voting system under section 18 of this chapter, the county election board may proceed to any place in the county where the machine or system is located, kept, or stored. However, the board shall make the inspection in the presence of an accredited representative of each of the major political parties of the county.

SECTION 107. IC 3-12-4-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. When making an inspection under section 18 of this chapter, a county election board shall compare the number of votes registered on the counter or other mechanical recording device on the voting machines or electronic voting systems with the returns made by the precinct election board of the precinct in which the voting machine or electronic voting system was used.
SECTION 108. IC 3-12-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. If there is a discrepancy between the number of votes registered on a voting machine or an electronic voting system and the returns made by the precinct election board, the county election board shall correct the returns made by the precinct election board so that the returns conform to the vote registered on the voting machine or electronic voting system. The corrected returns shall be considered the true and correct returns of the number of votes cast for each candidate or on each public question in the precinct.

SECTION 109. IC 3-12-4-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. If a nomination or election is contested or a recount is conducted, the returns of each precinct election board, as corrected by the county election board under section 21 of this chapter, constitute prima facie evidence of the vote cast for each candidate and on each public question to the same extent as the tabulation and return of the vote in a precinct where voting machines or electronic voting systems are not used.

SECTION 110. IC 3-12-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever a candidate is elected to a local office that is commissioned by the governor under IC 4-3-1-5, the circuit court clerk shall prepare a statement under the clerk's seal specifying the number of votes received by each candidate for that office.

(b) The statement prepared under subsection (a) must also include the number of votes cast for and against the following:

(1) The ratification of a state constitutional amendment submitted to the electorate.

(2) The retention of a justice of the supreme court or a judge of the court of appeals or tax court.

(3) Each candidate who was declared elected by the county election board under IC 3-12-4-9.

(c) The clerk shall send or hand deliver the statement to the election division not later than noon on the second Monday following election day.

(d) The election division shall tabulate the votes received under this section. Not later than the second third Friday after the election, the secretary of state shall issue a certificate certifying the following:

(1) Each state constitutional amendment ratified or rejected.

(2) Each justice or judge retained or removed.
(e) The election division shall provide a copy of a certificate described by:
   (1) subsection (d)(1) to the chief justice of the Indiana supreme court and the director of the office of code revision of the legislative services agency; and
   (2) subsection (d)(2) to the chief justice of the state.

(f) The election division shall provide a copy of all statements received under this section to the office.

SECTION 111. IC 3-12-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Not later than noon on the second Monday following an election for governor and lieutenant governor, each circuit court clerk shall prepare a certified statement under the clerk's seal showing the number of votes each candidate received. The clerk shall transmit the statement to the election division. The election division shall deliver:
   (1) the statement to the speaker of the house of representatives before the date described in subsection (b); and
   (2) a copy of each statement to the office.

(b) The house of representatives and the senate shall meet in joint convention not later than the date specified in Article 5, Section 9 of the Constitution of the State of Indiana for the commencement of the term of the governor and the lieutenant governor to hear the canvass of votes cast for governor and lieutenant governor.

(c) The joint convention shall act to resolve any:
   (1) tie vote, as required under Article 5, Section 5 of the Constitution of the State of Indiana; or
   (2) contest under Article 5, Section 6 of the Constitution of the State of Indiana.

(d) The joint rules that governed the house of representatives and senate before the general election govern the joint convention until those rules are amended as provided in those rules.

(e) After resolving any tie or contest, the presiding officer of the joint convention shall certify to the convention that the individuals receiving the most votes according to the canvass have been elected governor and lieutenant governor.

SECTION 112. IC 3-12-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Not later than noon on the second Monday following an election, each circuit court clerk shall prepare a certified statement under the clerk's seal of the number of votes received by each candidate for:
(1) federal office;
(2) state office;
(3) legislative office; and
(4) a local office for which a declaration of candidacy must be
filed with the election division under IC 3-8-2.
(b) The clerk shall send the statements by certified mail, return
receipt requested, or hand deliver the statements to the election
division.
(c) The election division shall provide a copy of each statement to
the office.
SECTION 113. IC 3-12-5-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) As soon as
practical, but no later than noon on the second Monday following an
election for a legislative office, each circuit court clerk shall:
(1) prepare a certified statement under the clerk's seal specifying
the number of votes received in the county by each candidate for
legislative office; and
(2) send the statement by certified mail, return receipt requested,
or hand deliver the statement to the election division.
(b) The election division shall provide a copy of each statement to
the office.
SECTION 114.  IC 3-12-6-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A candidate who
desires a recount of votes must file a verified petition no later than
noon seven (7) fourteen (14) days after election day.
(b) A county chairman who is entitled to and desires a recount of
votes must file a verified petition not later than noon ten (10)
seventeen (17) days after election day.
(c) The petition must be filed in the circuit or superior court of each
county in which is located a precinct in which the individual desires a
recount.
SECTION 115. IC 3-12-6-16 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) A recount
commission consists of three (3) persons.
(b) Two (2) members of the commission must be voters who:
(1) are members of different major political parties of the state;
and
(2) were qualified to vote at the election in a county in which the
election district for the office is located.
(c) This subsection applies to a recount commission conducting a
recount of an election in which only paper ballots were used. The third member of the commission must be a person who:
   (1) is a member of a major political party of the state; and
   (2) was qualified to vote at the election in a county in which the election district for the office is located.

(d) This subsection applies to a recount of an election in which a voting method other than only paper ballots was used. The third member of the commission must be a competent mechanic who is familiar with the voting machines, ballot card voting systems or electronic voting systems used in that election. The mechanic is not required to be qualified to vote at the election in a county in which the election district for the office is located.

SECTION 116. IC 3-12-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) A court ordering a recount under this chapter shall by order impound and provide for the protection of the following:
   (1) All ballots voting machines and electronic voting systems used at the election for casting votes in the precincts.
   (2) All tally sheets relating to the votes cast for nomination or election to the office.
   (3) All poll lists of persons registered by the poll clerks as having voted for nomination or election to the office.

(b) An order issued by the state recount commission under IC 3-12-10 supersedes an order issued by a court under this section to the extent that the orders conflict. The state recount commission shall assist a court acting under this section to the extent that the ability of the state recount commission to preserve the integrity of election records or equipment is not hindered.

(c) An impoundment order issued under subsection (a) may not prevent a circuit court clerk or board of registration from copying election material other than ballots if the clerk or board copies the material under the supervision of a person designated by the court.

SECTION 117. IC 3-12-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. A court acting under section 19 of this chapter shall make the ballots, voting machines, electronic voting systems, tally sheets, and poll lists available to the recount commission appointed under this chapter.

SECTION 118. IC 3-12-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. An election may be contested under section 1 of this chapter if a petitioner alleges that one
(1) of the following circumstances existed:

1. The contestee was ineligible.
2. A mistake occurred in the printing or distribution of ballots used in the election that makes it impossible to determine which candidate received the highest number of votes.
3. A mistake occurred in the programming of a voting machine or an electronic voting system, making it impossible to determine the candidate who received the highest number of votes.
4. A voting machine or an electronic voting system malfunctioned, making it impossible to determine the candidate who received the highest number of votes.
5. A deliberate act or series of actions occurred making it impossible to determine the candidate who received the highest number of votes cast in the election.

SECTION 119. IC 3-12-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A candidate who desires to contest an election or a nomination under this chapter must file a verified petition with the circuit court clerk of the county that contains the greatest percentage of the population of the election district no later than noon seven (7) fourteen (14) days after election day.

(b) A county chairman who is entitled to and desires to contest an election or a nomination under this chapter must file a verified petition with the circuit court clerk of the county that contains the greatest percentage of the population of the election district not later than noon ten (10) seventeen (17) days after election day.

(c) A petition for a contest of an election in different municipalities, whether in the same court of the county or not, may not be consolidated.

SECTION 120. IC 3-12-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A petition filed under section 5 of this chapter must state the following:

1. That the petitioner desires to contest the nomination or election to an office.
2. The name of each candidate as set forth on the ballot for the election and address of each candidate as set forth in the records of the county election board or election division.
3. That the petitioner in good faith believes that one (1) or more of the following occurred:
   (A) The person declared nominated or elected does not comply
with a specific constitutional or statutory requirement set forth in the petition that is applicable to a candidate for the office. 
(B) A mistake was made in the printing or distribution of ballots used in the election that makes it impossible to determine which candidate received the highest number of votes cast in the election.
(C) A mistake occurred in the programming of a voting machine or an electronic voting system, making it impossible to determine the candidate who received the highest number of votes.
(D) A voting machine or an electronic voting system malfunctioned, making it impossible to determine the candidate who received the highest number of votes.
(E) A deliberate act or series of actions occurred making it impossible to determine the candidate who received the highest number of votes cast in the election.

(b) A petition stating that the petitioner believes that it is impossible to determine the candidate that received the highest number of votes for one (1) of the reasons described in subsection (a)(3)(B), (a)(3)(C), or (a)(3)(D) must identify each precinct in which:

(1) ballots:  
(A) containing the printing mistake; or  
(B) distributed by mistake;  
were cast;

(2) a mistake occurred in the programming of a voting machine or an electronic voting system; or

(3) a voting machine or an electronic voting system malfunctioned.

(c) A petition stating that the petitioner believes that an act or series of actions described in subsection (a)(3)(E) occurred must identify each precinct or other location in which the act or series of actions occurred to the extent known to the petitioner.

SECTION 121. IC 3-12-8-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) A contest shall be heard and determined by the court without a jury subject to the Indiana Rules of Trial Procedure.

(b) The court shall determine the issues raised by the petition and answer to the petition.

(c) After hearing and determining a petition alleging that a candidate is ineligible, the court shall declare as elected or nominated
the qualified candidate who received the highest number of votes and render judgment accordingly.

(d) If the court finds that:

(1) a mistake in the printing or distribution of the ballots used in the election;
(2) a mistake in the programming of a voting machine or an electronic voting system;
(3) a malfunction of a voting machine or an electronic voting system; or
(4) the occurrence of a deliberate act or series of actions;

makes it impossible to determine which candidate received the highest number of votes, the court shall order that a special election be conducted under IC 3-10-8.

(e) The special election shall be conducted in the precincts identified in the petition in which the court determines that:

(1) ballots containing the printing mistake or distributed by mistake were cast;
(2) a mistake occurred in the programming of a voting machine or an electronic voting system;
(3) a voting machine or an electronic voting system malfunctioned; or
(4) the deliberate act or series of actions occurred.

SECTION 122. IC 3-12-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A candidate who desires:

(1) a recount of votes cast for a nomination or election subject to this chapter; or
(2) to contest a nomination subject to this chapter or the election of a state office other than governor or lieutenant governor;

must file a verified petition with the election division not later than noon seven (7) fourteen (14) days after election day.

(b) A state or county chairman who is entitled to and desires to file a petition for a recount or contest under this chapter must file a verified petition with the election division not later than noon ten (10) seventeen (17) days after election day.

SECTION 123. IC 3-12-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Each petition for a recount filed under section 2 of this chapter must state the following:

(1) The office for which the petitioner desires a recount.
(2) The precincts in which the petitioner desires a recount.
(3) That the individual is entitled to a recount under this chapter and that the nomination or election to office at issue was voted upon in the precincts specified.

(4) The name of the candidates as set forth on the ballot for the election and address of the candidates as set forth in the records of the election division.

(5) That the petitioner in good faith believes that the votes cast for nomination or election to the office at the election in the precincts were not correctly counted and returned.

(6) That the petitioner desires a recount of all of the votes cast for nomination or election to the office in the precincts specified.

(b) Each petition for a contest filed under section 2 of this chapter must state the following:

(1) The nomination or election to office that the petitioner contests.

(2) That the individual is entitled to contest an election or a nomination to office under this chapter.

(3) The name of the candidates as set forth on the ballot for the election and address of each of the candidates as set forth in the records of the election division.

(4) That the petitioner in good faith believes that one (1) or more of the following occurred:

(A) The person declared nominated or elected does not comply with a specific constitutional or statutory requirement set forth in the petition that is applicable to a candidate for the office.

(B) A mistake was made in the printing or distribution of ballots used in the election that makes it impossible to determine which candidate received the highest number of votes cast in the election.

(C) A mistake occurred in the programming of a voting machine or an electronic voting system, making it impossible to determine the candidate who received the highest number of votes.

(D) A voting machine or An electronic voting system malfunctioned, making it impossible to determine the candidate who received the highest number of votes.

(E) A deliberate act or series of actions occurred making it impossible to determine the candidate who received the highest number of votes cast in the election.

(c) A petition stating that the petitioner believes that a mistake
described in subsection (b)(4)(B), (b)(4)(C), or (b)(4)(D) has occurred must identify each precinct in which:

1. ballots:
   a. containing the printing mistake; or
   b. distributed by mistake;
2. a mistake occurred in the programming of a voting machine or an electronic voting system; or
3. a voting machine or an electronic voting system malfunctioned.

(d) A petition stating that the petitioner believes that an act or series of actions described in subsection (b)(4)(E) occurred must identify each precinct or other location in which the act or series of actions occurred to the extent known to the petitioner.

SECTION 124. IC 3-12-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 9. (a) Upon the filing of a petition for a recount or contest with the election division, the secretary of state shall issue a notice of the filing and pendency of the petition to each opposing candidate and deliver the notice to the state police department.

(b) This subsection applies if an attorney has filed an appearance with the election division as the representative of a candidate. The state police shall serve the notice on the attorney for the candidate.

(c) If subsection (b) does not apply, the state police department shall immediately serve the notice upon each opposing candidate in person or by leaving a copy at the last and usual place of residence.

(d) The state police department shall make immediate return of the service under this section.

SECTION 125. IC 3-12-11-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 11. (a) This section applies if a cross-petition is filed under this chapter.

(b) This subsection applies only to a recount of an election for nomination or election to either of the following:

1. A legislative office in which, on the face of the election returns, the difference between the number of votes cast for the cross-petitioner and the petitioner with the greatest number of votes is not more than one percent (1%) of the total votes cast for all candidates for the nomination or office.
2. An office other than a legislative office in which, on the face
of the election returns, the difference between the number of votes cast for the cross-petitioner and the petitioner with the greatest number of votes is not more than one percent (1%) of the total votes cast for all candidates for the nomination or office.

The cross-petitioner shall furnish a cash deposit equal to ten dollars ($10) multiplied by the number of precincts that the cross-petitioner seeks to have recounted. The cash deposit shall be deposited in the state recount fund.

(c) This subsection applies only to a recount of an election for nomination or election to either of the following:

(1) A legislative office in which, on the face of the election returns, the difference between the number of votes cast for the cross-petitioner and the petitioner with the greatest number of votes is more than one percent (1%) of the total votes cast for all candidates for the nomination or office.

(2) An office other than a legislative office in which, on the face of the election returns, the difference between the number of votes cast for the cross-petitioner and the petitioner with the greatest number of votes is more than one percent (1%) of the total votes cast for all candidates for the nomination or office.

The cross-petitioner shall furnish a cash deposit equal to ten dollars ($10) multiplied by the number of precincts that the cross-petitioner seeks to have recounted for the first ten (10) precincts recounted. For each precinct in excess of ten (10) the cross-petitioner seeks to have recounted, the cross-petitioner shall furnish an additional cash deposit equal to one hundred dollars ($100) multiplied by the number of precincts in excess of ten (10) that the cross-petitioner seeks to have recounted. The cash deposit shall be deposited in the state recount fund.

(d) If after a recount, it is determined that the cross-petitioner has been nominated or elected, the deposit furnished by the cross-petitioner shall be returned to the cross-petitioner in full.

(e) Any unexpended balance remaining in a deposit after payment of the costs of the recount shall be deposited in the state recount fund.

SECTION 126. IC 3-12-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Except as provided in subsection (d) or (e), the state recount commission shall grant the petitions and cross-petitions that have been filed and order the recount of the votes in the precincts upon:

(1) the filing of a petition and cash deposit or bond under this
(2) the expiration of the period under section 4 of this chapter for filing a cross-petition; and
(3) proof of service of all notices.

(b) Except as provided in subsection (d), whenever a petition filed under section 2 of this chapter requests a recount in all precincts in the election district, the state recount commission may order a recount in the precincts upon:
(1) the filing of a cash deposit or bond under this chapter; and
(2) proof of service of all notices.

(c) Except as provided in subsection (d), the state recount commission shall grant a petition for a contest that has been filed and order a contest proceeding upon:
(1) the filing of a petition under this chapter; and
(2) proof of service of all notices.

(d) Whenever a motion to dismiss a petition or cross-petition for a recount or a petition for a contest is filed with the state recount commission or is made by a member of the commission, the commission shall rule on the motion to dismiss before ordering or continuing with a recount or a contest. The motion to dismiss must:
(1) state that the petitioner or cross-petitioner has failed to comply with this chapter; and
(2) specifically identify the requirement that the petitioner or cross-petitioner has failed to comply with.

(e) Whenever the petitioner and each cross-petitioner or respondent file a joint motion to dismiss a recount or contest, the commission shall rule on the motion to dismiss before ordering or continuing with a recount or contest.

SECTION 127. IC 3-12-11-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. If there is a consolidation of petitions and cross-petitions, the state recount commission shall by consolidated order grant the consolidated petitions and cross-petitions and order a consolidated recount of all votes in each precinct in the county election district for the office requested in the petitions and cross-petitions.

SECTION 128. IC 3-12-11-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. The state recount commission shall conduct a recount in each precinct designated in a petition or cross-petition granted under this chapter that is in the election district for the office. The commission may conduct a recount
in any precinct that cast votes for an office that is the subject of a recount under this chapter if the precinct is within the election district for the office.

SECTION 129. IC 3-12-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) Except as provided in subsection (b), the state recount commission may by order impound and provide for the protection of the following:

(1) All ballots, voting machines, and electronic voting systems used at the election for casting votes in the precincts;

(2) All tally sheets relating to the votes cast for the office;

(3) All poll lists of persons registered by the poll clerks as having voted for the office;

any election records or equipment described by IC 3-12-10-5(a).

(b) In a recount of an election for a legislative office, the state recount commission shall by order impound and provide for the protection of the following:

(1) All ballots, voting machines, and electronic voting systems used at the election for casting votes in all of the precincts within the legislative district.

(2) All tally sheets relating to the votes cast for the office.

(3) All poll lists of persons registered by the poll clerks as having voted for the office.

SECTION 130. IC 3-12-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) When a recount is completed by the state recount commission or its designee, the commission shall:

(1) make and sign a certificate showing the total number of votes received in the precincts by each candidate for nomination or election to the office;

(2) state in its certificate the candidate who received the highest number of votes in the precincts for nomination or election to the office and by what plurality; and

(3) file its certificate with the election division.

(b) When a contest proceeding in which a candidate is alleged to be ineligible is completed by the state recount commission or its designee, the commission shall make a final determination concerning the eligibility of the candidate for nomination or election to the office.

(c) If the state recount commission or its designee determines that:

(1) a mistake was made in the printing or distribution of ballots used in the election;
(2) a mistake was made in the programming of a voting machine or an electronic voting system;
(3) a voting machine or an electronic voting system malfunctioned; or
(4) a deliberate act or series of actions occurred;

that makes it impossible to determine which candidate received the highest number of votes cast, the commission shall order that a special election be conducted under IC 3-10-8.

(d) The special election ordered under subsection (c) shall be held in the precincts identified in the petition in which the commission determines that:

(1) ballots containing the printing mistake or distributed by mistake were cast;
(2) a mistake occurred in the programming of a voting machine or an electronic voting system;
(3) a voting machine or an electronic voting system malfunctioned; or
(4) a deliberate act or series of actions occurred.

SECTION 131. IC 3-12-12-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A recount commission consists of three (3) persons.

(b) Two (2) members of the commission must be voters who:

(1) are members of different major political parties of the state; and
(2) were qualified to vote at the election in a county in which the election district that voted on the public question is located.

(c) This subsection applies to a recount commission conducting a recount of an election in which only paper ballots were used. The third member of the commission must be a person who:

(1) is a member of a major political party of the state; and
(2) was qualified to vote at the election in a county in which the election district that voted on the public question is located.

(d) This subsection applies to a recount of an election in which a voting method other than only paper ballots was used. The third member of the commission must be a competent mechanic who is familiar with the voting machines, ballot card voting systems or electronic voting systems used in that election. The mechanic is not required to be qualified to vote at the election in a county in which the election district that voted on the public question is located.

SECTION 132. IC 3-12-12-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) A court ordering a recount under this chapter shall by order impound and provide for the protection of the following:

(1) All ballots voting machines, and electronic voting systems used at the election for casting votes in the precincts.
(2) All tally sheets relating to the votes cast on the public question.
(3) All poll lists of persons registered by the poll clerks as having voted on the public question.

(b) An order issued by the state recount commission under IC 3-12-10 supersedes an order issued by a court under this section to the extent that the orders conflict. The state recount commission shall assist a court acting under this section to the extent that the ability of the state recount commission to preserve the integrity of election records or equipment is not hindered.

(c) An impoundment order issued under subsection (a) may not prevent a circuit court clerk or board of registration from copying election material other than ballots if the clerk or board copies the material under the supervision of a person designated by the court.

SECTION 133. IC 3-12-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. A court acting under section 14 of this chapter shall make the ballots, voting machines, electronic voting systems, tally sheets, and poll lists available to the recount commission appointed under this chapter.

SECTION 134. IC 3-14-2-18, AS AMENDED BY SEA 15-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A voter who knowingly:

(1) does anything to enable any other person to see or know for what ticket, candidates, or public questions the voter has voted; on a voting system; or
(2) moves into a position, or does any other thing, to enable the voter to see or know for what ticket, candidates, or public questions any other voter votes; on a voting system;

commits a Class D felony.

SECTION 135. IC 3-14-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A person who knowingly:

(1) interferes with a watcher;
(2) prevents a watcher from performing the watcher's duties;
(3) otherwise violates:
(A) IC 3-6-8-3;
(B) IC 3-6-8-4;
(C) IC 3-6-8-5;
(D) IC 3-6-8-6;
(E) IC 3-6-9; or
(F) IC 3-6-10; or
(4) violates IC 3-11-12-21(e) or IC 3-11-13-44(d);

commits a Class D felony.

SECTION 136. IC 3-14-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A precinct election officer who, with the intent to cause or permit a voting machine, ballot card voting system or an electronic voting system to fail to correctly register all votes cast, tampers with or disarranges the machine or system or any part of it commits a Class D felony.

SECTION 137. IC 3-14-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. A precinct election officer who permits a voting machine, ballot card voting system or an electronic voting system to be used for voting at an election, with knowledge of the fact that the machine or system is not in order or not perfectly set and adjusted so that it will correctly register all votes cast, commits a Class D felony.

SECTION 138. IC 3-14-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. A person other than a precinct election officer who knowingly, before or during an election:

(1) damages, disarranges, or tampers with a voting machine; ballot card system or an electronic voting system; or
(2) damages a ballot label placed or to be placed on the voting machine; ballot card voting system, or any other appliance used in connection with the machine; ballot card voting system or electronic voting system;

commits a Class D felony.

SECTION 139. IC 3-14-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. A member of a precinct election board, an absentee ballot counter appointed under IC 3-11.5-4-22, or a provisional ballot counter appointed under IC 3-11.7-3 who knowingly:

(1) opens or marks, by folding or otherwise, a ballot presented by a voter, except as provided by law; or
(2) tries to find out how the voter voted before the ballot is deposited in the ballot box or cast on a voting machine; ballot
card voting system or an electronic voting system or counted by the absentee ballot counter; commits a Class D felony.

SECTION 140. IC 3-14-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. A person who knowingly violates:

(1) IC 3-11.5-5;
(2) IC 3-11.5-6;
(3) IC 3-12-2-1;
(4) IC 3-12-2-5-9;
(5) (4) IC 3-12-3-14; or
(6) (5) IC 3-12-3.5-7;

by providing any other person with information concerning the number of votes a candidate received for an office or cast to approve or reject a public question on absentee ballots counted under IC 3-11.5-5, IC 3-11.5-6, or IC 3-12 before the closing of the polls commits a Class D felony.

SECTION 141. IC 5-4-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Members of the general assembly shall take such the oath described by section 1 of this chapter before taking their seats. which The oath shall be entered on the journals. and

(b) The governor and lieutenant-governor shall each take such the oath in presence of both houses of the general assembly in convention, and described by section 1 of this chapter. The same oath shall be entered on the journals thereof of each chamber of the general assembly.

SECTION 142. IC 9-16-1-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) On each general, municipal, primary, and special election day (as defined in IC 3-5-1-2), all full service license branches must remain open from 6:00 a.m., local time, to 6:00 p.m., local time, solely for the purpose of issuing driver's licenses and state identification cards under IC 9-24.

(b) On the day before each general, municipal, primary, and special election day (as defined in IC 3-5-1-2), all full service license branches must remain open from 8:30 a.m., local time, to 8:00 p.m., local time, solely for the purpose of issuing driver's licenses and state identification cards under IC 9-24.

(c) The commission shall:
(1) designate another day as compensatory time off; or
(2) authorize overtime pay;
for license branch personnel required to work on an election day.

SECTION 143. IC 9-16-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The commission may develop a separate personnel system for employees of the commission who are assigned to be managers and employees of commission license branches. The system may establish the rights, privileges, powers, and duties of these employees, including a license branch pay scale and benefit package. If the commission does not develop and adopt a license branch personnel system, those employees are subject to the state personnel system under IC 4-15-1.8, except as provided in IC 9-16-1-7.


SECTION 145. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 3-5-2-41.5; IC 3-5-2-41.6; IC 3-5-2-50.6; IC 3-6-4.5-1; IC 3-11-3-2; IC 3-11-3-6; IC 3-11-5; IC 3-11-7.5-20; IC 3-11-12; IC 3-11-13-20; IC 3-12-2.5.

SECTION 146. [EFFECTIVE UPON PASSAGE] (a) The definitions set forth in IC 3-5-2 apply to this SECTION.

(b) To perform the duties set forth in IC 3-11-16, as added by this act, in establishing the voting system technical oversight program, the secretary of state shall issue a request for proposals to enter into the contract required under IC 3-11-16-3, as added by this act.

(c) Notwithstanding any other statute or rule:
(1) the secretary of state shall extend invitations to public and private colleges and universities located within Indiana to respond to the request for proposals not later than June 1, 2005; and
(2) the secretary of state and the person selected by the secretary of state shall enter into the contract required under IC 3-11-16-3, as added by this act, not later than July 1, 2005.

(d) The election commission may approve an application for the certification of a voting system if the commission determines that:
(1) the application for the voting system otherwise complies with IC 3; and
(2) either:
(A) the contract required to conduct the voting system technical oversight program required by IC 3-11-16, as added by this act, has not yet been entered into; or
(B) a testing authority has not yet been accredited by the federal government under 42 U.S.C. 15371, but the testing authority whose report concerning the voting system has been submitted to the commission is described in the Voting Systems Standards issued by the Federal Election Commission on April 30, 2002.

(e) This SECTION expires December 31, 2005.

SECTION 147. [EFFECTIVE UPON PASSAGE]

(a) The definitions set forth in IC 3-5-2 apply to this SECTION.

(b) This SECTION applies to a county:
   (1) that used a punch card ballot voting system to conduct the November 2, 2004, general election in any precinct in the county; and
   (2) whose county executive, before July 1, 2005, has not entered into a contract that complies with this SECTION.

(c) To comply with this SECTION, a contract that a county executive enters into must require a voting system vendor to deliver, not later than December 31, 2005:
   (1) an electronic voting system;
   (2) an optical scan ballot voting system; or
   (3) a combination of both systems;
   certified for installation, marketing, and use in Indiana on the effective date of the contract.

(d) If a county described in subsection (b) fails to enter into a contract that complies with subsection (c) before July 1, 2005, the secretary of state may enter into a quantity purchase agreement with a voting system vendor for the purchase of:
   (1) an electronic voting system;
   (2) an optical scan ballot voting system; or
   (3) a combination of both systems;
   that is certified for installation, marketing, and use in Indiana on the effective date of the contract.

(e) The agreement described in subsection (d) must require the delivery of the voting system to each county described in this SECTION before January 1, 2006, for use in all elections conducted in the county after December 31, 2005.

(f) This SECTION expires December 31, 2006.
SECTION 148. [EFFECTIVE UPON PASSAGE] (a) IC 3-9-4-20, as added by this act, applies to a committee that has been notified by the election division of a proposed civil penalty under IC 3-9 before January 1, 2006.

(b) This SECTION expires January 1, 2006.

SECTION 149. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 3-5-2 apply throughout this SECTION.

(b) A county voter registration office may provide original copies of the county's voter registration applications and other voter registration records to:

   (1) the state; or
   (2) an entity acting as the state's agent under a contract between the entity and the state;

for the purpose of optically scanning information set forth on the applications and records so that this information can be included in the statewide voter registration computerized list to be established under IC 3-7-26.3.

(c) If a county voter registration office provides original copies to the state under this SECTION, the state and the state's agent shall take all necessary and prudent steps to safeguard and preserve the county records during the time the state or the state's agent has custody of these records. The state or the state's agent shall promptly return the original records to the county voter registration office upon completing the optical scanning described in subsection (b).

(d) If a county voter registration office provides original records to the state or the state's agent under this SECTION, the county, the county voter registration office, the circuit court clerk, each member of the county board of registration, and each employee of the county voter registration office are not liable, in either an official or individual capacity for any loss or damage that occurs to the county voter registration records during the time the state or the state's agent have custody of these records. The state's agent must assume full liability for any loss or damage to these records before taking custody of these records from the county voter registration office.

(e) This SECTION expires March 31, 2006.

SECTION 150. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-2-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, and unless the context clearly denotes otherwise:

(1) "Agency" means an authority, a board, a branch, a bureau, a commission, a committee, a council, a department, a division, an office, a service, or other instrumentality of the executive, including the administrative, department of state government. The term includes a body corporate and politic set up as an instrumentality of the state that chooses to be under the jurisdiction of the state ethics commission; and a private, nonprofit, government related corporation. The term does not include any of the following:

(A) The judicial department of state government.
(B) The legislative department of state government.
(C) A state educational institution (as defined in IC 20-12-0.5-1).
(D) A political subdivision.
(E) A private nonprofit government related corporation.

(2) "Appointing authority" means the chief administrative officer of an agency. The term does not include a state officer.

(3) "Assist" means to:

(A) help;
(B) aid;
(C) advise; or
(D) furnish information to;

a person. The term includes an offer to do any of the actions in clauses (A) through (D).

(4) "Business relationship" means dealings of a person with an agency seeking, obtaining, establishing, maintaining, or implementing:

(A) a pecuniary interest in a contract or purchase with the
agency; or
(B) a license or permit requiring the exercise of judgment or discretion by the agency.

(5) "Commission" refers to the state ethics commission created under section 2 of this chapter.

(6) "Compensation" means any money, thing of value, or financial benefit conferred on, or received by, any person in return for services rendered, or for services to be rendered, whether by that person or another.

(7) "Employee" means an individual, other than a state officer, who is employed by an agency on a full-time, a part-time, a temporary, an intermittent, or an hourly basis. The term includes an individual who contracts with an agency for personal services for more than thirty (30) hours a week for more than twenty-six (26) weeks during any one (1) year period.

(8) "Employer" means any person from whom a state officer or employee or the officer's or employee's spouse received compensation. For purposes of this chapter, a customer or client of a self-employed individual in a sole proprietorship or a professional practice is not considered to be an employer.

(9) "Financial interest" means an interest:
(A) in a purchase, sale, lease, contract, option, or other transaction between an agency and any person; or
(B) involving property or services.

The term includes an interest arising from employment or prospective employment for which negotiations have begun. The term does not include an interest of a state officer or employee in the common stock of a corporation unless the combined holdings in the corporation of the state officer or the employee, that individual's spouse, and that individual's unemancipated children are more than one percent (1%) of the outstanding shares of the common stock of the corporation. The term does not include an interest that is not greater than the interest of the general public or any state officer or any state employee.

(10) "Information of a confidential nature" means information:
(A) obtained by reason of the position or office held; and
(B) which:
(i) a public agency is prohibited from disclosing under IC 5-14-3-4(a);
(ii) a public agency has the discretion not to disclose under
IC 5-14-3-4(b) and that the agency has not disclosed; or (iii) the information is not in a public record, but if it were, would be confidential.

(11) "Person" means any individual, proprietorship, partnership, unincorporated association, trust, business trust, group, limited liability company, or corporation, whether or not operated for profit, or a governmental agency or political subdivision.

(12) "Political subdivision" means a county, city, town, township, school district, municipal corporation, special taxing district, or other local instrumentality. The term includes an officer of a political subdivision.

(13) "Property" has the meaning set forth in IC 35-41-1-23.

(14) "Represent" means to do any of the following on behalf of a person:

(A) Attend an agency proceeding.
(B) Write a letter.
(C) Communicate with an employee of an agency.

(15) "Special state appointee" means a person who is:

(A) not a state officer or employee; and
(B) elected or appointed to an authority, a board, a commission, a committee, a council, a task force, or other body designated by any name that:
   (i) is authorized by statute or executive order; and
   (ii) functions in a policy or an advisory role in the executive (including the administrative) department of state government, including a separate body corporate and politic.

(16) "State officer" means any of the following:

(A) The governor.
(B) The lieutenant governor.
(C) The secretary of state.
(D) The auditor of state.
(E) The treasurer of state.
(F) The attorney general.
(G) The superintendent of public instruction.

(17) The masculine gender includes the masculine and feminine.

(18) The singular form of any noun includes the plural wherever appropriate.

SECTION 2. IC 4-2-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) There is created a state ethics commission.
(b) The commission is composed of five (5) members appointed by the governor.

c) No more than three (3) commission members shall be of the same political party. A person who:
   - holds an elected or appointed office of the state;
   - is employed by the state; or
   - is registered as a lobbyist under IC 2-7-2-1;
may not be a member of the commission. The governor shall designate one (1) member of the commission as the chairperson. Each appointment to the commission is for a period of four (4) years. A vacancy shall be filled by the governor for the unexpired term.

(d) The governor and state budget agency inspector general shall provide such rooms and staff assistance as the commission may require for the commission.

SECTION 3. IC 4-2-6-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. The commission has jurisdiction over the following persons:

   1) A current or former state officer.
   2) A current or former employee.
   3) A person who has or had a business relationship with an agency.
   4) A current or former special state appointee.

SECTION 4. IC 4-2-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The commission may do any of the following:

   1) Upon a vote of four (4) members, or upon the written request of the governor, initiate and conduct an investigation; refer any matter within the inspector general’s authority to the inspector general for investigation.
   2) Receive and hear any complaint filed with the commission by the inspector general that alleges a violation of this chapter, a rule adopted under this chapter, or any other statute or rule establishing standards of official conduct of state officers, employees, an executive branch lobbyist (as defined in IC 4-2-7-1), or special state appointees.
   3) Obtain information and, upon a vote of four (4) members, compel the attendance and testimony of witnesses and the production of pertinent books and papers by a subpoena enforceable by the circuit or superior court of the county where the subpoena is to be issued.
(4) Recommend legislation to the general assembly relating to the
conduct and ethics of state officers, employees, and special state
appointees, including whether additional specific state officers or
employees should be required to file a financial disclosure
statement under section 8 of this chapter.
(5) Adopt rules under IC 4-22-2 to implement this chapter.
(6) Prescribe and provide forms for statements required to be filed
under this chapter.
(7) Accept and file information:
   (A) voluntarily supplied; and
   (B) that exceeds the requirements of this chapter.
(8) Inspect financial disclosure forms.
(9) Notify persons who fail to file forms required under this
chapter.
(10) Develop a filing, a coding, and an indexing system required
by this chapter and IC 35-44-1-3(f).
(11) Conduct research.
(12) Prepare interpretive and educational materials and programs.
(b) The commission shall do the following:
(1) Act as an advisory body by issuing advisory opinions to
interpret this chapter, the commission's rules, or any other statute
or rule establishing standards of official conduct upon:
   (A) request of:
      (i) a state officer or a former state officer;
      (ii) an employee or a former employee;
      (iii) a person who has or had a business relationship with an
agency; or
      (iv) a special state appointee or former special state
     appointee; or
   (B) motion of the commission.
(2) Conduct its proceedings in the following manner:
   (A) When a complaint is filed with the commission, the
commission may:
      (i) reject, without further proceedings, a complaint that the
commission considers frivolous or inconsequential;
      (ii) reject, without further proceedings, a complaint that the
commission is satisfied has been dealt with appropriately by
an agency;
      (iii) upon the vote of four (4) members, determine that the
complaint does not allege facts sufficient to constitute a
violation of this chapter or the code of ethics and dismiss the complaint; or
(iv) forward a copy of the complaint to the attorney general, the prosecuting attorney of the county in which the alleged violation occurred, the state board of accounts, a state officer, the appointing authority, or other appropriate person for action, and stay the commission's proceedings pending the other action.

(B) If a complaint is not disposed of under clause (A), a copy of the complaint shall be sent to the person alleged to have committed the violation.

(C) If the complaint is not disposed of under clause (A), or when the commission initiates an investigation on its own motion or upon request of the governor, the commission shall promptly investigate refer the alleged violation for additional investigation by the inspector general. If after the preliminary investigation, the commission finds by a majority vote that probable cause exists to support an alleged violation, it shall convene a public hearing on the matter within sixty (60) days after making the determination. The respondent shall be notified within fifteen (15) days of the commission's determination. Except as provided in this section, the commission's evidence relating to an investigation is confidential, until the earlier of:

(i) the time the respondent is notified of the hearing; or
(ii) the time the respondent elects to have the records divulged.

(D) A complaint filed with the commission is open for public inspection after the commission finds that probable cause exists. However, a complaint filed by the inspector general that contains confidential information under IC 4-2-7-8 may be redacted to exclude the confidential information. Every hearing and other proceeding in which evidence is received by the commission is open to the public. Investigative reports by the inspector general that are not filed with the commission may be kept confidential.

(E) A:
(i) complaint that is filed with; or
(ii) proceeding that is held by; the commission before the commission has found probable
cause is confidential unless the target of the investigation elects to have information disclosed, or the commission elects to respond to public statements by the person who filed the complaint.

However, (F) The commission may acknowledge:

(i) the existence and scope of an investigation **before the finding of probable cause**; or

(ii) that the commission did not find probable cause to support an alleged violation.

(G) If a hearing is to be held, the respondent may examine and make copies of all evidence in the commission's possession relating to the charges. At the hearing, the charged party shall be afforded appropriate due process protection consistent with IC 4-21.5, including the right to be represented by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses.

(H) After the hearing, the commission shall state its findings of fact. If the commission, based on competent and substantial evidence, finds by a majority vote that the respondent has violated this chapter, a rule adopted under this chapter, or any other statute or rule establishing standards of official conduct of state officers, employees, or special state appointees, it shall state its findings in writing in a report, which shall be supported and signed by a majority of the commission members and shall be made public. The report may make a recommendation for the sanctions to be imposed by the appointing authority or state officer for the violation, including:

(i) a letter of counseling;

(ii) a reprimand;

(iii) a suspension with or without pay; or

(iv) the dismissal of an employee.

(I) If the commission, based on competent and substantial evidence, finds by a majority vote a violation of this chapter, a rule adopted under this chapter, or any other statute or rule establishing standards of official conduct of state officers, employees, or special state appointees, the commission may also take any of the actions provided in section 12 of this chapter.
The report required under clause (E) shall be presented to:
(i) the respondent;
(ii) the appointing authority or state officer of the employee, former employee, or special state appointee; and
(iii) the governor.

The commission may also forward the report to any of the following:
(i) The prosecuting attorney of each county in which the violation occurred.
(ii) The state board of accounts.
(iii) The state personnel director.
(iv) The attorney general.
(v) A state officer.
(vi) The appointing authority.
(vii) Any other appropriate person.

If the commission finds the respondent has not violated a code or statutory provision, it shall dismiss the charges.

(3) Review all conflict of interest disclosures received by the commission under IC 35-44-1-3, maintain an index of conflict of interest those disclosures, received by the commission under IC 35-44-1-3, and issue advisory opinions and screening procedures as set forth in section 9 of this chapter.

(c) Notwithstanding IC 5-14-3-4(b)(8)(C), the records of the commission concerning the case of a respondent that are not confidential under subsection (b)(2)(C) IC 5-14-3-4(b)(2)(C) shall be available for inspection and copying in accordance with IC 5-14-3.

SECTION 5. IC 4-2-6-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) A current state officer, employee, or special state appointee shall not knowingly:
(1) accept other employment involving compensation of substantial value if the responsibilities of that employment are inherently incompatible with the responsibilities of public office or require the individual's recusal from matters so central or critical to the performance of the individual's official duties that the individual's ability to perform those duties would be materially impaired;
(2) accept employment or engage in business or professional activity that would require the individual to disclose
confidential information that was gained in the course of state employment; or
(3) use or attempt to use the individual's official position to secure unwarranted privileges or exemptions that are:
   (A) of substantial value; and
   (B) not properly available to similarly situated individuals.
(b) A written advisory opinion issued by the inspector general or the individual's supervisor granting approval of outside employment is conclusive proof that an individual is not in violation of subsection (a)(1) or (a)(2).
SECTION 6. IC 4-2-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The following persons shall file a written financial disclosure statement:
   (1) The governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general, and state superintendent of public instruction.
   (2) Any candidate for one (1) of the offices in subdivision (1) who is not the holder of one (1) of those offices.
   (3) Any person who is the appointing authority of an agency.
   (4) The director of each division of the department of administration.
   (5) Any purchasing agent within the procurement division of the department of administration.
   (6) An employee required to do so by rule adopted by the commission.
(b) The statement shall be filed with the commission as follows:
   (1) Not later than February 1 of every year, in the case of the state officers and employees enumerated in subsection (a).
   (2) If the individual has not previously filed under subdivision (1) during the present calendar year and is filing as a candidate for a state office listed in subsection (a)(1), before filing a declaration of candidacy under IC 3-8-2 or IC 3-8-4-11, petition of nomination under IC 3-8-6, or declaration of intent to be a write-in candidate under IC 3-8-2-2.5, or before a certificate of nomination is filed under IC 3-8-7-8, in the case of a candidate for one (1) of the state offices (unless the statement has already been filed when required under IC 3-8-4-11).
   (3) Not later than sixty (60) days after employment or taking office, unless the previous employment or office required the filing of a statement under this section.
   (4) Not later than thirty (30) days after leaving employment or
office, unless the subsequent employment or office requires the filing of a statement under this section.
The statement must be made under affirmation.

(c) The statement shall set forth the following information for the preceding calendar year or, in the case of a state officer or employee who leaves office or employment, the period since a previous statement was filed:

1) The name and address of any person known:
   (A) to have a business relationship with the agency of the state officer or employee or the office sought by the candidate; and
   (B) from whom the state officer, candidate, or the employee, or that individual's spouse or unemancipated children received a gift or gifts having a total fair market value in excess of one hundred dollars ($100).

2) The location of all real property in which the state officer, candidate, or the employee or that individual's spouse or unemancipated children has an equitable or legal interest either amounting to five thousand dollars ($5,000) or more or comprising ten percent (10%) of the state officer's, candidate's, or the employee's net worth or the net worth of that individual's spouse or unemancipated children. An individual's primary personal residence need not be listed, unless it also serves as income property.

3) The names and the nature of the business of the employers of the state officer, candidate, or the employee and that individual's spouse.

4) The following information about any sole proprietorship owned or professional practice operated by the state officer, candidate, or the employee or that individual's spouse:
   (A) The name of the sole proprietorship or professional practice.
   (B) The nature of the business.
   (C) Whether any clients are known to have had a business relationship with the agency of the state officer or employee or the office sought by the candidate.
   (D) The name of any client or customer from whom the state officer, candidate, employee, or that individual's spouse received more than thirty-three percent (33%) of the state officer's, candidate's, employee's, or that individual's spouse's nonstate income in a year.
(5) The name of any partnership of which the state officer, candidate, or the employee or that individual's spouse is a member and the nature of the partnership's business.

(6) The name of any corporation (other than a church) of which the state officer, candidate, or the employee or that individual's spouse is an officer or a director and the nature of the corporation's business.

(7) The name of any corporation in which the state officer, candidate, or the employee or that individual's spouse or unemancipated children own stock or stock options having a fair market value in excess of ten thousand dollars ($10,000).

**However, if the stock is held in a blind trust, the name of the administrator of the trust must be disclosed on the statement instead of the name of the corporation.** A time or demand deposit in a financial institution or insurance policy need not be listed.

(8) The name and address of the most recent former employer.

(9) Additional information that the person making the disclosure chooses to include.

Any such state officer, candidate, or employee may file an amended statement upon discovery of additional information required to be reported.

(d) A person who:

1. fails to file a statement required by rule or this section in a timely manner; or
2. files a deficient statement;

upon a majority vote of the commission, is subject to a civil penalty at a rate of not more than ten dollars ($10) for each day the statement remains delinquent or deficient. The maximum penalty under this subsection is one thousand dollars ($1,000).

(e) A person who intentionally or knowingly files a false statement commits a Class A infraction.

**SECTION 7. IC 4-2-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** Sec. 9. (a) A state officer, or an employee, or a special state appointee may not participate in any decision or vote of any kind in which the state officer or the employee, or that individual's spouse or unemancipated children has a financial interest; if the state officer, employee, or special state appointee has knowledge that any of the following has a financial interest in the outcome of the matter:
(1) The state officer, employee, or special state appointee.
(2) A member of the immediate family of the state officer, employee, or special state appointee.
(3) A business organization in which the state officer, employee, or special state appointee is serving as an officer, a director, a trustee, a partner, or an employee.
(4) Any person or organization with whom the state officer, employee, or special state appointee is negotiating or has an arrangement concerning prospective employment.

(b) A state officer, an employee, or a special state appointee who identifies a potential conflict of interest shall notify the person's appointing authority and seek an advisory opinion from the commission by filing a written description detailing the nature and circumstances of the particular matter and making full disclosure of any related financial interest in the matter. The commission shall:

(1) with the approval of the appointing authority, assign the particular matter to another person and implement all necessary procedures to screen the state officer, employee, or special state appointee seeking an advisory opinion from involvement in the matter; or
(2) make a written determination that the interest is not so substantial that the commission considers it likely to affect the integrity of the services that the state expects from the state officer, employee, or special state appointee.

(c) A written determination under subsection (b)(2) constitutes conclusive proof that it is not a violation for the state officer, employee, or special state appointee who sought an advisory opinion under this section to participate in the particular matter. A written determination under subsection (b)(2) shall be filed with the appointing authority.

SECTION 8. IC 4-2-6-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 10.5. (a) Subject to subsection (b), a state officer, an employee, or a special state appointee may not knowingly have a financial interest in a contract made by an agency.

(b) The prohibition in subsection (a) does not apply to:

(1) a state officer, an employee, or a special state appointee who does not participate in or have official responsibility for any of the activities of the contracting agency, if:
(A) the contract is made after public notice or, where applicable, through competitive bidding;
(B) the state officer, employee, or special state appointee files with the commission a statement making full disclosure of all related financial interests in the contract;
(C) the contract can be performed without compromising the performance of the official duties and responsibilities of the state officer, employee, or special state appointee; and
(D) in the case of a contract for professional services, the appointing authority of the contracting agency makes and files a written certification with the commission that no other state officer, employee, or special state appointee of that agency is available to perform those services as part of the regular duties of the state officer, employee, or special state appointee; or
(2) a state officer, an employee, or a special state appointee who, acting in good faith, learns of an actual or prospective violation of the prohibition in subsection (a), if, not later than thirty (30) days after learning of the actual or prospective violation, the state officer, employee, or special state appointee:
   (A) makes a full written disclosure of any financial interests to the contracting agency and the commission; and
   (B) terminates or disposes of the financial interest.
SECTION 9. IC 4-2-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) This section applies only:
   (1) to a former state officer or former employee; and
   (2) during the period that is twelve (12) months after the date the former state officer or former employee had responsibility for the particular matter.
   (b) As used in this section, "legislative matter" has the meaning set forth in IC 2-2.1-3-1.
   (c) (a) As used in this section, "particular matter" means:
      (1) an application;
      (2) a business transaction;
      (3) a claim;
      (4) a contract;
      (5) a determination;
(6) an enforcement proceeding;
(7) an investigation;
(8) a judicial proceeding;
(9) a lawsuit;
(10) a license;
(11) an economic development project; or
(12) a public works project.

The term does not include the proposal or consideration of a legislative matter or the proposal, consideration, adoption, or implementation of a rule or an administrative policy or practice of general application.

(d) A former state officer or former employee may not represent or assist a person regarding a particular matter involving a specific party or parties:

(1) that was under consideration by the agency that was served by the state officer or employee; and
(2) in which the officer or employee participated personally and substantially through:
   (A) a decision;
   (B) an approval;
   (C) a disapproval;
   (D) a recommendation;
   (E) giving advice;
   (F) an investigation; or
   (G) the substantial exercise of administrative discretion.

(e) An appointing authority or state officer of the agency that was served by the former state officer or former employee may waive application of this section if the appointing authority or state officer determines that representation or assistance of a former state officer or former employee is not adverse to the public interest. A waiver under this subsection must be in writing and must be filed with the commission.

(f) This section does not prohibit an agency from contracting with a former state officer or employee to act on a matter on behalf of the agency.

(b) This subsection applies only to a person who served as a state officer, employee, or special state employee after January 10, 2005. A former state officer, employee, or special state appointee may not accept employment or receive compensation:

(1) as a lobbyist (as defined in IC 4-2-7-1);
(2) from an employer if the former state officer, employee, or
special state appointee was:

(A) engaged in the negotiation or the administration of one
(1) or more contracts with that employer on behalf of the
state or an agency; and
(B) in a position to make a discretionary decision affecting
the:
  (i) outcome of the negotiation; or
  (ii) nature of the administration; or
(3) from an employer if the former state officer, employee, or
special state appointee made a regulatory or licensing decision
that directly applied to the employer or to a parent or
subsidiary of the employer;
before the elapse of at least three hundred sixty-five (365) days
after the date on which the former state officer, employee, or
special state appointee ceases to be a state officer, employee, or
special state appointee.
(c) A former state officer, employee, or special state appointee
may not represent or assist a person in a particular matter
involving the state if the former state officer, employee, or special
state appointee personally and substantially participated in the
matter as a state officer, employee, or special state appointee, even
if the former state officer, employee, or special state appointee
receives no compensation for the representation or assistance.
(d) A former state officer, employee, or special state appointee
may not accept employment or compensation from an employer if
the circumstances surrounding the employment or compensation
would lead a reasonable person to believe that:
  (1) employment; or
  (2) compensation;
is given or had been offered for the purpose of influencing the
former state officer, employee, or special state appointee in the
performance of his or her duties or responsibilities while a state
officer, an employee, or a special state appointee.
(e) A written advisory opinion issued by the inspector general
certifying that:
  (1) employment of;
  (2) representation by; or
  (3) assistance from;
the former state officer, employee, or special state appointee does
not violate this section is conclusive proof that a former state
officer, employee, or special state appointee is not in violation of
this section.

SECTION 10. IC 4-2-6-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.5. (a) This section applies only to a person appointed after January 10, 2005.

(b) As used in this section, "advisory body" means a board, a commission, a committee, an authority, or a task force of the executive department that is authorized only to make nonbinding recommendations.

(c) Except as provided in subsection (d), a lobbyist (as defined in IC 4-2-7-1) may not serve as a member of a board, a commission, a committee, an authority, or a task force of the executive department.

(d) A lobbyist (as defined in IC 4-2-7-1) may serve as a member of an advisory body.

SECTION 11. IC 4-2-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. If the commission finds a violation of this chapter, a rule adopted under this chapter, or any other statute or rule governing official conduct of state officers, employees, or special state appointees in a proceeding under section 4 of this chapter, the commission may take any of the following actions:

(1) Impose a civil penalty upon a respondent not to exceed the greater of:

(A) three (3) times the value of any benefit received from the violation, or

(B) ten thousand dollars ($10,000).

(2) Cancel a contract.

(3) Bar a person from entering into a contract with any agency for a period specified by the commission. The period specified by the commission may not exceed two (2) years from the date the action of the commission is effective.

(4) Order restitution or disgorgement.

(5) Reprimand, suspend, or terminate an employee or a special state appointee.

(6) Reprimand or recommend the impeachment of a state officer.

(7) Bar a person from future state employment as an employee or future appointment as a special state appointee.

SECTION 12. IC 4-2-6-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Subject to
Except as provided in subsection (b), a state officer, or an employee, or a special state appointee shall not retaliate or threaten to retaliate against an employee or a former employee because the employee or former employee did any of the following:

(1)Filed a complaint with the commission or the inspector general.
(2)Provided information to the commission or the inspector general.
(3)Testified at a commission proceeding.

(b) Notwithstanding subsection (a), a state officer, or an employee, or a special state appointee may take appropriate action against an employee who took any of the actions listed in subsection (a) if the employee:

(1)did not act in good faith; or
(2)knowingly or recklessly provided false information or testimony to the commission.

(c) A person who violates this section is subject to action under section 12 of this chapter.

(d) A person who knowingly or intentionally violates this section commits a Class A misdemeanor. In addition to any criminal penalty imposed under IC 35-50-3, a person who commits a misdemeanor under this section is subject to action under section 12 of this chapter.

SECTION 13. IC 4-2-6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) A person may not do any of the following:

(1)Knowingly or intentionally induce or attempt to induce, by threat, coercion, suggestion, or false statement, a witness or informant in a commission proceeding or investigation conducted by the inspector general to do any of the following:

(A) Withhold or unreasonably delay the production of any testimony, information, document, or thing.
(B) Avoid legal process summoning the person to testify or supply evidence.
(C) Fail to appear at a proceeding or investigation to which the person has been summoned.
(D) Make, present, or use a false record, document, or thing with the intent that the record, document, or thing appear in a commission proceeding or investigation to mislead a commissioner or commission employee.
(2) Alter, damage, or remove a record, document, or thing except as permitted or required by law, with the intent to prevent the record, document, or thing from being produced or used in a commission proceeding or investigation conducted by the inspector general.

(3) Make, present, or use a false record, document, or thing with the intent that the record, document, or thing appear in a commission proceeding or investigation to mislead a commissioner or commission employee.

(b) A person who knowingly or intentionally violates subsection (a) commits a Class A misdemeanor.

SECTION 14. IC 4-2-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 7. The Inspector General

Sec. 1. The following definitions apply throughout this chapter:

(1) "Agency" means an authority, a board, a branch, a commission, a committee, a department, a division, or other instrumentality of the executive, including the administrative, department of state government. The term includes a body corporate and politic established as an instrumentality of the state. The term does not include the following:

(A) The judicial department of state government.

(B) The legislative department of state government.

(C) A political subdivision (as defined in IC 4-2-6-1).

(2) "Business relationship" has the meaning set forth in IC 4-2-6-1.

(3) "Employee" means an individual who is employed by an agency on a full-time, a part-time, a temporary, an intermittent, or an hourly basis. The term includes an individual who contracts with an agency for personal services.

(4) "Ethics commission" means the state ethics commission created by IC 4-2-6-2.

(5) "Lobbyist" means an individual who seeks to influence decision making of an agency and who is registered as an executive branch lobbyist under rules adopted by the Indiana department of administration.

(6) "Person" has the meaning set forth in IC 4-2-6-1.

(7) "Special state appointee" has the meaning set forth in IC 4-2-6-1.

(8) "State officer" has the meaning set forth in IC 4-2-6-1.
Sec. 2. (a) There is established the office of the inspector general. The office of the inspector general consists of the inspector general, who is the director of the office, and an additional staff of deputy inspectors general, investigators, auditors, and clerical employees appointed by the inspector general as necessary to carry out the duties of the inspector general. The inspector general shall provide rooms and staff assistance for the ethics commission.

(b) The inspector general is responsible for addressing fraud, waste, abuse, and wrongdoing in agencies.

(c) The governor shall appoint the inspector general. The inspector general:
   (1) except as provided in subdivision (2), shall be appointed for a term that expires on the earlier of the date that:
      (A) the term of the governor who appointed the inspector general expires; or
      (B) the governor leaves office;
   (2) may only be removed from office by the governor for:
      (A) neglect of duty;
      (B) misfeasance;
      (C) malfeasance; or
      (D) nonfeasance;
   (3) must be an attorney licensed to practice law in Indiana; and
   (4) is entitled to receive compensation set by the governor and approved by the budget agency.
If the governor is reelected, the governor may reappoint the inspector general for an additional term. The inspector general's compensation may not be reduced during the inspector general's continuance in office.

(d) Subject to the approval of the budget agency, the inspector general shall fix the salary of all other employees of the office of the inspector general.

(e) Except for information declared confidential under this chapter, records of the office of the inspector general are subject to public inspection under IC 5-14-3.

(f) IC 5-14-1.5 (the open door law) applies to public meetings of the office of the inspector general.

Sec. 3. The inspector general shall do the following:
   (1) Initiate, supervise, and coordinate investigations.
   (2) Recommend policies and carry out other activities designed to deter, detect, and eradicate fraud, waste, abuse,
mismanagement, and misconduct in state government.

(3) Receive complaints alleging the following:
   (A) A violation of the code of ethics.
   (B) Bribery (IC 35-44-1-1).
   (C) Official misconduct (IC 35-44-1-2).
   (D) Conflict of interest (IC 35-44-1-3).
   (E) Profiteering from public service (IC 35-44-1-7).
   (F) A violation of the executive branch lobbying rules.
   (G) A violation of a statute or rule relating to the purchase of goods or services by a current or former employee, state officer, special state appointee, lobbyist, or person who has a business relationship with an agency.

(4) If the inspector general has reasonable cause to believe that a crime has occurred or is occurring, report the suspected crime to:
   (A) the governor; and
   (B) appropriate state or federal law enforcement agencies and prosecuting authorities having jurisdiction over the matter.

(5) Adopt rules under IC 4-22-2 and section 5 of this chapter to implement a code of ethics.

(6) Ensure that every:
   (A) employee;
   (B) state officer;
   (C) special state appointee; and
   (D) person who has a business relationship with an agency;
   is properly trained in the code of ethics.

(7) Provide advice to an agency on developing, implementing, and enforcing policies and procedures to prevent or reduce the risk of fraudulent or wrongful acts within the agency.

(8) Recommend legislation to the governor and general assembly to strengthen public integrity laws.

(9) Annually submit a report to the legislative council detailing the inspector general's activities. The report must be in an electronic format under IC 5-14-6.

Sec. 4. To carry out the duties described in section 3 of this chapter, the inspector general has the following powers:

(1) As part of an investigation, the inspector general may:
   (A) administer oaths;
   (B) examine witnesses under oath;
   (C) issue subpoenas and subpoenas duces tecum; and
(D) examine the records, reports, audits, reviews, papers, books, recommendations, contracts, correspondence, or any other documents maintained by an agency.

(2) The inspector general may apply to a circuit or superior court for an order holding an individual in contempt of court if the individual refuses to give sworn testimony under a subpoena issued by the inspector general or otherwise disobeys a subpoena or subpoena duces tecum issued by the inspector general.

(3) The inspector general shall prepare a report summarizing the results of every investigation. The report is confidential in accordance with section 8 of this chapter.

(4) If the attorney general has elected not to file a civil action for the recovery of funds misappropriated, diverted, missing, or unlawfully gained, the inspector general may file a civil action for the recovery of the funds in accordance with section 6 of this chapter.

(5) The inspector general may prosecute a criminal matter as a special prosecuting attorney or special deputy prosecuting attorney in accordance with:

(A) section 7 of this chapter; or

(B) IC 33-39-2-6.

Sec. 5. (a) The inspector general shall adopt rules under IC 4-22-2 establishing a code of ethics for the conduct of state business. The code of ethics must be consistent with Indiana law.

(b) If the inspector general investigates and determines that there is specific and credible evidence that a current or former employee, a current or former state officer, a current or former special state appointee, or a person who has or had a business relationship with an agency has violated the code of ethics, the inspector general may:

(1) file a complaint with the ethics commission and represent the state in a public proceeding before the ethics commission as prescribed in IC 4-2-6-4; or

(2) file a complaint with the ethics commission and negotiate an agreed settlement for approval by the ethics commission according to its rules.

Sec. 6. (a) This section applies if the inspector general finds evidence of misfeasance, malfeasance, nonfeasance, misappropriation, fraud, or other misconduct that has resulted in a financial loss to the state or in an unlawful benefit to an
individual in the conduct of state business.

(b) If the inspector general finds evidence described in subsection (a), the inspector general shall certify a report of the matter to the attorney general and provide the attorney general with any relevant documents, transcripts, or written statements. Not later than one hundred eighty (180) days after receipt of the report from the inspector general, the attorney general shall do one (1) of the following:

1. File a civil action (including an action upon a state officer's official bond) to secure for the state the recovery of funds misappropriated, diverted, missing, or unlawfully gained. Upon request of the attorney general, the inspector general shall assist the attorney general in the investigation, preparation, and prosecution of the civil action.

2. Inform the inspector general that the attorney general does not intend to file a civil action for the recovery of funds misappropriated, diverted, missing, or unlawfully gained. If the attorney general elects not to file a civil action, the attorney general shall return to the inspector general all documents and files initially provided by the inspector general.

3. Inform the inspector general that the attorney general is diligently investigating the matter and after further investigation may file a civil action for the recovery of funds misappropriated, diverted, missing, or unlawfully gained. However, if more than three hundred sixty-five (365) days have passed since the inspector general certified the report to the attorney general, the attorney general loses the authority to file a civil action for the recovery of funds misappropriated, diverted, missing, or unlawfully gained and shall return to the inspector general all documents and files initially provided by the inspector general.

(c) If the inspector general has found evidence described in subsection (a) and reported to the attorney general under subsection (b) and:

1. the attorney general has elected under subsection (b)(2) not to file a civil action for the recovery of funds misappropriated, diverted, missing, or unlawfully gained; or
2. under subsection (b)(3) more than three hundred sixty-five (365) days have passed since the inspector general certified the report to the attorney general under subsection (b) and
the attorney general has not filed a civil action;
the inspector general may file a civil action for the recovery of
funds misappropriated, diverted, missing, or unlawfully gained.
(d) If the inspector general has found evidence described in
subsection (a), the inspector general may institute forfeiture
proceedings under IC 34-24-2 in a court having jurisdiction in a
county where property derived from or realized through the
misappropriation, diversion, disappearance, or unlawful gain of
state funds may be located, unless a prosecuting attorney has
already instituted forfeiture proceedings against that property.

Sec. 7. (a) If the inspector general discovers evidence of criminal
activity, the inspector general shall certify to the appropriate
prosecuting attorney the following information:
(1) The identity of any person who may be involved in the
criminal activity.
(2) The criminal statute that the inspector general believes has
been violated.
In addition, the inspector general shall provide the prosecuting
attorney with any relevant documents, transcripts, or written
statements. If the prosecuting attorney decides to prosecute the
crime described in the information certified to the prosecuting
attorney, or any other related crimes, the inspector general shall
cooperate with the prosecuting attorney in the investigation and
prosecution of the case. Upon request of the prosecuting attorney,
the inspector general may participate on behalf of the state in any
resulting criminal trial.
(b) If:
(1) the prosecuting attorney to whom the inspector general
issues a certification under subsection (a):
(A) is disqualified from investigating or bringing a
criminal prosecution in the matter addressed in the
certification;
(B) does not file an information or seek an indictment not
later than one hundred eighty (180) days after the date on
which the inspector general certified the information to the
prosecuting attorney; or
(C) refers the case back to the inspector general; and
(2) the inspector general finds that there may be probable
cause to believe that a person identified in a certification
under subsection (a)(1) has violated a criminal statute
identified in a certification under subsection (a)(2);
the inspector general may request that the governor recommend
the inspector general be appointed as a special prosecuting
attorney under subsection (h) so that the inspector general may
prosecute the matter addressed in the certification.

(c) The governor may recommend the inspector general be
appointed as a special prosecuting attorney if:
(1) one (1) of the conditions set forth in subsection (b)(1)
relating to the prosecuting attorney is met; and
(2) the governor finds that the appointment of the inspector
general as a special prosecuting attorney is in the best
interests of justice.

(d) If the governor has recommended the appointment of the
inspector general as a special prosecuting attorney, the inspector
general shall file a notice with the chief judge of the court of
appeals, stating:
(1) that the governor has recommended that the inspector
general be appointed as a special prosecutor;
(2) the name of the county in which the crime that the
inspector general intends to prosecute is alleged to have been
committed; and
(3) that the inspector general requests the chief judge to
assign a court of appeals judge to determine whether the
inspector general should be appointed as a special prosecuting
attorney.

Upon receipt of the notice, the chief judge of the court of appeals
shall randomly select a judge of the court of appeals to determine
whether the inspector general should be appointed as a special
prosecuting attorney. The chief judge shall exclude from the
random selection a judge who resided in the county in which the
crime is alleged to have been committed at the time the judge was
appointed to the court of appeals.

(e) The inspector general shall file a verified petition for
appointment as a special prosecuting attorney with the court of
appeals judge assigned under subsection (d). In the verified
petition, the inspector general shall set forth why the inspector
general should be appointed as a special prosecutor. The inspector
general may support the verified petition by including relevant
documents, transcripts, or written statements in support of the
inspector general's position. The inspector general shall serve a
copy of the verified petition, along with any supporting evidence,
on the prosecuting attorney to whom the case was originally
certified under subsection (a).

(f) The prosecuting attorney shall file a verified petition in support of or opposition to the inspector general's verified petition for appointment as a special prosecuting attorney not later than fifteen (15) days after receipt of the inspector general's verified petition for appointment as a special prosecuting attorney.

(g) Upon a showing of particularized need, the court of appeals judge may order the verified petitions filed by the inspector general and the prosecuting attorney to be confidential.

(h) After considering the verified petitions, the court of appeals judge may appoint the inspector general or a prosecuting attorney, other than the prosecuting attorney to whom the case was certified under this section, as a special prosecuting attorney if the judge finds that:

(1) one (1) of the conditions set forth in subsection (b)(1) is met; and

(2) appointment of a special prosecuting attorney is in the best interests of justice.

In making its determination under this subsection, the court of appeals judge shall consider only the arguments and evidence contained in the verified petitions.

(i) Except as provided in subsection (k), a special prosecuting attorney appointed under this section has the same powers as the prosecuting attorney of the county. However, the court of appeals judge shall:

(1) limit the scope of the special prosecuting attorney's duties as a special prosecuting attorney to include only the investigation or prosecution of a particular case or particular grand jury investigation, including any matter that reasonably results from the investigation, prosecution, or grand jury investigation; and

(2) establish for a time certain the length of the special prosecuting attorney's term.

If the special prosecuting attorney's investigation or prosecution acquires a broader scope or requires additional time to complete, the court of appeals judge may at any time increase the scope of the special prosecuting attorney's duties or establish a longer term for the special prosecuting attorney.

(j) An inspector general or prosecuting attorney appointed to serve as a special prosecuting attorney may appoint one (1) or more deputies who are licensed to practice law in Indiana to serve
as a special deputy prosecuting attorney. A special deputy prosecuting attorney is subject to the same statutory restrictions and other restrictions imposed on the special prosecuting attorney by the court of appeals, but otherwise has the same powers as a deputy prosecuting attorney.

(k) An inspector general or prosecuting attorney appointed to serve as a special prosecuting attorney under this section may bring a criminal charge only after obtaining an indictment from a grand jury. An inspector general or prosecuting attorney appointed under this section to serve as a special prosecuting attorney may not bring a criminal charge by filing an information.

(l) The inspector general or a deputy inspector general who is licensed to practice law in Indiana may serve as a special deputy prosecuting attorney under IC 33-39-2-6.

(m) If the court of appeals appoints a prosecuting attorney to serve as a special prosecuting attorney under this section, the inspector general shall reimburse the prosecuting attorney for the reasonable expenses of investigating and prosecuting the case.

Sec. 8. (a) The identity of any individual who discloses in good faith to the inspector general information alleging a violation of a state or federal statute, rule, regulation, or ordinance is confidential and may not be disclosed to anyone other than the governor, the staff of the office of the inspector general, or an authority to whom the investigation is subsequently referred or certified, unless:

(1) the inspector general makes a written determination that it is in the public interest to disclose the individual's identity; or

(2) the individual consents in writing to disclosure of the individual's identity.

(b) The investigative records of the inspector general may be kept confidential in whole or in part.

(c) This subsection does not apply to a person who is a party to an action brought by the inspector general. Information received by the inspector general is not required to be produced in the course of discovery unless ordered by a court after a showing of:

(1) particularized need; and

(2) proof that the information requested cannot be obtained from any other source.

(d) Except as provided in subsection (e), a person who knowingly or intentionally discloses:
(1) confidential information or records; or
(2) the identity of a person whose identity is confidential under subsection (a);

commits unlawful disclosure of confidential information, a Class A misdemeanor.

(e) A person may disclose confidential information or records or the identity of a person whose identity is confidential under subsection (a) if the governor authorizes the disclosure of this information in the public interest.

SECTION 15. IC 4-6-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The attorney general shall have charge of and direct the prosecution of all civil actions that are brought in the name of the state of Indiana or any state agency.

(b) In no instance under this section shall the state or a state agency be required to file a bond.

(c) This section does not affect the authority of prosecuting attorneys to prosecute civil actions.

(d) This section does not affect the authority of the inspector general to prosecute a civil action under IC 4-2-7-6 for the recovery of funds misappropriated, diverted, missing, or unlawfully gained.

SECTION 16. IC 4-13-1-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.2. In consultation with the inspector general and the state ethics commission, the department shall, subject to this chapter, adopt rules under IC 4-22-2 requiring a person who lobbies the executive branch to register as an executive branch lobbyist.

SECTION 17. IC 4-15-2-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 33. An appointing authority, or his designee, or the ethics commission may, for disciplinary purposes, suspend without pay a regular employee in his division of the service for such a length of time as he considers appropriate, not exceeding thirty (30) days in any twelve (12) month period. With the approval of the director a regular employee may be suspended for a longer period pending the administrative investigation or trial of any charges against him. If the outcome of the charges or trial of any charges is favorable to the employee, the appointing
authority shall reimburse the employee any lost wages and benefits for the suspension period less any wages the employee might have earned during the suspension period from other employment.

SECTION 18. IC 4-15-2-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. An appointing authority, or his the appointing authority's designee, or the ethics commission may dismiss for cause any regular employee. In his division of the service. No dismissal of a regular employee shall take effect, unless, at least thirty (30) days before the effective date of the dismissal, the appointing authority, or his the appointing authority's designee, or the ethics commission gives to the employee a written statement of the reasons for the dismissal and files a copy of the statement with the director. During the thirty (30) day notice period the employee shall be suspended without pay pending dismissal. The employee shall have an opportunity to file with the appointing authority or the ethics commission a written statement regarding the proposed dismissal, a copy of which shall be filed with the director. A regular employee who is dismissed shall have the right to appeal under section 35 or 35.5 of this chapter.

SECTION 19. IC 4-15-2-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) This section does not apply to an employee who has been suspended or terminated by the ethics commission.

(b) Any regular employee may file a complaint if his the employee's status of employment is involuntarily changed or if he the employee deems conditions of employment to be unsatisfactory. However, the complaint procedure shall be initiated as soon as possible after the occurrence of the act or condition complained of and in no event shall be initiated more than thirty (30) calendar days after the employee is notified of a change in his the status of employment or after an unsatisfactory condition of employment is created. Failure to initiate the complaint procedure within such this time period shall render the complaint procedure unavailable to the employee. The following complaint procedure shall be followed:

Step I: The complaint procedure shall be initiated by a discussion of the complaint by the employee and his the employee's immediate supervisor and, if a mutually satisfactory settlement has not been made within two (2) consecutive working days, such the complaint may be referred to Step II.

Step II: The complaint shall be reduced to writing and presented to
the intermediate supervisor. If a mutually satisfactory settlement has not been reached within four (4) consecutive working days, such complaint may then be referred to the appointing authority.

Step III: The appointing authority or his designated representative shall hold such hearings a hearing, if necessary, and conduct such investigations as he deems necessary to render a decision. and shall make such investigation the appointing authority's designee considers necessary to render a decision. and shall make such investigation the appointing authority's designee considers necessary to render a decision. The appointing authority or the appointing authority's designee must render a decision in writing within not later than ten (10) consecutive working business days from the date of the hearing, if applicable, or close of the investigation, whichever occurs later.

Should If the appointing authority or his designated representative does not find in favor of the employee, the complaint may be submitted within fifteen (15) calendar days to the state personnel director. The director or his the director's designee shall review the complaint and render a decision within not later than fifteen (15) calendar days after the director or the director's designee receives the complaint. If the decision is not agreeable to the employee, an appeal may be submitted by the employee in writing to the commission no later than fifteen (15) calendar days from the date the employee has been given notice of the action taken by the personnel director or his the director's designee. After submission of the appeal, the commission shall, prior to rendering its decision, grant the appealing employee and the appointing authority a public hearing, with the right to be represented and to present evidence. With respect to all appeals, the commission shall render its decision within thirty (30) days after the date of the hearing on the appeal. If the commission finds that the action against the employee was taken on the basis of politics, religion, sex, age, race, or because of membership in an employee organization, the employee shall be reinstated to his position without loss of pay. In all other cases the appointing authority shall follow the recommendation of the commission, which may include reinstatement and payment of salary or wages lost by the employee, which may be mitigated by any wages the employee earned from other employment during a dismissed or suspended period.

If the recommendation of the commission is not agreeable to the employee, the employee, within fifteen (15) calendar days from receipt
of the commission recommendation, may elect to submit the complaint to arbitration. The cost of arbitration shall be shared equally by the employee and the state of Indiana. The commissioner of labor shall prepare a list of three (3) impartial individuals trained in labor relations, and from this list each party shall strike one (1) name. The remaining arbitrator shall consider the issues which were presented to the commission and shall afford the parties a public hearing with the right to be represented and to present evidence. The arbitrator's findings and recommendations shall be binding on both parties and shall immediately be instituted by the commission.

SECTION 20. IC 4-15-2-35.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35.5. (a) This section applies only to an employee who has been suspended or terminated by the ethics commission.

(b) An employee who has been suspended or terminated by the ethics commission may request that the ethics commission reconsider its decision by filing a written petition for reconsideration with the ethics commission not later than fifteen (15) days after the date on which the employee was suspended or terminated. The employee must include in the petition for reconsideration a concise statement of the reasons that the employee believes that the termination or suspension was erroneous.

(c) After receipt of the petition for reconsideration, the ethics commission shall set the matter for hearing. At the hearing, the employee is entitled to the due process protections of IC 4-21.5, including the right to:

1. be represented by counsel;
2. present relevant evidence; and
3. cross-examine opposing witnesses.

(d) The ethics commission shall rule on the petition for reconsideration not later than thirty (30) days from the date of the hearing. The ethics commission may:

1. affirm its decision to suspend or terminate the employee;
2. modify its decision to suspend or terminate the employee by:
   A. reducing the term of suspension; or
   B. vacating its order for termination and imposing a term of suspension; or
3. vacate its order to suspend or terminate the employee.
(e) If the ethics commission vacates its order to suspend or terminate the employee under subsection (d)(3), the ethics commission may order the payment of all or part of the wages lost by the employee during the period of suspension or termination.

(f) Unless the ethics commission orders otherwise, the pendency of a petition for reinstatement does not stay the order for termination or suspension.

(g) An employee who has filed a petition for reconsideration may not file a second or subsequent petition for reconsideration.

(h) If the ruling by the ethics commission on the employee's petition for reconsideration is not agreeable to the employee, the employee may submit an appeal in writing to the commission not later than fifteen (15) calendar days after the date of the ruling by the ethics commission on the petition for reconsideration. After submission of the appeal, the commission shall, before rendering its decision, grant the appealing employee and the ethics commission a public hearing, with the right to be represented and to present evidence. With respect to all appeals, the commission shall render its decision within thirty (30) days after the date of the hearing on the appeal. If the commission finds that the action against the employee was taken on the basis of politics, religion, sex, age, race, or because of membership in an employee organization, the employee shall be reinstated without loss of pay. In all other cases the ethics commission shall follow the recommendation of the commission, which may include reinstatement and payment of salary or wages lost by the employee, which may be mitigated by any wages the employee earned from other employment during a period when the employee was dismissed or suspended.

(i) If the recommendation of the commission under subsection (h) is not agreeable to the employee, not later than fifteen (15) calendar days after receipt of commission's recommendation, the employee may elect to submit the complaint to arbitration. The cost of arbitration shall be shared equally by the employee and the state of Indiana. The commissioner of labor shall prepare a list of three (3) impartial individuals trained in labor relations, and from this list each party shall strike one (1) name. The remaining arbitrator shall consider the issues that were presented to the commission and shall afford the parties a public hearing with the right to be represented and to present evidence. The arbitrator's findings and recommendations shall be binding on both parties and
shall immediately be instituted by the commission.

SECTION 21. IC 4-15-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Any employee may report in writing the existence of:

1. a violation of a federal law or regulation;
2. a violation of a state law or rule;
3. a violation of an ordinance of a political subdivision (as defined in IC 36-1-2-13); or
4. the misuse of public resources;

first to a supervisor or appointing authority, unless the supervisor or appointing authority is the person whom the employee believes is committing the violation or misuse of public resources. In that case, the employee may report the violation or misuse of public resources in writing to either the supervisor or appointing authority or to the state ethics commission and any official or agency entitled to receive a report from the state ethics commission under IC 4-2-6-4(b)(2)(G) or IC 4-2-6-4(b)(2)(H). If a good faith effort is not made to correct the problem within a reasonable time, the employee may submit a written report of the incident to any person, agency, or organization:

(b) For having made a report under subsection (a), the employee making the report may not:

1. be dismissed from employment;
2. have salary increases or employment related benefits withheld;
3. be transferred or reassigned;
4. be denied a promotion the employee otherwise would have received; or
5. be demoted.

(c) Notwithstanding subsections (a) and (b), an employee must make a reasonable attempt to ascertain the correctness of any information to be furnished and may be subject to disciplinary actions for knowingly furnishing false information, including suspension or dismissal, as determined by the employee's appointing authority, or the appointing authority's designee, or the ethics commission. However, any state employee disciplined under this subsection is entitled to process an appeal of the disciplinary action under the procedure as set forth in IC 4-15-2-34 and IC 4-15-2-35 through IC 4-15-2-35.5.

(d) An employer who knowingly or intentionally violates this section commits a Class A infraction: misdemeanor.
SECTION 22. IC 4-21.5-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) To qualify for review of a personnel action to which IC 4-15-2 applies, a person must comply with IC 4-15-2-35 or IC 4-15-2-35.5. To qualify for review of any other order described in section 4, 5, or 6 of this chapter, a person must petition for review in a writing that does the following:

1. States facts demonstrating that:
   (A) the petitioner is a person to whom the order is specifically directed;
   (B) the petitioner is aggrieved or adversely affected by the order; or
   (C) the petitioner is entitled to review under any law.

2. Includes, with respect to determinations of notice of program reimbursement and audit findings described in section 6(a)(3) and 6(a)(4) of this chapter, a statement of issues that includes:
   (A) the specific findings, action, or determination of the office of Medicaid policy and planning or of a contractor of the office of Medicaid policy and planning from which the provider is appealing;
   (B) the reason the provider believes that the finding, action, or determination of the office of Medicaid policy and planning or of a contractor of the office of Medicaid policy and planning was in error; and
   (C) with respect to each finding, action, or determination of the office of Medicaid policy and planning or of a contractor of the office of Medicaid policy and planning, the statutes or rules that support the provider's contentions of error.

Not more than thirty (30) days after filing a petition for review under this section, and upon a finding of good cause by the administrative law judge, a person may amend the statement of issues contained in a petition for review to add one (1) or more additional issues.

3. Is filed:
   (A) if an order described in section 4, 5, 6(a)(1), or 6(a)(2) of this chapter, with the ultimate authority for the agency issuing the order within fifteen (15) days after the person is given notice of the order or any longer period set by statute; or
   (B) if a determination described in section 6(a)(3) or 6(a)(4) of this chapter, with the office of Medicaid policy and planning not more than one hundred eighty (180) days after
the hospital is provided notice of the determination. The issuance of an amended notice of program reimbursement by the office of Medicaid policy and planning does not extend the time within which a hospital must file a petition for review from the original notice of program reimbursement under clause (B), except for matters that are the subject of the amended notice of program reimbursement.

If the petition for review is denied, the petition shall be treated as a petition for intervention in any review initiated under subsection (d).

(b) If an agency denies a petition for review under subsection (a) and the petitioner is not allowed to intervene as a party in a proceeding resulting from the grant of the petition for review of another person, the agency shall serve a written notice on the petitioner that includes the following:

(1) A statement that the petition for review is denied.
(2) A brief explanation of the available procedures and the time limit for seeking administrative review of the denial under subsection (c).

(c) An agency shall assign an administrative law judge to conduct a preliminary hearing on the issue of whether a person is qualified under subsection (a) to obtain review of an order when a person requests reconsideration of the denial of review in a writing that:

(1) states facts demonstrating that the person filed a petition for review of an order described in section 4, 5, or 6 of this chapter;
(2) states facts demonstrating that the person was denied review without an evidentiary hearing; and
(3) is filed with the ultimate authority for the agency denying the review within fifteen (15) days after the notice required by subsection (b) was served on the petitioner.

Notice of the preliminary hearing shall be given to the parties, each person who has a pending petition for intervention in the proceeding, and any other person described by section 5(d) of this chapter. The resulting order must be served on the persons to whom notice of the preliminary hearing must be given and include a statement of the facts and law on which it is based.

(d) If a petition for review is granted, the petitioner becomes a party to the proceeding and the agency shall assign the matter to an administrative law judge or certify the matter to another agency for the assignment of an administrative law judge (if a statute transfers responsibility for a hearing on the matter to another agency). The
agency granting the administrative review or the agency to which the matter is transferred may conduct informal proceedings to settle the matter to the extent allowed by law.

SECTION 23. IC 5-11-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 5.5. False Claims and Whistleblower Protection
Sec. 1. The following definitions apply throughout this chapter:

(1) "Claim" means a request or demand for money or property that is made to a contractor, grantee, or other recipient if the state:
   (A) provides any part of the money or property that is requested or demanded; or
   (B) will reimburse the contractor, grantee, or other recipient for any part of the money or property that is requested or demanded.

(2) "Documentary material" means:
   (A) the original or a copy of a book, record, report, memorandum, paper, communication, tabulation, chart, or other document;
   (B) a data compilation stored in or accessible through computer or other information retrieval systems, together with instructions and all other materials necessary to use or interpret the data compilations; and
   (C) a product of discovery.

(3) "Investigation" means an inquiry conducted by an investigator to ascertain whether a person is or has been engaged in a violation of this chapter.

(4) "Person" includes a natural person, a corporation, a firm, an association, an organization, a partnership, a limited liability company, a business, or a trust.

(5) "Product of discovery" means the original or duplicate of:
   (A) a deposition;
   (B) an interrogatory;
   (C) a document;
   (D) a thing;
   (E) a result of the inspection of land or other property; or
   (F) an examination or admission;

that is obtained by any method of discovery in a judicial or an administrative proceeding of an adversarial nature. The term includes a digest, an analysis, a selection, a compilation, a
derivation, an index, or another method of accessing an item listed in this subdivision.

(6) "State" means Indiana or any agency of state government. The term does not include a political subdivision.

Sec. 2. (a) This section does not apply to a claim, record, or statement concerning income tax (IC 6-3). (b) A person who knowingly or intentionally:

(1) presents a false claim to the state for payment or approval;

(2) makes or uses a false record or statement to obtain payment or approval of a false claim from the state;

(3) with intent to defraud the state, delivers less money or property to the state than the amount recorded on the certificate or receipt the person receives from the state;

(4) with intent to defraud the state, authorizes issuance of a receipt without knowing that the information on the receipt is true;

(5) receives public property as a pledge of an obligation on a debt from an employee who is not lawfully authorized to sell or pledge the property;

(6) makes or uses a false record or statement to avoid an obligation to pay or transmit property to the state;

(7) conspires with another person to perform an act described in subdivisions (1) through (6); or

(8) causes or induces another person to perform an act described in subdivisions (1) through (6);

is, except as provided in subsection (c), liable to the state for a civil penalty of at least five thousand dollars ($5,000) and for up to three (3) times the amount of damages sustained by the state. In addition, a person who violates this section is liable to the state for the costs of a civil action brought to recover a penalty or damages.

(c) If the factfinder determines that the person who violated this section:

(1) furnished state officials with all information known to the person about the violation not later than thirty (30) days after the date on which the person obtained the information;

(2) fully cooperated with the investigation of the violation; and

(3) did not have knowledge of the existence of an investigation, a criminal prosecution, a civil action, or an administrative action concerning the violation at the time the person provided information to state officials;
the person is liable for a penalty of not less than two (2) times the amount of damages that the state sustained because of the violation. A person who violates this section is also liable to the state for the costs of a civil action brought to recover a penalty or damages.

Sec. 3. (a) The:
(1) attorney general; and
(2) inspector general;

have concurrent jurisdiction to investigate a violation of section 2 of this chapter.

(b) If the attorney general discovers a violation of section 2 of this chapter, the attorney general may bring a civil action under this chapter against a person who may be liable for the violation.

(c) If the inspector general discovers a violation of section 2 of this chapter, the inspector general shall certify this finding to the attorney general. The attorney general may bring a civil action under this chapter against a person who may be liable for the violation.

(d) If the attorney general or the inspector general is served by a person who has filed a civil action under section 4 of this chapter, the attorney general has the authority to intervene in that action as set forth in section 4 of this chapter.

(e) If the attorney general:
(1) is disqualified from investigating a possible violation of section 2 of this chapter;
(2) is disqualified from bringing a civil action concerning a possible violation of section 2 of this chapter;
(3) is disqualified from intervening in a civil action brought under section 4 of this chapter concerning a possible violation of section 2 of this chapter;
(4) elects not to bring a civil action concerning a possible violation of section 2 of this chapter; or
(5) elects not to intervene under section 4 of this chapter;

the attorney general shall certify the attorney general's disqualification or election to the inspector general.

(f) If the attorney general has certified the attorney general's disqualification or election not to bring a civil action or intervene in a case under subsection (e), the inspector general has authority to:

(1) bring a civil action concerning a possible violation of section 2 of this chapter; or
(2) intervene in a case under section 4 of this chapter.

(g) The attorney general shall certify to the inspector general the attorney general's disqualification or election under subsection (e) in a timely fashion, and in any event not later than:

1. sixty (60) days after being served, if the attorney general has been served by a person who has filed a civil action under section 4 of this chapter; or
2. one hundred eighty (180) days before the expiration of the statute of limitations, if the attorney general has not been served by a person who has filed a civil action under section 4 of this chapter.

(h) A civil action brought under section 4 of this chapter may be filed in:

1. a circuit or superior court in Marion county; or
2. a circuit or superior court in the county in which a defendant or plaintiff resides.

(i) The state is not required to file a bond under this chapter.

Sec. 4. (a) A person may bring a civil action for a violation of section 2 of this chapter on behalf of the person and on behalf of the state. The action:

1. must be brought in the name of the state; and
2. may be filed in a circuit or superior court in:
   (A) the county in which the person resides;
   (B) the county in which a defendant resides; or
   (C) Marion County.

(b) Except as provided in section 5 of this chapter, an action brought under this section may be dismissed only if:

1. the attorney general or the inspector general, if applicable, files a written motion to dismiss explaining why dismissal is appropriate; and
2. the court issues an order:
   (A) granting the motion; and
   (B) explaining the court's reasons for granting the motion.

(c) A person who brings an action under this section shall serve:

1. a copy of the complaint; and
2. a written disclosure that describes all relevant material evidence and information the person possesses;

on both the attorney general and the inspector general. The person shall file the complaint under seal, and the complaint shall remain under seal for at least one hundred twenty (120) days. The complaint shall not be served on the defendant until the court
orders the complaint served on the defendant following the intervention or the election not to intervene of the attorney general or the inspector general. The state may elect to intervene and proceed with the action not later than one hundred twenty (120) days after it receives both the complaint and the written disclosure.

(d) For good cause shown, the attorney general or the inspector general may move the court to extend the time during which the complaint must remain under seal. A motion for extension may be supported by an affidavit or other evidence. The affidavit or other evidence may be submitted in camera.

(e) Before the expiration of the time during which the complaint is sealed, the attorney general or the inspector general may:

(1) intervene in the case and proceed with the action, in which case the attorney general or the inspector general shall conduct the action; or
(2) elect not to proceed with the action, in which case the person who initially filed the complaint may proceed with the action.

(f) The defendant in an action filed under this section is not required to answer the complaint until twenty-one (21) days after the complaint has been unsealed and served on the defendant.

(g) After a person has filed a complaint under this section, no person other than the attorney general or the inspector general may:

(1) intervene; or
(2) bring another action based on the same facts.

(h) If the person who initially filed the complaint:

(1) planned and initiated the violation of section 2 of this chapter; or
(2) has been convicted of a crime related to the person's violation of section 2 of this chapter;
uppon motion of the attorney general or the inspector general, the court shall dismiss the person as a plaintiff.

Sec. 5. (a) If the attorney general or the inspector general intervenes in an action under section 4 of this chapter, the attorney general or the inspector general is responsible for prosecuting the action and is not bound by an act of the person who initially filed the complaint. The attorney general or the inspector general may move for a change of venue to Marion County if the attorney general or the inspector general files a motion for change of venue not later than ten (10) days after the attorney general or the
inspector general intervenes. Except as provided in this section, the person who initially filed the complaint may continue as a party to the action.

(b) The attorney general or the inspector general may dismiss the action after:
   (1) notifying the person who initially filed the complaint; and
   (2) the court has conducted a hearing at which the person who initially filed the complaint was provided the opportunity to be heard on the motion.

(c) The attorney general or the inspector general may settle the action if a court determines, after a hearing, that the proposed settlement is fair, adequate, and reasonable in light of the circumstances. Upon a showing of good cause, the court may:
   (1) conduct the settlement hearing in camera; or
   (2) lift all or part of the seal to facilitate the investigative process or settlement.

The court may consider an objection to the settlement brought by the person who initially filed the complaint, but is not bound by this objection.

(d) Upon a showing by the attorney general, the inspector general, or the defendant that unrestricted participation by the person who initially filed the complaint:
   (1) will interfere with the prosecution of the case by the attorney general or the inspector general; or
   (2) will involve the presentation of repetitious or irrelevant evidence, or evidence introduced for purposes of harassment; the court may impose reasonable limitations on the person's participation, including a limit on the number of witnesses that the person may call, a limit to the amount and type of evidence that the person may introduce, a limit to the length of testimony that the person's witness may present, and a limit to the person's cross-examination of a witness.

(e) If the attorney general or the inspector general elects not to intervene in the action, the person who initially filed the complaint has the right to prosecute the action. Upon request, the attorney general or the inspector general shall be served with copies of all documents filed in the action and may obtain a copy of depositions and other transcripts at the state's expense.

(f) If the attorney general and the inspector general have elected not to intervene in an action in accordance with section 4 of this chapter, upon a showing of good cause, a court may permit either
the attorney general or the inspector general to intervene at a later time. The attorney general may move to intervene at any time. If the attorney general has not moved to intervene, the inspector general may move to intervene by providing written notice to the attorney general of the inspector general's intent to intervene. If the attorney general does not move to intervene earlier than fifteen (15) days after receipt of the notice of intent to intervene, the inspector general may move to intervene. If the attorney general or the inspector general intervenes under this subsection, the attorney general or the inspector general is responsible for prosecuting the action as if the attorney general or the inspector general had intervened in accordance with section 4 of this chapter.

(g) If the attorney general or inspector general shows that a specific discovery action by the person who initially filed the complaint will interfere with the investigation or prosecution of a civil or criminal matter arising out of the same facts, the court may, following a hearing in camera, stay discovery for not more than sixty (60) days. After the court has granted a sixty (60) day stay, the court may extend the stay, following a hearing in camera, if it determines that the state has pursued the civil or criminal investigation with reasonable diligence and that a specific discovery action by the person who initially filed the complaint will interfere with the state's investigation or prosecution of the civil or criminal matter.

(h) A court may dismiss an action brought under this chapter to permit the attorney general or the inspector general to pursue its claim through an alternative proceeding, including an administrative proceeding or a proceeding brought in another jurisdiction. The person who initially filed the complaint has the same rights in the alternative proceedings as the person would have had in the original proceedings. A finding of fact or conclusion of law made in the alternative proceeding is binding on all parties to an action under this section once the determination made in the alternative proceeding is final under the rules, regulations, statutes, or law governing the alternative proceeding, or if the time for seeking an appeal or review of the determination made in the alternative proceeding has elapsed.

Sec. 6. (a) The person who initially filed the complaint is entitled to the following amounts if the state prevails in the action:

(1) Except as provided in subdivision (2), if the attorney general or the inspector general intervened in the action, the
person is entitled to receive at least fifteen percent (15%) and not more than twenty-five percent (25%) of the proceeds of the action or settlement, plus reasonable attorney's fees and an amount to cover the expenses and costs of bringing the action.

(2) If the attorney general or the inspector general intervened in the action and the court finds that the evidence used to prosecute the action consisted primarily of specific information contained in:
   (A) a transcript of a criminal, a civil, or an administrative hearing;
   (B) a legislative, an administrative, or another public report, hearing, audit, or investigation; or
   (C) a news media report;
the person is entitled to receive not more than ten percent (10%) of the proceeds of the action or settlement, plus reasonable attorney's fees and an amount to cover the expenses and costs of bringing the action.

(3) If the attorney general or the inspector general did not intervene in the action, the person is entitled to receive at least twenty-five percent (25%) and not more than thirty percent (30%) of the proceeds of the action or settlement, plus reasonable attorney's fees and an amount to cover the expenses and costs of bringing the action.

(4) If the person who initially filed the complaint:
   (A) planned and initiated the violation of section 2 of this chapter; or
   (B) has been convicted of a crime related to the person's violation of section 2 of this chapter;
the person is not entitled to an amount under this section.

After conducting a hearing at which the attorney general or the inspector general and the person who initially filed the complaint may be heard, the court shall determine the specific amount to be awarded under this section to the person who initially filed the complaint. The award of reasonable attorney's fees plus an amount to cover the expenses and costs of bringing the action is an additional cost assessed against the defendant and may not be paid from the proceeds of the civil action.

(b) If:
   (1) the attorney general or the inspector general did not intervene in the action; and
(2) the defendant prevails; the court may award the defendant reasonable attorney's fees plus an amount to cover the expenses and costs of defending the action, if the court finds that the action is frivolous.

(c) The state is not liable for the expenses, costs, or attorney's fees of a party to an action brought under this chapter.

Sec. 7. (a) This section does not apply to an action brought by:

(1) the attorney general;

(2) the inspector general;

(3) a prosecuting attorney; or

(4) a state employee in the employee's official capacity.

(b) A court does not have jurisdiction over an action brought under section 4 of this chapter that is based on information discovered by a present or former state employee in the course of the employee's employment, unless:

(1) the employee, acting in good faith, has exhausted existing internal procedures for reporting and recovering the amount owed the state; and

(2) the state has failed to act on the information reported by the employee within a reasonable amount of time.

(c) A court does not have jurisdiction over an action brought under section 4 of this chapter if the action is brought by an incarcerated offender, including an offender incarcerated in another jurisdiction.

(d) A court does not have jurisdiction over an action brought under section 4 of this chapter against the state, a state officer, a judge (as defined in IC 33-23-11-7), a justice, a member of the general assembly, a state employee, or an employee of a political subdivision, if the action is based in information known to the state at the time the action was brought.

(e) A court does not have jurisdiction over an action brought under section 4 of this chapter if the action is based upon an act that is the subject of a civil suit, a criminal prosecution, or an administrative proceeding in which the state is a party.

(f) A court does not have jurisdiction over an action brought under section 4 of this chapter if the action is based upon information contained in:

(1) a transcript of a criminal, a civil, or an administrative hearing;

(2) a legislative, an administrative, or another public report, hearing, audit, or investigation; or
(3) a news media report;
unless the person bringing the action has direct and independent knowledge of the information that is the basis of the action, and the person bringing the action has voluntarily provided this information to the state.

Sec. 8. (a) An employee who has been discharged, demoted, suspended, threatened, harassed, or otherwise discriminated against in the terms and conditions of employment by the employee's employer because the employee:

(1) objected to an act or omission described in section 2 of this chapter; or
(2) initiated, testified, assisted, or participated in an investigation, an action, or a hearing under this chapter;
is entitled to all relief necessary to make the employee whole.

(b) Relief under this section may include:

(1) reinstatement with the same seniority status the employee would have had but for the act described in subsection (a);
(2) two (2) times the amount of back pay owed the employee;
(3) interest on the back pay owed the employee; and
(4) compensation for any special damages sustained as a result of the act described in subsection (a), including costs and expenses of litigation and reasonable attorney's fees.

(c) An employee may bring an action for the relief provided in this section in any court with jurisdiction.

Sec. 9. (a) A subpoena requiring the attendance of a witness at a trial or hearing conducted under this chapter may be served at any place in the state.

(b) A civil action under section 4 of this chapter is barred unless it is commenced:

(1) not later than six (6) years after the date on which the violation is committed; or
(2) not later than three (3) years after the date when facts material to the cause of action are discovered or reasonably should have been discovered by a state officer or employee who is responsible for addressing the false claim. However, an action is barred unless it is commenced not later than ten (10) years after the date on which the violation is committed.

(c) In a civil action brought under this chapter, the state is required to establish:

(1) the essential elements of the offense; and
(2) damages;
by a preponderance of the evidence.

(d) If a defendant has been convicted (including a plea of guilty or nolo contendere) of a crime involving fraud or a false statement, the defendant is estopped from denying the elements of the offense in a civil action brought under section 4 of this chapter that involves the same transaction as the criminal prosecution.

Sec. 10. (a) If the attorney general or the inspector general has reason to believe that a person may be in possession, custody, or control of documentary material or information relevant to an investigation involving a false claim, the attorney general or the inspector general may, before commencing a civil proceeding under this chapter, issue and serve a civil investigative demand requiring the person to do one (1) or more of the following:

(1) Produce the documentary material for inspection and copying.
(2) Answer an interrogatory in writing concerning the documentary material or information.
(3) Give oral testimony concerning the documentary material or information.

(b) If a civil investigative demand is a specific demand for a product of discovery, the official issuing the civil investigative demand shall:

(1) serve a copy of the civil investigative demand on the person from whom the discovery was obtained; and
(2) notify the person to whom the civil investigative demand is issued of the date of service.

Sec. 11. (a) A civil investigative demand issued under this chapter must describe the conduct constituting a violation involving a false claim that is under investigation and the statute or rule that has been violated.

(b) If a civil investigative demand is for the production of documentary material, the civil investigative demand must:

(1) describe each class of documentary material to be produced with sufficient specificity to permit the material to be fairly identified;
(2) prescribe a return date for each class of documentary material that provides a reasonable period of time to assemble and make the material available for inspection and copying; and
(3) identify the official to whom the material must be made available.
(c) If a civil investigative demand is for answers to written interrogatories, the civil investigative demand must:

1. set forth with specificity the written interrogatories to be answered;
2. prescribe the date by which answers to the written interrogatories must be submitted; and
3. identify the official to whom the answers must be submitted.

(d) If a civil investigative demand requires oral testimony, the civil investigative demand must:

1. prescribe a date, time, and place at which oral testimony will be given;
2. identify the official who will conduct the examination and the custodian to whom the transcript of the examination will be submitted;
3. specifically state that attendance and testimony are necessary to the conduct of the investigation;
4. notify the person receiving the demand that the person has the right to be accompanied by an attorney and any other representative; and
5. describe the general purpose for which the demand is being issued and the general nature of the testimony, including the primary areas of inquiry.

(e) A civil investigative demand that is a specific demand for a product of discovery may not be returned until at least twenty-one (21) days after a copy of the civil investigative demand has been served on the person from whom the discovery was obtained.

(f) The date prescribed for the giving of oral testimony under a civil investigative demand issued under this chapter must be a date that is not less than seven (7) days after the date on which the demand is received, unless the official issuing the demand determines that exceptional circumstances are present that require an earlier date.

(g) The official who issues a civil investigative demand may not issue more than one (1) civil investigative demand for oral testimony by the same person, unless:

1. the person requests otherwise; or
2. the official who issues a civil investigative demand, after conducting an investigation, notifies the person in writing that an additional civil investigative demand for oral testimony is necessary.
Sec. 12. (a) A civil investigative demand issued under this chapter may not require the production of any documentary material, the submission of any answers to written interrogatories, or the giving of any oral testimony if the material, answers, or testimony would be protected from disclosure under the standards applicable:

1. to a subpoena or subpoena duces tecum issued by a court to aid in a grand jury investigation; or
2. to a discovery request under the rules of trial procedure; to the extent that the application of these standards to a civil investigative demand is consistent with the purposes of this chapter.

(b) A civil investigative demand that is a specific demand for a product of discovery supersedes any contrary order, rule, or statutory provision, other than this section, that prevents or restricts disclosure of the product of discovery. Disclosure of a product of discovery under a specific demand does not constitute a waiver of a right or privilege that the person making the disclosure may be otherwise entitled to invoke to object to discovery of trial preparation materials.

Sec. 13. (a) A civil investigative demand issued under this chapter may be served by an investigator or by any other person authorized to serve process.

(b) A civil investigative demand shall be served in accordance with the rules of trial procedure. A court having jurisdiction over a person not located in the state has the same authority to enforce compliance with this chapter as the court has over a person located in the state.

Sec. 14. (a) The production of documentary material in response to a civil investigative demand served under this chapter shall be made in accordance with Trial Rule 34.

(b) Each interrogatory in a civil investigative demand served under this chapter shall be answered in accordance with Trial Rule 33.

(c) The examination of a person under a civil investigative demand for oral testimony served under this chapter shall be conducted in accordance with Trial Rule 30.

Sec. 15. (a) The official who issued the civil investigative demand is the custodian of the documentary material, answers to interrogatories, and transcripts of oral testimony received under this chapter.
(b) An investigator who receives documentary material, answers to interrogatories, or transcripts of oral testimony under this section shall transmit them to the official who issued the civil investigative demand. The official shall take physical possession of the material, answers, or transcripts and is responsible for the use made of them and for the return of documentary material.

(c) The official who issued the civil investigative demand may make copies of documentary material, answers to interrogatories, or transcripts of oral testimony as required for official use by the attorney general, the inspector general, or the state police. The material, answers, or transcripts may be used in connection with the taking of oral testimony under this chapter.

(d) Except as provided in subsection (e), documentary material, answers to interrogatories, or transcripts of oral testimony, while in the possession of the official who issued the civil investigative demand, may not be made available for examination to any person other than:

1. the attorney general or designated personnel of the attorney general's office;
2. the inspector general or designated personnel of the inspector general's office; or
3. an officer of the state police who has been authorized by the official who issued the civil investigative demand.

(e) The restricted availability of documentary material, answers to interrogatories, or transcripts of oral testimony does not apply:

1. if the person who provided:
   A. the documentary material, answers to interrogatories, or oral testimony; or
   B. a product of discovery that includes documentary material, answers to interrogatories, or oral testimony; consents to disclosure;
2. to the general assembly or a committee or subcommittee of the general assembly; or
3. to a state agency that requires the information to carry out its statutory responsibility.

Documentary material, answers to interrogatories, or transcripts of oral testimony requested by a state agency may be disclosed only under a court order finding that the state agency has a substantial need for the use of the information in carrying out its statutory responsibility.

(f) While in the possession of the official who issued the civil
investigative demand, documentary material, answers to interrogatories, or transcripts of oral testimony shall be made available to the person, or to the representative of the person who produced the material, answered the interrogatories, or gave oral testimony. The official who issued the civil investigative demand may impose reasonable conditions upon the examination of use of the documentary material, answers to interrogatories, or transcripts of oral testimony.

(g) The official who issued the civil investigative demand and any attorney employed in the same office as the official who issued the civil investigative demand may use the documentary material, answers to interrogatories, or transcripts of oral testimony in connection with a proceeding before a grand jury, a court, or an agency. Upon the completion of the proceeding, the attorney shall return to the official who issued the civil investigative demand any documentary material, answers to interrogatories, or transcripts of oral testimony that are not under the control of the grand jury, court, or agency.

(h) Upon written request of a person who produced documentary material in response to a civil investigative demand, the official who issued the civil investigative demand shall return any documentary material in the official's possession to the person who produced documentary material, if:

1. a proceeding before a grand jury, a court, or an agency involving the documentary material has been completed; or
2. a proceeding before a grand jury, a court, or an agency involving the documentary material has not been commenced within a reasonable time after the completion of the investigation.

The official who issued the civil investigative demand is not required to return documentary material that is in the custody of a grand jury, a court, or an agency.

Sec. 16. (a) A person who has failed to comply with a civil investigative demand is subject to sanctions under Trial Rule 37 to the same extent as a person who has failed to cooperate in discovery.

(b) A person who objects to a civil investigative demand issued under this chapter may seek a protective order in accordance with Trial Rule 26(C).

Sec. 17. Documentary material, answers to written interrogatories, or oral testimony provided in response to a civil
investigative demand issued under this chapter are confidential.

Sec. 18. Proceedings under this chapter are governed by the Indiana Rules of Trial Procedure, unless the Indiana Rules of Trial Procedure are inconsistent with this chapter.

SECTION 24. IC 5-22-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), this article does not apply to the following types of activities:

(1) A contract between governmental bodies except for a contract authorized under this article.
(2) A public works project.
(3) A collective bargaining agreement between a governmental body and its employees.
(4) The employment relationship between a governmental body and an employee of the governmental body.
(5) An investment of public funds.
(6) A contract between a governmental body and a body corporate and politic.
(7) A contract for social services.
(8) A contract with a body corporate and politic.

(b) IC 5-22-3-7 applies to any:
(1) contract;
(2) project;
(3) agreement;
(4) employment relationship; or
(5) investment;

described in subsection (a).

SECTION 25. IC 5-22-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as otherwise provided, the definitions in this chapter apply throughout this article.

SECTION 26. IC 5-22-2-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.3. "Affiliate" means a business entity that effectively controls or is controlled by a contractor or is associated with a contractor under common ownership or control, whether by shareholdings or other means, including a subsidiary, parent, or sibling of a contractor.

SECTION 27. IC 5-22-3-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE: Sec. 7. (a) This section applies to every use of funds by a governmental body. However, this section does not apply to a contract in which one (1) party is a political subdivision, including a body corporate and politic created by or authorized by a political subdivision.

(b) A prospective contractor may not contract with a governmental body unless the prospective contractor includes the following certifications as terms of the contract with the governmental body:

(1) The contractor and any principals of the contractor certify that:
   (A) the contractor, except for de minimis and nonsystematic violations, has not violated the terms of:
      (i) IC 24-4.7;
      (ii) IC 24-5-12; or
      (iii) IC 24-5-14;
   in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and
   (B) the contractor will not violate the terms of IC 24-4.7 for the duration of the contract, even if IC 24-4.7 is preempted by federal law.

(2) The contractor and any principals of the contractor certify that an affiliate or principal of the contractor and any agent acting on behalf of the contractor or on behalf of an affiliate or principal of the contractor:
   (A) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and
   (B) will not violate the terms of IC 24-4.7 for the duration of the contract, even if IC 24-4.7 is preempted by federal law.

(c) If a certification in subsection (b) concerning compliance with IC 24-4.7, IC 24-5-12, or IC 24-5-14 is materially false or if the contractor, an affiliate or a principal of the contractor, or an agent acting on behalf of the contractor or an affiliate or a principal of the contractor violates the terms of IC 24-4.7, IC 24-5-12, or IC 24-5-14, even if IC 24-4.7 is preempted by federal law, the attorney general may bring a civil action in the circuit or superior court of Marion County to:

(1) void a contract under this section, subject to subsection
(d); and
(2) obtain other proper relief.
However, a contractor is not liable under this section if the contractor or an affiliate of the contractor acquires another business entity that violated the terms of IC 24-4.7, IC 24-5-12, or IC 24-5-14 within the preceding three hundred sixty-five (365) days before the date of the acquisition if the acquired business entity ceases violating IC 24-4.7, IC 24-5-12, or IC 24-5-14, even if IC 24-4.7 is preempted by federal law, as of the date of the acquisition.

(d) If:
(1) the attorney general notifies the contractor, department of administration, and budget agency in writing of the intention of the attorney general to void a contract; and
(2) the attorney general does not receive a written objection from the department of administration or budget agency, sent to both the attorney general and the contractor, within thirty (30) days of the notice;
a contract between a contractor and a governmental body is voidable at the election of the attorney general in a civil action brought under subsection (c). If an objection of the department of administration or the budget agency is submitted under subdivision (2), the contract that is the subject of the objection is not voidable at the election of the attorney general unless the objection is rescinded or withdrawn by the department of administration or the budget agency.

(e) If the attorney general establishes in a civil action that a contractor is knowingly, intentionally, or recklessly liable under subsection (c), the contractor is prohibited from entering into a contract with a governmental body for three hundred sixty-five (365) days after the date on which the contractor exhausts appellate remedies.

(f) In addition to any remedy obtained in a civil action brought under this section, the attorney general may obtain the following:
(1) All money the contractor obtained through each telephone call made in violation of the terms of IC 24-4.7, IC 24-5-12, or IC 24-5-14, even if IC 24-4.7 is preempted by federal law.
(2) The attorney general's reasonable expenses incurred in:
   (A) investigation; and
   (B) maintaining the civil action.

SECTION 28. IC 10-11-8-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "law enforcement agency" means an agency or a department of any level of government whose principal function is the apprehension of criminal offenders. The term includes the office of the inspector general.

SECTION 29. IC 10-13-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) As used in this chapter, "law enforcement agency" means an agency or a department of any level of government whose principal function is the apprehension of criminal offenders.

(b) The term includes:

(1) the office of the attorney general; and

(2) the office of the inspector general.

SECTION 30. IC 15-1.5-10.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The trustees shall recommend an individual to be employed as executive director of the barn, subject to the approval of the governor. If the governor approves an individual recommended by the trustees, the trustees may employ the individual as executive director. If the governor does not approve an individual recommended by the trustees, the trustees shall submit another recommendation to the governor.

(b) The executive director employed under this section:

(1) is the chief administrative officer of the barn; and

(2) shall implement the policies of the trustees.

(c) The trustees may delegate any of the trustees' powers to the executive director. The trustees may make a delegation under this subsection through a resolution adopted by the trustees.

(d) Notwithstanding IC 4-2-6-5, the compensation for the executive director and other employees of the trustees may be paid in full or in part by the nonprofit entity established under section 10 of this chapter.

SECTION 31. IC 16-41-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person who believes that this chapter or rules adopted under this chapter have been violated may file a complaint with the state department. A complaint must be in writing unless the violation complained of constitutes an emergency. The state department shall reduce an oral complaint to writing. The state department shall maintain the confidentiality of the person who files the complaint.

(b) The state department shall promptly investigate all complaints received under this section.
(c) The state department shall not disclose the name or identifying characteristics of the person who files a complaint under this section unless:

(1) the person consents in writing to the disclosure; or
(2) the investigation results in an administrative or judicial proceeding and disclosure is ordered by the administrative law judge or the court.

(d) The state department shall give a person who files a complaint under this section the opportunity to withdraw the complaint before disclosure.

(e) An employee must make a reasonable attempt to ascertain the correctness of any information to be furnished and may be subject to disciplinary actions for knowingly furnishing false information, including suspension or dismissal, as determined by the employer or the ethics commission. However, an employee disciplined under this subsection is entitled to process an appeal of the disciplinary action under any procedure otherwise available to the employee by employment contract, collective bargaining agreement, or, if the employee is an employee of the state, a rule as set forth in IC 4-15-2-34 and IC 4-15-2-35 through IC 4-15-2-35.5.

(f) The employer of an employee who files a complaint in good faith with the state department under this section may not, solely in retaliation for filing the complaint, do any of the following:

(1) Dismiss the employee.
(2) Withhold salary increases or employment related benefits from the employee.
(3) Transfer or reassign the employee.
(4) Deny a promotion that the employee would have received.
(5) Demote the employee.

SECTION 32. IC 24-4.7-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A telephone solicitor who fails to comply with any provision of IC 24-4.7-4 commits a deceptive act that is actionable by the attorney general under this chapter. In addition, a contractor who contracts or seeks to contract with the state:

(1) may be prohibited from contracting with the state; or
(2) may have an existing contract with the state voided; if the contractor, an affiliate or principal of the contractor, or any agent acting on behalf of the contractor or an affiliate or principal of the contractor does not or has not complied with the terms of
this article, even if this article is preempted by federal law.

SECTION 33. IC 24-5-0.5-4, AS AMENDED BY SEA 509-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person relying upon an uncured or incurable deceptive act may bring an action for the damages actually suffered as a consumer as a result of the deceptive act or five hundred dollars ($500), whichever is greater. The court may increase damages for a willful deceptive act in an amount that does not exceed the greater of:

(1) three (3) times the actual damages of the consumer suffering the loss; or
(2) one thousand dollars ($1,000).

Except as provided in subsection (j), the court may award reasonable attorney fees to the party that prevails in an action under this subsection. This subsection does not apply to a consumer transaction in real property, including a claim or action involving a construction defect (as defined in IC 32-27-3-1(5)) brought against a construction professional (as defined in IC 32-27-3-1(4)), except for purchases of time shares and camping club memberships. This subsection also does not apply to a violation of IC 24-4.7, IC 24-5-12, or IC 24-5-14. Actual damages awarded to a person under this section have priority over any civil penalty imposed under this chapter.

(b) Any person who is entitled to bring an action under subsection (a) on the person's own behalf against a supplier for damages for a deceptive act may bring a class action against such supplier on behalf of any class of persons of which that person is a member and which has been damaged by such deceptive act, subject to and under the Indiana Rules of Trial Procedure governing class actions, except as herein expressly provided. Except as provided in subsection (j), the court may award reasonable attorney fees to the party that prevails in a class action under this subsection, provided that such fee shall be determined by the amount of time reasonably expended by the attorney and not by the amount of the judgment, although the contingency of the fee may be considered. Any money or other property recovered in a class action under this subsection which cannot, with due diligence, be restored to consumers within one (1) year after the judgment becomes final shall be returned to the party depositing the same. This subsection does not apply to a consumer transaction in real property, except for purchases of time shares and camping club memberships. Actual damages
awarded to a class have priority over any civil penalty imposed under this chapter.

(c) The attorney general may bring an action to enjoin a deceptive act. However, the attorney general may seek to enjoin patterns of incurable deceptive acts with respect to consumer transactions in real property. In addition, the court may:

1. issue an injunction;
2. order the supplier to make payment of the money unlawfully received from the aggrieved consumers to be held in escrow for distribution to aggrieved consumers; and
3. order the supplier to pay to the state the reasonable costs of the attorney general's investigation and prosecution related to the action; and

4. provide for the appointment of a receiver.

(d) In an action under subsection (a), (b), or (c), the court may void or limit the application of contracts or clauses resulting from deceptive acts and order restitution to be paid to aggrieved consumers.

(e) In any action under subsection (a) or (b), upon the filing of the complaint or on the appearance of any defendant, claimant, or any other party, or at any later time, the trial court, the supreme court, or the court of appeals may require the plaintiff, defendant, claimant, or any other party or parties to give security, or additional security, in such sum as the court shall direct to pay all costs, expenses, and disbursements that shall be awarded against that party or which that party may be directed to pay by any interlocutory order by the final judgment or on appeal.

(f) Any person who violates the terms of an injunction issued under subsection (c) shall forfeit and pay to the state a civil penalty of not more than fifteen thousand dollars ($15,000) per violation. For the purposes of this section, the court issuing an injunction shall retain jurisdiction, the cause shall be continued, and the attorney general acting in the name of the state may petition for recovery of civil penalties. Whenever the court determines that an injunction issued under subsection (c) has been violated, the court shall award reasonable costs to the state.

(g) If a court finds any person has knowingly violated section 3 or 10 of this chapter, the attorney general, in an action pursuant to subsection (c), may recover from the person on behalf of the state a civil penalty of a fine not exceeding five hundred thousand dollars ($500,000) ($5,000) per violation.
(h) An elderly person relying upon an uncured or incurable deceptive act, including an act related to hypnotism, may bring an action to recover treble damages, if appropriate.

(i) An offer to cure is:

1. not admissible as evidence in a proceeding initiated under this section unless the offer to cure is delivered by a supplier to the consumer or a representative of the consumer before the supplier files the supplier's initial response to a complaint; and
2. only admissible as evidence in a proceeding initiated under this section to prove that a supplier is not liable for attorney's fees under subsection (j).

If the offer to cure is timely delivered by the supplier, the supplier may submit the offer to cure as evidence to prove in the proceeding in accordance with the Indiana Rules of Trial Procedure that the supplier made an offer to cure.

(j) A supplier may not be held liable for the attorney's fees and court costs of the consumer that are incurred following the timely delivery of an offer to cure as described in subsection (i) unless the actual damages awarded, not including attorney's fees and costs, exceed the value of the offer to cure.

Section 34. IC 24-5-12-23 is amended to read as follows [effective July 1, 2005]: Sec. 23. A seller who fails to comply with any provision of:

1. this chapter; or
2. IC 24-4.7;

commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5-4(c) and is subject to the penalties set forth in IC 24-5-0.5. An action for a violation of IC 24-4.7 may be brought under IC 24-5-0.5-4(c) or IC 24-4.7-5. An action by the attorney general for a violation of this chapter or IC 24-4.7 may be brought in the circuit or superior court of Marion County.

Section 35. IC 24-8-3-1 is amended to read as follows [effective July 1, 2005]: Sec. 1. Notice may be delivered by any of the following methods:

1. Hand.
2. Mail.
3. Newspaper.
4. Other periodical.
5. Electronic mail or any other form of electronic, digital, or Internet based communication.
SECTION 36. IC 27-2-19-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "law enforcement agency" means an agency or a department of any level of government whose principal function is the apprehension of criminal offenders. The term includes the office of the inspector general.

SECTION 37. IC 33-39-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section does not apply to a deputy prosecuting attorney appointed by a prosecuting attorney or to a special prosecutor appointed by a court.

(b) To be eligible to hold office as a prosecuting attorney, a person must be a resident of the judicial circuit that the person serves.

SECTION 38. IC 33-39-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Special prosecutors may be appointed only under this section or in accordance with IC 4-2-7-7.

(b) A circuit or superior court judge:
   (1) shall appoint a special prosecutor if:
      (A) any person other than the prosecuting attorney or the prosecuting attorney's deputy files a verified petition requesting the appointment of a special prosecutor; and
      (B) the prosecuting attorney agrees that a special prosecutor is needed;
   (2) may appoint a special prosecutor if:
      (A) a person files a verified petition requesting the appointment of a special prosecutor; and
      (B) the court, after:
         (i) notice is given to the prosecuting attorney; and
         (ii) an evidentiary hearing is conducted at which the prosecuting attorney is given an opportunity to be heard;
      finds by clear and convincing evidence that the appointment is necessary to avoid an actual conflict of interest or there is probable cause to believe that the prosecutor has committed a crime;
   (3) may appoint a special prosecutor if:
      (A) the prosecuting attorney files a petition requesting the court to appoint a special prosecutor; and
      (B) the court finds that the appointment is necessary to avoid the appearance of impropriety; and
   (4) may appoint a special prosecutor if:
(A) an elected public official, who is a defendant in a criminal proceeding, files a verified petition requesting a special prosecutor within ten (10) days after the date of the initial hearing; and
(B) the court finds that the appointment of a special prosecutor is in the best interests of justice.

(c) Each person appointed to serve as a special prosecutor:
   (1) must consent to the appointment; and
   (2) must be:
      (A) the prosecuting attorney or a deputy prosecuting attorney in a county other than the county in which the person is to serve as special prosecutor; or
      (B) except as provided in subsection (d), a senior prosecuting attorney.

(d) A senior prosecuting attorney may be appointed in the county in which the senior prosecuting attorney previously served if the court finds that an appointment under this subsection would not create the appearance of impropriety.

(e) A person appointed to serve as a special prosecutor has the same powers as the prosecuting attorney of the county. However, the appointing judge shall limit scope of the special prosecutor's duties to include only the investigation or prosecution of a particular case or particular grand jury investigation.

(f) The court shall establish the length of the special prosecutor's term. If the target of an investigation by the special prosecutor is a public servant (as defined in IC 35-41-1-24), the court shall order the special prosecutor to file a report of the investigation with the court at the conclusion of the investigation. The report is a public record.

(g) If the special prosecutor is not regularly employed as a full-time prosecuting attorney or full-time deputy prosecuting attorney, the compensation for the special prosecutor's services:
   (1) shall be paid to the special prosecutor from the unappropriated funds of the appointing county; and
   (2) may not exceed:
      (A) a per diem equal to the regular salary of a full-time prosecuting attorney of the appointing circuit; and
      (B) travel expenses and reasonable accommodation expenses actually incurred.

(h) If the special prosecutor is regularly employed as a full-time prosecuting attorney or deputy prosecuting attorney, the compensation
for the special prosecutor's services:
(1) shall be paid out of the appointing county's unappropriated funds to the treasurer of the county in which the special
prosecutor regularly serves; and
(2) must include a per diem equal to the regular salary of a full-time prosecuting attorney of the appointing circuit, travel
expenses, and reasonable accommodation expenses actually incurred.
(i) The combination of:
(1) the compensation paid to a senior prosecuting attorney under this chapter; and
(2) retirement benefits that the person appointed as a senior
prosecuting attorney is receiving or entitled to receive;
may not exceed the minimum compensation to which a full-time
prosecuting attorney is entitled under IC 33-39-6-5.
(j) A senior prosecuting attorney appointed under this chapter may not be compensated as senior prosecuting attorney for more than one hundred (100) calendar days in total during a calendar year.
SECTION 39. IC 33-39-2-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A prosecuting attorney may appoint the inspector general or a deputy inspector general who is licensed to practice law in Indiana as a special deputy prosecuting attorney to assist in any criminal proceeding involving public misconduct.
SECTION 40. IC 34-24-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The prosecuting attorney in a county in which any of the property is located may bring an action for the forfeiture of any property:
(1) used in the course of;
(2) intended for use in the course of;
(3) derived from; or
(4) realized through;
conduct in violation of IC 35-45-6-2.
(b) The inspector general may bring an action for forfeiture in accordance with IC 4-2-7-6 in a county where property that is:
(1) derived from; or
(2) realized through;
misfeasance, malfeasance, nonfeasance, misappropriation, fraud, or other misconduct that has resulted in a financial loss to the state is located.
An action for forfeiture may be brought in any circuit or superior court in a county in which any of the property is located.

Upon a showing by a preponderance of the evidence that:

1) property in question described in subsection (a) was used in the course of, intended for use in the course of, derived from, or realized through conduct in violation of IC 35-45-6-2; or

2) property described in subsection (b) was derived from or realized through conduct described in subsection (b);

the court shall, subject to the right, title, or interest of record of any other party in the property determined under section 4 of this chapter,

order the property forfeited to the state and specify the manner of disposition of the property, including the manner of disposition if the property is not transferable for value.

The court shall order forfeitures and dispositions under this section:

1) with due provision for the rights of innocent persons; and

2) as provided under section 4 of this chapter.

SECTION 41. IC 34-24-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. When an action is filed under section 2 of this chapter, the prosecuting attorney or the inspector general may move for an order to have property subject to forfeiture seized by a law enforcement agency. The judge shall issue such an order upon a showing of probable cause to believe that:

1) a violation of IC 35-45-6-2, involving the property in question in the case of property described in section 2(a) of this chapter; or

2) conduct described in section 2(b) of this chapter, in case of property described in section 2(b) of this chapter;

has occurred.

SECTION 42. IC 34-24-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Property subject to forfeiture under this chapter shall be seized by a law enforcement officer upon court order. Seizure may be made without a court order only if:

1) the seizure is incident to a lawful arrest or search, or to an inspection under an administrative inspection warrant; or

2) the property subject to seizure has been the subject of a prior judgment in favor of the state in a forfeiture proceeding under this chapter (or IC 34-4-30.5 before its repeal).

(b) When property is seized under subsection (a), pending forfeiture
and final disposition, the law enforcement officer making the seizure may:

(1) place the property under seal;
(2) remove the property to a place designated by the court; or
(3) require another agency authorized by law to take custody of
the property and remove it to an appropriate location.

(c) Property seized under subsection (a) (or IC 34-4-30.5-4(a) before its repeal) is not subject to replevin, but is considered to be in the custody of the law enforcement officer making the seizure, subject only to order of the court. However, if a seizure of property is made in accordance with subsection (a), the prosecuting attorney or the inspector general shall bring an action for forfeiture under section 2 of this chapter within:

(1) thirty (30) days after receiving notice from any person claiming a right, title, or interest in the property; or
(2) one hundred eighty (180) days after the property is seized;
whichever occurs first.

(d) If an action under subsection (c) is not filed within thirty (30) days after receiving notice from any person claiming a right, title, or interest in the property, the claimant:

(1) is entitled to file a complaint seeking:
   (A) replevin;
   (B) foreclosure; or
   (C) other appropriate remedy; and
(2) shall immediately obtain a hearing on the complaint as provided in subsection (f).

If an action is not filed within one hundred eighty (180) days after the date of the seizure, and the property has not been previously released to an innocent person under section 5 of this chapter (or IC 34-4-30.5-4.5 before its repeal), the law enforcement agency whose officer made the seizure shall return the property to its owner.

(e) If property is seized under subsection (a) (or IC 34-4-30.5-4(a) before its repeal) and the property is a vehicle or real property, the prosecuting attorney or the inspector general shall serve, within thirty (30) days after the date the property is seized and as provided by the Indiana Rules of Trial Procedure, notice of seizure upon each person whose right, title, or interest is of record in the bureau of motor vehicles, in the county recorder’s office, or other office authorized to receive or record vehicle or real property ownership interests.

(f) The person whose right, title, or interest is of record may at any
time file a complaint seeking:
(1) replevin;
(2) foreclosure; or
(3) another appropriate remedy;
to which the state may answer in forfeiture within the appropriate statutory period. The court shall promptly set the matter for a hearing, and in the case of replevin or foreclosure, the court shall set the hearing as provided by the applicable statutory provisions.

SECTION 43. IC 34-24-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) If a person holding a valid lien, mortgage, security interest, or interest under a conditional sales contract did not know the property was the object of corrupt business influence or conduct described in section 2(b) of this chapter, the court shall determine whether the secured interest is equal to or in excess of the appraised value of the property.

(b) Appraised value is to be determined as of the date of judgment on a wholesale basis by:
(1) agreement between the secured party and the prosecuting attorney; or
(2) the inheritance tax appraiser for the county in which the action is brought.

(c) If the amount due to the secured party is equal to or greater than the appraised value of the property, the court shall order the property released to the secured party.

(d) If the amount due the secured party is less than the appraised value of the property, the holder of the interest may pay into the court an amount equal to the owner's equity, which shall be the difference between the appraised value and the amount of the lien, mortgage, security interest, or interest under a conditional sales contract. Upon payment, the state or unit, or both, shall relinquish all claims to the property.

SECTION 44. IC 34-24-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) An aggrieved person may, in addition to proceeding under section 4 of this chapter, bring an action for injunctive relief from corrupt business influence in a circuit or superior court in the county of the aggrieved person's residence, or in a county where any of the affected property or the affected enterprise is located. If the court finds, through a preponderance of the evidence, that the aggrieved person is suffering from corrupt business influence, the court shall make an appropriate
order for injunctive relief. This order must be made in accordance with
the principles that govern the granting of injunctive relief from
threatened loss or damage in other civil cases, except that a showing of
special or irreparable damage to the aggrieved person is not required.
The court may order injunctive relief only after the execution of a bond
by the aggrieved person for an injunction improvidently granted, in an
amount established by the court. In addition, the court may order a
temporary restraining order or a preliminary injunction, but only after
a showing of immediate danger of significant loss or damage to the
aggrieved person.

(b) An aggrieved person may bring an action against a person who
has violated IC 35-45-6-2 in a circuit or superior court in the county of
the aggrieved person's residence, or in a county where any of the
affected property or the affected enterprise is located, for damages
suffered as a result of corrupt business influence. Upon a showing by
a preponderance of the evidence that the aggrieved person has been
damaged by corrupt business influence, the court shall order the person
caus[ing the damage through a violation of IC 35-45-6-2 to pay to the
aggrieved person:

(1) an amount equal to three (3) times the person's actual
damages;
(2) the costs of the action;
(3) a reasonable attorney's fee; and
(4) any punitive damages awarded by the court and allowable
under law.

(c) The defendant and the aggrieved person are entitled to a trial by
jury in an action brought under this section (or IC 34-4-30.5-5 before
its repeal).

(d) In addition to any rights provided under section 4 of this chapter,
an aggrieved person has a right or claim to forfeited property or to the
proceeds derived from forfeited property superior to any right or claim
the state has in the same property or proceeds.

(e) If the state is an aggrieved person, the attorney general has and
the inspector general have concurrent jurisdiction with the
prosecuting attorney to bring an action under this section.

SECTION 45. IC 34-24-2-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A
prosecuting attorney or the inspector general may retain an attorney
to bring an action under this chapter.

(b) An attorney retained under this section is not required to be a
deputy prosecuting attorney but must be admitted to the practice of law in Indiana.

SECTION 46. IC 35-41-1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) "Law enforcement officer" means:

(1) a police officer, sheriff, constable, marshal, or prosecuting attorney, special prosecuting attorney, special deputy prosecuting attorney, or the inspector general;
(2) a deputy of any of those persons;
(3) an investigator for a prosecuting attorney or for the inspector general;
(4) a conservation officer; or
(5) an enforcement officer of the alcohol and tobacco commission.

(b) "Federal enforcement officer" means any of the following:

(1) A Federal Bureau of Investigation special agent.
(2) A United States Marshals Service marshal or deputy.
(3) A United States Secret Service special agent.
(4) A United States Fish and Wildlife Service special agent.
(5) A United States Drug Enforcement Agency agent.
(6) A Bureau of Alcohol, Tobacco, and Firearms agent.
(7) A United States Forest Service law enforcement officer.
(8) A United States Department of Defense police officer or criminal investigator.
(9) A United States Customs Service agent.
(10) A United States Postal Service investigator.
(11) A National Park Service law enforcement commissioned ranger.
(12) United States Department of Agriculture, Office of Inspector General special agent.
(13) A United States Immigration and Naturalization Service special agent.
(14) An individual who is:
    (A) an employee of a federal agency; and
    (B) authorized to make arrests and carry a firearm in the performance of the individual's official duties.

SECTION 47. IC 35-44-1-1, AS AMENDED BY SEA 15-2005, SEC. 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who:

(1) confers, offers, or agrees to confer on a public servant, either
before or after the public servant becomes appointed, elected, or qualified, any property except property the public servant is authorized by law to accept, with intent to control the performance of an act related to the employment or function of the public servant or because of any official act performed or to be performed by the public servant, former public servant, or person selected to be a public servant;

(2) being a public servant, solicits, accepts, or agrees to accept, either before or after the person becomes appointed, elected, or qualified, any property, except property the person is authorized by law to accept, with intent to control the performance of an act related to the person's employment or function as a public servant;

(3) confers, offers, or agrees to confer on a person any property, except property the person is authorized by law to accept, with intent to cause that person to control the performance of an act related to the employment or function of a public servant;

(4) solicits, accepts, or agrees to accept any property, except property the person is authorized by law to accept, with intent to control the performance of an act related to the employment or function of a public servant;

(5) confers, offers, or agrees to confer any property on a person participating or officiating in, or connected with, an athletic contest, sporting event, or exhibition, with intent that the person will fail to use the person's best efforts in connection with that contest, event, or exhibition;

(6) being a person participating or officiating in, or connected with, an athletic contest, sporting event, or exhibition, solicits, accepts, or agrees to accept any property with intent that the person will fail to use the person's best efforts in connection with that contest, event, or exhibition;

(7) being a witness or informant in an official proceeding or investigation, solicits, accepts, or agrees to accept any property, with intent to:
   
   (A) withhold any testimony, information, document, or thing;
   
   (B) avoid legal process summoning the person to testify or supply evidence; or
   
   (C) absent the person from the proceeding or investigation to which the person has been legally summoned;

(8) confers, offers, or agrees to confer any property on a witness or informant in an official proceeding or investigation, with intent
that the witness or informant:
(A) withhold any testimony, information, document, or thing;
(B) avoid legal process summoning the witness or informant
to testify or supply evidence; or
(C) absent the person from any proceeding or investigation to
which the witness or informant has been legally summoned; or
(9) confers or offers or agrees to confer any property on an
individual for:
(A) casting a ballot or refraining from casting a ballot; or
(B) voting for a political party, for a candidate, or for or
against a public question;
in an election described in IC 3-5-1-2 or at a convention of a
political party authorized under IC 3;
commits bribery, a Class C felony.
(b) It is no defense that the person whom the accused person sought
to control was not qualified to act in the desired way.

SECTION 48. IC 35-44-1-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. A public servant
who:
(1) knowingly or intentionally performs an act that he the public
servant is forbidden by law to perform;
(2) performs an act he the public servant is not authorized by law
to perform, with intent to obtain any property for himself or
herself;
(3) knowingly or intentionally solicits, accepts, or agrees to accept
from his an appointee or employee any property other than what
he the public servant is authorized by law to accept as a
condition of continued employment;
(4) knowingly or intentionally acquires or divests himself or
herself of a pecuniary interest in any property, transaction, or
enterprise or aids another person to do so based on information
obtained by virtue of his the public servant's office that official
action that has not been made public is contemplated;
(5) knowingly or intentionally fails to deliver public records and
property in his the public servant's custody to his the public
servant's successor in office when that successor qualifies; or
(6) knowingly or intentionally violates IC 36-6-4-17(b);
commits official misconduct, a Class A misdemeanor: Class D felony.

SECTION 49. IC 35-44-1-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) As used in
this section, "pecuniary interest" has the meaning set forth in section 3(g) of this chapter.

(b) A person who knowingly or intentionally:
   (1) obtains a pecuniary interest in a contract or purchase with an agency within one (1) year after separation from employment or other service with the agency; and
   (2) is not a public servant for the agency but who as a public servant approved, negotiated, or prepared on behalf of the agency the terms or specifications of:
      (A) the contract; or
      (B) the purchase;
   commits profiteering from public service, a **Class A infraction**: **Class D felony**.

(c) This section does not apply to negotiations or other activities related to an economic development grant, loan, or loan guarantee.

(d) This section does not apply if the person receives less than two hundred fifty dollars ($250) of the profits from the contract or purchase.

(e) It is a defense to a prosecution under this section that:
   (1) the person was screened from any participation in the contract or purchase;
   (2) the person has not received a part of the profits of the contract or purchase; and
   (3) notice was promptly given to the agency of the person's interest in the contract or purchase.

SECTION 50. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 4-2-6-3; IC 4-2-6-5.

SECTION 51. [EFFECTIVE UPON PASSAGE] (a) IC 4-2-6-13, IC 4-2-6-14, IC 4-15-10-4, IC 35-44-1-2, and IC 35-44-1-7, all as amended by this act, apply only to crimes committed after passage of this act.

(b) IC 35-44-1-1, as amended by this act, applies only crimes committed after June 30, 2005.

SECTION 52. [EFFECTIVE UPON PASSAGE] IC 5-22-1-3, IC 5-22-2-1, IC 24-4.7-5-1, and IC 24-5-12-23, all as amended by this act, and IC 5-22-3-7, as added by this act, apply only to a contract entered into or renewed after the effective date of this act.

SECTION 53. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 23-2-1-17.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 17.5. (a) This section applies to the following:
   (1) The secretary of state.
   (2) The securities commissioner.
   (3) A prosecuting attorney.
   (4) The attorney general.
   (5) A designee of a person specified in subdivisions (1) through (4).

(b) A person specified in subsection (a) shall not take any action against another person under this chapter solely because a:
   (1) viatical settlement contract; or
   (2) fractional or pooled interest in a viatical settlement contract;
that was the subject of a transaction in which the other person was involved before March 17, 2000, was not registered under this chapter.

(c) A person specified in subsection (a) shall not take any action against another person under this chapter solely because the other person did not, before March 17, 2000, comply with the:
   (1) registration requirements of this chapter; or
   (2) requirements of this chapter that apply to a person that offers or sells securities in Indiana;
if the other person did not at the time of the offer or sale, and before March 17, 2000, offer or sell securities other than a viatical settlement contract or a fractional or pooled interest in a viatical settlement contract.

(d) A person specified in subsection (a) shall not take any action against another person under this chapter solely because the other person did not comply with the registration requirements referred to in subsections (b) and (c).
SECTION 2. IC 23-2-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) A person who offers or sells a security in violation of this chapter, and who does not sustain the burden of proof that the person did not know and in the exercise of reasonable care could not have known of the violation, is liable to any other party to the transaction who did not knowingly participate in the violation or who did not have, at the time of the transaction, knowledge of the violation, who may sue either at law or in equity to rescind the transaction or to recover the consideration paid, together, in either case, with interest as computed in subsection (g)(1), plus costs, and reasonable attorney's fees, less the amount of any cash or other property received on the security upon the tender of the security by the person bringing the action or for damages if the person no longer owns the security. Damages are the amount that would be recoverable upon a tender less:

   (1) the value of the security when the buyer disposed of the security; and
   (2) the interest as computed in subsection (g)(1) on the value of the security from the date of disposition.

(b) A person who purchases a security in violation of this chapter, and who does not sustain the burden of proof that the person did not know and in the exercise of reasonable care could not have known of the violation, is liable to any other party to the transaction who did not knowingly participate in the violation or who did not have, at the time of the transaction, knowledge of the violation. The other party to the transaction may bring an action to rescind the transaction or for damages, together, in either case, with reasonable attorney's fees, upon the tender of the consideration received by the person bringing the action.

(c) A person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues analyses or reports concerning securities and:

   (1) violates section 8, 12.1(b), 14, or 26 of this chapter;
   (2) employs a device, scheme, or artifice to defraud a person; or
   (3) engages in an act that operates or would operate as fraud or deceit upon a person;

is liable to the other person, who may bring an action to recover any
consideration paid for advice, any loss due to advice, interest at eight percent (8%) each year from the date consideration was paid, costs, and reasonable attorney's fees less the value of cash or property received due to the advice. It is a defense to an action brought for a violation of section 12.1(b) or 26 of this chapter that the person accused of the violation did not know of the violation and, exercising reasonable care, could not have known of the violation.

(d) A person who directly or indirectly controls a person liable under subsection (a), (b), or (c), a partner, officer, or director of the person, a person occupying a similar status or performing similar functions, an employee of a person who materially aids in the conduct creating the liability, and a broker-dealer or agent who materially aids in the conduct are also liable jointly and severally with and to the same extent as the person, unless the person who is liable sustains the burden of proof that the person did not know, and in the exercise of reasonable care could not have known, of the existence of the facts by reason of which the liability is alleged to exist. There is contribution as in cases of contract among the several persons liable.

(e) A tender specified in this section may be made at any time before entry of judgment.

(f) A cause of action under this statute survives the death of a person who might have been a plaintiff or defendant.

(g) Action under this section shall be commenced within three (3) years after discovery by the person bringing the action of a violation of this chapter, and not afterwards, but in no event may an action, unless the period is extended by operation of IC 34-11-5-1, be commenced more than six (6) years after the purchase or sale of a viatical settlement contract or fractional or pooled interest in a viatical settlement contract that occurred before March 17, 2000, and is the subject of the action. This subsection does not affect a remedy that is available to a person bringing a cause of action under IC 27 or IC 34 or based on common law fraud. No person may sue under this section:

(1) if that person received a written offer, before suit and at a time when the person owned the security, to refund the consideration paid together with interest on that amount from the date of payment to the date of repayment, with interest on:

(A) interest-bearing obligations to be computed at the same rate as provided on the security; and

(B) all other securities at the rate of eight percent (8%) per
year;
less the amount of any income received on the security, and the
person failed to accept the offer within thirty (30) days of its
receipt; or
(2) if the person received an offer before suit and at a time when
the person did not own the security, unless the person rejected the
offer in writing within thirty (30) days of its receipt.

(h) No person who has made or engaged in the performance of a
contract in violation of this chapter or a rule or order under this
chapter, or who has acquired a purported right under a contract with
knowledge of the facts by reason of which its making or performance
was in violation, may base a suit on the contract.

(i) A condition, stipulation, or provision binding a person acquiring
a security to waive compliance with this chapter or a rule or order
under this chapter is void.

(j) The rights and remedies specifically prescribed by this chapter
are the only rights and remedies created by this chapter, but are in
addition to any other rights or remedies that exist at law or in equity.

SECTION 3. IC 27-8-19.8-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
chapter, “applicant” refers to a person that applies for a
viatical settlement provider license under this chapter.

SECTION 4. IC 27-8-19.8-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this
chapter, “insured” refers to an individual who has a catastrophic or life
threatening illness or condition whose life is the subject of insurance
under a life insurance policy or contract.

SECTION 5. IC 27-8-19.8-9.2 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.2. An insurance producer that:
(1) is licensed under IC 27-1-15.6; and
(2) sells a life insurance policy or contract that, less than two
years after the insurance producer sells the policy or
contract, is the subject of a viatical settlement contract;
shall not accept a commission or other remuneration in connection
with the viatical settlement contract.

SECTION 6. IC 27-8-19.8-21 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. (a) A viatical
settlement contract must establish the terms under which the viatical
settlement provider will pay value, in return for the viator’s assignment,
bequest, devise, sale, or transfer of the death benefit, certificate, or ownership of the insurance policy to the viatical settlement provider.

(b) A viatical settlement contract must provide for the unconditional rescission of the contract by the viator for the longer of the following:

(1) the period ending not more than fifteen (15) days after the receipt of the viatical settlement proceeds by the viator; or

(2) the period ending not more than thirty (30) days after execution of the contract.

(c) A viatical settlement contract is rescinded if the insured dies during the rescission period, subject to repayment to the viatical settlement provider of all proceeds and any premiums, loans, and loan interest that have been paid by the viatical settlement provider.

SECTION 7. IC 27-8-19.8-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) A viatical settlement provider or viatical settlement broker shall, not later than the date of application, provide to a viator a brochure approved by the commissioner and describing the viatical settlement process. If a brochure describes only a viatical settlement contract in which the insured does not have a catastrophic or life threatening illness or condition, the brochure may use the term "life settlement" in place of the term "viatical settlement".

(b) A viatical settlement provider or viatical settlement broker shall, in a separate document that is signed by the viator and the viatical settlement provider or viatical settlement broker, disclose the following information to the viator not later than the date of application:

(1) Possible alternatives to viatical settlement contracts, including accelerated benefits or policy loans offered by the issuer of the life insurance policy.

(2) Federal and state tax consequences that may result from entering into a viatical settlement contract, and that the viator should seek assistance from a professional tax advisor.

(3) Possible:

(A) adverse effect on eligibility for; or

(B) interruption of assistance provided by; medical or public assistance programs as a consequence of entering into a viatical settlement contract, and that the viator should seek advice from the appropriate government
agencies.
(4) The viator's right to rescind a viatical settlement contract as provided in section 21 of this chapter.
(5) The amount of any fees paid by a viatical settlement provider to a viatical settlement broker.
(6) A statement that proceeds of the viatical settlement could be subject to claims of creditors.
(7) A statement that:
   (A) entering into a viatical settlement contract may cause other rights or benefits under the policy, including conversion rights, waiver of premium benefits, family riders, or coverage of a life other than an individual: the insured, to be forfeited by the viator; and
   (B) the viator should seek advice from a financial advisor.
(8) The procedure for contacts with the insured.
(9) That the proceeds of the viatical settlement will be transferred to the viator as provided in section 24.2 of this chapter.
(10) A statement containing the following language:
"All medical, financial, or personal information solicited or obtained by a viatical settlement provider or viatical settlement broker about an insured, including the insured's identity or the identity of family members, a spouse, or a significant other may be disclosed as necessary to effect the viatical settlement between the viator and the viatical settlement provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every two years."
(11) That the insured may be contacted by the viatical settlement provider or viatical settlement broker to determine the health status of the insured in accordance with section 24.9 of this chapter.
(c) The viatical settlement provider shall disclose the following information to the viator, conspicuously displayed in the viatical settlement contract or in a separate document signed by the viatical settlement provider and the viator, before a viatical settlement contract is signed:
(1) Any affiliation between the viatical settlement provider
and the insurer that issued the life insurance policy or certificate that is the subject of the viatical settlement contract.

(2) The name, address, and telephone number of the viatical settlement provider.

(3) If the life insurance policy or certificate that is the subject of the viatical settlement contract was issued as a joint policy or includes family riders or any coverage of an individual other than the insured:

(A) the possible loss of coverage of the other individuals under the policy or certificate; and
(B) that the viator should consult with the viator's insurance producer or the insurer that issued the policy or certificate for advice concerning the proposed viatical settlement contract.

(4) The:

(A) dollar amount of the current death benefit payable to the viatical settlement provider; and
(B) if known, the:

(i) availability of any additional guaranteed insurance benefits;
(ii) dollar amount of any accidental death and dismemberment benefits; and
(iii) viatical settlement provider's interest in the benefits described in items (i) and (ii);

under the policy or certificate.

(5) The:

(A) name, business address, and telephone number of the trustee or escrow agent described in section 24.2 of this chapter; and
(B) right of the viator or insured to inspect or receive copies of the relevant escrow or trust agreements or documents.

(d) A viatical settlement broker shall disclose to the viator, conspicuously displayed in the viatical settlement contract or in a separate document signed by the viatical settlement broker and the viator before a viatical settlement contract is signed, the amount and method of calculation of the viatical settlement broker's compensation.

(e) If a viatical settlement provider transfers ownership or changes the beneficiary of a viaticated policy, the viatical
settlement provider shall, not more than twenty (20) days after the transfer or change occurs, inform the insured of the transfer or change.

SECTION 8. IC 27-8-19.8-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. A viatical settlement provider shall obtain the following before entering into a viatical settlement contract:

(1) If the viator is the insured, a written statement from a licensed attending physician that the insured is of sound mind and under no constraint or undue influence.

(2) A document signed by the viator and witnessed by two (2) disinterested witnesses in which the viator does the following:

(A) Consents to the viatical settlement contract.

(B) If the insured has a catastrophic or life threatening illness or condition, acknowledges the catastrophic or life threatening illness or condition.

(C) Represents that the viator has a full and complete understanding of the viatical settlement contract.

(D) Represents that the viator has a full and complete understanding of the benefits of the life insurance policy.

(E) Acknowledges that the viator has entered into the viatical settlement contract freely and voluntarily.

(F) Discloses the identity of any person that served as a viatical settlement broker in connection with the viatical settlement contract.

(3) A document in which the insured consents to the release of the insured's medical records.

SECTION 9. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 7.1-2-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Qualifications and Appointment. The prosecutor shall be appointed by the governor for a term of four (4) years to be served at the pleasure of the governor. The prosecutor shall be a resident of the state and a practicing member of the Indiana bar for at least five (5) years preceding his appointment.

SECTION 2. IC 7.1-3-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A permit of any type issued by the commission, except as provided in subsections (b) and (f) or unless otherwise provided in this title, shall be in force for one (1) calendar year only, including the day upon which it is granted. At the end of the one (1) year period the permit shall be fully expired and null and void.

(b) Notwithstanding subsection (a), in a county containing a consolidated city, a permit that is subject to section 5.5 or 5.6 of this chapter is effective for two (2) calendar years, including the day upon which the permit is granted. However, a local board may recommend to the commission that the permit be issued or renewed for only a one (1) year period. The commission may issue or renew a permit for the period recommended by the local board.

(c) A permittee who is granted a two (2) year permit under subsection (b) or subsection (f) is liable for any annual fees assessed by the commission. The annual fee is due on the annual anniversary date upon which the permit was granted.

(d) If the commission grants a two (2) year permit, the commission may ask a local board to hold a hearing to reconsider the duration of a permittee's permit. A hearing held under this subsection is subject to section 5.5 or 5.6 of this chapter. A local board shall hold the hearing requested by the commission within thirty (30) days before the permittee's next annual anniversary date and forward a
recommendation to the commission following the hearing.

(e) If a permittee is granted a permit for more than one (1) year, the commission may shall require the permittee to file annually with the commission the information required for an annual permit renewal.

(f) Notwithstanding subsection (a), the following are effective for two (2) calendar years, including the day upon which the permit is granted:

(1) A beer wholesaler's permit issued under IC 7.1-3-3-1.
(2) A wine wholesaler's permit issued under IC 7.1-3-13-1.
(3) A liquor wholesaler's permit issued under IC 7.1-3-8-1.

SECTION 3. IC 7.1-3-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) It is lawful for an appropriate permittee, unless otherwise specifically provided in this title, to sell alcoholic beverages each day Monday through Saturday from 7 a.m., prevailing local time, until 3 a.m., prevailing local time, the following day. Sales shall cease wholly on Sunday at 3 a.m., prevailing local time, and not be resumed until the following Monday at 7 a.m., prevailing local time.

(b) It is lawful for the holder of a supplemental retailer's permit to sell the appropriate alcoholic beverages for consumption on the licensed premises only on Sunday from 10 a.m., prevailing local time, until 12:30 a.m., prevailing local time, the following day.

(c) It is lawful for the holder of a permit under this article to sell alcoholic beverages at athletic or sports events held on Sunday upon premises that:

1. are described in section 25(a) of this chapter;
2. are a facility used in connection with the operation of a paved track more than two (2) miles in length that is used primarily in the sport of auto racing; or
3. are being used for a professional or an amateur tournament; beginning one (1) hour before the scheduled starting time of the event or, if the scheduled starting time of the event is 1 p.m. or later, beginning at noon.

(d) It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

SECTION 4. IC 7.1-3-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. Publication of Notice: (a) Whenever, under the provisions of this title, publication of notice of application for a permit is required, the publication shall be
made in two (2) newspapers of opposite political faith published in the city; town or township one (1) newspaper of general circulation published in the county where the permit is to be in effect.

(b) If there is only one (1) newspaper published in the city or town; the notice shall be published in that newspaper and in another newspaper of opposite political faith published in the county; if there is one; and if not; then in any newspaper of general circulation published in the county:

(c) If there is no newspaper published in the city or town where the permit is to be in effect; then the publication shall be made in two (2) newspapers published in the city or town nearest to the city or town where the permit is to be in effect:

(d) Publication required by this section may be made in any newspaper of general circulation published one (1) or more times each week.

(e) The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state.

SECTION 5. IC 7.1-3-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The holder of a beer wholesaler’s permit may purchase and import from the primary source of supply, possess, and sell at wholesale, beer and flavored malt beverages manufactured within or without this state.

(b) A beer wholesaler permittee may possess, transport, sell, and deliver beer to:

(1) another beer wholesaler authorized by the brewer to sell the brand purchased;
(2) a consumer; or
(3) a holder of a beer retailer’s permit, beer dealer’s permit, temporary beer permit, dining car permit, boat permit, airplane permit, or supplemental caterer’s permit; or supplemental retailer’s permit; located within this state. The sale, transportation, and delivery of beer shall be made only from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery.

(c) Delivery of beer to a consumer shall be made in barrels only with the exception of the beer wholesaler’s bona fide regular employees, who may purchase beer from the wholesaler in bottles, cans, or any other type of permissible containers in an amount not to exceed forty-eight (48) pints at any one (1) time.
(d) The importation, transportation, possession, sale, and delivery of beer shall be subject to the rules of the commission and subject to the same restrictions provided in this title for a person holding a brewer's permit.

(e) The holder of a beer wholesaler's permit may purchase, import, possess, transport, sell, and deliver any commodity listed in IC 7.1-3-10-5, unless prohibited by this title. However, a beer wholesaler may deliver flavored malt beverages only to the holder of one (1) of the following permits:

1. A beer wholesaler or wine wholesaler permit, if the wholesaler is authorized by the primary source of supply to sell the brand of flavored malt beverage purchased.
2. A wine retailer's permit, wine dealer's permit, temporary wine permit, dining car wine permit, boat permit, airplane permit, or supplemental caterer's permit.

(f) A beer wholesaler may:

1. store beer for an out-of-state brewer described in IC 7.1-3-2-9 and deliver the stored beer to another beer wholesaler that the out-of-state brewer authorizes to sell the beer;
2. perform all necessary accounting and auditing functions associated with the services described in subdivision (1); and
3. receive a fee from an out-of-state brewer for the services described in subdivisions (1) through (2).

SECTION 6. IC 7.1-3-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The holder of a liquor wholesaler's permit shall be entitled to sell liquor at wholesale.

(b) A liquor wholesaler shall be entitled to purchase liquor within this state from a person who holds a distiller's permit, a rectifier's permit, or a liquor wholesaler's permit. A liquor wholesaler also may purchase liquor outside this state from the primary source of supply and, from that source, may transport and import liquor into this state.

(c) A liquor wholesaler may sell, transport, and deliver liquor only to a person who, under this title, holds a:

1. liquor retailer's permit;
2. supplemental caterer's permit;
3. supplemental retailer's permit;
4. liquor dealer's permit; or
5. liquor wholesaler's permit.

The sale, transportation, and delivery of liquor shall be made only from
inventory that has been located on the wholesaler's premises before the
time of invoicing and delivery, and only in permissible containers and
is subject to the rules of the commission fixing the quantity which may
be sold or delivered at any one (1) time.

SECTION 7. IC 7.1-3-12-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The holder
of a farm winery permit:

(1) is entitled to manufacture wine and to bottle wine produced by
the permit holder's farm winery;
(2) is entitled to serve complimentary samples of the winery's
wine on the licensed premises;
(3) is entitled to sell the winery's wine on the licensed premises to
consumers either by the glass, or by the bottle, or both;
(4) is entitled to sell wine by the bottle or by the case to a person
who is the holder of a permit to sell wine at either wholesale or
retail;
(5) is exempt from the provisions of IC 7.1-3-14;
(6) is entitled to advertise the name and address of any retailer or
dealer who sells wine produced by the permit holder's winery;
(7) for wine described in IC 7.1-1-2-3(a)(4):
    (A) may allow transportation to and consumption of the wine
    on the licensed premises; and
    (B) may not sell, offer to sell, or allow the sale of the wine on
    the licensed premises; and
(8) is entitled to purchase and sell bulk wine as set forth in this
chapter; and
(9) is entitled to sell wine as authorized by this section for
carryout on Sunday.

(b) With the approval of the commission, a holder of a permit under
this chapter may conduct business at a second location that is separate
from the winery. At the second location, the holder of a permit may
conduct any business that is authorized at the first location, except for
the manufacturing or bottling of wine.

(c) With the approval of the commission, a holder of a permit under
this chapter may, individually or with other permit holders under this
chapter, participate in a trade show or an exposition at which products
of each permit holder participant are displayed, promoted, and sold.
The commission may not grant approval under this subsection to a
holder of a permit under this chapter for more than nine (9) days in a
calendar year.
SECTION 8. IC 7.1-3-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The holder of a wine wholesaler's permit may purchase, import, and transport wine, brandy, or flavored malt beverage from the primary source of supply. A wine wholesaler may export and transport wine, brandy, or flavored malt beverage by the bottle, barrel, cask, or other container, to points outside Indiana. A wine wholesaler is entitled to sell, furnish, and deliver wine or flavored malt beverage from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery to a wine wholesaler, a wine retailer, a supplemental caterer, a temporary wine permittee, a supplemental retailer, and a wine dealer, but not at retail. A wine wholesaler may sell, furnish, and deliver brandy from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery, but not at retail, only to a person who holds a liquor retailer's permit, a supplemental caterer's permit, a supplemental retailer's permit, or a liquor dealer's permit. A wine wholesaler also may sell and deliver wine to a consumer, at the consumer's residence, in bottles or other permissible containers in a quantity that does not exceed fifty (50) gallons at any one (1) time.

(b) As used in this section, "brandy" means:
(1) any alcoholic distillate described in 27 CFR 5.22(d) as in effect on January 1, 1983; or
(2) a beverage product that:
(A) is prepared from a liquid described in subdivision (1);
(B) is classified as a cordial or liqueur as defined in 27 CFR 5.22(h) as in effect on January 1, 1997; and
(C) meets the following requirements:
(i) At least sixty-six and two-thirds percent (66 2/3%) of the product's alcohol content is composed of a substance described in subdivision (1).
(ii) The product's label makes no reference to any distilled spirit other than brandy.
(iii) The product's alcohol content is not less than sixteen percent (16%) by volume or thirty-two (32) degrees proof.
(iv) The product contains dairy cream.
(v) The product's sugar, dextrose, or levulose content is at least twenty percent (20%) of the product's weight.
(vi) The product contains caramel coloring.

(c) Nothing in this section allows a wine wholesaler to sell, give,
purchase, transport, or export beer (as defined in IC 7.1-1-3-6) unless the wine wholesaler also holds a beer wholesaler's permit under IC 7.1-3-3-1.

(d) A wine wholesaler that also holds a liquor wholesaler's permit under IC 7.1-3-8 may not:
   (1) hold a beer wholesaler's permit under IC 7.1-3-3;
   (2) possess, sell, or transport beer; or
   (3) sell more than one million (1,000,000) gallons of flavored malt beverage during a calendar year.

SECTION 9. IC 7.1-3-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The commission may issue a temporary bartender's permit to any person who is at least twenty-one (21) years of age for any of the following purposes:

   (1) To be a bartender at any activity or event for which a temporary permit is issued under IC 7.1-3-6 (beer) or IC 7.1-3-16 (wine).
   (2) To be a bartender at a nonprofit club for a maximum of four (4) days in a year during the same time that a fair or festival is held in the community where the club is located. However, the commission may only issue a maximum of twenty (20) temporary bartender's licenses for use in one (1) club during one (1) fair or festival.

(b) A temporary bartender's permit is the only license that is required for persons to serve as bartenders for the purposes described in subsection (a).

(c) A temporary bartender at a club may dispense any alcoholic beverage that the club's permit allows the club to serve.

(d) The fee for a temporary bartender's permit is **four dollars** ($4), **five dollars** ($5).

(e) The commission may by rule provide procedures for the issuance of a temporary bartender's permit.

(f) The commission shall revoke a permit issued to a bartender under this section if the bartender is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a).

SECTION 10. IC 7.1-3-18.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A person who desires a certificate must provide the following to the commission:

   (1) The applicant's name and mailing address and the address of the premises for which the certificate is being issued.
(2) A fee of fifty dollars ($50) to two hundred dollars ($200).

(b) A separate certificate is required for each location where the tobacco products are sold or distributed.

(c) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 11. IC 7.1-3-18.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A certificate issued by the commission under this chapter must contain the following information:

(1) The certificate number.
(2) The certificate holder's name.
(3) The permanent location of the business or vending machine for which the certificate is issued.
(4) The expiration date of the certificate.

(b) A certificate is:

(1) valid for one (1) year; or three (3) years after the date of issuance, unless the commission suspends the certificate; and
(2) nontransferable.

SECTION 12. IC 7.1-3-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. Publication of Notice of Investigation. The commission shall cause two (2) notices one (1) notice of the pending investigation to be published in a newspaper in accordance with the provisions of IC 7.1-3-1-18. The publication of notices the notice shall be one (1) calendar week apart, and the first publication shall be at least fifteen (15) thirty (30) days before the investigation.

SECTION 13. IC 7.1-3-20-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) This section applies notwithstanding IC 7.1-3-16.5.

(b) (a) This section applies to each holder of a permit issued under section 2, 3, or 4 of this chapter.

(c) (b) A permit holder may sell alcoholic beverages under the terms of the permit on any twelve (12) Sundays during a calendar year.

(d) (c) Sales under this section may be made only for on-premises consumption.

SECTION 14. IC 7.1-3-20-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The commission may issue a three-way permit for the sale of alcoholic beverages to the proprietor of a restaurant which is located outside the corporate limits of an incorporated city or town if the restaurant meets
the additional requirements:
(1) It shall be a table service restaurant in which a patron is seated at a table and is served by a waiter or waitress and the food served is predominantly consumed on the premises.
(2) It shall be sufficiently served by adequate law enforcement at its premises.
(3) If it does business during seven (7) or more months of each year, it shall have had an annual gross food sales of at least one hundred thousand dollars ($100,000) for the three (3) years immediately preceding its application for a permit unless the permittee is the proprietor of a recreational facility such as a golf course, bowling center, or similar facility to which IC 7.1-3-16.5-2(c) applies; that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
(4) If it does business during six (6) or fewer months of each year, it shall have had average monthly gross food sales of at least eight thousand five hundred dollars ($8,500) for each month it did business for the three (3) years immediately preceding its application for a permit.

SECTION 15. IC 7.1-3-20-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. Notwithstanding sections 12 and 13 of this chapter, IC 7.1-3-16.5-2(c), and IC 7.1-3-16.5-3(c), there is no annual or monthly gross food sales requirement to obtain a three-way permit or a supplemental retailer's permit for the sale of alcoholic beverages in a restaurant that is:
(1) open to the general public; and
(2) located on:
   (A) the grounds of a regulation size golf course that has at least nine (9) holes; or
   (B) the premises of a tennis club that has at least eight (8) regulation size tennis courts.

SECTION 16. IC 7.1-3-20-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.
(b) The commission may issue a three-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant facility in the passenger terminal complex of a publicly owned airport which is
served by a scheduled commercial passenger airline certified to enplane and deplane passengers on a scheduled basis by a federal aviation agency. A permit issued under this subsection shall not be transferred to a location off the airport premises.

(c) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a redevelopment project consisting of a building or group of buildings that:

(1) was formerly used as part of a union railway station;
(2) has been listed in or is within a district that has been listed in the federal National Register of Historic Places maintained pursuant to the National Historic Preservation Act of 1966, as amended; and
(3) has been redeveloped or renovated, with the redevelopment or renovation being funded in part with grants from the federal, state, or local government.

A permit issued under this subsection shall not be transferred to a location outside of the redevelopment project.

(d) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant:

(1) on land; or
(2) in a historic river vessel;
within a municipal riverfront development project funded in part with state and city money. A permit issued under this subsection may not be transferred.

(e) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a renovation project consisting of a building that:

(1) was formerly used as part of a passenger and freight railway station; and
(2) was built before 1900.

The permit authorized by this subsection may be issued without regard to the proximity provisions of IC 7.1-3-21-11.

(f) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption at a cultural center for the visual and performing arts to a town that:
(1) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and
(2) has a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(g) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption to an applicant who will locate as the proprietor, as owner or lessee, or both, of a restaurant within an economic development area under IC 36-7-14 in:

(1) a town with a population of more than twenty thousand (20,000); or
(2) a city with a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand four hundred (27,400);
located in a county having a population of more than ninety thousand (90,000) but less than one hundred thousand (100,000).

The commission may issue not more than five (5) licenses under this section to premises within a municipality described in subdivision (1) and not more than five (5) licenses to premises within a municipality described in subdivision (2). The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars ($35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars ($1,350).

Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

SECTION 17. IC 7.1-3-21-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The commission shall not issue, renew, or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant:

(1) is seeking a renewal and the applicant has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are due currently;
(2) is seeking a transfer and the applicant has not paid all the property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9
for the assessment periods during which the transferor held the permit; or
(3) is on the most recent tax warrant list supplied to the commission by the department of state revenue.

(b) The commission shall issue, renew, or transfer a permit that the commission denied under subsection (a) when the appropriate one (1) of the following occurs:

(1) The person, if seeking a renewal, provides to the commission a statement from the county treasurer of the county in which the property of the applicant was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 that were delinquent have been paid.

(2) The person, if seeking a transfer of ownership, provides to the commission a statement from the county treasurer of the county in which the property of the transferor was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 have been paid for the assessment periods during which the transferor held the permit.

(3) The person provides to the commission a statement from the commissioner of the department of state revenue indicating that the person's delinquent tax liability has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the person seeks the permit.

(4) The commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

(c) An applicant may not be considered delinquent in the payment of listed taxes if the applicant has filed a proper protest under IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the applicant does not remit the taxes owed to the state department of revenue after a final determination on the protest is made by the department of state revenue.

(d) The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1) or taxes imposed by IC 6-1.1. The commission shall allow the applicant to certify, under the penalties for perjury, that
the applicant is not delinquent in filing returns or remitting taxes.

SECTION 18. IC 7.1-3-23-43 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 43. (a) The commission may suspend the permit of a permit holder if:

1. the permit holder has not paid the person who sold the permit to the permit holder in accordance with the terms of the sale;
2. the seller of the permit receives a judgment against the permit holder in an action to obtain payment for the permit in accordance with the terms of the sale; and
3. the seller of the permit sends a certified copy of the judgment to the commission.

(b) Before suspending a certificate under this section, the commission shall provide written notice to the permit holder and conduct a hearing. The commission shall provide written notice of the suspension to the permit holder.

(c) If a person who sells a permit:
1. sends a judgment to the commission under subsection (a);
and
2. subsequently receives full payment of the judgment;
the seller shall notify the commission in a manner prescribed by the commission that the seller has received full payment of the judgment not later than ten (10) days after receiving the payment.

SECTION 19. IC 7.1-3-25 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 25. Product Transfer Between Wholesalers

Sec. 1. As used in this chapter, "existing wholesaler" means a beer wholesaler who distributes a product at the time a successor primary source of supply acquires rights to a product under section 5 of this chapter.

Sec. 2. As used in this chapter, "product" means an existing brand of:
1. beer (as defined in IC 7.1-1-3-6); or
2. flavored malt beverage (as defined in IC 7.1-1-3-16.7).

Sec. 3. As used in this chapter, "successor" means a primary source of supply that acquires rights to a product under section 5 of this chapter.

Sec. 4. As used in this chapter, "successor's designee" means one (1) or more beer wholesalers designated by a successor to replace
the existing wholesaler, for all or part of the existing wholesaler's territory, in the distribution of the existing product.

Sec. 5. A successor:
(1) who acquires the rights to manufacture or distribute an existing product; and
(2) who:
(A) does not reappoint the existing wholesaler to distribute the product;
(B) reduces the existing wholesaler's territory for the product; or
(C) offers to compensate the existing wholesaler in an amount less than the fair market value determined under section 7 of this chapter;

must comply with this chapter. A successor's designee must also comply with this chapter.

Sec. 6. The successor shall notify the existing wholesaler of the successor's intent not to appoint the existing wholesaler for all or a part of the existing wholesaler's territory for the product. The successor shall mail the notice by certified mail, return receipt requested, to the existing wholesaler. The successor shall include in the notice the names, addresses, and telephone numbers of the successor's designees.

Sec. 7. A successor's designee shall negotiate with the existing wholesaler to determine the fair market value of the existing wholesaler's right:
(1) to distribute the product in the existing wholesaler's territory immediately before the successor acquired rights to the product under section 5 of this chapter; and
(2) as determined in an arms length transaction entered into without duress or threat of termination of the initial wholesaler's right described in subdivision (1).

Sec. 8. The existing wholesaler shall continue to distribute the product until payment of the compensation agreed to under section 7 of this chapter or awarded under section 11 of this chapter is received.

Sec. 9. (a) The successor's designee and the existing wholesaler shall negotiate in good faith. If the parties fail to reach an agreement not later than thirty (30) days after the existing wholesaler receives the notice under section 6 of this chapter, the successor's designee or the existing wholesaler may send a written notice to the:
(1) other party; and
(2) American Arbitration Association or its successor in
interest;
declaring the party's intention to proceed with final and binding
arbitration administered by the American Arbitration Association
under the American Arbitration Association's Commercial
Arbitration Rules.
(b) Notice of intent to arbitrate shall be sent, as provided in
subsection (a), not later than thirty-five (35) days after the existing
wholesaler receives notice under section 6 of this chapter. The
arbitration proceedings shall conclude not later than forty-five (45)
days after the date the notice of intent to arbitrate is mailed to a
party.
Sec. 10. (a) The arbitration shall be conducted in the city within
Indiana that:
(1) is closest to the existing wholesaler; and
(2) has a population of more than fifty thousand (50,000).
(b) The arbitration shall be conducted before one (1) impartial
arbitrator to be selected by the American Arbitration Association.
The arbitration shall be conducted in accordance with the rules
and procedures of the American Arbitration Association.
Sec. 11. The arbitrator's award must be monetary only and may
not enjoin or compel conduct. The arbitration is instead of all other
remedies and procedures.
Sec. 12. (a) The cost of the arbitrator and any other direct costs
of the arbitration shall be equally divided by the parties engaged
in the arbitration. All other costs shall be paid by the party
incurring them.
(b) The arbitrator shall render a decision not later than thirty
(30) days after the conclusion of the arbitration unless this time
period is extended by mutual agreement of the parties or by the
arbitrator. The decision of the arbitration is final and binding on
the parties. Under no circumstances may the parties appeal the
decision of the arbitrator.
(c) A party who fails to participate in the arbitration hearings
waives all rights the party would have had in the arbitration and
is considered to have consented to the determination of the
arbitrator.
Sec. 13. If the existing wholesaler does not receive payment of
the compensation under section 7 or 11 of this chapter not later
than thirty (30) days after the date of the settlement or arbitration
award:
(1) the existing wholesaler shall remain the distributor of the product in the existing wholesaler's territory to at least the same extent that the existing wholesaler distributed the product immediately before the successor acquired rights to the product; and
(2) the existing wholesaler is not entitled to the settlement or arbitration award.

Sec. 14. Nothing in this chapter shall be construed to limit or prohibit good faith settlements voluntarily entered into by the parties.

Sec. 15. Nothing in this chapter shall be construed to give the existing wholesaler or a successor wholesaler any right to compensation if the existing wholesaler or successor wholesaler is terminated by the primary source of supply or predecessor source supplier either for failure to comply with any provision in the agreement to distribute the product or in accordance with IC 7.1-5-5-9.

SECTION 20. IC 7.1-4-4.1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The following biennial license fee is imposed for an employee's permit:
(1) Fifteen dollars ($15) if the permit is used only to perform volunteer service that benefits a nonprofit organization.
(2) Thirty dollars ($30) if subdivision (1) does not apply.
The term of a biennial employee's license is two (2) years.

SECTION 21. IC 7.1-4-4.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to the following seasonal or annual biennial permits:
(1) Beer retailer's permit.
(2) Liquor retailer's permit.
(3) Wine retailer's permit.
(4) One-way permit.
(5) Two-way permit.
(6) Three-way permit.
(7) Airplane beer permit.
(8) Airplane liquor permit.
(9) Airplane wine permit.
(10) Boat beer permit.
(11) Boat liquor permit.
(12) Boat wine permit.
(13) Dining car beer permit.
(14) Dining car liquor permit.
(15) Dining car wine permit.
(16) Hotel seasonal permit.
(17) Supplemental retailer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of retailer's permits issued for the same location or conveyance. Except as provided in sections 10 and 11 of this chapter, the fee is equal to the sum of the amount determined under subsection (c) and the amount determined under subsection (d):

(c) An annual permit fee in the following amount is imposed on a retailer:

1. Two hundred fifty Five hundred dollars ($250), ($500), if the retailer serves only beer or only wine.
2. Five hundred Seven hundred fifty dollars ($500), ($750), if the retailer serves both beer and wine but no liquor.
3. Seven hundred fifty One thousand dollars ($750), ($1,000), if the retailer serves beer, wine, and liquor.

(d) An additional fee in the following amount is imposed on a retailer:

1. Two hundred fifty dollars ($250), if the retailer under the authority of IC 7.1-3-16.5 sells food and any combination of beer, wine, or liquor on Sunday.
2. One thousand five hundred dollars ($1,500) if the retailer who is not under the authority of IC 7.1-3-16.5, sells any combination of beer, wine, or liquor on Sunday.

SECTION 22. IC 7.1-4-4.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies to the following biennial permits:

1. Beer dealer's permit.
2. Liquor dealer's permit.
3. Malt dealer's permit.
4. Wine dealer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of dealers' permits issued for the same location. The fee is equal to the sum of the amount determined under subsection (c).

(c) An annual permit fee in the following amount is imposed on a dealer:

1. Two hundred fifty Five hundred dollars ($250), ($500), if the dealer sells only beer, only liquor, or only wine.
2. Five hundred Seven hundred fifty dollars ($500), ($750), if
the dealer sells:
(A) both beer and wine but no liquor;
(B) both wine and liquor but no beer; or
(C) both beer and liquor but no wine.

(3) Seven hundred fifty One thousand dollars ($750); ($1,000), if the dealer sells beer, wine, and liquor.

SECTION 23. IC 7.1-4-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Except as provided in subsection (b), the chairman and the department shall deposit the money collected under sections 1, 2, and 3 of this chapter daily with the treasurer of state, and not later than the fifth day of the following month shall cover:

1) thirty-four percent (34%) of the money collected under section 1 of this chapter into the enforcement and administration fund established under IC 7.1-4-10-1; and
2) sixty-six percent (66%) of the money collected under section 1 of this chapter and money collected under sections 2 and 3 of this chapter into the state general fund for state general fund purposes.

(b) The chairman and the department shall deposit the money collected under IC 7.1-2-5-3, IC 7.1-2-5-8, IC 7.1-3-17.5, IC 7.1-3-17.7, IC 7.1-3-22-9, and IC 7.1-4-4.1-5 daily with the treasurer of state, and not later than the fifth day of the following month shall cover the money into the enforcement and administration fund established under IC 7.1-4-10-1.

SECTION 24. IC 7.1-4-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Collection of Annual License Fees. The chairman shall collect the required annual license fee paid in connection with the issuance of a beer retailer's permit, a beer dealer's permit, a liquor retailer's permit, a supplemental caterer's permit, a liquor dealer's permit, a wine retailer's permit, and a wine dealer's permit.

SECTION 25. IC 7.1-4-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Fees Deposited in Excise Fund. (a) Except as provided in subsection (b), the chairman shall deposit the monies collected under the authority of this chapter daily with the treasurer of the state, and not later than the fifth day of the following month shall cover them into the "excise fund" to be distributed as provided in this chapter.

(b) The chairman shall deposit the money received from the
collection of the fees for a three-way permit under IC 7.1-3-20-16(f) daily with the treasurer of state, and not later than the fifth day of the following month shall transfer the money into the enforcement and administration fund of the commission under IC 7.1-4-11.

SECTION 26. IC 7.1-4-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Distribution to State General Fund. Thirty-three and one-third percent (33 1/3%) Thirty-seven percent (37%) of the monies money in the excise fund shall be deposited in the state general fund on the first day of June and the first day of December of each year.

SECTION 27. IC 7.1-4-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. Distribution to Cities and Towns. Sixty-six and two-thirds percent (66 2/3%) Thirty-three percent (33%) of the monies money in the excise fund shall, upon warrant of the state auditor, be paid into the general fund of the treasury of the city or town in which the retailer's or dealer's licensed premises are located. The money shall be paid to the treasurer of the county in which the retailer's or dealer's premises are located if they are located outside the corporate limits of a city or town.

SECTION 28. IC 7.1-4-9-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. Thirty percent (30%) of the money in the excise fund shall be deposited in the enforcement and administration fund under IC 7.1-4-10 on the first day of June and the first day of December of each year.

SECTION 29. IC 7.1-4-11-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. The chairman shall deposit the money received from the collection of the fees for a three-way permit under IC 7.1-3-20-16(f) daily with the treasurer of state, and not later than the fifth day of the following month shall transfer the money into the enforcement and administration fund.

SECTION 30. IC 7.1-5-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) It is unlawful for a permittee in a sale or contract to sell alcoholic beverages to discriminate between purchasers by granting a price, discount, allowance, or service charge which is not available to all purchasers at the same time. However, this section does not authorize or require a permittee to sell to a person to whom he the permittee is not authorized to sell under this title.
(b) A premises that operates at least two (2) restaurants that are separate and distinct from each other on the same premises may provide for a different schedule of prices in each restaurant if each restaurant conforms to all other laws and rules of the commission regarding pricing and price discrimination in its separate and distinct areas.

(c) This section does not apply to the holder of an excursion and adjacent landsite permit that complies with IC 7.1-3-17.5-6.

(d) Notwithstanding subsection (a), a beer wholesaler may offer a special discount price to a beer dealer or beer retailer for beer or flavored malt beverage, if the beer or flavored malt beverage:

(1) is a brand or package the beer wholesaler has discontinued; or

(2) will expire in not more than:

(A) twenty (20) days for packaged beer or packaged flavored malt beverage; and

(B) ten (10) days for draft beer or draft flavored malt beverage.

(e) The special discount under subsection (d) only applies to beer or flavored malt beverage that will expire and be subject to removal from retailer or dealer shelves in accordance with the primary source of supply’s coding data clearly identified on the container.

(f) Any beer or flavored malt beverage sold at a special discount price under subsection (d) shall be accompanied by an invoice clearly designating, in addition to all other information required by law, all the following information:

(1) The date of delivery.

(2) The expiration date of each brand, package type, and quantity delivered.

(3) The per unit price for each package.

SECTION 31. IC 7.1-5-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. Unequitable Termination of Contract Prohibited. It is unlawful for a beer wholesaler or a brewer in this state, or a brewer or other person located outside this state who sells beer to a permittee in this state for the purpose of importation and resale within this state primary source of supply to:

(1) coerce, or attempt to coerce, or persuade a beer wholesaler to enter into an agreement, or to take an action, which will violate, or tend to violate, a provision of this title or of the rules and regulations of the commission; or
(2) cancel or terminate an agreement or contract between a beer wholesaler and a **brewer primary source of supply** for the sale of beer, unfairly and without due regard for the equities of the other party.

SECTION 32. IC 7.1-5-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in subsections (c) and (d), it is unlawful for a manufacturer of alcoholic beverages or a permittee authorized to sell and deliver alcoholic beverages to:

(1) give, supply, furnish, or grant to another permittee who purchases alcoholic beverages from him a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, lease, or rental of premises; or

(2) except as provided in IC 7.1-3-2-9 and IC 7.1-3-3-5(f), have a business dealing with the other permittee.

(b) This section shall not apply to the sale and delivery and collection of the sale price of an alcoholic beverage in the ordinary course of business.

(c) If the promotional program is approved under the rules adopted by the commission and is conducted in all wholesaler establishments through which the manufacturer distributes alcoholic beverages in Indiana, a manufacturer of alcoholic beverages may award bona fide promotional prizes and awards to any of the following:

(1) A person with a wholesaler's permit issued under IC 7.1-3.

(2) An employee of a person with a wholesaler's permit issued under IC 7.1-3.

(d) A manufacturer may offer on a nondiscriminatory basis bona fide incentives to wholesalers when the incentives are determined based on sales to retailers or dealers occurring during specified times for specified products. The incentive may be conditioned on the wholesaler selling a:

(1) specified product at a specified price or less than a specified price; or

(2) minimum quantity of a specified product to a single customer in a single transaction.

The incentive may not be conditioned on a wholesaler having total sales of a minimum quantity of a specified product during the applicable period.

SECTION 33. IC 7.1-5-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the
public place involved is one (1) of the following:
   (1) Civic center.
   (2) Convention center.
   (3) Sports arena.
   (4) Bowling center.
   (5) Bona fide club.
   (6) Drug store.
   (7) Grocery store.
   (8) Boat.
   (9) Dining car.
   (10) Pullman car.
   (11) Club car.
   (12) Passenger airplane.
   (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
   (14) Satellite facility (as defined in IC 4-31-2-20.5).
   (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
   (16) That part of a hotel or restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
   (17) Entertainment complex.
   (18) Indoor golf facility.
   (19) A recreational facility such as a golf course, bowling center, or similar facility to which IC 7.1-3-16.5-2(c) applies that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
   (20) A licensed premises owned or operated by an educational institution of higher learning (as defined in IC 20-12-15-1).
   (21) An automobile racetrack.
(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:
   (1) The minor is eighteen (18) years of age or older.
   (2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.
   (3) The purpose for being on the licensed premises is the
consumption of food and not the consumption of alcoholic beverages.

SECTION 34. IC 7.1-3-16.5 REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 35. An emergency is declared for this act.

---

P.L.225-2005
[H.1765. Approved May 11, 2005.]

AN ACT to amend the Indiana Code concerning natural and cultural resources.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 14-8-2-49.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 49.2. "Compact", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(8).

SECTION 2. IC 14-8-2-86.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 86.5. "Executive committee", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(7).

SECTION 3. IC 14-8-2-107 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 107. "Fund" has the following meaning:

1. For purposes of IC 14-9-5, the meaning set forth in IC 14-9-5-1.
2. For purposes of IC 14-9-8-21, the meaning set forth in IC 14-9-8-21.
3. For purposes of IC 14-9-8-21.5, the meaning set forth in IC 14-9-8-21.5.
4. For purposes of IC 14-9-9, the meaning set forth in IC 14-9-9-3.
5. For purposes of IC 14-12-1, the meaning set forth in IC 14-12-1-1.
6. For purposes of IC 14-12-2, the meaning set forth in IC 14-12-2-2.
(7) For purposes of IC 14-12-3, the meaning set forth in IC 14-12-3-2.
(8) For purposes of IC 14-13-1, the meaning set forth in IC 14-13-1-2.
(9) For purposes of IC 14-13-2, the meaning set forth in IC 14-13-2-3.
(10) For purposes of IC 14-16-1, the meaning set forth in IC 14-16-1-30.
(11) For purposes of IC 14-19-8, the meaning set forth in IC 14-19-8-1.
(12) For purposes of IC 14-20-1, the meaning set forth in IC 14-20-1-3.
(13) For purposes of IC 14-20-11, the meaning set forth in IC 14-20-11-2.
(14) For purposes of IC 14-22-3, the meaning set forth in IC 14-22-3-1.
(15) For purposes of IC 14-22-4, the meaning set forth in IC 14-22-4-1.
(16) For purposes of IC 14-22-5, the meaning set forth in IC 14-22-5-1.
(17) For purposes of IC 14-22-8, the meaning set forth in IC 14-22-8-1.
(18) For purposes of IC 14-22-34, the meaning set forth in IC 14-22-34-2.
(19) For purposes of IC 14-23-3, the meaning set forth in IC 14-23-3-1.
(20) For purposes of IC 14-23-8, IC 14-24-4.5, the meaning set forth in IC 14-23-8-1; IC 14-24-4.5-2(5).
(21) For purposes of IC 14-25-2-4, the meaning set forth in IC 14-25-2-4.
(22) For purposes of IC 14-25-10, the meaning set forth in IC 14-25-10-1.
(23) For purposes of IC 14-25-11-19, the meaning set forth in IC 14-25-11-19.
(24) For purposes of IC 14-25-5, the meaning set forth in IC 14-25-5-1-3.
(25) For purposes of IC 14-28-5, the meaning set forth in IC 14-28-5-2.
(26) For purposes of IC 14-31-2, the meaning set forth in IC 14-31-2-5.
(27) For purposes of IC 14-25-12, the meaning set forth in IC 14-25-12-1.
(28) For purposes of IC 14-33-14, the meaning set forth in IC 14-33-14-3.
(29) For purposes of IC 14-33-21, the meaning set forth in IC 14-33-21-1.
(30) For purposes of IC 14-34-6-15, the meaning set forth in IC 14-34-6-15.
(31) For purposes of IC 14-34-14, the meaning set forth in IC 14-34-14-1.
(32) For purposes of IC 14-37-10, the meaning set forth in IC 14-37-10-1.

SECTION 4. IC 14-8-2-117 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 117. "Governing board" has the following meaning:

(1) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(6).
(2) For purposes of IC 14-28-5, has the meaning set forth in IC 14-28-5-3.

SECTION 5. IC 14-8-2-169.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 169.5. "Motorized cart", for purposes of IC 14-19-1-1, has the meaning set forth in IC 14-19-1-0.5.

SECTION 6. IC 14-8-2-185 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 185. (a) "Off-road vehicle", for purposes of IC 14-16-1 has the meaning set forth in IC 14-16-1-3 and IC 14-19-1-0.5, means a motor driven vehicle capable of cross-country travel:

(1) without benefit of a road; and
(2) on or immediately over land, water, snow, ice, marsh, swampland, or other natural terrain.

(b) The term includes the following:

(1) A multi-wheel drive or low pressure tire vehicle.
(2) An amphibious machine.
(3) A ground effect air cushion vehicle.
(4) Other means of transportation deriving motive power from a source other than muscle or wind.

(c) The term does not include the following:

(1) A farm vehicle being used for farming.
(2) A vehicle used for military or law enforcement purposes.
(3) A construction, mining, or other industrial related vehicle used in performance of the vehicle's common function.
(4) A snowmobile (as defined by section 261 of this chapter).
(5) A registered aircraft.
(6) Any other vehicle properly registered by the bureau of motor vehicles.
(7) Any watercraft that is registered under Indiana statutes.
(8) A golf cart vehicle.

SECTION 7. IC 14-8-2-203 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 203. "Pest or pathogen" has the following meaning:

(1) Except as provided in IC 14-24-4.5, for purposes of IC 14-24, means:
   (a) an arthropod;
   (b) a nematode;
   (c) a microorganism;
   (d) a fungus;
   (e) a parasitic plant;
   (f) a mollusk;
   (g) a plant disease; or
   (h) an exotic weed;
that may be injurious to nursery stock, agricultural crops, other vegetation, or bees.

(2) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(4).

SECTION 8. IC 14-8-2-239.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 239.5. "Requesting state", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(2).

SECTION 9. IC 14-8-2-242.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 242.5. "Responding state", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(3).

SECTION 10. IC 14-8-2-265 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 265. "State" has the following meaning:

(1) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(1).
(2) For purposes of IC 14-28-1, IC 14-28-3, and IC 14-32, means
the following:

(A) The Indiana state government.
(B) An agency, a subdivision, an officer, a board, a bureau,
a commission, a department, a division, or an instrumentality
of the state.

SECTION 11. IC 14-16-1-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. As used in this
chapter, "operate" means to:
(1) ride in or on; and
(2) be in actual physical control of the operation of;

an off-road vehicle.

SECTION 12. IC 14-16-1-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as
otherwise provided, the following may not be operated on public
property unless registered:
(1) An off-road vehicle.
(2) A snowmobile.

(b) Except as provided under subsection (c), an off-road vehicle
that is purchased after December 31, 2003, must be registered under
this chapter.

(c) Registration is not required for the following vehicles:
(1) A vehicle that is exclusively operated in a special event of
limited duration that is conducted according to a prearranged
schedule under a permit from the governmental unit having
jurisdiction.
(2) A vehicle being operated by a nonresident of Indiana as
authorized under section 19 of this chapter.
(3) A vehicle being operated for purposes of testing or
demonstration with temporary placement of numbers as set forth
in section 16 of this chapter.
(4) A vehicle the operator of which has in the operator's
possession a bill of sale from a dealer or private individual that
includes the following:

(A) The purchaser's name and address.
(B) A date of purchase that is not more than thirty-one (31)
days preceding the date that the operator is required to show
the bill of sale.
(C) The make, model, and vehicle number of the vehicle
provided by the manufacturer as required by section 13 of this
SECTION 13. IC 14-16-1-29 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) Except as
provided in subsection (b), a person who violates this chapter commits
a Class C infraction.

(b) A person who violates section 18, 23(1), 23(2), section 17,
23(a)(1), 23(a)(2), or 24 of this chapter commits a Class B
misdemeanor.

SECTION 14. IC 14-19-1-0.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) "Motorized cart"
means a conveyance that is:

1. motor driven, either by gas or electricity;
2. used to carry passengers or equipment; and
3. smaller than the types of motor vehicles required to be
registered by the bureau of motor vehicles such as a:
   A. passenger motor vehicle (as defined in IC 9-13-2-123);
   B. recreational vehicle (as defined in IC 9-13-2-150); or
   C. truck (as defined in IC 9-13-2-188).

A motorized cart may be characterized as a golf cart, utility cart,
or similar form of motor vehicle.

(b) The term does not include:

1. an electric personal assistive mobility device (as defined in
   IC 9-13-2-49.3);
2. a motorcycle (as defined in IC 9-13-2-108);
3. a motor scooter (as defined in IC 9-13-2-104);
4. a motorized bicycle (as defined in IC 9-13-2-109); or
5. an off-road vehicle.

SECTION 15. IC 14-19-1-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The department
shall do the following:

1. Have the custody of and maintain the parks, preserves, forests,
   reservoirs, and memorials owned by the state.
2. Adopt the necessary rules under IC 4-22-2 to secure
   enforcement of this title, which must include provisions for the
   use of motorized carts during the hours specified in
   IC 9-21-7-2(a)(1) at state parks and recreation areas by an
   individual who is the holder of a driver’s license and who:
   A. is at least sixty-five (65) years of age; or
   B. has a disability as defined by the federal Social Security
(3) Prepare, print, post, or distribute printed matter relating to the state parks and preserves.

(4) Subject to the approval of the governor, purchase land for parks or preserves and scenic and historic places. For the purpose of acquiring land for parks or preserves and scenic and historic places, the commission may exercise the power of eminent domain in the manner provided in IC 14-17-3.

(5) Accept in the name of the state by gift or devise the fee or other estate in land or scenic or historic places.

(6) Employ, with the approval of the authorities having control of a state penal institution, the convicts committed to a penal institution for the purpose of producing or planting trees, clearing, improving, repairing, draining, or developing land purchased or acquired by the state for parks or preserves or as scenic or historic places.

(7) Have the custody of all abstracts of title, papers, contracts, or related memoranda except original deeds to the state, for land purchased or received for parks or preserves or for scenic or historic purposes under this section.

(8) Cooperate with:
   (A) the department of environmental management;
   (B) other state agencies; and
   (C) local units of government;
   to protect the water and land of Indiana from pollution.

(9) Have general charge of the navigable water of Indiana.

SECTION 16. IC 14-22-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person may not hunt or take a migratory waterfowl within Indiana without having a migratory waterfowl stamp issued by the department. The stamp must be in the possession of each person hunting or taking a migratory waterfowl. **However, the stamp need not be affixed to the hunting license.** The licensee shall validate the stamp with the signature, in ink, of the licensee written across the face of the stamp on the hunting license on which the electronically generated form of the stamp is attached.

   (b) The department shall determine the form of the migratory waterfowl stamp and may create and sell commemorative migratory waterfowl stamps.

   (c) The department may furnish the commemorative migratory waterfowl stamps or the electronically generated form of the stamps.
to each a clerk of the circuit court and or the clerk's designated depositories for issuance or sale in the same manner as hunting licenses are issued or sold under IC 14-22-11.

SECTION 17. IC 14-22-7-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A stamp shall be issued to each hunting license applicant or holder upon written request on forms furnished by the department and the payment of a fee of six dollars and seventy-five cents ($6.75). Each stamp expires on the last day of February March 31 of the year following issuance.

SECTION 18. IC 14-22-8-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A person may not hunt or take a game bird within Indiana without having a game bird habitat restoration stamp issued by the department. The stamp must be in the possession of each person hunting or taking a game bird. The licensee shall validate the stamp with the signature of the licensee written across the face of the stamp on the hunting license on which the electronically generated form of the stamp is attached.

(b) The department shall do the following:
(1) Determine the form of the stamp and may create and sell commemorative game bird habitat restoration stamps.
(2) Furnish the commemorative stamps or the electronically generated form of the stamps to each a clerk of the circuit court and or the clerk's designated depositories for issuance or sale in the same manner as hunting licenses are issued or sold under IC 14-22-11.

SECTION 19. IC 14-22-8-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. An electronically generated stamp shall be issued to each hunting license applicant or holder upon written request on forms furnished by the department and the payment of a fee of six dollars and seventy-five cents ($6.75). Each stamp expires on the last day of February March 31 of the year following issuance.

SECTION 20. IC 14-22-11-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) An applicant for a hunting, trapping, or fishing license must provide the applicant's Social Security number in the space provided on the application for order to obtain the license. Social Security numbers acquired under this subsection shall be kept confidential and used only to carry out the purposes of the Title IV-D program.

(b) The director and agents appointed by the director as authorized
representatives of the department shall issue hunting, trapping, and fishing licenses.

(c) The clerk of the circuit court in each county may issue hunting, trapping, and fishing licenses.

(d) Each hunting, trapping, or fishing license must be in a form prescribed by the director. and shall be countersigned by the clerk or agent issuing the license. The director shall may furnish the clerks and agents with all necessary blank forms: equipment needed to issue a license.

(e) All licenses, stamps, or permits purchased electronically are valid only with the original signature of the licensee on the form prescribed by the director. The licensee's signature serves as an affidavit that the license, stamp, or permit information is true and accurate.

(f) A person who violates the confidentiality requirement of subsection (a) commits a Class A infraction.

SECTION 21. IC 14-22-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in IC 14-22-13-9 and IC 14-22-15-3, each yearly hunting or fishing license expires on the last day of February March 31 of the year following the year in which the license became effective.

(b) A yearly trapping license expires on March 31 of the year following the year in which the license became effective.

SECTION 22. IC 14-22-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Upon receiving an application: The department may issue a duplicate license to replace a lost license issued to an Indiana resident under sections 1 and 4 of this chapter.

(b) An application for A duplicate license under subsection (a) must meet the following conditions:

1. Be in writing on a form prescribed by the department;
2. State that the applicant had been issued a license;
3. State that the license was lost;
4. Be signed by the applicant.
5. Be accompanied by a fee equal to one-half (1/2) the cost of the lost license; rounded to the next highest dollar.
6. Be submitted to the division office in Indianapolis.
7. State that the applicant is an Indiana resident: established by the commission.

SECTION 23. IC 14-22-12-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Before July 1, 2005, the director may issue to residents of Indiana lifetime licenses to hunt, fish, or trap. Subject to subsection (b), the following license fees shall be charged:

1. Lifetime basic fishing license, twenty (20) times the fee charged for a resident yearly license to fish. This license replaces the resident yearly license to fish.
2. Lifetime basic hunting license, twenty (20) times the fee charged for a resident yearly license to hunt. This license replaces the resident yearly license to hunt.
3. Lifetime comprehensive fishing license, thirty (30) times the fee charged for a resident yearly license to fish. This license replaces the resident yearly license to fish and all other yearly licenses, stamps, or permits to fish for a specific species.
4. Lifetime comprehensive hunting license, sixty (60) times the fee charged for a resident yearly license to hunt. This license replaces the resident yearly license to hunt and all other yearly licenses, stamps, or permits to hunt for a specific species or by a specific means.
5. Lifetime comprehensive hunting and fishing license, the fee charged under subdivisions (3) and (4) less ten percent (10%). This license replaces the following:
   A. The resident yearly license to hunt.
   B. All other yearly licenses, stamps, or permits to hunt for a specific species or by a specific means.
   C. The resident yearly license to fish.
   D. All other yearly licenses, stamps, or permits to fish for a specific species.
6. Lifetime trapping license, twenty (20) times the fee charged for a resident yearly license to trap. This license replaces the resident yearly license to trap.

(b) This subsection applies only to individuals who are at least fifty (50) years of age. The license fees under subsection (a) shall be reduced by the amount determined under STEP THREE of the following formula:

STEP ONE: Subtract forty-nine (49) from the resident applicant's age in years.
STEP TWO: Multiply the difference determined under STEP ONE by two and one-half percent (2.5%).
STEP THREE: Multiply the percentage determined under STEP
TWO by the amount of the appropriate fee under subsection (a).

(c) Each lifetime license:
   (1) is nontransferable;
   (2) expires on the death of the person to whom the license was issued; and
   (3) may be suspended or revoked for the same causes and according to the same procedures that a resident yearly license to hunt, fish, or trap, as appropriate, may be suspended or revoked.

(d) No part of a lifetime hunting, fishing, or trapping license is refundable. However, the holder of:
   (1) a basic license to hunt or fish may be given credit for the current cost of such a license when purchasing a comprehensive license to hunt or fish or hunt and fish; and
   (2) a comprehensive license to hunt or fish may be given credit for the current cost of such a license when purchasing a lifetime comprehensive license to hunt and fish.

(e) All money received under this section shall be deposited in the lifetime hunting, fishing, and trapping license trust fund established by IC 14-22-4.

SECTION 24. IC 14-24-4.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 4.5. Pest Control Compact
Sec. 1. (a) The pest control compact is enacted and entered into with all other jurisdictions legally joining the compact in the form substantially as follows in this chapter.

(b) The party states find the following:
   (1) In the absence of the higher degree of cooperation among the party states possible under this compact, the annual loss of approximately one hundred thirty-seven billion dollars ($137,000,000,000) from the depredations of pests is virtually certain to continue, if not to increase.
   (2) Because of the varying climatic, geographic, and economic factors, each state may be affected differently by particular species of pests. However, all states share the inability to protect themselves fully against the pests that present serious dangers.
   (3) The migratory character of pest infestations makes it necessary for states to complement each other's activities when faced with conditions of infestation and reinfestation.
   (4) While every state is seriously affected by a substantial
number of pests, and every state is susceptible to infestation by many species of pests not causing damage to its crops, plant life, and products, the fact that relatively few species of pests present equal danger to, or are of interest to, all states makes the establishment and operation of a fund from which individual states may obtain financial support for pest control programs of benefit to them in other states and to which they may contribute in accordance with their relative interest, the most equitable means of financing cooperative pest eradication and control programs.

Sec. 2. As used in this chapter:

1. "State" means a state, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

2. "Requesting state" means a state that invokes the procedures of the compact to secure the undertaking or intensification of measures to control or eradicate one (1) or more pests within one (1) or more other states.

3. "Responding state" means a state requested to undertake or intensify the measures referred to in subdivision (2).

4. "Pest or pathogen" means an invertebrate animal, a pathogen, a parasitic plant, or a similar or an allied organism that can cause disease or damage in any crop, tree, shrub, grass, or other plant of substantial value.

5. "Fund" means the pest control insurance fund established by section 3 of this chapter.

6. "Governing board" means the administrators of the compact representing all the party states when the administrators act as a body under authority vested in the administrators by the compact.

7. "Executive committee" means the committee established under section 5(e) of this chapter.

8. "Compact" refers to the pest control compact enacted under section 1(a) of this chapter.

Sec. 3. The pest control insurance fund is established to finance other than normal pest control operations that states may be called upon to engage in under the compact. The fund consists of money appropriated to the fund by the party states and any donations and grants accepted by the fund. All appropriations, except as conditioned by the rights and obligations of party states expressly set forth in the compact, must be unconditional and may not be
restricted by the appropriating state to use in the control of a
specified pest or pests. Donations and grants may be conditional or
unconditional. However, the fund may not accept any donation or
grant whose terms are inconsistent with the compact.

Sec. 4. (a) The fund shall be administered by the governing
board and executive committee as provided in this chapter. The
actions of the governing board and the executive committee under
the compact are considered the actions of the fund.

(b) The members of the governing board are entitled to one (1)
vote on the board. Action of the governing board is not binding
unless taken at a meeting at which a majority of the total number
of votes on the governing board is cast in favor of the proposed
action. Action of the governing board may be only at a meeting at
which a majority of the members is present.

(c) The fund shall have a seal that may be employed as an
official symbol and that may be affixed to documents and used as
the governing board provides.

(d) The governing board shall elect annually, from among its
members, a chairperson, a vice chairperson, a secretary, and a
treasurer. The chairperson may not serve consecutive terms. The
governing board may appoint an executive director and fix the
executive director's duties and compensation, if any. The executive
director shall serve at the pleasure of the governing board. The
governing board shall provide for the bonding of the officers and
employees of the fund as is appropriate.

(e) Notwithstanding the civil service, personnel, or other merit
system laws of any of the party states, the executive director, or if
there is not an executive director, the chairperson, in accordance
with the procedures the bylaws provide, shall appoint, remove, or
discharge any personnel as is necessary to perform the functions of
the fund and shall fix the duties and compensation of any
personnel. The governing board in its bylaws shall provide for the
personnel policies and programs of the fund.

(f) The fund may borrow, accept, or contract for the services of
personnel from any state, the United States, or any other
governmental agency or from any person, firm, association, or
corporation.

(g) The fund may accept for purposes of the fund or functions
under this compact donations, grants, equipment, supplies,
materials, and services, conditional or otherwise, from any state,
the United States, or any other governmental agency, or from any
person, firm, association, or corporation and may receive, use, and dispose of the same. A donation, gift, or grant accepted by the governing board under this subsection or services borrowed under subsection (f) shall be reported in the annual report of the fund. The annual report must include the nature, amount, and conditions, if any, of the donation, gift, or grant or services borrowed and the identity of the donor or lender.

(h) The governing board shall adopt bylaws for the conduct of the business of the fund and may amend and rescind these bylaws. The fund shall publish the bylaws of the fund in convenient form and shall file a copy of the bylaws and a copy of any amendment to the bylaws with the appropriate agency or officer in each of the party states.

(i) The fund annually shall make to the governor and legislature of each party state a report covering the fund's activities for the preceding year. The fund may make additional reports it considers desirable. The report to the legislature under this subsection must be in an electronic format under IC 5-14-6.

(j) The fund may do other things as are necessary and incidental to the conduct of the fund's affairs under the compact.

Sec. 5. (a) Each party state must have a compact administrator who shall be selected and serve in a manner as the laws of the party state may provide and who shall:

(1) assist in the coordination of activities under the compact in the compact administrator's state; and

(2) represent the compact administrator's state on the governing board of the fund.

(b) If the laws of the United States specifically provide, or if an administrative provision is made within the federal government, the United States may be represented on the governing board by not more than three (3) representatives. A representative of the United States shall be appointed and serve in a manner as provided by federal law, but the representative may not vote on the governing board or the executive committee.

(c) The governing board shall meet at least once each year to determine policies and procedures in the administration of the fund and, consistent with the compact, supervise and give direction to the expenditure of money from the fund. Additional meetings of the governing board shall be held on call of the chairperson, the executive committee, or a majority of the governing board.

(d) When the governing board meets, it shall act upon
applications for assistance from the fund and authorize disbursements from the fund. When the governing board is not meeting, the executive committee shall act as agent of the governing board, with full authority to act for the governing board in acting upon the applications for assistance.

(e) The executive committee consists of the chairperson of the governing board and four (4) additional members of the governing board chosen by the governing board so that one (1) member represents each of four (4) geographic groupings of party states. The governing board shall make the geographic groupings. If there is representation of the United States on the governing board, one (1) United States representative may meet with the executive committee. The chairperson of the governing board shall be chairperson of the executive committee. An action of the executive committee is not binding unless taken at a meeting at which at least four (4) members of the executive committee are present and vote in favor of the action. Necessary expenses of each of the five (5) members of the executive committee incurred in attending meetings of the executive committee, when not held at the same time and place as a meeting of the governing board, are charges against the fund.

Sec. 6. (a) Each party state pledges to each other party state that the party state will employ its best efforts to eradicate, or control within the strictest practicable limits, all pests or pathogens. The performance of this responsibility involves the following:

(1) The maintenance of pest control and eradication activities of interstate significance by a party state at a level that would be reasonable for the party state's own protection in the absence of the compact.

(2) The meeting of emergency outbreaks or infestations of interstate significance to not less an extent than would have been done in the absence of the compact.

(b) Whenever a party state is threatened by a pest or pathogen not present within its borders but present within another party state, or whenever a party state is undertaking or engaged in activities for the control or eradication of a pest or pathogen and finds that control or eradication activities are or would be impracticable or substantially more difficult to accomplish because of failure of another party state to cope with infestation or threatened infestation, that state may request the governing board to authorize expenditures from the fund for eradication or control
measures to be taken by one (1) or more of the other party states
at a level sufficient to prevent, or to reduce to the greatest
practicable extent, infestation or reinfestation of the requesting
state. Upon the governing board's authorization, the responding
state or states shall take or increase any eradication or control
measures warranted. A responding state shall use money available
from the fund expeditiously and efficiently to assist in providing
the protection requested.

(c) To apply for expenditures from the fund, a requesting state
shall submit the following in writing:

(1) A detailed statement of the circumstances that occasion
the request to invoke the compact.

(2) Evidence that the pest or pathogen on account of whose
eradication or control assistance is requested constitutes a
danger to an agricultural or a forest crop, product, tree,
shrub, grass, or other plant having a substantial value to the
requesting state.

(3) A statement of the extent of the present and projected
program of the requesting state and its subdivisions, including
full information as to the legal authority for the conduct of the
program or programs and the expenditures being made or
budgeted for the program or programs, in connection with the
eradication, control, or prevention of introduction of the pest
or pathogen concerned.

(4) Proof that the expenditures being made or budgeted as
detailed in subdivision (3) do not constitute a reduction of the
effort for the control or eradication of the pest or pathogen
concerned or, if there is a reduction, the reasons why the level
of program detailed in subdivision (3) constitutes a normal
level of pest control activity.

(5) A declaration as to whether, to the best of its knowledge
and belief, the conditions that the requesting state believes
require the invoking of the compact in the particular instance
can be abated by a program undertaken with the aid of money
from the fund in one (1) year or less, or whether the request
is for an installment in a program that is likely to continue for
a longer period.

(6) Other information the governing board requires consistent
with the compact.

(d) The governing board or executive committee shall give due
notice of any meeting at which an application for assistance from
the fund is to be considered. The notice shall be given to the compact administrator of each party state and to the other officers and agencies as may be designated by the laws of the party states. The requesting state and any other party state are entitled to be represented and present evidence and argument at the meeting.

(e) Upon the submission as required by subsection (c) and any other information that the governing board has or acquires, and upon determining that an expenditure of funds is within the purposes of and justified by the compact, the governing board or executive committee shall authorize support of the program. The governing board or executive committee may meet at any time or place to receive and consider an application. All determinations of the governing board or executive committee, with respect to an application, together with the reasons for the determination shall be recorded and subscribed in a manner that shows and preserves the votes of the individual members of the board or committee.

(f) A requesting state that is dissatisfied with a determination of the executive committee, upon notice in writing given within twenty (20) days of the determination with which it is dissatisfied, is entitled to receive a review of the determination at the next meeting of the governing board. Determinations of the executive committee are reviewable only by the governing board at one (1) of its regular meetings or at a special meeting held in a manner the governing board authorizes.

(g) Responding states required to undertake or increase measures under the compact may receive money from the fund, either at the time or times when the state incurs expenditures because of the measures, or as reimbursement for expenses incurred and chargeable to the fund. The governing board shall adopt and may amend or revise procedures for submission and payment of claims from the fund.

(h) Before authorizing the expenditure of money from the fund under an application of a requesting state, the fund shall ascertain the extent and nature of any timely assistance or participation that is available from the federal government and shall request the appropriate agency or agencies of the federal government for any available assistance and participation.

(i) The fund may negotiate and execute a memorandum of understanding or other appropriate instrument defining the extent and degree of assistance or participation between and among the fund, cooperating federal agencies, states, and any other entities
Sec. 7. The governing board may establish advisory and technical committees composed of state, local, and federal officials and private persons to advise the governing board concerning any of its functions. An advisory or technical committee or a member or members of the committee may meet with and participate in the governing board's deliberations upon request of the governing board or executive committee. An advisory or a technical committee may furnish information and recommendations concerning any application for assistance from the fund being considered by the governing board or committee, and the governing board or committee may receive and consider the same. However, a participant in a meeting of the governing board or executive committee held under section 6(d) of this chapter is entitled to know the substance of the advisory or technical committee's information and recommendations at the time of the meeting if made before the meeting or as a part of the meeting, or, if made after the meeting, not later than the time at which the governing board or executive committee makes its disposition of the application.

Sec. 8. (a) A party state may make an application for assistance from the fund concerning a pest in a nonparty state. The application shall be considered and disposed of by the governing board or executive committee in the same manner as an application with respect to a pest within a party state, except as provided in this section.

(b) At or in connection with any meeting of the governing board or executive committee held under section 6(d) of this chapter, a nonparty state is entitled to appear, participate, and receive information only to the extent as the governing board or executive committee may provide. A nonparty state is not entitled to review of a determination made by the executive committee.

(c) The governing board or executive committee shall authorize expenditures from the fund to be made in a nonparty state only after determining that the conditions in the nonparty state and the value of the expenditures to the party states as a whole justify the expenditures. The governing board or executive committee may set any conditions it considers appropriate concerning the expenditure of money from the fund in a nonparty state and may enter into an agreement or agreements with nonparty states and other jurisdictions or entities as it considers necessary or appropriate to

concerned.
protect the interests of the fund with respect to expenditures and activities outside party states.

Sec. 9. (a) The fund shall submit to the executive head or designated officer or officers of each party state a budget for the fund for a period as may be required by the laws of that party state for a presentation to the party state's legislature.

(b) Each of the budgets must contain specific recommendations of the amount or amounts to be appropriated by each of the party states. The request for appropriations shall be apportioned among the party states as follows:

1. One-tenth (0.1) of the total budget in equal shares.
2. The remainder in proportion to the value of agricultural and forest crops and products, excluding animals and animal products, produced in each party state.

In determining the value of the party states' crops and products, the fund may employ any source of information it believes presents the most equitable and accurate comparisons among the party states. Each of the budgets and requests for appropriations must indicate the source or sources used in obtaining information concerning value of products.

(c) The financial assets of the fund shall be maintained in two (2) accounts to be designated respectively as the "operating account" and the "claims account". The operating account consists only of those assets necessary for the administration of the fund during the ensuing two (2) year period. The claims account must contain all money not included in the operating account and may not exceed the amount reasonably estimated to be sufficient to pay all legitimate claims on the fund for three (3) years. If the claims account has reached its maximum limit or would reach its maximum limit by the addition of money requested for appropriation by the party states, the governing board shall reduce the budget requests on a pro rata basis in a manner that keeps the claims account within its maximum limit. Any money in the claims account by virtue of conditional donations, grants, or gifts shall be included in calculations made under this subsection only to the extent that the money is available to meet demands arising out of the claims.

(d) The fund shall not pledge the credit of any party state. The fund may meet any of its obligations in whole or in part with money available to it under section 4(g) of this chapter. However, the governing board takes specific action setting aside the money
before incurring any obligation to be met in whole or in part. Except where the fund makes use of money available to it under section 4(g) of this chapter, the fund shall not incur any obligation before the allotment of money by the party states adequate to meet the obligation.

(e) The fund shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the fund are subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the fund shall be audited yearly by a certified or licensed public accountant and report of the audit must be included in and become part of the annual report of the fund.

(f) The accounts of the fund must be open at any reasonable time for inspection by authorized officers of the party states and by any persons authorized by the fund.

Sec. 10. (a) The compact becomes effective when enacted into law by any five (5) or more states. After the compact becomes effective, the compact becomes effective as to any other state upon the state's enactment of the compact.

(b) A party state may withdraw from the compact by enacting a statute repealing the law enacting the compact, but a withdrawal does not take effect until two (2) years after the executive head of the withdrawing state gives notice in writing of the withdrawal to the executive heads of all other party states. A withdrawal does not affect any liability incurred by or chargeable to a party state before the time of the withdrawal.

Sec. 11. This compact shall be liberally construed to effectuate the purposes of the compact. The provisions of the compact are severable and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any state or of the United States or the applicability of the compact to any government, agency, person, or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any government, agency, person, or circumstance is not affected thereby. If this compact is held contrary to the constitution of any party state, the compact remains in full force and effect as to the remaining party states and in full force and effect as to the party state affected as to all severable matters.

Sec. 12. Consistent with law and within available appropriations, the departments, agencies, and officers of Indiana may cooperate with the fund.
Sec. 13. (a) The commissioner of agriculture or the commissioner's designee shall serve as compact administrator for Indiana. The duties of the compact administrator are considered a regular part of the duties of the commissioner of agriculture.

(b) Copies of bylaws and amendments to the compact adopted under section 4(h) of this chapter must be filed with the compact administrator.

Sec. 14. Within the meaning of sections 6(b) and 8(a) of this chapter, a request or an application for assistance from the fund may be made by the commissioner of agriculture or the commissioner's designee whenever the commissioner or commissioner's designee believes the conditions qualifying Indiana for assistance exist and it would be in the best interest of Indiana to make a request.

Sec. 15. The compact administrator is designated to receive notices under section 6(d) of this chapter.

Sec. 16. The department, agency, or officer expending or becoming liable for an expenditure on account of a control or eradication program undertaken or intensified under the compact shall have credited to the department's, agency's, or officer's account, in the state treasury, the amount or amounts of any payments made to Indiana to defray the cost of the program or any part of the program, or as reimbursement from the program.

Sec. 17. When the compact refers to the executive head, with reference to Indiana, the executive head is the governor.

SECTION 25. IC 14-16-1-3 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 26. IC 14-22-1-3 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 27. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 14-19-1-1(2), as amended by this act, the department of natural resources shall carry out the duties imposed upon it under IC 14-19-1-1(2) under interim written guidelines approved by the director of the department of natural resources.

(b) This SECTION expires on the earlier of the following:

1) The date rules are adopted under IC 14-19-1-1(2).


SECTION 28. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-22-2-28, AS AMENDED BY HEA 1822-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. (a) As used in this section, "total estimated economic impact" means the annual economic impact of a rule on all regulated persons after the rule is fully implemented under subsection (g).

(a) The Indiana economic development corporation established by IC 5-28-3-1:

(1) shall review a proposed rule that:

(A) imposes requirements or costs on small businesses (as defined in IC 4-22-2.1-4); and

(B) is referred to the corporation by an agency under IC 4-22-2.1-5(c); and

(2) may review a proposed rule that imposes requirements or costs on businesses other than small businesses (as defined in IC 4-22-2.1-4).

After conducting a review under subdivision (1) or (2), the corporation may suggest alternatives to reduce any regulatory burden that the proposed rule imposes on small businesses or other businesses. The agency that intends to adopt the proposed rule shall respond in writing to the Indiana economic development corporation concerning the corporation's comments or suggested alternatives before adopting the proposed rule under section 29 of this chapter.

(b) The (c) Subject to subsection (f) and not later than fifty (50) days before the public hearing required by section 26 of this chapter, an agency shall submit a proposed rule with an to the legislative services agency for a review under subsection (d) if the agency proposing the rule determines that the rule will have a total estimated economic impact greater than five hundred thousand dollars ($500,000) on the all regulated entities: persons, to the legislative
services agency after the preliminary adoption of the rule. In determining the total estimated economic impact under this subsection, the agency shall consider any applicable information submitted by the regulated persons affected by the rule. To assist the legislative services agency in preparing the fiscal impact statement required by subsection (d), the agency shall submit, along with the proposed rule, the data used and assumptions made by the agency in determining the total estimated economic impact of the rule.

(d) Except as provided in subsection (c); (e), before the adoption of the rule, the legislative services agency shall prepare; and not more than forty-five (45) days after receiving a proposed rule under subsection (c), the legislative services agency shall prepare, using the data and assumptions provided by the agency proposing the rule, along with any other data or information available to the legislative services agency, a fiscal analysis impact statement concerning the effect that compliance with the proposed rule will have on: the:

1) the state; and

2) all entities persons regulated by the proposed rule.

The fiscal analysis impact statement must contain an estimate of the total estimated economic impact of the proposed rule and a determination concerning the extent to which the proposed rule creates an unfunded mandate on a state agency or political subdivision. The fiscal analysis impact statement is a public document. The legislative services agency shall make the fiscal analysis impact statement available to interested parties upon request. The agency proposing the rule shall consider the fiscal analysis impact statement as part of the rulemaking process and shall provide the legislative services agency with the information necessary to prepare the fiscal analysis impact statement, including any economic impact statement prepared by the agency under IC 4-22-2.1-5. The legislative services agency may also receive and consider applicable information from the regulated entities persons affected by the rule in preparation of the fiscal analysis impact statement.

(e) With respect to a proposed rule subject to IC 13-14-9:

1) the department of environmental management shall give written notice to the legislative services agency of the proposed date of preliminary adoption of the proposed rule not less than sixty-six (66) days before that date; and
(2) the legislative services agency shall prepare the fiscal analysis impact statement referred to in subsection (d) not later than twenty-one (21) days before the proposed date of preliminary adoption of the proposed rule.

(f) In determining whether a proposed rule has a total estimated economic impact greater than five hundred thousand dollars ($500,000), the agency proposing the rule shall consider the impact of the rule on any regulated person that already complies with the standards imposed by the rule on a voluntary basis.

(g) For purposes of this section, a rule is fully implemented after:

(1) the conclusion of any phase-in period during which:
   (A) the rule is gradually made to apply to certain regulated persons; or
   (B) the costs of the rule are gradually implemented; and
(2) the rule applies to all regulated persons that will be affected by the rule.

In determining the total estimated economic impact of a proposed rule under this section, the agency proposing the rule shall consider the annual economic impact on all regulated persons beginning with the first twelve (12) month period after the rule is fully implemented. The agency may use actual or forecasted data and may consider the actual and anticipated effects of inflation and deflation. The agency shall describe any assumptions made and any data used in determining the total estimated economic impact of a rule under this section.

SECTION 2. IC 13-14-9-4.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.2. Not less than fourteen (14) days before the date of preliminary adoption of a proposed rule by a board, the department shall make available to the board the fiscal analysis impact statement prepared by the legislative services agency with respect to the proposed rule under IC 4-22-2-28(c), IC 4-22-2-28(e).

SECTION 3. IC 20-19-4-8, AS ADDED BY HEA 1288-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005] Sec. 8. (a) As used in this section, "total estimated fiscal impact" means the annual fiscal impact of a recommendation on all affected entities after the recommendation is fully implemented under subsection (e).

(β) (b) Subject to subsection (d), before providing a recommendation under section 7 of this chapter, the roundtable shall
prepare an analysis of the total estimated fiscal impact that the recommendation will have on the state, political subdivisions, and all private schools affected by the recommendation. In preparing an analysis under this subsection, the roundtable shall consider any applicable information submitted by entities affected by the recommendation. The analysis prepared under this subsection must be submitted with the recommendation under section 7 of this chapter.

(b) If the roundtable provides a recommendation under section 7 of this chapter and the total estimated fiscal impact analysis prepared under subsection (a) indicates that the impact of the recommendation will be at least five hundred thousand dollars ($500,000), the roundtable shall submit a copy of the recommendation and the fiscal impact analysis prepared under subsection (a) to the legislative services agency for review. This recommendation must be in an electronic format under IC 5-14-6. Not more than forty-five (45) days after receiving a copy of the recommendation and fiscal impact analysis, the legislative services agency shall prepare a fiscal analysis impact statement concerning the effect that compliance with the recommendation will have on:

(1) the state; and
(2) all:
   (A) political subdivisions; and
   (B) nonpublic schools;
affected by the proposed recommendation.

The fiscal analysis impact statement must contain an estimate of the direct total estimated fiscal impact of the recommendation and a determination concerning the extent to which the recommendation creates an unfunded mandate on the state, a political subdivision, or a nonpublic school affected by the proposed recommendation. The fiscal analysis impact statement is a public document. The legislative services agency shall make the fiscal analysis impact statement available to interested parties upon request. The roundtable shall provide the legislative services agency with the information necessary to prepare the fiscal analysis impact statement. The legislative services agency may also receive and consider applicable information from the entities affected by the recommendation in preparation of the fiscal analysis impact statement. The legislative services agency shall provide copies of its fiscal analysis impact statement to each of the persons described in section 7 of this chapter.

(d) In determining whether a recommendation under this
section has a total estimated fiscal impact of at least five hundred thousand dollars ($500,000) on the affected entities, the roundtable shall consider the impact of the recommendation on any entity that already complies with the standards imposed by the recommendation on a voluntary basis, if applicable.

(e) For purposes of this section, a recommendation is fully implemented after:

1. the conclusion of any phase-in period during which:
   A. the recommendation is gradually made to apply to certain affected entities; or
   B. the costs of the recommendation are gradually implemented; and

2. the recommendation applies to all affected entities that will be affected by the recommendation.

In determining the total estimated fiscal impact of a recommendation under this section, the roundtable shall consider the annual fiscal impact on all affected entities beginning with the first twelve (12) month period or first school year after the recommendation is fully implemented, whichever applies. The roundtable may use actual or forecasted data and may consider the actual and anticipated effects of inflation and deflation. The roundtable shall describe any assumptions made and any data used in determining the total estimated fiscal impact of a recommendation under this section.

SECTION 4. [EFFECTIVE JULY 1, 2005] (a) IC 4-22-2-28, as amended by this act, applies to a rule that is published in the Indiana Register under IC 4-22-2-24 or under IC 13-14-9-4(1) after June 30, 2005.

(b) IC 20-19-4-8, as amended by this act, applies to a recommendation by the education roundtable that is submitted to the governor, the state superintendent of public instruction, the general assembly, or the Indiana state board of education after June 30, 2005.

(c) This SECTION expires January 1, 2007.
AN ACT to amend the Indiana Code concerning local government and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-4-6.1-2.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.6. (a) This section applies to records and other information, including records and information that are otherwise confidential, maintained by the following:

(1) The board.
(2) An urban enterprise association.
(3) The department of state revenue.
(4) The department of commerce.
(5) The department of local government finance.
(6) A county auditor.
(7) A controller for a consolidated city.

(b) A person listed in subsection (a) may request a second person described in subsection (a) to provide any records or other information maintained by the second person that concern an individual or business that is receiving a tax deduction, exemption, or credit related to an enterprise zone. Notwithstanding any other law, the person to whom the request is made under this section must comply with the request. A person receiving records or information under this section that are confidential must also keep the records or information confidential.

(c) A person who receives confidential records or information under this section and knowingly or intentionally discloses the records or information to an unauthorized person commits a Class A misdemeanor.

SECTION 2. IC 5-2-1-9, AS AMENDED BY P.L.62-2004, SECTION 1, AND AS AMENDED BY P.L.85-2004, SECTION 40, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The board shall adopt in accordance with IC 4-22-2 all necessary rules to carry out the
provisions of this chapter. Such rules, which shall be adopted only after necessary and proper investigation and inquiry by the board, shall include the establishment of the following:

(1) Minimum standards of physical, educational, mental, and moral fitness which shall govern the acceptance of any person for training by any law enforcement training school or academy meeting or exceeding the minimum standards established pursuant to this chapter.

(2) Minimum standards for law enforcement training schools administered by towns, cities, counties, the northwest Indiana law enforcement training center, agencies, or departments of the state.

(3) Minimum standards for courses of study, attendance requirements, equipment, and facilities for approved town, city, county, and state law enforcement officer, police reserve officer, and conservation reserve officer training schools.

(4) Minimum standards for a course of study on cultural diversity awareness that must be required for each person accepted for training at a law enforcement training school or academy.

(5) Minimum qualifications for instructors at approved law enforcement training schools.

(6) Minimum basic training requirements which law enforcement officers appointed to probationary terms shall complete before being eligible for continued or permanent employment.

(7) Minimum basic training requirements which law enforcement officers not appointed for probationary terms but appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent appointment.

(8) Minimum basic training requirements which law enforcement officers appointed on a permanent basis shall complete in order to be eligible for continued employment.

(9) Minimum basic training requirements for each person accepted for training at a law enforcement training school or academy that include six (6) hours of training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board.

(b) Except as provided in subsection (l), a law enforcement officer appointed after July 5, 1972, and before July 1, 1993, may not enforce the laws or ordinances of the state or any political subdivision unless
the officer has, within one (1) year from the date of appointment, successfully completed the minimum basic training requirements established under this chapter by the board. If a person fails to successfully complete the basic training requirements within one (1) year from the date of employment, the officer may not perform any of the duties of a law enforcement officer involving control or direction of members of the public or exercising the power of arrest until the officer has successfully completed the training requirements. This subsection does not apply to any law enforcement officer appointed before July 6, 1972, or after June 30, 1993.

(c) Military leave or other authorized leave of absence from law enforcement duty during the first year of employment after July 6, 1972, shall toll the running of the first year, which in such cases shall be calculated by the aggregate of the time before and after the leave, for the purposes of this chapter.

(d) Except as provided in subsections (e) and (l), a law enforcement officer appointed to a law enforcement department or agency after June 30, 1993, may not:

1. make an arrest;
2. conduct a search or a seizure of a person or property; or
3. carry a firearm;

unless the law enforcement officer successfully completes, at a board certified law enforcement academy, at the southwest Indiana law enforcement training academy under section 10.5 of this chapter, or at the northwest Indiana law enforcement training center under section 15.2 of this chapter, the basic training requirements established by the board under this chapter.

(e) Before a law enforcement officer appointed after June 30, 1993, completes the basic training requirements, the law enforcement officer may exercise the police powers described in subsection (d) if the officer successfully completes the pre-basic course established in subsection (f). Successful completion of the pre-basic course authorizes a law enforcement officer to exercise the police powers described in subsection (d) for one (1) year after the date the law enforcement officer is appointed.

(f) The board shall adopt rules under IC 4-22-2 to establish a pre-basic course for the purpose of training:

1. law enforcement officers;
2. police reserve officers (as described in IC 36-8-3-20); and
3. conservation reserve officers (as described in IC 14-9-8-27);
regarding the subjects of arrest, search and seizure, use of force, and firearm qualification. The pre-basic course must be offered on a periodic basis throughout the year at regional sites statewide. The pre-basic course must consist of forty (40) hours of course work. The board may prepare a pre-basic course on videotape that must be used in conjunction with live instruction. The board shall provide the course material, the instructors, and the facilities at the regional sites throughout the state that are used for the pre-basic course. In addition, the board may certify pre-basic courses that may be conducted by other public or private training entities, including colleges and universities.

(g) The board shall adopt rules under IC 4-22-2 to establish a mandatory inservice training program for police officers. After June 30, 1993, a law enforcement officer who has satisfactorily completed the basic training and has been appointed to a law enforcement department or agency on either a full-time or part-time basis is not eligible for continued employment unless the officer satisfactorily completes a minimum of sixteen (16) hours each year of inservice training in any subject area included in the law enforcement academy's basic training course or other job related subjects that are approved by the board as determined by the law enforcement department's or agency's needs. Inservice training must include training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board. In addition, a certified academy staff may develop and make available inservice training programs on a regional or local basis. The board may approve courses offered by other public or private training entities, including colleges and universities, as necessary in order to ensure the availability of an adequate number of inservice training programs. The board may waive an officer's inservice training requirements if the board determines that the officer's reason for lacking the required amount of inservice training hours is due to any of the following:

(1) An emergency situation.
(2) The unavailability of courses.

(h) The board shall also adopt rules establishing a town marshal basic training program, subject to the following:

(1) The program must require fewer hours of instruction and class attendance and fewer courses of study than are required for the mandated basic training program.
(2) Certain parts of the course materials may be studied by a candidate at the candidate's home in order to fulfill requirements of the program.

(3) Law enforcement officers successfully completing the requirements of the program are eligible for appointment only in towns employing the town marshal system (IC 36-5-7) and having not more than one (1) marshal and two (2) deputies.

(4) The limitation imposed by subdivision (3) does not apply to an officer who has successfully completed the mandated basic training program.

(5) The time limitations imposed by subsections (b) and (c) for completing the training are also applicable to the town marshal basic training program.

(i) The board shall adopt rules under IC 4-22-2 to establish a police chief executive training program. The program must include training in the following areas:

1. Liability.
2. Media relations.
3. Accounting and administration.
4. Discipline.
5. Department policy making.
6. Firearm policies.
7. Department programs.

(j) A police chief shall apply for admission to the police chief executive training program within two (2) months of the date the police chief initially takes office. A police chief must successfully complete the police chief executive training program within six (6) months of the date the police chief initially takes office. However, if space in the program is not available at a time that will allow the police chief to complete the program within six (6) months of the date the police chief initially takes office, the police chief must successfully complete the next available program that is offered to the police chief after the police chief initially takes office.

(k) A police chief who fails to comply with subsection (j) may not serve as the police chief until the police chief has completed the police chief executive training program. For the purposes of this subsection and subsection (j), "police chief" refers to:

1. the police chief of any city; and
2. the police chief of any town having a metropolitan police department; and
(3) the chief of a consolidated law enforcement department established under IC 36-3-1-5.1.
A town marshal is not considered to be a police chief for these purposes, but a town marshal may enroll in the police chief executive training program.

(l) An investigator in the arson division of the office of the state fire marshal appointed:
   (1) before January 1, 1994, is not required; or
   (2) after December 31, 1993, is required;
to comply with the basic training standards established under this section.

(m) The board shall adopt rules under IC 4-22-2 to establish a program to certify handgun safety courses, including courses offered in the private sector, that meet standards approved by the board for training probation officers in handgun safety as required by IC 11-13-1-3.5(3).

SECTION 3. IC 5-10-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "public safety officer" means any of the following:

(1) A state police officer.
(2) A county sheriff.
(3) A county police officer.
(4) A correctional officer.
(5) An excise police officer.
(6) A county police reserve officer.
(7) A city police reserve officer.
(8) A conservation enforcement officer.
(9) A town marshal.
(10) A deputy town marshal.
(11) A probation officer.
(12) A state university police officer appointed under IC 20-12-3.5.
(13) An emergency medical services provider (as defined in IC 16-41-10-1) who is:
    (A) employed by a political subdivision (as defined in IC 36-1-2-13); and
    (B) not eligible for a special death benefit under IC 36-8-6-20, IC 36-8-7-26, IC 36-8-7.5-22, or IC 36-8-8-20.
(14) A firefighter who is employed by the fire department of a state university.
(15) A member of a consolidated law enforcement department established under IC 36-3-1-5.1.

SECTION 4. IC 5-10-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "employee" means an individual who:

(1) is employed full time by the state or a political subdivision of the state as:
   (A) a member of a fire department (as defined in IC 36-8-1-8);
   (B) an emergency medical services provider (as defined in IC 16-41-10-1);
   (C) a member of a police department (as defined in IC 36-8-1-9);
   (D) a correctional officer (as defined in IC 5-10-10-1.5);
   (E) a state police officer;
   (F) a county police officer;
   (G) a county sheriff;
   (H) an excise police officer;
   (I) a conservation enforcement officer;
   (J) a town marshal; or
   (K) a deputy town marshal; or
   (L) a member of a consolidated law enforcement department established under IC 36-3-1-5.1;

(2) in the course of the individual's employment is at high risk for occupational exposure to an exposure risk disease; and

(3) is not employed elsewhere in a similar capacity.

SECTION 5. IC 6-1.1-17-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) This section applies:

(1) to each governing body of a taxing unit that is not comprised of a majority of officials who are elected to serve on the governing body; and

(2) if the proposed property tax levy for the taxing unit for the ensuing calendar year is more than five percent (5%) greater than the property tax levy for the taxing unit for the current calendar year.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under
IC 36-3-6-9.

(c) If:

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted at least fourteen (14) days before the city or town fiscal body is required to hold budget approval hearings under this chapter.

(d) If subsection (c) does not apply, the governing body of the taxing unit shall submit its proposed budget and property tax levy to the county fiscal body in the county where the taxing unit has the most assessed valuation. The proposed budget and levy shall be submitted at least fourteen (14) days before the county fiscal body is required to hold budget approval hearings under this chapter.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

SECTION 6. IC 6-1.1-17-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. Notwithstanding any other law, in a county having a consolidated city, the city controller of the consolidated city has all the powers and shall perform all the duties assigned to county auditors under this chapter related to the fixing and reviewing of budgets, tax rates, and tax levies.

SECTION 7. IC 8-22-3-11.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

(b) The legislative body of the consolidated city and the governing body of the airport authority may adopt substantially similar ordinances providing that the fire department of the airport authority is consolidated into the fire department of the consolidated city, and that the fire department of the consolidated city shall provide fire protection services for the airport authority. If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the
consolidated city and the governing body of the airport authority in the ordinances.

(c) The legislative body of the consolidated city and the governing body of the airport authority may adopt substantially similar ordinances providing that the law enforcement services of the airport authority are consolidated into the consolidated law enforcement department of the consolidated city, and that the law enforcement department of the consolidated city shall provide law enforcement services for the airport authority. If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances.

SECTION 8. IC 9-13-2-92 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 92. (a) "Law enforcement officer", except as provided in subsection (b), includes the following:

(1) A state police officer.
(2) A city, town, or county police officer.
(3) A sheriff.
(4) A county coroner.
(5) A conservation officer.
(6) A member of a consolidated law enforcement department established under IC 36-3-1-5.1.

(b) "Law enforcement officer", for purposes of IC 9-30-5, IC 9-30-6, IC 9-30-7, IC 9-30-8, and IC 9-30-9, has the meaning set forth in IC 35-41-1.

SECTION 9. IC 10-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) For purposes of this section, "member of the military or public safety officer" means an individual who is:

(1) a member of a fire department (as defined in IC 36-8-1-8);
(2) an emergency medical service provider (as defined in IC 16-41-10-1);
(3) a member of a police department (as defined in IC 36-8-1-9);
(4) a correctional officer (as defined in IC 5-10-10-1.5);
(5) a state police officer;
(6) a county police officer;
(7) a police reserve officer;
(8) a county sheriff;
(9) a deputy sheriff;
(10) an excise police officer;
(11) a conservation enforcement officer;
(12) a town marshal;
(13) a deputy town marshal;
(14) a university policy officer appointed under IC 20-12-3.5;
(15) a probation officer;
(16) a paramedic;
(17) a volunteer firefighter (as defined in IC 36-8-12-2);
(18) an emergency medical technician or a paramedic working in a volunteer capacity;
(19) a member of the armed forces of the United States;
(20) a member of the Indiana Air National Guard; or
(21) a member of the Indiana Army National Guard; or
(22) a member of a consolidated law enforcement department established under IC 36-3-1-5.1.

(b) For purposes of this section, "dies in the line of duty" refers to a death that occurs as a direct result of personal injury or illness resulting from any action that a member of the military or public safety officer, in the member of the military's or public safety officer's official capacity, is obligated or authorized by rule, regulation, condition of employment or services, or law to perform in the course of performing the member of the military's or public safety officer's duty.

(c) If a member of the military or public safety officer dies in the line of duty, a state flag shall be presented to:
   (1) the surviving spouse;
   (2) the surviving children if there is no surviving spouse; or
   (3) the surviving parent or parents if there is no surviving spouse and there are no surviving children.

(d) The state emergency management agency shall administer this section and may adopt rules under IC 4-22-2 to implement this section.

SECTION 10. IC 33-24-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (b), the sheriff of the supreme court or a county police officer shall:
   (1) attend the court in term time;
   (2) execute the orders of the court;
   (3) preserve order within the court; and
   (4) execute all process issued out of the court.

   (b) This subsection applies only if a consolidated law enforcement department is established under IC 36-3-1-5.1. The
ordinance adopted by the legislative body of the consolidated city shall determine whether:

(1) the orders of the court; and
(2) all criminal process issued out of the court;
shall be executed by an officer of the sheriff's department or an officer of the consolidated law enforcement department.

SECTION 11. IC 35-47-4.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "public safety officer" means:

(1) a state police officer;
(2) a county sheriff;
(3) a county police officer;
(4) a correctional officer;
(5) an excise police officer;
(6) a county police reserve officer;
(7) a city police officer;
(8) a city police reserve officer;
(9) a conservation enforcement officer;
(10) a town marshal;
(11) a deputy town marshal;
(12) a state university police officer appointed under IC 20-12-3.5;
(13) a probation officer;
(14) a firefighter (as defined in IC 9-18-34-1);
(15) an emergency medical technician; or
(16) a paramedic; or
(17) a member of a consolidated law enforcement department established under IC 36-3-1-5.1.

SECTION 12. IC 36-1-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "Fiscal officer" means:

(1) auditor, for a county not having a consolidated city;
(2) controller, for a:
    (A) consolidated city;
    (B) county having a consolidated city, except as otherwise provided; or
    (C) second class city;
(3) clerk-treasurer, for a third class city;
(4) clerk-treasurer, for a town; or
(5) trustee, for a township.
SECTION 13. IC 36-2-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies to all counties except a county having a consolidated city.

SECTION 14. IC 36-2-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section does not apply to a county having a consolidated city.

(b) (a) The auditor shall perform the duties of clerk of the county executive under IC 36-2-2-11.

(b) (b) If the auditor cannot perform the duties of clerk during a meeting of the county executive, and the auditor does not have a deputy or the auditor's deputy cannot attend the meeting, the executive may deputize a person to perform those duties during the meeting.

SECTION 15. IC 36-2-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section does not apply to a county having a consolidated city.

(b) The auditor shall perform the duties of clerk of the county fiscal body under IC 36-2-3-6(b).

SECTION 16. IC 36-2-9.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 9.5. County Auditor of Marion County

Sec. 1. This chapter applies to a county having a consolidated city.

Sec. 2. (a) The county auditor must reside within the county as provided in Article 6, Section 6 of the Constitution of the State of Indiana. The auditor forfeits office if the auditor ceases to be a resident of the county.

(b) The term of office of the county auditor under Article 6, Section 2 of the Constitution of the State of Indiana is four (4) years and continues until a successor is elected and qualified.

Sec. 3. The county auditor shall keep an office in a building provided at the county seat by the county executive. The auditor shall keep the office open for business during regular business hours on every day of the year except:

(1) Sundays;
(2) legal holidays; and
(3) days specified by the county executive according to the custom and practice of the county.

Sec. 4. A legal action required to be taken in the county auditor's office on a day when the auditor's office is closed under
section 3 of this chapter may be taken on the next day the office is open.

Sec. 5. The county auditor shall furnish standard forms for use in the transaction of business under this article and for use in the performance of services for which the auditor receives a specific fee.

Sec. 6. The county auditor may administer the following:
(1) An oath necessary in the performance of the auditor's duties.
(2) The oath of office to an officer who receives the officer's certificate of appointment or election from the auditor.
(3) An oath relating to the duty of an officer who receives the officer's certificate of appointment or election from the auditor.
(4) The oath of office to a member of the board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

Sec. 7. (a) The county auditor shall:
(1) keep a separate account for each item of appropriation made by the legislative body of the consolidated city; and
(2) in each warrant the county auditor draws on the county or city treasury, specifically indicate the item of appropriation the warrant is drawn against.

(b) The county auditor may not permit an item of appropriation to be:
(1) overdrawn; or
(2) drawn on for a purpose other than the specific purpose for which the appropriation was made.

(c) A county auditor who knowingly violates this section commits a Class A misdemeanor.

Sec. 8. The county auditor shall keep an accurate account current with the county treasurer. When a receipt given by the treasurer for money paid into the county or city treasury is deposited with the county auditor, the county auditor shall:
(1) file the treasurer's receipt;
(2) charge the treasurer with the amount of the treasurer's receipt; and
(3) issue the county auditor's receipt to the person presenting the treasurer's receipt.

Sec. 9. (a) This section does not apply to:
(1) funds received from the state or the federal government
for:
   (A) township assistance;
   (B) unemployment relief; or
   (C) old age pensions; or
(2) other funds available under:
   (A) the federal Social Security Act; or
   (B) another federal statute providing for civil and public
    works projects.
(b) Except for money that by statute is due and payable from the
    county or city treasury to:
    (1) the state; or
    (2) a township or municipality in the county;
    money may be paid from the county or city treasury only upon a
    warrant drawn by the county auditor.
(c) A warrant may be drawn on the county or city treasury only
    if:
    (1) the legislative body of the consolidated city made an
        appropriation of the money for the calendar year in which the
        warrant is drawn; and
    (2) the appropriation is not exhausted.
(d) Notwithstanding subsection (c), an appropriation by the
    legislative body is not necessary to authorize the drawing of a
    warrant on and payment from the county or city treasury for:
    (1) money that:
        (A) belongs to the state; and
        (B) is required by statute to be paid into the state treasury;
    (2) money that belongs to a school fund, whether principal or
        interest;
    (3) money that:
        (A) belongs to a township or municipality in the county;
        and
        (B) is required by statute to be paid to the township or
            municipality;
    (4) money that:
        (A) is due a person;
        (B) is paid into the county or city treasury under an
            assessment on persons or property of the county in
            territory less than that of the whole county; and
        (C) is paid for construction, maintenance, or purchase of
            a public improvement;
    (5) money that is due a person and is paid into the county
treasury to redeem property from a tax sale or other forced sale;
(6) money that is due a person and is paid to the county or city under law as a tender or payment to the person;
(7) taxes erroneously paid;
(8) money paid to a cemetery board under IC 23-14-65-22;
(9) money distributed under IC 23-14-70-3; or
(10) payments under a statute that expressly provides for payments from the county or city treasury without appropriation by the legislative body.

(e) A county auditor who knowingly violates this section commits a Class A misdemeanor.

Sec. 10. (a) The county auditor shall examine and settle all accounts and demands that are:
(1) chargeable against the county or city; and
(2) not otherwise provided for by statute.
(b) The county auditor shall issue warrants on the county or city treasury for:
(1) sums of money settled and allowed by the county auditor;
(2) sums of money settled and allowed by another official; or
(3) settlements and allowances fixed by statute;
and shall make the warrants payable to the person entitled to payment. The warrants shall be numbered progressively, and the controller shall record the number, date, amount, payee, and purpose of issue of each warrant at the time of issuance.

Sec. 11. Whenever:
(1) a judgment or an order is issued by a court in a case in which the county was a party and was served with process for the payment of a claim;
(2) a certified copy of the judgment or order is filed with the auditor; and
(3) the claim is allowed by the county executive;
the auditor shall issue his warrant for the claim.

Sec. 12. (a) At the semiannual settlement under IC 6-1.1-27, the auditor shall issue calls for the redemption of outstanding county warrants if there is any money available in the county treasury for redemption of those warrants.
(b) A warrant included in a call under this section ceases to bear interest upon the date of the call. The county treasurer shall redeem warrants included in the call when they are presented to the county treasurer.
(c) An auditor who violates this section is liable for the interest on all money used for redemption.

Sec. 13. (a) The county auditor is responsible for the issuance of warrants for payments from county and city funds.

(b) The county auditor is responsible for:
   (1) accounting;
   (2) payroll, accounts payable, and accounts receivable;
   (3) revenue and tax distributions; and
   (4) maintenance of property records;
for all city and county departments, offices, and agencies.

Sec. 14. The county auditor has all the powers and duties assigned to county auditors under IC 6-1.1, except for the powers and duties related to the fixing and reviewing of budgets, tax rates, and tax levies.

Sec. 15. The county auditor does not have powers and duties concerning the fixing and reviewing of budgets, tax rates, and tax levies.

Sec. 16. The county auditor has the powers and duties set forth in IC 36-2-9-18 and IC 36-2-9-20.

Sec. 17. If a county auditor is held personally liable for penalties and interest assessed by the Internal Revenue Service, the county treasurer shall reimburse the county auditor in an amount equal to the penalties and interest. However, the county treasurer may not reimburse the county auditor if the county auditor willfully or intentionally failed or refused to file a return or make a required deposit on the date the return or deposit was due.

SECTION 17. IC 36-3-1-5.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE] Sec. 5.1. (a) Except for those duties that are reserved by law to the county sheriff in this section, the city-county legislative body may by majority vote adopt an ordinance, approved by the mayor, to consolidate the police department of the consolidated city and the county sheriff's department.

(b) The city-county legislative body may not adopt an ordinance under this section unless it first:
   (1) holds a public hearing on the proposed consolidation; and
   (2) determines that:
      (A) reasonable and adequate police protection can be provided through the consolidation; and
      (B) the consolidation is in the public interest.

(c) If an ordinance is adopted under this section, the
consolidation shall take effect on the date specified in the ordinance.

(d) Notwithstanding any other law, an ordinance adopted under this section must provide that the county sheriff’s department shall be responsible for all the following for the consolidated city and the county under the direction and control of the sheriff:

1. County jail operations and facilities.
2. Emergency communications.
3. Security for buildings and property owned by:
   - the consolidated city;
   - the county; or
   - both the consolidated city and county.
4. Service of civil process and collection of taxes under tax warrants.
5. Sex offender registration.

(e) The following apply if an ordinance is adopted under this section:

1. The department of local government finance, on recommendation from the local government tax control board, shall adjust the maximum permissible ad valorem property tax levy of the consolidated city and the county for property taxes first due and payable in the year a consolidation takes effect under this section. When added together, the adjustments under this subdivision must total zero (0).
2. The ordinance must specify which law enforcement officers of the police department and which law enforcement officers of the county sheriff’s department shall be law enforcement officers of the consolidated law enforcement department.
3. The ordinance may not prohibit the providing of law enforcement services for an excluded city under an interlocal agreement under IC 36-1-7.
4. A member of the county police force who:
   - was an employee beneficiary of the sheriff’s pension trust before the consolidation of the law enforcement departments; and
   - after the consolidation becomes a law enforcement officer of the consolidated law enforcement department; remains an employee beneficiary of the sheriff’s pension trust. The member retains, after the consolidation, credit in the
sheriff’s pension trust for service earned while a member of the county police force and continues to earn service credit in the sheriff’s pension trust as a member of the consolidated law enforcement department for purposes of determining the member’s benefits from the sheriff’s pension trust.

(5) A member of the police department of the consolidated city who:
   (A) was a member of the 1953 fund or the 1977 fund before the consolidation of the law enforcement departments; and
   (B) after the consolidation becomes a law enforcement officer of the consolidated law enforcement department; remains a member of the 1953 fund or the 1977 fund. The member retains, after the consolidation, credit in the 1953 fund or the 1977 fund for service earned while a member of the police department of the consolidated city and continues to earn service credit in the 1953 fund or the 1977 fund as a member of the consolidated law enforcement department for purposes of determining the member’s benefits from the 1953 fund or the 1977 fund.

(6) The ordinance must designate the merit system that shall apply to the law enforcement officers of the consolidated law enforcement department.

(7) The ordinance must designate who shall serve as a coapplicant for a warrant or an extension of a warrant under IC 35-33.5-2.

(8) The consolidated city may levy property taxes within the consolidated city’s maximum permissible ad valorem property tax levy limit to provide for the payment of the expenses for the operation of the consolidated law enforcement department. The police special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated law enforcement department within the territory of the police special service district. Property taxes to fund the pension obligation under IC 36-8-7.5 may be levied only by the police special service district within the police special service district. The consolidated city may not levy property taxes to fund the pension obligation under IC 36-8-7.5. Property taxes to fund the pension obligation under IC 36-8-8 for members of the 1977 police officers' and firefighters pension and disability fund who were members of the police
department of the consolidated city on the effective date of the consolidation may be levied only by the police special service district within the police special service district. Property taxes to fund the pension obligation under IC 36-8-8 for members of the sheriff's pension trust and members of the 1977 police officers' and firefighters pension and disability fund who were not members of the police department of the consolidated city on the effective date of the consolidation may be levied by the consolidated city within the consolidated city's maximum permissible ad valorem property tax levy. The assets of the consolidated city's 1953 fund and the assets of the sheriff's pension trust may not be pledged after the effective date of the consolidation as collateral for any loan. (9) The executive of the consolidated city shall provide for an independent evaluation and performance audit, due before March 1 of the year following the adoption of the consolidation ordinance and for the following two (2) years, to determine:

(A) the amount of any cost savings, operational efficiencies, or improved service levels; and

(B) any tax shifts among taxpayers;

that result from the consolidation. The independent evaluation and performance audit must be provided to the legislative council in an electronic format under IC 5-14-6 and to the state budget committee.

SECTION 18. IC 36-3-1-6.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) This section applies only in a county containing a consolidated city. If the requirements of subsection (g) are satisfied, the fire departments of the following are consolidated into the fire department of a consolidated city (referred to as "the consolidated fire department"):

(1) A township for which the consolidation is approved by the township legislative body and trustee and the legislative body and mayor of the consolidated city.

(2) Any fire protection territory established under IC 36-8-19 that is located in a township described in subdivision (1).

(b) If the requirements of subsection (g) are satisfied, the consolidated fire department shall provide fire protection services within an entity described in subsection (a)(1) or (a)(2) in which the requirements of subsection (g) are satisfied on the date agreed to
in the resolution of the township legislative body and the ordinance of the legislative body of the consolidated city.

(c) If the requirements of subsection (g) are satisfied and the fire department of an entity listed in subsection (a) is consolidated into the fire department of the consolidated city, all of the property, equipment, records, rights, and contracts of the department consolidated into the fire department of the consolidated city are:

(1) transferred to; or
(2) assumed by;

the consolidated city on the effective date of the consolidation. However, real property other than real property used as a fire station may be transferred only on terms mutually agreed to by the legislative body and mayor of the consolidated city and the trustee and legislative body of the township in which that real property is located.

(d) If the requirements of subsection (g) are satisfied and the fire department of an entity listed in subsection (a) is consolidated into the fire department of the consolidated city, the employees of the fire department consolidated into the fire department of the consolidated city cease employment with the department of the entity listed in subsection (a) and become employees of the consolidated fire department on the effective date of the consolidation. The consolidated city shall assume all agreements with labor organizations that:

(1) are in effect on the effective date of the consolidation; and
(2) apply to employees of the department consolidated into the fire department of the consolidated city who become employees of the consolidated fire department.

(e) If the requirements of subsection (g) are satisfied and the fire department of an entity listed in subsection (a) is consolidated into the fire department of a consolidated city, the indebtedness related to fire protection services incurred before the effective date of the consolidation by the entity or a building, holding, or leasing corporation on behalf of the entity whose fire department is consolidated into the consolidated fire department under subsection (a) shall remain the debt of the entity and does not become and may not be assumed by the consolidated city. Indebtedness related to fire protection services that is incurred by the consolidated city before the effective date of the consolidation shall remain the debt of the consolidated city and property taxes levied to pay the debt may only be levied by the fire special service
(f) If the requirements of subsection (g) are satisfied and the fire department of an entity listed in subsection (a) is consolidated into the fire department of a consolidated the merit board and the merit system of the fire department that is consolidated are dissolved on the effective date of the consolidation, and the duties of the merit boards are transferred to and assumed by the merit board for the consolidated fire department on the effective date of the consolidation.

(g) A township legislative body, after approval by the township trustee, may adopt a resolution approving the consolidation of the township's fire department with the fire department of the consolidated city. A township legislative body may adopt a resolution under this subsection only after the township legislative body has held a public hearing concerning the proposed consolidation. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1. If the township legislative body has adopted a resolution under this subsection, the township legislative body shall, after approval from the township trustee, forward the resolution to the legislative body of the consolidated city. If such a resolution is forwarded to the legislative body of the consolidated city, the legislative body of the consolidated city may adopt an ordinance, approved by the mayor of the consolidated city, approving the consolidation of the fire department of the township into the fire department of the consolidated city and the requirements of this subsection are satisfied. The consolidation shall take effect on the date agreed to by the township legislative body in its resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

(h) The following apply if the requirements of subsection (g) are satisfied:

(1) The consolidation of the fire department of that township is effective on the date agreed to by the township legislative body in the resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.
(2) Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1977 fund before the effective date of a consolidation under this section; and
(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section; remains a member of the 1977 fund without being required to meet the requirements under IC 36-8-8-19 and IC 36-8-8-21. The firefighter shall receive credit for any service as a member of the 1977 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-8.

(3) Notwithstanding any other provision, a firefighter:
   (A) who is a member of the 1937 fund before the effective date of a consolidation under this section; and
   (B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section;
remains a member of the 1937 fund. The firefighter shall receive credit for any service as a member of the 1937 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-7.

(4) For property taxes first due and payable in the year in which the consolidation is effective, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:
   (A) is increased for the consolidated city by an amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services by the township whose fire department is consolidated into the fire department of the consolidated city under this section; and
   (B) is reduced for the township whose fire department is consolidated into the fire department of the consolidated city under this section by the amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services for the township.

(5) The amount levied in the year preceding the year in which the consolidation is effective by the township whose fire department is consolidated into the fire department of the consolidated city for the township's cumulative building and equipment fund for fire protection and related services is
transferred on the effective date of the consolidation to the consolidated city's cumulative building and equipment fund for fire protection and related services, which is hereby established. The consolidated city is exempted from the requirements of IC 36-8-14 and IC 6-1.1-41 regarding establishment of the cumulative building and equipment fund for fire protection and related services.

(6) The local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the township are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively. Notwithstanding any other provision, the legislative body of the consolidated city may adopt an ordinance to adjust the membership of the consolidated city's local board to reflect the consolidation.

(7) The consolidated city may levy property taxes within the consolidated city's maximum permissible ad valorem property tax levy limit to provide for the payment of the expenses for the operation of the consolidated fire department. However, property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who were employees of the consolidated city at the time of the consolidation may be levied only by the fire special service district within the fire special service district. The fire special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated fire department within the territory of the police special service district. Property taxes to fund the pension obligation under IC 36-8-8 for members of the 1977 police officers' and firefighters pension and disability fund who were members of the fire department of the consolidated city on the effective date of the consolidation may be levied only by the fire special service district within the fire special service district. Property taxes to fund the pension obligation for members of the 1937 firefighters fund who were not members of the fire
department of the consolidated city on the effective date of the consolidation and members of the 1977 police officers' and firefighters pension and disability fund who were not members of the fire department of the consolidated city on the effective date of the consolidation may be levied by the consolidated city within the city's maximum permissible ad valorem property tax levy. However, these taxes may be levied only within the fire special service district and any townships that have consolidated fire departments under this section.

(8) The executive of the consolidated city shall provide for an independent evaluation and performance audit, due before March 1 of the year in which the consolidation is effective and for the following two (2) years, to determine:

(A) the amount of any cost savings, operational efficiencies, or improved service levels; and

(B) any tax shifts among taxpayers; that result from the consolidation. The independent evaluation and performance audit must be provided to the legislative council in an electronic format under IC 5-14-6 and to the state budget committee.

SECTION 19. IC 36-3-1-6.2 IS ADDED TO INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 6.2. (a) If a consolidated fire department is established under section 6.1 of this chapter, the consolidated city, through the consolidated fire department, shall after the consolidation establish, operate, and maintain emergency ambulance services (as defined in IC 16-18-2-107) in the fire special service district and in those townships in the county that are consolidated under section 6.1 of this chapter.

(b) This section does not prohibit the providing of emergency ambulance services under an interlocal agreement under IC 36-1-7.

SECTION 20. IC 36-3-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 3. (a) A special service district of the consolidated city:

(1) may sue and be sued;

(2) may exercise powers of the consolidated city to the extent that those powers are delegated to it by law, but may not issue bonds; and

(3) shall provide services to property owners only in the district, unless a law provides otherwise.
(b) A special service district or special taxing district shall be administered under the jurisdiction of a department of the consolidated city or the county. The territory of a special service district or special taxing district may be expanded, in the manner prescribed by law, to include territory inside the county that is not originally included in the district.

(c) The city-county legislative body may, by ordinance, expand the territory of a special service solid waste collection district subject to the following conditions:

(1) In the case of the fire district, the ordinance may not be considered unless a petition to include additional territory in the district is first submitted to the metropolitan development commission for study and recommendation. The petition must be signed by a majority of the landowners; or by owners of land amounting to seventy-five percent (75%) in assessed valuation; in the proposed additional territory. After receiving the petition, the metropolitan development commission shall make findings of fact and recommendations and serve copies of these on the fire chief; the executive of each township affected; and the petitioners at least thirty (30) days before a public hearing before the legislative body. After the public hearing, the legislative body may pass the ordinance only if it determines:

(A) that reasonable and adequate fire protection service can be provided within the additional territory by the consolidated city; and

(B) that expansion of the district is in the public interest.

(2) In the case of the police district, the legislative body must hold a public hearing and then may pass the ordinance only if it determines:

(A) that reasonable and adequate police protection can be provided within the additional territory by the consolidated city; and

(B) that expansion of the district is in the public interest.

(3) In the case of the solid waste collection district:

(1) The ordinance may not be considered unless a petition to include additional territory in the district is first submitted to the works board for study and recommendation.

(2) The petition must be signed by at least ten (10) interested residents in the proposed additional territory.

(3) After receiving the petition, the works board shall:
(A) set a date for a public hearing;
(B) publish notice of the hearing in accordance with IC 5-3-1;
and
(C) upon hearing the matter, determine whether the territory
should be added to the district.

(4) If the works board recommends that the territory should be
added to the district, the legislative body must hold a public
hearing and then may pass the ordinance.

(5) Territory in the solid waste collection district may also be
removed from the district in the manner prescribed by this
section.

SECTION 21. IC 36-3-5-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The executive
shall, subject to the approval of the city-county legislative body,
appoint each of his the executive's deputies and the director of each
department of the consolidated city. A deputy or director is appointed
for a term of one (1) year and until his a successor is appointed and
qualified, but serves at the pleasure of the executive.

(b) When making an appointment under subsection (a), the
executive shall submit the name of an appointee to an office to the
legislative body for its approval as follows:

(1) When the office has an incumbent, not more than forty-five
(45) days before the expiration of the incumbent's one (1) year
term.

(2) When the office has been vacated, not more than forty-five
(45) days after the vacancy occurs.

(c) The executive may appoint an acting deputy or acting director
whenever the incumbent is incapacitated or the office has been vacated.
An acting deputy or acting director has all the powers of the office.

(d) The executive shall appoint:

(1) a controller;

(2) two (2) deputy controllers, only one (1) of whom may be
from the same political party as the executive; and

(3) a corporation counsel;

each of whom serves at the pleasure of the executive.

(e) The corporation counsel and every attorney who is a city
employee working for the corporation counsel must be a resident of the
county and admitted to the practice of law in Indiana.

SECTION 22. IC 36-3-5-2.5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) The controller
appointed under section 2 of this chapter is:

(1) the fiscal officer of:
   (A) the consolidated city; \textit{but and}
   (B) the county; and

(2) the director of the office of finance and management under
section 2.7 of this chapter.

(b) The county treasurer \textit{shall serves} ex officio as the
president of the consolidated city.

SECTION 23. IC 36-3-5-2.6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.6. The:

(1) controller is not liable, in an individual capacity, for any act or
omission occurring in connection with the performance of the
controller's duty as a fiscal officer of:
   (A) the consolidated city; \textit{and}
   (B) the county; and

(2) deputy controller is not liable, in an individual capacity,
for any act or omission occurring in connection with the
performance of the deputy controller's duty;

unless the act or omission constitutes gross negligence or an intentional
disregard of the controller's or the deputy controller's duty.

SECTION 24. IC 36-3-5-2.7 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 2.7. (a) The office of finance and management is
established and is responsible for:

(1) budgeting, except as provided in subsection (c);
(2) financial reporting and audits;
(3) purchasing; and
(4) fixed assets;

for all city and county departments, offices, and agencies.

(b) The controller:

(1) serves as the director of; and
(2) may organize into divisions;

the office of finance and management.

(c) The office of finance and management is not responsible for
the issuance of warrants for payments from county and city funds.

SECTION 25. IC 36-3-5-2.8 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 2.8. (a) Except as provided in subsections (b) and (c),
the controller:

(1) has all the powers; and
(2) performs all the duties;
of the county auditor under law.

(b) The controller:
(1) does not have the powers; and
(2) may not perform the duties;

of the county auditor under IC 36-2-9.5 and IC 36-3-6, or as a member of the board of commissioners of the county under IC 36-3-3-10.

(c) Notwithstanding subsection (a) or any other law, the executive, with the approval of the legislative body, may allocate the duties of the county auditor, except the duties referred to in subsection (b), among:
(1) the controller;
(2) the county assessor;
(3) the county auditor; or
(4) other appropriate city or county officials.

SECTION 26. IC 36-3-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The following executive departments of the consolidated city are established, subject to IC 36-3-4-23:
(1) Department of administration and equal opportunity.
(2) Department of metropolitan development.
(3) Department of public safety.
(4) Department of public works.
(5) Department of transportation.
(6) Department of parks and recreation.

These departments and their divisions have all the powers, duties, functions, and obligations prescribed by law for them as of August 31, 1981, subject to IC 36-3-4-23.

(b) The department of public utilities established under IC 8-1-11.1 continues as an agency of the consolidated city, which is the successor trustee of a public charitable trust created under Acts 1929, c. 78. The department of public utilities is governed under IC 8-1-11.1 and is not subject to this article.

SECTION 27. IC 36-3-5-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The controller shall furnish standard forms for use in the:
(1) transaction of business; and
(2) performance of services for which the consolidated city or county receives a specific fee.

SECTION 28. IC 36-3-5-10 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The controller, in the name of the state and on behalf of any fund of the county or consolidated city, may sue principals or sureties on any obligation, whether the obligation is in the name of the state or another person.

SECTION 29. IC 36-3-5-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The controller shall:

1. immediately file the original of the county treasurer's monthly report under IC 36-2-10-16 with the records of the county board of finance;
2. present one (1) copy of the report to the legislative body of the consolidated city at its next regular meeting; and
3. immediately transmit one (1) copy of the report to the state board of accounts.

SECTION 30. IC 36-3-5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Except as provided in subsection (b), if the controller is held personally liable for penalties and interest assessed by the Internal Revenue Service, the county treasurer shall reimburse the controller in an amount equal to the penalties and interest.

(b) The county treasurer may not reimburse the controller under subsection (a) if the controller willfully or intentionally fails or refuses to file a return or make a required deposit on the date the return or deposit is due.

SECTION 31. IC 36-3-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Before the Wednesday after the first Monday in July each year, the consolidated city and county shall prepare budget estimates for the ensuing budget year under this section.

(b) The following officers shall prepare for their respective departments, offices, agencies, or courts an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure they anticipate:

1. The director of each department of the consolidated city.
2. Each township assessor, elected county officer, or head of a county agency.
3. The county clerk, for each court of which he is clerk.

(c) In addition to the estimates required by subsection (b), the county clerk shall prepare an estimate of the amount of money that is,
under law, taxable against the county for the expenses of cases tried in other counties on changes of venue.

(d) Each officer listed in subsection (b)(2) or (b)(3) shall append a certificate to each estimate he prepares stating that in his opinion the amount fixed in each item will be required for the purpose indicated. The certificate must be verified by the oath of the officer.

(e) An estimate for a court or division of a court is subject to modification and approval by the judge of the court or division.

(f) All of the estimates prepared by city officers and county officers shall be submitted to the city fiscal officer, and all of the estimates prepared by county officers shall be submitted to the county fiscal officer controller.

(g) The city fiscal officer controller shall also prepare an itemized estimate of city and county expenditures for other purposes above the money proposed to be used by the city departments and county officers and agencies.

SECTION 32. IC 36-3-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The consolidated city fiscal officer controller shall review and revise the estimates of city expenditures prepared submitted under section 4 of this chapter. Then he shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates, along with his recommendations.

(b) The executive shall determine the amounts to be included in the proposed appropriations ordinance by the city fiscal officer controller and advise him of those amounts.

SECTION 33. IC 36-3-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The consolidated city fiscal officer and the county fiscal officer controller shall, with the assistance of the corporation counsel, prepare:

(1) proposed appropriations ordinances for the city and county and each special service district; and
(2) proposed ordinances fixing the rate of taxation for the taxes to be levied for all city and county departments, offices, and agencies.

The proposed appropriations ordinances must contain all the amounts necessary for the operation of consolidated government, listed in major classifications.
(b) The fiscal officer controller shall submit the proposed ordinances prepared under subsection (a) along with appropriation detail accounts for each city and county department, office, and agency, to the city clerk not later than the first meeting of the city-county legislative body in August.

SECTION 34. IC 36-3-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. After the passage of an appropriations ordinance, a legislative body may, on the recommendation of

1 the consolidated city fiscal officer as to city matters, or
2 the county fiscal officer controller, as to all city and county matters,
make further or additional appropriations, unless their result is to increase a tax levy set by ordinance.

SECTION 35. IC 36-3-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The city-county legislative body shall review and modify the proposed operating and maintenance budgets and the tax levies of and adopt final operating and maintenance budgets and tax levies for each of the following entities in the county:

1 An airport authority operating under IC 8-22-3.
2 A health and hospital corporation operating under IC 16-22-8.
3 A public library operating under IC 20-14.
4 A capital improvement board of managers operating under IC 36-10.
5 A public transportation corporation operating under IC 36-9-4.

Except as provided in subsection (c), the city-county legislative body may reduce or modify but not increase a proposed operating and maintenance budget or tax levy under this section.

(b) The board of each entity listed in subsection (a) shall, after adoption of its proposed budget and tax levies, submit them, along with detailed accounts, to the city clerk before the first day of September of each year.

(c) The city-county legislative body may review the issuance of bonds of an entity listed in subsection (a), but approval of the city-county legislative body is not required for the issuance of bonds. The city-county legislative body may not reduce or modify a budget or tax levy of an entity listed in subsection (a) in a manner that would:
(1) limit or restrict the rights vested in the entity to fulfill the
terms of any agreement made with the holders of the entity's
bonds; or
(2) in any way impair the rights or remedies of the holders of
the entity's bonds.

(d) If the assessed valuation of a taxing unit is entirely contained
within an excluded city or town (as described in IC 36-3-1-7) that
is located in a county having a consolidated city, the governing
body of the taxing unit shall submit its proposed operating and
maintenance budget and tax levies to the city or town fiscal body
for approval.

(e) The city-county legislative body may review and modify the
operating and maintenance budgets and the tax levies of a health
and hospital corporation operating under IC 16-22-8. If the total
of all proposed property tax levies for the health and hospital
corporation for the ensuing calendar year is more than five percent
(5%) greater than the total of all property tax levies for the health
and hospital corporation for the current calendar year, the
city-county legislative body shall review the proposed budget and
the tax levies of the health and hospital corporation and shall adopt
the final budget and tax levies for the health and hospital
corporation. Except as provided in subsection (c), the city-county
legislative body may reduce or modify but not increase the health
and hospital corporation's proposed operating and maintenance
budget or tax levy under this section. The board of the health and
hospital corporation shall, after adoption of its proposed budget
and tax levies, submit them, along with detailed accounts, to the
city clerk before the first day of September of each year.

SECTION 36. IC 36-6-4-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The executive
shall do the following:

(1) Keep a written record of official proceedings.
(2) Manage all township property interests.
(3) Keep township records open for public inspection.
(4) Attend all meetings of the township legislative body.
(5) Receive and pay out township funds.
(6) Examine and settle all accounts and demands chargeable
against the township.
(7) Administer poor relief under IC 12-20 and IC 12-30-4.
(8) Perform the duties of fence viewer under IC 32-26.
(9) Act as township assessor when required by IC 36-6-5.
(10) Provide and maintain cemeteries under IC 23-14.
(11) Provide fire protection under IC 36-8, except in a township that:
   (A) is located in a county having a consolidated city; and
   (B) consolidated the township’s fire department under IC 36-3-1-6.1.
(13) Provide and maintain township parks and community centers under IC 36-10.
(14) Destroy detrimental plants, noxious weeds, and rank vegetation under IC 15-3-4.
(15) Provide insulin to the poor under IC 12-20-16.
(16) Perform other duties prescribed by statute.
SECTION 37. IC 36-8-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section applies to:
   (1) all municipalities; and
   (2) a county having a consolidated city.
   (b) A warrant of search or arrest, issued by any judge, may be executed in the municipality by:
   (1) any municipal police officer; or
   (2) a member of the consolidated law enforcement department established under IC 36-3-1-5.1;
subject to the laws governing arrest and bail.
   (c) The police officers of a municipality or a member of the consolidated law enforcement department shall:
   (1) serve all process within the municipality or the consolidated city issuing from the city or town court;
   (2) arrest, without process, all persons who within view violate statutes, take them before the court having jurisdiction of the offense, and retain them in custody until the cause of the arrest has been investigated;
   (3) enforce municipal ordinances in accordance with IC 36-1-6;
   (4) suppress all breaches of the peace within their knowledge and may call to their aid the power of the municipality or the consolidated city and pursue and commit to jail persons guilty of crimes;
   (5) serve all process issued by:
      (A) the legislative body of the municipality or the consolidated city; or
(B) any committee of it; the legislative body of the municipality or the consolidated city; or by
(C) any of the executive departments of the municipality or the consolidated city;
(6) serve the city or town court and assist the bailiff in preserving order in the court; and
(7) convey prisoners to and from the county jail or station houses of the municipality or the consolidated city for arraignment or trial in the city or town court or to the place of imprisonment under sentence of the court.

SECTION 38. IC 36-8-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This chapter applies to the following:
(1) All municipalities.
(2) A county having a consolidated city that establishes a consolidated law enforcement department established under IC 36-3-1-5.1. In addition,
(b) Section 2 of this chapter applies to any other political subdivision that employs full-time, fully paid firefighters.

SECTION 39. IC 36-8-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This chapter applies to pension benefits for members of fire departments hired before May 1, 1977, in units for which a 1937 fund was established before May 1, 1977.
(b) A firefighter with twenty (20) years of service is covered by this chapter and not by IC 36-8-8 if he: the firefighter:
(1) was hired before May 1, 1977;
(2) did not convert under IC 19-1-36.5-7 (repealed September 1, 1981); and
(3) is rehired after April 30, 1977, by the same employer.
(c) A firefighter is covered by this chapter and not by IC 36-8-8 if he: the firefighter:
(1) was hired before May 1, 1977;
(2) did not convert under IC 19-1-36.5-7 (repealed September 1, 1981);
(3) was rehired after April 30, 1977, but before February 1, 1979; and
(4) was made, before February 1, 1979, a member of a 1937 fund.
(d) A firefighter who:
(1) is covered by this chapter before a consolidation under
IC 36-3-1-6.1; and
(2) becomes a member of a fire department of a consolidated city under IC 36-3-1-6.1;
is covered by this chapter after the effective date of the consolidation, and the firefighter's service as a member of a fire department of a consolidated city is considered active service under this chapter.

SECTION 40. IC 36-8-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) If a unit has less than five (5) members in its fire department, the unit may provide for the organization of a local board consisting of the fire chief, the executive of the unit, and one (1) member of the fire department.

(b) The trustee from the fire department shall be elected under this section.

(c) The local board may amend the bylaws of the fund to elect the trustee from the fire department in an election held on any three (3) consecutive days in February specified in the bylaws. The election shall be called by the fire chief and held at the house or quarters of the fire department. Subject to this section, the election shall be conducted in the manner specified in the bylaws.

(d) This subsection applies only if the local board does not elect to be governed by subsection (c). The trustee from the fire department shall be elected at a meeting held on the second Monday in February each year. The meeting shall be called by the fire chief and held at the house or quarters of the fire department.

(e) The term of the elected trustee is one (1) year beginning immediately after his election.

(f) Each member of the department is entitled to one (1) ballot and the person receiving the highest number of votes is elected. The executive of the unit, the fire chief, and the city or county clerk shall canvass and count the ballots, and the clerk shall issue a certificate of election to the person having received the highest number of votes. If two (2) persons have received the same number of votes, the executive and the chief shall immediately determine by lot who will be the trustee from the persons receiving an equal number of votes.

(g) This section does not apply to a township if the fire department of the township is consolidated under IC 36-3-1-6.1.

SECTION 41. IC 36-8-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) An election shall be held each year under this section to elect one (1) trustee from
the active members of the fire department for a term of four (4) years, commencing on the day of his election. The fire chief shall fix a time for holding a convention to nominate candidates for trustees to be elected at each election. Each convention must be held at least five (5) days before the day on which the annual election is held. A convention consists of one (1) delegate from each fire company and one (1) delegate to be selected by the chief and his assistants. The delegate from each fire company shall be elected by ballot by the members of the company at a time to be fixed by the chief in the call for a convention. The election of delegates shall be certified by the captain or other officer of the company, or, if there is not an officer present, then by the oldest member of the company present. The convention, when assembled, shall nominate six (6) members of the fire department to be voted upon as trustees, and the delegates shall report the names of the persons nominated as candidates to their respective companies in writing.

(b) The local board may amend the bylaws of the fund to elect the trustee from the active members of the fire department in an election held on any three (3) consecutive days in February specified in the bylaws. The election shall be called by the fire chief and held at the house or quarters of the respective companies of the fire department. Subject to this section, the election shall be conducted in the manner specified in the bylaws.

(c) This subsection applies only if the local board does not elect to be governed by subsection (b). The election shall be held at the houses or quarters of the respective companies on the second Monday in February between 9 a.m. and 6 p.m.

(d) Each member of a fire company is entitled to one (1) ballot, and the ballot may not contain the names of more than one (1) person, chosen from the six (6) persons nominated by the convention. The candidate receiving the highest number of votes is elected.

(e) The captain or other officer in command of each of the fire companies, immediately after the casting of all ballots, shall canvass and count the ballots. He shall certify in writing the total number of ballots cast and the number of votes received by each candidate for the office of trustee. After signing the certificate, the officer shall enclose it, together with all the ballots cast by the fire company, in an envelope, securely sealed and addressed, and deliver them to the fire chief. The fire chief shall deliver them to the executive of the unit as soon as the chief receives all the
have been received by him. Upon receipt the executive shall, in the presence of the chief and the clerk of the unit, open the envelopes, examine the certificates, and determine the total number of votes cast for each of the candidates. The executive shall then issue a certificate of election to the candidate having received the highest number of votes. If two (2) or more candidates have received the same number of votes, the executive and the chief shall immediately determine by lot who will be trustee from the persons receiving an equal number of votes. An election may not be set aside for lack of formality in balloting by the members or in certifying or transmitting the returns of an election by the officers in charge.

(f) This section does not apply to a township if the fire department of the township is consolidated under IC 36-3-1-6.1.

SECTION 42. IC 36-8-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) An election shall be held under this section every two (2) years to elect one (1) trustee from the retired members of the fire department for a term of two (2) years, commencing on the day of the trustee's election, if the retired list contains at least three (3) or more retired members at the time of election. The fire chief shall fix a time for holding a convention to nominate candidates for trustee to be elected at each election. Each convention must be held at least fifteen (15) days before the day on which the biennial election is held. All retired members of the fire department may participate in the convention. The convention, when assembled, shall nominate not more than four (4) members of the retired list to be voted upon as trustee. The secretary of the board shall mail the names of the persons nominated along with an official ballot to the retired members within forty-eight (48) hours of the end of the convention.

(b) The election shall be conducted by mail. Each retired member is entitled to cast one (1) ballot by mail and the ballot may not contain more than one (1) name, chosen from the list of retired persons nominated by the convention. The candidate receiving the highest number of votes by 6 p.m. on the second Monday in February or an alternative date in February specified in the bylaws of the fund is elected.

(c) The ballots must remain closed and inviolate until the close of the election, at which time, in the presence of the executive of the unit, the fire chief, and the clerk of the unit, the ballots shall be opened and counted. A certificate of election shall be issued to the candidate
receiving the highest number of votes. If two (2) or more candidates receive the same number of votes, the executive and the chief shall immediately determine by lot who will be trustee from the persons receiving an equal number of votes.

(d) This section does not apply to a township if the fire department of the township is consolidated under IC 36-3-1-6.1.

SECTION 43. IC 36-8-7-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) All ballots voted under this chapter shall be secured until the balloting is closed.

(b) Tampering with a ballot for an election under this chapter is a Class A infraction.

(c) This section does not apply to a township if the fire department of the township is consolidated under IC 36-3-1-6.1.

SECTION 44. IC 36-8-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The fire chief is the president of the local board.

(b) At the first meeting after each election, the local board shall elect a secretary, who may be chosen from among the trustees. However, the local board may consider it proper to have a secretary who is a member of the fire department, to be elected by the companies for a term of four (4) years in the same manner as the election for trustees. The secretary shall keep a full record of all the proceedings of the local board in a book provided for that purpose.

(c) The local board shall make all rules necessary for the discharge of its duties and shall hear and determine all applications for relief or pensions under this chapter.

(d) This section does not apply to a township if the fire department of the township is consolidated under IC 36-3-1-6.1.

SECTION 45. IC 36-8-7.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This chapter applies to pension benefits for members of police departments hired before May 1, 1977, by a consolidated city.

(b) A police officer with twenty (20) years of service is covered by this chapter and not by IC 36-8-8 if:

(1) the officer was hired before May 1, 1977;
(2) the officer did not convert under IC 19-1-17.8-7 (repealed September 1, 1981);
(3) the officer was not a member of the 1953 fund because:

(A) his the officer's employment was on a temporary or emergency status under a statute in effect before February 25,
1953;
(B) the officer failed to pass a five (5) year physical requirement under such a statute; or
(C) the officer was a war veteran without pension status;
(4) the officer submitted to a physical medical examination, if required by the local board, and the results were satisfactory; and
(5) the officer was accepted by the local board as a member of the 1953 fund upon payment of all dues required for his the officer's entire time as a member of the police department.

(c) A police officer is covered by this chapter and not by IC 36-8-8 if he:
(1) was hired before May 1, 1977; and
(2) did not convert under IC 19-1-17.8-7 (repealed September 1, 1981).

(d) A police officer is covered by this chapter and not by IC 36-8-8 if he:
(1) was hired before May 1, 1977;
(2) did not convert under IC 19-1-17.8-7 (repealed September 1, 1981);
(3) is a regularly appointed member of the police department;
(4) is a member of the 1953 fund;
(5) was employed on a temporary or emergency status before regular employment; and
(6) paid into the 1953 fund by not later than January 1, 1968, all dues for the period he was on temporary or emergency status.

(e) A police officer who:
(1) is covered by this chapter before consolidation under IC 36-3-1-5.1; and
(2) becomes a member of the consolidated law enforcement department through consolidation under IC 36-3-1-5.1;
is covered by this chapter after the effective date of the consolidation, and the officer's service as a member of the consolidated law enforcement department is considered active service under this chapter.

(f) In computing the length of active service rendered by any police officer for the purpose of determining the expiration of a period of twenty (20) years of active service, all of the following periods are counted:
(1) All of the time the officer performed the duties of his the
officer's position in active service.
(2) Vacation time or periods of leave of absence with whole or part pay.
(3) Periods of leave of absence without pay that were necessary on account of physical or mental disability.
(4) Periods of disability for which the officer will receive or has received any disability benefit.

(f) (g) In computing the term of service there is not included any of the following:

(1) Periods during which the police officer was or is suspended or on leave of absence without pay.
(2) Periods during which the officer was not in active service on account of resignation from the department.
(3) Time served as a special police officer, a merchant police officer, or private police officer.

SECTION 46. IC 36-8-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to:

(1) full-time police officers hired or rehired after April 30, 1977, in all municipalities, or who converted their benefits under IC 19-1-17.8-7 (repealed September 1, 1981);
(2) full-time fully paid firefighters hired or rehired after April 30, 1977, or who converted their benefits under IC 19-1-36.5-7 (repealed September 1, 1981);
(3) a police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996; and
(4) a park ranger who:
   (A) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;
   (B) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
   (C) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);
(5) a full-time fully paid firefighter who is covered by this chapter before the effective date of consolidation and becomes
a member of the fire department of a consolidated city under IC 36-3-1-6.1, provided that the firefighter's service as a member of the fire department of a consolidated city is considered active service under this chapter;

(6) except as otherwise provided, a full-time fully paid firefighter who is hired or rehired after the effective date of the consolidation by a consolidated fire department established under IC 36-3-1-6.1;

(7) a full-time police officer who is covered by this chapter before the effective date of consolidation and becomes a member of the consolidated law enforcement department as part of the consolidation under IC 36-3-1-5.1, provided that the officer's service as a member of the consolidated law enforcement department is considered active service under this chapter; and

(8) except as otherwise provided, a full-time police officer who is hired or rehired after the effective date of the consolidation by a consolidated law enforcement department established under IC 36-3-1-5.1;

except as provided by section 7 of this chapter.

SECTION 47. IC 36-8-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "employer" means:

(1) a municipality that established a 1925 or 1953 fund or that participates in the 1977 fund under section 3 or 18 of this chapter;
or

(2) a unit that established a 1937 fund or that participates in the
1977 fund under section 3 or 18 of this chapter;

(3) a consolidated city that consolidated the fire departments of units that:

(A) established a 1937 fund; or

(B) participated in the 1977 fund;

before the units' consolidation into the fire department of a consolidated city established by IC 36-3-1-6.1; or

(4) a consolidated city that establishes a consolidated law enforcement department under IC 36-3-1-5.1.

SECTION 48. IC 36-8-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in subsections (d), (e), (f), (g), and (h), (k), (l), (m), and (n): (1) a police officer; or

(2) a firefighter;
who is less than thirty-six (36) years of age and who passes the baseline statewide physical and mental examinations required under section 19 of this chapter shall be a member of the 1977 fund and is not a member of the 1925 fund, the 1937 fund, or the 1953 fund.

(b) A police officer or firefighter with service before May 1, 1977, who is hired or rehired after April 30, 1977, may receive credit under this chapter for service as a police officer or firefighter prior to entry into the 1977 fund if the employer who rehires him the police officer or firefighter chooses to contribute to the 1977 fund the amount necessary to amortize his the police officer's or firefighter's prior service liability over a period of not more than forty (40) years, the amount and the period to be determined by the PERF board. If the employer chooses to make the contributions, the police officer or firefighter is entitled to receive credit for his the police officer's or firefighter's prior years of service without making contributions to the 1977 fund for that prior service. In no event may a police officer or firefighter receive credit for prior years of service if the police officer or firefighter is receiving a benefit or is entitled to receive a benefit in the future from any other public pension plan with respect to the prior years of service.

(c) Except as provided in section 18 of this chapter, a police officer or firefighter is entitled to credit for all years of service after April 30, 1977, with the police or fire department of an employer covered by this chapter.

(d) A police officer or firefighter with twenty (20) years of service does not become a member of the 1977 fund and is not covered by this chapter, if he: the police officer or firefighter:

1) was hired before May 1, 1977;
2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981); and
3) is rehired after April 30, 1977, by the same employer.

(e) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if he: the police officer or firefighter:

1) was hired before May 1, 1977;
2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
3) was rehired after April 30, 1977, but before February 1, 1979; and
4) was made, before February 1, 1979, a member of a 1925,
(f) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

(1) was hired by the police or fire department of a unit before May 1, 1977;
(2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
(3) is rehired by the police or fire department of another unit after December 31, 1981; and
(4) is made, by the fiscal body of the other unit after December 31, 1981, a member of a 1925, 1937, or 1953 fund of the other unit.

If the police officer or firefighter is made a member of a 1925, 1937, or 1953 fund, he is entitled to receive credit for all his years of service, including years before January 1, 1982.

(g) As used in this subsection, "emergency medical services" and "emergency medical technician" have the meanings set forth in IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

(1) is employed by a unit that is participating in the 1977 fund;
(2) was employed as an emergency medical technician by a political subdivision wholly or partially within the department's jurisdiction;
(3) was a member of the public employees' retirement fund during the employment described in subdivision (2); and
(4) ceased employment with the political subdivision and was hired by the unit's fire department due to the reorganization of emergency medical services within the department's jurisdiction;

shall participate in the 1977 fund. A firefighter who participates in the 1977 fund under this subsection is subject to sections 18 and 21 of this chapter.

(h) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the individual was appointed as:

(1) a fire chief under a waiver under IC 36-8-4-6(c); or
(2) a police chief under a waiver under IC 36-8-4-6.5(c);

unless the executive of the unit requests that the 1977 fund accept the individual in the 1977 fund and the individual previously was a member of the 1977 fund.
(i) A police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996, is a member of the 1977 fund.

(j) A park ranger who:
   (1) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;
   (2) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
   (3) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

is a member of the fund.

(k) Notwithstanding any other provision of this chapter, a police officer or firefighter:
   (1) who is a member of the 1977 fund before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1;
   (2) whose employer is consolidated into the fire department of a consolidated city under IC 36-3-1-5.1 or IC 36-3-1-6.1; and
   (3) who, after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(l) Notwithstanding any other provision of this chapter, a police officer or firefighter who:
   (1) before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1, provides law enforcement services or fire protection services for an entity in a consolidated city;
   (2) has the provision of those services consolidated into the fire department of a consolidated city; and
   (3) after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(m) A police officer or firefighter who is a member of the 1977 fund under subsection (k) or (l) may not be:
   (1) retired for purposes of section 10 of this chapter; or
(2) disabled for purposes of section 12 of this chapter; solely because of a change in employer under the consolidation.

SECTION 49. IC 36-8-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to all townships. However, this chapter does not apply to a township in which the fire department of the township has been consolidated under IC 36-3-1-6.1.

SECTION 50. IC 36-8-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as provided in section 1.5 of this chapter, this chapter applies to any geographic area that is established as a fire protection territory.

SECTION 51. IC 36-8-19-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. If the fire departments of a township is consolidated under IC 36-3-1-6.1, after the effective date of the consolidation the township may not establish fire protection territory under this chapter.

(b) A fire protection territory that is established before the effective date of the consolidation in a township in which the township's fire department is consolidated under IC 36-3-1-6.1 becomes part of the geographic area in which the fire department of a consolidated city provides fire protection services.

SECTION 52. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commission" refers to the Marion County consolidation study commission established by subsection (b).

(b) The Marion County consolidation study commission is established.

c) The commission consists of the following members:

(1) Two (2) members of the house of representatives, not more than one (1) of whom may be a member of the same political party, appointed by the speaker of the house of representatives.

(2) Two (2) members of the senate, not more than one (1) of whom may be a member of the same political party, appointed by the president pro tempore of the senate.

(3) One (1) member appointed by the mayor of Indianapolis.

(4) One (1) member who is a township trustee in Marion County, appointed by the chairman of the legislative council upon the recommendation of the Marion County Trustees Association.

(5) One (1) member who is an elected township assessor in
Marion County, appointed by the chairman of the legislative council upon the recommendation of the Marion County Township Assessors Association.

(6) Two (2) members appointed by the chairman of the legislative council upon the recommendation of the president of Indianapolis Lodge No. 86, Fraternal Order of Police, Inc. One (1) member appointed under this subdivision must be a law enforcement officer employed by the Marion County Sheriff's Department, and one (1) member appointed under this subdivision must be a law enforcement officer employed by the Indianapolis Police Department.

(7) Two (2) members appointed by the chairman of the legislative council upon the recommendation of the president of Indianapolis Metropolitan Professional Firefighters Local 416. One (1) member appointed under this subdivision must be a full-time firefighter employed by a fire department in a Marion County township other than Center Township. One (1) member appointed under this subdivision must be a full-time firefighter employed by the Indianapolis Fire Department.

(8) Two (2) members of the Marion County city-county council appointed by the chairman of the legislative council upon the joint recommendation of the president and the minority leader of the Marion County city-county council.

(9) One (1) member appointed by the chairman of the legislative council upon the recommendation of the president of the Marion County Alliance of Neighborhood Associations.

(10) One (1) member appointed by the chairman of the legislative council upon the recommendation of the president of the Greater Indianapolis Chamber of Commerce.

(d) The chairman of the legislative council shall appoint a member of the commission as the chair of the commission.

(e) The affirmative votes of a majority of the members appointed to the commission are required for the commission to take action on any measure, including the adoption of a final report.

(f) The legislative services agency shall provide staff support for the commission.

(g) Except as otherwise provided in this SECTION, the commission shall operate under the rules and procedures of the legislative council.
(h) The commission shall study the consolidation of local government in Marion County, including the consolidation of functions proposed in HB 1435-2005, as introduced, and in the "Indianapolis Works" plan.

(i) There is appropriated forty-five thousand dollars ($45,000) to the legislative council from the state general fund for the period beginning July 1, 2005, and ending June 30, 2006, to hire consultants, including accountants, auditors, and actuaries, that are necessary to assist the commission in reviewing and verifying information and data concerning the consolidation of local government in Marion County. The chairman and vice chairman of the legislative council must approve the hiring of any consultants by the commission.

(j) Before July 1, 2005, the city of Indianapolis must submit information concerning the following to the commission, including any data or assumption used by the city in providing the information:

1. The anticipated locations and staffing levels of offices in Marion County providing services related to property assessment and township assistance.
2. The operational efficiencies that may be achieved from the consolidation of law enforcement and firefighting functions.
3. The anticipated law enforcement staffing and patrolling patterns throughout Marion County.
4. The anticipated staffing of each existing fire station in Marion County.
5. The anticipated wages and benefits that would be paid to law enforcement officers and firefighters of the consolidated departments, including any information concerning the timing of expected wage increases for officers and firefighters currently earning less than other officers with comparable rank and experience.
6. The anticipated pension payments to law enforcement officers and firefighters and the funding source of those payments.
7. The amount of any reductions in administrative costs resulting from the consolidation of property assessment, township assistance, law enforcement, and firefighting functions.
8. The amount of any other savings that might occur if services currently provided by township assessors and
township trustees (other than township assistance and firefighting services) were transferred to existing county and city departments.

(9) Any other information demonstrating the manner in which the consolidation proposed by HB 1435-2005, as introduced, would affect:

(A) the cost of providing local government services in Marion County;
(B) tax rates, tax levies, and budgets of units of local government in Marion County;
(C) the ability of local government to provide services; and
(D) the ability of citizens to interact with government officials.

(k) Any interested party may submit information and data described in subsection (j) to the commission.

(l) The commission shall issue a final report to the legislative council before December 1, 2005, concerning any findings and recommendations made by the commission.

(m) This SECTION expires December 31, 2005.

SECTION 53. [EFFECTIVE UPON PASSAGE] The general assembly finds the following:

(1) A consolidated city faces unique budget challenges due to a high demand for services combined with the large number of tax exempt properties located in a consolidated city as the seat of state government, home to several institutions of higher education, and home to numerous national, state, and regional nonprofit corporations.

(2) By virtue of its size and population density, a consolidated city has unique overlapping territories of county and city government and an absence of unincorporated areas within its county.

(3) Substantial operational efficiencies, reduction of administrative costs, and economies of scale may be obtained in a consolidated city through consolidation of certain county, city, and township functions.

(4) Consolidation of certain county, city, and township services and operations will serve the public purpose by allowing the consolidated city to:

(A) eliminate duplicative services;
(B) provide better coordinated and more uniform delivery of local governmental services;
(C) provide uniform oversight and accountability for the budgets for local governmental services;
(D) allow local government services to be provided more efficiently and at a lower cost than without consolidation.
(5) Efficient and fiscally responsible operation of local government benefits the health and welfare of the citizens of a consolidated city and is of public utility and benefit.
(6) The public purpose of this act is to provide a consolidated city with the means to perform essential governmental services for its citizens in an effective, efficient, and fiscally responsible manner.

SECTION 54. [EFFECTIVE UPON PASSAGE] The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by this act, if necessary.

SECTION 55. An emergency is declared for this act.

AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-1.1-1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. "Base rate" means the statewide agricultural land base rate value per acre used to determine the true tax value of agricultural land under:

(1) the real property assessment guidelines of the department of local government finance; or
(2) rules or guidelines of the department of local government finance that succeed the guidelines referred to in subdivision (1).

SECTION 2. IC 6-1.1-3-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]:

Sec. 23. (a) For purposes of this section:
(1) "adjusted cost" refers to the adjusted cost established in 50 IAC 4.2-4-4 (as in effect on January 1, 2003);
(2) "depreciable personal property" has the meaning set forth in 50 IAC 4.2-4-1 (as in effect on January 1, 2003);
(3) "integrated steel mill" means a person that produces steel by processing iron ore and other raw materials in a blast furnace in Indiana;
(4) "oil refinery/petrochemical company" means a person that produces a variety of petroleum products by processing an annual average of at least one hundred thousand (100,000) barrels of crude oil per day;
(5) "permanently retired depreciable personal property" has the meaning set forth in 50 IAC 4.2-4-3 (as in effect on January 1, 2003);
(6) "pool" refers to a pool established in 50 IAC 4.2-4-5(a) (as in effect on January 1, 2003);
(7) "special integrated steel mill or oil refinery/petrochemical equipment" means depreciable personal property, other than special tools and permanently retired depreciable personal property:
   (A) that:
      (i) is owned, leased, or used by an integrated steel mill or an entity that is at least fifty percent (50%) owned by an affiliate of an integrated steel mill; and
      (ii) falls within Asset Class 33.4 as set forth in IRS Rev. Proc. 87-56, 1987-2, C.B. 647; or
   (B) that:
      (i) is owned, leased, or used as an integrated part of an oil refinery/petrochemical company or its affiliate; and
      (ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS Rev. Proc. 87-56, 1987-2, C.B. 647;
(8) "special tools" has the meaning set forth in 50 IAC 4.2-6-2 (as in effect on January 1, 2003); and
(9) "year of acquisition" refers to the year of acquisition determined under 50 IAC 4.2-4-6 (as in effect on January 1, 2003).

(b) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50 IAC 4.2-4-7, a taxpayer may elect to calculate the true tax value of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment by multiplying the adjusted cost of that equipment by the
percentage set forth in the following table:

<table>
<thead>
<tr>
<th>Year of Acquisition</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>40%</td>
</tr>
<tr>
<td>2</td>
<td>56%</td>
</tr>
<tr>
<td>3</td>
<td>42%</td>
</tr>
<tr>
<td>4</td>
<td>32%</td>
</tr>
<tr>
<td>5</td>
<td>24%</td>
</tr>
<tr>
<td>6</td>
<td>18%</td>
</tr>
<tr>
<td>7</td>
<td>15%</td>
</tr>
<tr>
<td>8 and older</td>
<td>10%</td>
</tr>
</tbody>
</table>

(c) The department of local government finance shall designate the table under subsection (b) as "Pool No. 5" on the business personal property tax return.

(d) The percentage factors in the table under subsection (b) automatically reflect all adjustments for depreciation and obsolescence, including abnormal obsolescence, for special integrated steel mill or oil refinery/petrochemical equipment. The equipment is entitled to all exemptions, credits, and deductions for which it qualifies.

(e) The minimum valuation limitations under 50 IAC 4.2-4-9 do not apply to special integrated steel mill or oil refinery/petrochemical equipment valued under this section. The value of the equipment is not included in the calculation of that minimum valuation limitation for the taxpayer's other assessable depreciable personal property in the taxing district.

(f) An election to value special integrated steel mill or oil refinery/petrochemical equipment under this section:

1. must be made by reporting the equipment under this section on a business personal property tax return;
2. applies to all of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment located in the state (whether owned or leased, or used as an integrated part of the equipment); and
3. is binding on the taxpayer for the assessment date for which the election is made.

The department of local government finance shall prescribe the forms to make the election beginning with the March 1, 2003, assessment date. Any special integrated steel mill or oil refinery/petrochemical equipment acquired by a taxpayer that has made an election under this section is valued under this section.

(g) If fifty percent (50%) or more of the adjusted cost of a taxpayer's
property that would, notwithstanding this section, be reported in a pool other than Pool No. 5 is attributable to special integrated steel mill or oil refinery/petrochemical equipment, the taxpayer may elect to calculate the true tax value of all of that property as special integrated steel mill or oil refinery/petrochemical equipment. The true tax value of property for which an election is made under this subsection is calculated under subsections (b) through (f).

SECTION 3. IC 6-1.1-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2000, and be the basis for taxes payable in 2003.

(b) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2007, 2009, and each fourth year thereafter. Each reassessment under this subsection:

(1) shall be completed on or before March 1, of the immediately following odd-numbered year that succeeds by two years the year in which the general reassessment begins; and

(2) shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed.

(c) In order to ensure that assessing officials and members of each county property tax assessment board of appeals are prepared for a general reassessment of real property, the department of local government finance shall give adequate advance notice of the general reassessment to the county and township taxing officials of each county.

SECTION 4. IC 6-1.1-4-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) Subject to subsection (e), the system must be applied to adjust assessed values beginning with the 2005 assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The system must have rules adopted under subsection (a) must include the following characteristics in the system:

(1) Promote uniform and equal assessment of real property within and across classifications.
(2) Apply all objectively verifiable factors used in mass valuation techniques that are reasonably expected to affect the value of real property in Indiana.

(3) Prescribe as many adjustment percentages and whatever categories of percentages the department of local government finance finds necessary to achieve objectively verifiable updated just valuations of real property. An adjustment percentage for a particular classification may be positive or negative.

(2) Require that assessing officials:

(A) reevaluate the factors that affect value;

(B) express the interactions of those factors mathematically;

(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(4) Prescribe procedures including computer software programs, that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.

SECTION 5. IC 6-1.1-4-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) For purposes of this section, "assessor" means:

(1) a township assessor; or

(2) a county assessor who assumes the responsibility for verifying sales under 50 IAC 21-3-2(b).

(b) The department of local government finance shall provide training to assessors and county auditors with respect to the verification of sales disclosure forms under 50 IAC 21-3-2.
SECTION 6. IC 6-1.1-4-13.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.8. (a) As used in this section, "commission" refers to a county land valuation commission established under subsection (b).

(b) **Subject to subsection (l)**, a county land valuation commission is established in each county for the purpose of determining the value of commercial, industrial, and residential land (including farm homesites) in the county.

(c) The county assessor is chairperson of the commission.

(d) The following are members of the commission:

1. The county assessor. The county assessor shall cast a vote only to break a tie.
2. Each township assessor, when the respective township land values for that township assessor's township are under consideration. A township assessor serving under this subdivision shall vote on all matters relating to the land values of that township assessor's township.
3. One (1) township assessor from the county to be appointed by a majority vote of all the township assessors in the county.
4. One (1) county resident who:
   - (A) holds a license under IC 25-34.1-3 as a salesperson or broker; and
   - (B) is appointed by:
     - (i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or
     - (ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).
5. Four (4) individuals who:
   - (A) are appointed by the county executive (as defined in IC 36-1-2-5); and
   - (B) represent one (1) of the following four (4) kinds of land in the county:
     - (i) Agricultural.
     - (ii) Commercial.
     - (iii) Industrial.
     - (iv) Residential.

Each of the four (4) kinds of land in the county must be represented by one (1) individual appointed under this subdivision.

6. One (1) individual who:
(A) represents financial institutions in the county; and
(B) is appointed by:
   (i) the board of commissioners (as defined in IC 36-3-3-10)
      for a county having a consolidated city; or
   (ii) the county executive (as defined in IC 36-1-2-5) for a
        county not described in item (i).

(c) The term of each member of the commission begins November
   1 of the year that precedes by two (2) years the year in which a general
   reassessment begins under IC 6-1.1-4-4, and ends January 1 of the year
   in which the general reassessment begins under IC 6-1.1-4-4. The
   appointing authority may fill a vacancy for the remainder of the vacated
   term.

(f) The commission shall determine the values of all classes of
   commercial, industrial, and residential land (including farm homesites)
   in the county using guidelines determined by the department of local
   government finance. Not later than November 1 of the year preceding
   the year in which a general reassessment begins, the commission
determining the values of land shall submit the values, all data
supporting the values, and all information required under rules of the
department of local government finance relating to the determination
of land values to the county property tax assessment board of appeals
and the department of local government finance. Not later than January
1 of the year in which a general reassessment begins, the county
property tax assessment board of appeals shall hold a public hearing in
the county concerning those values. The property tax assessment board
of appeals shall give notice of the hearing in accordance with IC 5-3-1
and shall hold the hearing after March 31 of the year preceding the year
in which the general reassessment begins and before January 1 of the
year in which the general reassessment under IC 6-1.1-4-4 begins.

(g) The county property tax assessment board of appeals shall
review the values, data, and information submitted under subsection (f)
and may make any modifications it considers necessary to provide
uniformity and equality. The county property tax assessment board of
appeals shall coordinate the valuation of property adjacent to the
boundaries of the county with the county property tax assessment
boards of appeals of the adjacent counties using the procedures adopted
by rule under IC 4-22-2 by the department of local government finance.
If the commission fails to submit land values under subsection (f) to the
county property tax assessment board of appeals before January 1 of
the year the general reassessment under IC 6-1.1-4-4 begins, the county
(h) The county property tax assessment board of appeals shall give notice to the county and township assessors of its decision on the values. The notice must be given before March 1 of the year the general reassessment under IC 6-1.1-4-4 begins. Not later than twenty (20) days after that notice, the county assessor or a township assessor in the county may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals shall hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(i) Not later than twenty (20) days after notice to the county and township assessor is given under subsection (h), a taxpayer may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals may hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(j) A taxpayer may appeal the value determined under this section as applied to the taxpayer's land as part of an appeal filed under IC 6-1.1-15 after the taxpayer has received a notice of assessment. If a taxpayer that files an appeal under IC 6-1.1-15 requests the values, data, or information received by the county property tax assessment board of appeals under subsection (f), the county property tax assessment board of appeals shall satisfy the request. The department of local government finance may modify the taxpayer's land value and the value of any other land in the township, the county where the taxpayer's land is located, or the adjacent county if the department of local government finance determines it is necessary to provide uniformity and equality.

(k) The county assessor shall notify all township assessors in the county of the values as determined by the commission and as modified by the county property tax assessment board of appeals or department of local government finance under this section. Township assessors shall use the values determined under this section.

(l) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to abolish the county land valuation commission established under subsection (b). Each township assessor and the county assessor has one (1) vote. The county
assessor shall give written notice to:

1. each member of the county land valuation commission; and
2. each township assessor in the county;

of the abolishment of the commission under this subsection.

SECTION 7. IC 6-1.1-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) For purposes of making a general reassessment of real property or annual adjustments under section 4.5 of this chapter, any township assessor and any county assessor may employ:

1. deputies;
2. employees; and
3. technical advisors who are:
   A. qualified to determine real property values;
   B. professional appraisers certified under 50 IAC 15; The assessor may employ a technical advisor and
   C. employed either on a full-time or a part-time basis, subject to sections 18.5 and 19.5 of this chapter.

(b) The county council of each county shall appropriate the funds necessary for the employment of deputies, employees, or technical advisors employed under subsection (a) of this section.

SECTION 8. IC 6-1.1-4-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Subject to the approval of the department of local government finance and the requirements of section 18(a) 18.5 of this chapter, a:

1. township assessor; or
2. group consisting of the county assessor and the township assessors in a county;

may employ professional appraisers as technical advisors. A decision by one (1) or more assessors referred to in subdivisions (1) and (2) to not employ a professional appraiser as a technical advisor in a general reassessment is subject to approval by the department of local government finance.

(b) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to:

1. employ a professional appraiser to act as a technical advisor in the county during a general reassessment period;
2. appoint an assessor or a group of assessors to:
   A. enter into and administer the contract with a professional
appraiser employed under this section; and
(B) oversee the work of a professional appraiser employed
under this section.

Each township assessor and the county assessor has one (1) vote. A
decision by a majority of the persons authorized to vote is binding on
the county assessor and all township assessors in the county. Subject
to the limitations contained in section 18(a) of this chapter, the
assessor or assessors appointed under subdivision (2) may contract
with a professional appraiser employed under this section to supply
technical advice during a general reassessment period for all townships
in the county. A proportionate part of the appropriation to all townships
for assessing purposes shall be used to pay for the technical advice.

(c) As used in this chapter, "professional appraiser" means an
individual or firm that is certified under IC 6-1.1-31.7.

SECTION 9. IC 6-1.1-4-27.5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27.5. (a) The
auditor of each county shall establish a property reassessment fund.
The county treasurer shall deposit all collections resulting from the
property taxes that the county is required to levy under this section in
levies for the county's property reassessment fund.

(b) With respect to the general reassessment of real property
that is to commence on July 1, 2009, the county council of each
county shall, for property taxes due in 2006, 2007, 2008, and 2009,
levy in each year against all the taxable property in the county an
amount equal to one-fourth (1/4) of the remainder of:

(1) the estimated costs referred to in section 28.5(a) of this
chapter; minus
(2) the amount levied under this section by the county council
for property taxes due in 2004 and 2005.

(b) (c) With respect to a general reassessment of real property that
is to commence on July 1, 2007, 2014, and each fourth fifth year
thereafter, the county council of each county shall, for property taxes
due in the year that the general reassessment is to commence and the
three (3) four (4) years preceding that year, levy against all the taxable
property in the county an amount equal to one-fourth (1/4) one-fifth
(1/5) of the estimated cost costs of the general reassessment under
section 28.5 of this chapter.

(c) (d) The department of local government finance shall give to
each county council notice, before January 1 in a year, of the tax levies
required by this section for that year.
(d) (e) The department of local government finance may raise or lower the property tax levy under this section for a year if the department determines it is appropriate because the estimated cost of:

(1) a general reassessment; including a general reassessment to be completed for the March 1, 2002, assessment date; or

(2) making annual adjustments under section 4.5 of this chapter;

has changed.

(e) If the county council determines that there is insufficient money in the county's reassessment fund to pay all expenses (as permitted under sections 28.5 and 32 of this chapter) relating to the general reassessment of real property commencing July 1, 2000; the county may, for the purpose of paying expenses (as permitted under sections 28.5 and 32 of this chapter) relating to the general reassessment commencing July 1, 2000; use money deposited in the fund from the tax levy under this section for 2000 or a later year:

(f) The county assessor or township assessor may petition the county fiscal body to increase the levy under subsection (b) or (c) to pay for the costs of:

(1) a general reassessment;

(2) verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; or

(3) processing annual adjustments under section 4.5 of this chapter.

The assessor must document the needs and reasons for the increased funding.

(g) If the county fiscal body denies a petition under subsection (f), the assessor may appeal to the department of local government finance. The department of local government finance shall:

(1) hear the appeal; and

(2) determine whether the additional levy is necessary.
(3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency;
(4) the updating of plat books; and
(5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist county assessors, members of a county property tax assessment board of appeals, and assessing officials;
(6) making annual adjustments under section 4.5 of this chapter; and
(7) the verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3.
(b) All counties shall use modern, detailed soil maps in the general reassessment of agricultural land.
(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund until the money is needed to pay general reassessment expenses. Any interest received from investment of the money shall be paid into the property reassessment fund.
(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the county assessor. However, in a county with an elected township assessor in every township, the county assessor does not review an appropriation under this section; and only the fiscal body must approve an appropriation under this section.

SECTION 11. IC 6-1.1-4-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) The department of local government finance shall periodically check the conduct of:
(1) a general reassessment of property;
(2) work required to be performed by local officials under 50 IAC 21; and
(3) other property assessment activities in the county, as determined by the department.
The department of local government finance may inform township assessors, county assessors, and the presidents of county councils in writing if its check reveals that the general reassessment is or other property assessment activities are not being properly conducted, work required to be performed by local officials under 50 IAC 21 is not being properly conducted, or if property assessments under the general reassessment are not being properly made.
(b) The failure of the department of local government finance to inform local officials under subsection (a) shall not be construed as an indication by the department that:

1. the general reassessment or other property assessment activities are being properly conducted;
2. work required to be performed by local officials under 50 IAC 21 is being properly conducted; or that
3. property assessments under the general reassessment are being properly made.

(c) If the department of local government finance:

1. determines under subsection (a) that a general reassessment or other assessment activities for a general reassessment year or any other year are not being properly conducted; and
2. informs:
   A. the township assessor of each affected township;
   B. the county assessor; and
   C. the president of the county council;

the department may order a state conducted assessment or reassessment under section 31.5 of this chapter to begin not less than sixty (60) days after the date of the notice under subdivision (2). If the department determines during the period between the date of the notice under subdivision (2) and the proposed date for beginning the state conducted assessment or reassessment that the general reassessment or other assessment activities for the general reassessment are being properly conducted, the department may rescind the order.

(d) If the department of local government finance:

1. determines under subsection (a) that work required to be performed by local officials under 50 IAC 21 is not being properly conducted; and
2. informs:
   A. the township assessor of each affected township;
   B. the county assessor; and
   C. the president of the county council;

the department may conduct the work or contract to have the work conducted to begin not less than sixty (60) days after the date of the notice under subdivision (2). If the department determines during the period between the date of the notice under subdivision (2) and
the proposed date for beginning the work or having the work conducted that work required to be performed by local officials under 50 IAC 21 is being properly conducted, the department may rescind the order.

(e) If the department of local government finance contracts to have work conducted under subsection (d), the department shall forward the bill for the services to the county and the county shall pay the bill under the same procedures that apply to county payments of bills for assessment or reassessment services under section 31.5 of this chapter.

SECTION 12. IC 6-1.1-4-31.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31.5. (a) As used in this section, "assessment official" means any of the following:

1. A county assessor.
2. A township assessor.
3. A township trustee-assessor.

(b) As used in this section, "department" refers to the department of local government finance.

(c) If the department makes a determination and informs local officials under section 31(c) of this chapter, the department may order a state conducted assessment or reassessment in the county subject to the time limitation in that subsection.

(d) If the department orders a state conducted assessment or reassessment in a county, the department shall assume the duties of the county's assessment officials. Notwithstanding sections 15 and 17 of this chapter, an assessment official in a county subject to an order issued under this section may not assess property or have property assessed for the assessment or general reassessment. Until the state conducted assessment or reassessment is completed under this section, the assessment or reassessment duties of an assessment official in the county are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(e) Before assuming the duties of a county's assessment officials, the department shall transmit a copy of the department's order requiring a state conducted assessment or reassessment to the county's assessment officials, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation published in the county. The department is not required
to conduct a public hearing before taking action under this section.

(f) Township and county officials in a county subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

(1) data;
(2) records;
(3) maps;
(4) parcel record cards;
(5) forms;
(6) computer software systems;
(7) computer hardware systems; and
(8) other information;
related to the assessment or reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment and is subject to IC 6-1.1-37-2.

(g) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county or a township located in the county entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

(1) is as valid as if it had been entered into by the department; and
(2) shall be treated as the contract of the department.

(h) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (g), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

(1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and
(2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

(i) The department shall forward a bill for services provided under a contract described in subsection (g) to the auditor of the
county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (j).

(j) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (g), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

1. submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;
2. obtains from the department:
   - (A) approval of the form and amount of the bill; and
   - (B) a certification that the billed goods and services have been received and comply with the contract; and
3. files with the county auditor:
   - (A) a duplicate copy of the bill submitted to the department;
   - (B) proof of the department's approval of the form and amount of the bill; and
   - (C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not
subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9
do not apply to a claim submitted under this subsection.
IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in
compliance with this subsection.

(k) Notwithstanding IC 4-13-2, a period of seven (7) days is
permitted for each of the following to review and act under
IC 4-13-2 on a contract of the department entered into under this
section:

(1) The commissioner of the Indiana department of
administration.
(2) The director of the budget agency.
(3) The attorney general.

(l) If money in the county's property reassessment fund is
insufficient to pay for an assessment or reassessment conducted
under this section, the department may increase the tax rate and
tax levy of the county's property reassessment fund to pay the cost
and expenses related to the assessment or reassessment.

(m) The department or the contractor of the department shall
use the land values determined under section 13.6 of this chapter
for a county subject to an order issued under this section to the
extent that the department or the contractor finds that the land
values reflect the true tax value of land, as determined under this
article and the rules of the department. If the department or the
contractor finds that the land values determined for the county
under section 13.6 of this chapter do not reflect the true tax value
of land, the department or the contractor shall determine land
values for the county that reflect the true tax value of land, as
determined under this article and the rules of the department.
Land values determined under this subsection shall be used to the
same extent as if the land values had been determined under
section 13.6 of this chapter. The department or the contractor of
the department shall notify the county's assessment officials of the
land values determined under this subsection.

(n) A contractor of the department may notify the department
if:

(1) a county auditor fails to:
(A) certify the contractor's bill;
(B) publish the contractor's claim;
(C) submit the contractor's claim to the county executive;
or
(D) issue a warrant or check for payment of the
contractor's bill;
as required by subsection (j) at the county auditor's first legal
opportunity to do so;
(2) a county executive fails to allow the contractor's claim as
legally required by subsection (j) at the county executive's
first legal opportunity to do so; or
(3) a person or an entity authorized to act on behalf of the
county takes or fails to take an action, including failure to
request an appropriation, and that action or failure to act
delays or halts progress under this section for payment of the
contractor's bill.
(o) The department, upon receiving notice under subsection (n)
from a contractor of the department, shall:
(1) verify the accuracy of the contractor's assertion in the
notice that:
(A) a failure occurred as described in subsection (n)(1) or
(n)(2); or
(B) a person or an entity acted or failed to act as described
in subsection (n)(3); and
(2) provide to the treasurer of state the department's approval
under subsection (j)(2)(A) of the contractor's bill with respect
to which the contractor gave notice under subsection (n).
(p) Upon receipt of the department's approval of a contractor's
bill under subsection (o), the treasurer of state shall pay the
contractor the amount of the bill approved by the department from
money in the possession of the state that would otherwise be
available for distribution to the county, including distributions
from the property tax replacement fund or distribution of
admissions taxes or wagering taxes.
(q) The treasurer of state shall withhold from the money that
would be distributed under IC 4-33-12-6, IC 4-33-13-5,
IC 6-1.1-21-4(b), or any other law to a county described in a notice
provided under subsection (n) the amount of a payment made by
the treasurer of state to the contractor of the department under
subsection (p). Money shall be withheld first from the money
payable to the county under IC 6-1.1-21-4(b) and then from all
other sources payable to the county.
(r) Compliance with subsections (n) through (q) constitutes
compliance with IC 5-11-10.
(s) IC 5-11-10-1.6(d) applies to the treasurer of state with
respect to the payment made in compliance with subsections (n)
through (q). This subsection and subsections (n) through (q) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(t) The provisions of this section are severable as provided in IC 1-1-1-8(b).

SECTION 13. IC 6-1.1-4-31.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31.6. (a) Subject to the other requirements of this section, the department of local government finance may:

1) negotiate an addendum to a contract referred to in section 31.5(g) of this chapter that is treated as a contract of the department; or
2) include provisions in a contract entered into by the department under section 31.5(g) of this chapter; to require the contractor of the department to represent the department in appeals initiated under section 31.7 of this chapter and to afford to taxpayers an opportunity to attend an informal hearing.

(b) The purpose of the informal hearing referred to in subsection (a) is to:

1) discuss the specifics of the taxpayer's assessment or reassessment;
2) review the taxpayer's property record card;
3) explain to the taxpayer how the assessment or reassessment was determined;
4) provide to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or reassessment;
5) note and consider objections of the taxpayer;
6) consider all errors alleged by the taxpayer; and
7) otherwise educate the taxpayer about:
   A) the taxpayer's assessment or reassessment;
   B) the assessment or reassessment process; and
   C) the assessment or reassessment appeal process under section 31.7 of this chapter.

(c) Following an informal hearing referred to in subsection (b), the contractor shall:

1) make a recommendation to the department of local
government finance as to whether a change in the reassessment is warranted; and
(2) if recommending a change under subdivision (1), provide to the department a statement of:
   (A) how the changed assessment or reassessment was determined; and
   (B) the amount of the changed assessment or reassessment.
(d) To preserve the right to appeal under section 31.7 of this chapter, a taxpayer must initiate the informal hearing process by notifying the department of local government finance or its designee of the taxpayer's intent to participate in an informal hearing referred to in subsection (b) not later than forty-five (45) days after the department of local government finance gives notice under section 31.5(h) of this chapter to taxpayers of the amount of the reassessment.
(e) The informal hearings referred to in subsection (b) must be conducted:
   (1) in the county where the property is located; and
   (2) in a manner determined by the department of local government finance.
(f) The department of local government finance shall:
   (1) consider the recommendation of the contractor under subsection (c); and
   (2) if the department accepts a recommendation that a change in the assessment or reassessment is warranted, accept or modify the recommended amount of the changed assessment or reassessment.
(g) The department of local government finance shall send a notice of the result of each informal hearing to:
   (1) the taxpayer;
   (2) the county auditor;
   (3) the county assessor; and
   (4) the township assessor of the township in which the property is located.
(h) A notice under subsection (g) must:
   (1) state whether the assessment or reassessment was changed as a result of the informal hearing; and
   (2) if the assessment or reassessment was changed as a result of the informal hearing:
      (A) indicate the amount of the changed assessment or reassessment; and
(B) provide information on the taxpayer's right to appeal under section 31.7 of this chapter.

(i) If the department of local government finance does not send a notice under subsection (g) not later than two hundred seventy (270) days after the date the department gives notice of the amount of the assessment or reassessment under section 31.5(h) of this chapter:

(1) the department may not change the amount of the assessment or reassessment under the informal hearing process described in this section; and

(2) the taxpayer may appeal the assessment or reassessment under section 31.7 of this chapter.

(j) The department of local government finance may adopt rules to establish procedures for informal hearings under this section.

(k) Payment for an addendum to a contract under subsection (a)(1) is made in the same manner as payment for the contract under section 31.5(i) of this chapter.

SECTION 14. IC 6-1.1-4-31.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31.7. (a) As used in this section, "special master" refers to a person designated by the Indiana board under subsection (e).

(b) The notice of assessment or reassessment under section 31.5(h) of this chapter is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance do not apply to an appeal under this subsection. The Indiana board may establish applicable procedures and time limitations under subsection (l).

(c) In order to appeal under subsection (b), the taxpayer must:

(1) participate in the informal hearing process under section 31.6 of this chapter;

(2) except as provided in section 31.6(i) of this chapter, receive a notice under section 31.6(g) of this chapter; and

(3) file a petition for review with the appropriate county assessor not later than thirty (30) days after:

(A) the date of the notice to the taxpayer under section 31.6(g) of this chapter; or

(B) the date after which the department may not change the amount of the assessment or reassessment under the informal hearing process described in section 31.6 of this
chapter.
(d) The Indiana board may develop a form for petitions under subsection (c) that outlines:
   (1) the appeal process;
   (2) the burden of proof; and
   (3) evidence necessary to warrant a change to an assessment or reassessment.
(e) The Indiana board may contract with, appoint, or otherwise designate the following to serve as special masters to conduct evidentiary hearings and prepare reports required under subsection (g):
   (1) Independent, licensed appraisers.
   (2) Attorneys.
   (3) Certified level two Indiana assessor-appraisers (including administrative law judges employed by the Indiana board).
   (4) Other qualified individuals.
(f) Each contract entered into under subsection (e) must specify the appointee's compensation and entitlement to reimbursement for expenses. The compensation and reimbursement for expenses are paid from the county property reassessment fund.
(g) With respect to each petition for review filed under subsection (c), the special masters shall:
   (1) set a hearing date;
   (2) give notice of the hearing at least thirty (30) days before the hearing date, by mail, to:
      (A) the taxpayer;
      (B) the department of local government finance;
      (C) the township assessor; and
      (D) the county assessor;
   (3) conduct a hearing and hear all evidence submitted under this section; and
   (4) make evidentiary findings and file a report with the Indiana board.
(h) At the hearing under subsection (g):
   (1) the taxpayer shall present:
      (A) the taxpayer's evidence that the assessment or reassessment is incorrect;
      (B) the method by which the taxpayer contends the assessment or reassessment should be correctly determined; and
      (C) comparable sales, appraisals, or other pertinent
information concerning valuation as required by the Indiana board; and

(2) the department of local government finance shall present its evidence that the assessment or reassessment is correct.

(i) The Indiana board may dismiss a petition for review filed under subsection (c) if the evidence and other information required under subsection (h)(1) is not provided at the hearing under subsection (g).

(j) The township assessor and the county assessor may attend and participate in the hearing under subsection (g).

(k) The Indiana board may:

(1) consider the report of the special masters under subsection (g)(4); and

(2) make a final determination based on the findings of the special masters without:

(A) conducting a hearing; or

(B) any further proceedings; and

(3) incorporate the findings of the special masters into the board’s findings in resolution of the appeal.

(l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:

(1) establish procedures to expedite:

(A) the conduct of hearings under subsection (g); and

(B) the issuance of determinations of appeals under subsection (k); and

(2) establish deadlines:

(A) for conducting hearings under subsection (g); and

(B) for issuing determinations of appeals under subsection (k).

(m) A determination by the Indiana board of an appeal under subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.

SECTION 15. IC 6-1.1-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) Except as provided in subsection (b), before an owner of real property demolishes, structurally modifies, or improves it at a cost of more than five hundred dollars ($500) for materials or labor, or both, the owner or the owner's agent shall file with the area plan commission or the county assessor in the county where the property is located an assessment registration notice on a form prescribed by the department of local government finance.

(b) If the owner of the real property, or the person performing the
work for the owner, is required to obtain a permit from an agency or official of the state or a political subdivision for the demolition, structural modification, or improvement, the owner or the person performing the work for the owner is not required to file an assessment registration notice.

(c) Each state or local government official or agency shall, before the tenth day of each month, deliver a copy of each permit described in subsection (b) to the assessor of the county in which the real property to be improved is situated. Each area plan commission shall, before the tenth day of each month, deliver a copy of each assessment registration notice described in subsection (a) to the assessor of the county where the property is located.

(d) Before the last day of each month, the county assessor shall distribute a copy of each assessment registration notice filed under subsection (a) or permit received under subsection (b) to the assessor of the township in which the real property to be demolished, modified, or improved is situated.

(e) A fee of five dollars ($5) shall be charged by the area plan commission or the county assessor for the filing of the assessment registration notice. All fees collected by the county assessor under this subsection shall be deposited in the county property reassessment fund.

(f) A township or county assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars ($500) and the owner of the property has failed to obtain the required building permit or to file an assessment registration notice.

(g) Any person who fails to:
   (1) file the registration notice required by subsection (a); or
   (2) obtain a building permit described in subsection (b);
before demolishing, structurally modifying, or improving real property is subject to a civil penalty of one hundred dollars ($100). The county treasurer shall include the penalty on the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee, if any, and the penalty to the area plan commission or the county assessor at the time the person files the late registration notice.

SECTION 16. IC 6-1.1-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) For purposes of
this section, "party" includes:

(1) a seller of property that is exempt under the seller's ownership; or

(2) a purchaser of property that is exempt under the purchaser's ownership;

from property taxes under IC 6-1.1-10.

(b) Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form.

(c) Except as provided in subsection (d), the auditor shall forward each sales disclosure form to the county assessor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.
The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) (e) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

SECTION 17. IC 6-1.1-5.5-4.7, AS AMENDED BY P.L.1-2004, SECTION 10, AND AS AMENDED BY P.L.23-2004, SECTION 11, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) The assessment training and administration fund is established for the purpose of receiving fees deposited under section 4 of this chapter. Money in the fund may be used by:

(1) the department of local government finance to cover expenses incurred in the development and administration of programs for the training of assessment officials and employees of the department, including the examination and certification program required by IC 6-1.1-35.5; The fund shall be administered by the treasurer of state; or

(2) the Indiana board to:

(A) conduct appeal activities; or

(B) pay for appeal services.

(b) The expenses of administering the fund shall be paid from money in the fund:

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited into the fund.

(d) (c) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 18. IC 6-1.1-5.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number of the parcel (as defined in IC 6-1.1-1-8.5).

(2) Whether the entire parcel is being conveyed.

(3) The address of the property.
(4) The date of the execution of the form.
(5) The date the property was transferred.
(6) Whether the transfer includes an interest in land or improvements, or both.
(7) Whether the transfer includes personal property.
(8) An estimate of any personal property included in the transfer.
(9) The name, and address, and telephone number of:
   (A) each transferor and transferee; and
   (B) the person that prepared the form.
(10) The mailing address to which the property tax bills or other official correspondence should be sent.
(11) The ownership interest transferred.
(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).
(13) The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.
(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.
(15) Any family or business relationship existing between the transferor and the transferee.
(16) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

SECTION 19. IC 6-1.1-17-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) If the county board of tax adjustment determines that the maximum aggregate tax rate permitted within a political subdivision under IC 6-1.1-18 is inadequate, the county board shall, subject to the limitations prescribed in IC 6-1.1-19-2, file its written recommendations in duplicate with the county auditor. The board shall include with its recommendations:
   (1) an analysis of the aggregate tax rate within the political subdivision;
   (2) a recommended breakdown of the aggregate tax rate among
the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision; and
(3) any other information which the county board considers relevant to the matter.

(b) The county auditor shall forward one (1) copy of the county board's recommendations to the department of local government finance and shall retain the other copy in the county auditor's office. The department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budgets by fund, tax rates, and tax levies of the political subdivisions described in subsection (a)(2).

SECTION 20. IC 6-1.1-17-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Except as provided in subsection (b); Ten (10) or more taxpayers or one (1) taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision may initiate an appeal from the county board of tax adjustment's action on a political subdivision's budget by filing a statement of their objections with the county auditor. The statement must be filed not later than ten (10) days after the publication of the notice required by section 12 of this chapter. The statement shall specifically identify the provisions of the budget and tax levy to which the taxpayers object. The county auditor shall forward the statement, with the budget, to the department of local government finance.

(b) This subsection applies to provisions of the budget and tax levy of a political subdivision:
(1) against which an objection petition was filed under section 5(b) of this chapter; and
(2) that were not changed by the fiscal body of the political subdivision after hearing the objections.

A group of ten (10) or more taxpayers may not initiate an appeal under subsection (a) against provisions of the budget and tax levy if less than seventy-five percent (75%) of the objecting taxpayers with respect to the objection petition filed under section 5(b) of this chapter were objecting taxpayers with respect to the objection statement filed under subsection (a) against those provisions.

(b) The department of local government finance shall:
(1) subject to subsection (e), give notice to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten
percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer, of the date, time, and location of the hearing on the objection statement filed under subsection (a); (2) conduct a hearing on the objection; and (3) after the hearing: (A) consider the testimony and evidence submitted at the hearing; and (B) mail the department's: (i) written determination; and (ii) written statement of findings; to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer.

The department of local government finance may hold the hearing in conjunction with the hearing required under IC 6-1.1-17-16.

(c) The department of local government finance shall provide written notice to: (1) the first ten (10) taxpayers whose names appear on the petition; or (2) the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision, in the case of an appeal initiated by that taxpayer;

at least five (5) days before the date of the hearing.

SECTION 21. IC 6-1.1-17-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsections (j) and (k), before the department of local government finance reviews, revises, reduces,
or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (i), IC 6-1.1-19, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's budget by fund, tax rate, or tax levy. The political subdivision has one (1) week from the date the political subdivision receives the notice to provide a written response to the department of local government finance's Indianapolis office specifying how to make the required reductions in the amount budgeted for each office or department: by fund. The department of local government finance shall make reductions as specified in the political subdivision's response if the response is provided as required by this subsection and sufficiently specifies all necessary reductions. The department of local government finance may make a revision, a reduction, or an increase in a political subdivision's budget only in the total amounts budgeted for each office or department within each of the major budget classifications prescribed by the state board of accounts: by fund.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

(1) no bonds of the building corporation are outstanding; or
(2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

(1) the county auditor; and
(2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;
(3) the first ten (10) taxpayers whose names appear on a petition filed under section 13 of this chapter; and
(4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

(1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
(2) If the department acts under an appeal initiated by taxpayers under section 13 of this chapter, a taxpayer who signed the petition under that section.
(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.
(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15th of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance may increase a political subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;
(2) either:
   (A) based on information first obtained by the political
subdivision after the public hearing under section 3 of this chapter; or
(B) results from an inadvertent mathematical error made in
determining the levy; and
(3) published by the political subdivision according to a notice
provided by the department.

(j) The department of local government finance shall annually
review the budget by fund of each school corporation not later than
April 1. The department of local government finance shall give the
school corporation written notification specifying any revision,
reduction, or increase the department proposes in the school
supplementation's budget by fund. A public hearing is not required in
connection with this review of the budget.

(k) The department of local government finance may hold a
hearing under subsection (c) only if the notice required in
IC 6-1.1-17-12 is published at least ten (10) days before the date of
the hearing.

SECTION 22. IC 6-1.1-21-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the
department shall allocate from the property tax replacement fund an
amount equal to the sum of:

(1) each county's total eligible property tax replacement amount
for that year; plus
(2) the total amount of homestead tax credits that are provided
under IC 6-1.1-20.9 and allowed by each county for that year; plus
(3) an amount for each county that has one (1) or more taxing
districts that contain all or part of an economic development
district that meets the requirements of section 5.5 of this chapter.
This amount is the sum of the amounts determined under the
following STEPS for all taxing districts in the county that contain
all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts
under section 2(g)(1)(A) and 2(g)(2) of this chapter that is
attributable to the taxing district.
STEP TWO: Divide:
  (A) that part of the subdivision (1) amount that is
      attributable to the taxing district; by
  (B) the STEP ONE sum.
STEP THREE: Multiply:
(A) the STEP TWO quotient; times
(B) the taxes levied in the taxing district that are allocated to
a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and
August 31 of each year, the department shall distribute to each county
treasurer from the property tax replacement fund one-half (1/2) of the
estimated distribution for that year for the county. Between September
1 and December 15 of that year, the department shall distribute to each
county treasurer from the property tax replacement fund the remaining
one-half (1/2) of each estimated distribution for that year. The amount
of the distribution for each of these periods shall be according to a
schedule determined by the property tax replacement fund board under
section 10 of this chapter. The estimated distribution for each county
may be adjusted from time to time by the department to reflect any
changes in the total county tax levy upon which the estimated
distribution is based.

(c) On or before December 31 of each year or as soon thereafter as
possible, the department shall make a final determination of the amount
which should be distributed from the property tax replacement fund to
each county for that calendar year. This determination shall be known
as the final determination of distribution. The department shall
distribute to the county treasurer or receive back from the county
treasurer any deficit or excess, as the case may be, between the sum of
the distributions made for that calendar year based on the estimated
distribution and the final determination of distribution. The final
determination of distribution shall be based on the auditor's abstract
filed with the auditor of state, adjusted for postabstract adjustments
included in the December settlement sheet for the year, and such
additional information as the department may require.

(d) All distributions provided for in this section shall be made on
warrants issued by the auditor of state drawn on the treasurer of state.
If the amounts allocated by the department from the property tax
replacement fund exceed in the aggregate the balance of money in the
fund, then the amount of the deficiency shall be transferred from the
state general fund to the property tax replacement fund, and the auditor
of state shall issue a warrant to the treasurer of state ordering the
payment of that amount. However, any amount transferred under this
section from the general fund to the property tax replacement fund
shall, as soon as funds are available in the property tax replacement
fund, be retransferred from the property tax replacement fund to the
state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (g) and subject to subsection (h), the department shall not distribute under subsection (b) and section 10 of this chapter a percentage, determined by the department, of the money attributable to the county’s property reassessment fund that would otherwise be distributed to the county under subsection (b) and section 10 of this chapter if:

(1) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section; or

(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure forms under IC 6-1.1-5.5-3(b);

(5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);

(6) the county auditor has not paid a bill for services under IC 6-1.1-4.31.5 to the department of local government finance in a timely manner;

(7) the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);

(8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or

(9) a township or county official has not provided other information to the department of local government finance in a timely manner as required by the department.

(f) Except as provided in subsection (i) if the elected township assessors in the county, the elected township assessors and the county
assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b); the state board or the department shall not distribute under subsection (b) and section 10 of this chapter a part of the money attributable to the county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by October 1 as described in this section bears to the total number of townships in the county:

(g) (f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection (e)(1) and (e)(2) shall be distributed to the county when

(1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; and

(2) the county assessor forwards to the department of local government finance the approved exemption applications required to be forwarded under IC 6-1.1-11-8(a);

with respect to which the failure to send or forward resulted in the withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f) determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(i) (g) The restrictions on distributions under subsections (e) and (f) do not apply if the department of local government finance determines that

(1) the failure of:

(A) a county auditor to send a certified statement; or

(B) a county assessor to forward copies of all approved exemption applications;

as described in subsection (e); or
(2) the failure of an official to transmit data as described in subsection (f):

to:

(1) provide information; or
(2) pay a bill for services;
in a timely manner is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty (30) days notice in writing before withholding a distribution under subsection (e).

(i) Money not distributed for the reason stated in subsection (e)(6) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution under subsection (f).

SECTION 23. IC 6-1.1-21.8-4, AS AMENDED BY HEA 1288-2005, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall determine the terms of a loan made under this chapter. However, the interest charged on the loan may not exceed the percent of increase in the United States Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers during the most recent twelve (12) month period for which data is available as of the date that the unit applies for a loan under this chapter. In the case of a qualified taxing unit that is not a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than ten (10) years after the date on which the loan was made. In the case of a qualified taxing unit that is a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than eleven (11) years after the date on which the loan was made. A school corporation or a public library (as defined in IC 36-12-1-5) is not required to begin making payments to repay a loan until after June 30, 2004. The total amount of all the loans made under this chapter may not exceed twenty-eight million dollars ($28,000,000). The board may disburse the proceeds of a loan in installments. However, not more than one-third (1/3) of the total amount to be loaned under this chapter may be disbursed at any particular time without the review of the budget committee and the approval of the budget agency.

(b) A loan made under this chapter shall be repaid only from:

(1) property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5 or IC 6-1.1-19; or
(2) in the case of a school corporation, the school corporation's debt service fund; or
(3) any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment of principal constitutes a first charge against the property tax revenues described in subdivision (1) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(c) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 6-1.1-19.

(d) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

(e) This section does not prohibit a qualified taxing unit from repaying a loan made under this chapter before the date specified in subsection (a) if a taxpayer described in section 3 of this chapter resumes paying property taxes to the qualified taxing unit.

(f) Interest accrues on a loan made under this chapter until the date the board receives notice from the county auditor that the county has adopted at least one (1) of the following:

1. The county adjusted gross income tax under IC 6-3.5-1.1.
2. The county option income tax under IC 6-3.5-6.
3. The county economic development income tax under IC 6-3.5-7.

Notwithstanding subsection (a), interest may not be charged on a loan made under this chapter if a tax described in this subsection is adopted before a qualified taxing unit applies for the loan.

SECTION 24. IC 6-1.1-28-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Each county shall have a county property tax assessment board of appeals composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (d) and (e), the fiscal body of the county shall appoint two (2) individuals to the board. At least one (1) of the members appointed by the county fiscal body must be a certified level two assessor-appraiser. Subject to subsections (d) and (e), the board of
commissioners of the county shall appoint two (2) freehold members so that not more than three (3) of the five (5) members may be of the same political party and so that at least three (3) of the five (5) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two assessor-appraiser. However, if the county assessor is a certified level two assessor-appraiser, the board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two assessor-appraiser. A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a voting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board that includes at least one (1) certified level two assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(b) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in subsection (a) that not more than three (3) of the five (5) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two Indiana assessor-appraisers:

(1) who are willing to serve on the board; and

(2) whose political party membership status would satisfy the requirement in subsection (c)(1).

(c) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

(1) residents of the county;

(2) certified level two Indiana assessor-appraisers; and

(3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) members of the county property tax assessment board of appeals be residents of the
county.

(d) Except as provided in subsection (e), the term of a member of the county property tax assessment board of appeals appointed under subsection (a):

(1) is one (1) year; and
(2) begins January 1.

(e) If:
(1) the term of a member of the county property tax assessment board of appeals appointed under subsection (a) expires;
(2) the member is not reappointed; and
(3) a successor is not appointed;
the term of the member continues until a successor is appointed.

SECTION 25. IC 6-1.1-31.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Subject to section 3.5(e) of this chapter, the department shall adopt rules under IC 4-22-2 to prescribe computer specification standards and for the certification of:

(1) computer operating systems;
(2) (1) computer software;
(3) (2) software providers;
(4) (3) computer service providers; and
(5) (4) computer equipment providers.

(b) The rules of the department shall provide for:
(1) the effective and efficient administration of assessment laws;
(2) the prompt updating of assessment data;
(3) the administration of information contained in the sales disclosure form, as required under IC 6-1.1-5.5; and
(4) other information necessary to carry out the administration of the property tax assessment laws.

(c) After December 31, 1998, subject to section 3.5(e) of this chapter, a county may contract only for computer software and with software providers, computer service providers, and equipment providers that are certified by the department under the rules described in subsection (a).

(d) The initial rules under this section must be adopted under IC 4-22-2 before January 1, 1998.

SECTION 26. IC 6-1.1-31.5-3.5, AS AMENDED BY HEA 1137-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) Until the system described
in subsection (e) is implemented, each county shall maintain a state certified computer system that has the capacity to:

1. process and maintain assessment records;
2. process and maintain standardized property tax forms;
3. process and maintain standardized property assessment notices;
4. maintain complete and accurate assessment records for the county; and
5. process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county except in a county with an elected township assessor in every township. In a county with an elected township assessor in every township, the elected township assessors shall select a computer system based on a majority vote of the township assessors in the county.

(b) All information on the computer system referred to in subsection (a) shall be readily accessible to:

1. township assessors;
2. the county assessor;
3. the department of local government finance; and
4. members of the county property tax assessment board of appeals.

(c) The certified system referred to in subsection (a) used by the counties must be:

1. compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; The certified system must be and
2. maintained in a manner that ensures prompt and accurate transfer of data to the department of local government finance and the legislative services agency.

(d) All standardized property forms and notices on the certified computer system referred to in subsection (a) shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

(e) The department shall adopt rules before July 1, 2006, for the establishment of:
(1) a uniform and common property tax management system among all counties that:
   (A) includes a combined mass appraisal and county auditor system integrated with a county treasurer system; and
   (B) replaces the computer system referred to in subsection (a); and
(2) a schedule for implementation of the system referred to in subdivision (1) structured to result in the implementation of the system in all counties with respect to an assessment date:
   (A) determined by the department; and
   (B) specified in the rule.

(f) The department shall appoint an advisory committee to assist the department in the formulation of the rules referred to in subsection (e). The department shall determine the number of members of the committee. The committee:
   (1) must include at least:
       (A) one (1) township assessor;
       (B) one (1) county assessor;
       (C) one (1) county auditor; and
       (D) one (1) county treasurer; and
   (2) shall meet at times and locations determined by the department.

(g) Each member of the committee appointed under subsection (f) who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(h) Each member of the committee appointed under subsection (f) who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(i) The department shall report to the budget committee in writing the department's estimate of the cost of implementation of the system referred to in subsection (e).
SECTION 27. IC 6-1.1-31.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The department may revoke a certification issued under section 2 of this chapter for at least three (3) years if it determines:

(1) that information given by an applicant was false; or
(2) the product, provider, or service certified does not meet the minimum requirements of the department.

(b) If a certification is revoked, any Indiana contract that the provider has is void and the contractor may not receive any additional funds under the contract.

(c) An individual at least eighteen (18) years of age who resides in Indiana and any corporation that satisfies the requirements of this chapter and the rules of the department may be certified as:

(1) a software or computer operating system provider;
(2) a service provider; or
(3) a computer equipment provider.

(d) A person may not sell, buy, trade, exchange, option, lease, or rent computer operating systems, software, computer equipment, or service to a county under this chapter without a certification from the department.

(e) A contract for computer software, computer equipment, a computer operating program or computer system service providers under this chapter must contain a provision specifying that the contract is void if the provider’s certification is revoked.

(f) The department may not limit the number of systems or providers certified by this chapter so long as the system or provider meets the specifications or standards of the department.

SECTION 28. IC 6-1.1-31.7-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) Subject to subsection (b), an individual or a firm that is:

(1) an appraiser; or
(2) a technical advisor under IC 6-1.1-4;

in a county may not serve as a tax representative of any taxpayer with respect to property subject to property taxes in the county before the county property tax assessment board of appeals of that county or the Indiana board of tax review.

(b) Subsection (a) does not apply to tax representation in a county with respect to an issue of a taxpayer if:

(1) the individual or firm representing the taxpayer is no
longer under contract as an appraiser or a technical advisor in the county as described in subsection (a); and
(2) the individual or firm was not directly involved with the issue of the taxpayer while under contract.

SECTION 29. IC 20-14-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. Notwithstanding IC 6-1.1-17, the department of local government finance may approve appropriations from the capital projects fund only if the appropriations conform to a plan that has been adopted and approved in compliance with this chapter.

SECTION 30. IC 21-2-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. Notwithstanding IC 6-1.1-17, the department of local government finance may approve appropriations from the capital projects fund only if they conform to a plan that has been adopted in compliance with this chapter.

SECTION 31. P.L.228-2005, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

SECTION 37. (a) Notwithstanding IC 6-1.1-5.5-4(a), a person filing a sales disclosure form under IC 6-1.1-5.5 with respect to a sale of real property that occurs:
(1) after December 31, 2003; and
(2) before January 1, 2006;
shall pay a fee of ten dollars ($10) to the county auditor.
(b) Notwithstanding IC 6-1.1-5.5-4(b) and IC 6-1.1-5.5-12(d), fifty percent (50%) of the revenue collected under:
(1) subsection (a); and
(2) IC 6-1.1-5.5-12;
for the period referred to in subsection (a) shall be deposited in the county sales disclosure fund established under IC 6-1.1-5.5-4.5. Ten percent (10%) of the revenue collected before July 1, 2005, shall be transferred to the treasurer of state for deposit in the assessment training and administration fund established under IC 6-1.1-5.5-4.7. Forty percent (40%) of the revenue collected after June 30, 2005, shall be transferred to the treasurer of state for deposit in the state general fund. Fifty percent (50%) of the revenue collected after June 30, 2005, shall be transferred to the assessment training and administration fund established under IC 6-1.1-5.5-4.7.
(c) The department of local government finance may provide training of assessment officials and employees of the department through the Indiana chapter of the International Association of
Assessing Officers on various dates and at various locations in Indiana.

(d) This SECTION expires January 1, 2007—2012.

SECTION 32. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding subsection (b) or the amendments to IC 6-1.1-4-4.5 by this act, county assessors, township assessors, and township trustee assessors shall:

(1) verify sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; and

(2) proceed with other duties under 50 IAC 21;

so that the completion of those actions is accomplished on a schedule that is as close as possible to the schedules for completion of those actions under 50 IAC 21 that applied before the amendment of IC 6-1.1-4-4.5 by this act.

(b) Notwithstanding 50 IAC 21-3-2(b), the department of local government finance shall notify each county assessor of a deadline for:

(1) the determination of annual adjustments in the county under 50 IAC 21-3-2 for the 2006 assessment date; and

(2) the submission of the annual adjustments to the department for review and certification under IC 6-1.1-4-4.5, as amended by this act.

(c) This SECTION expires January 1, 2008.

SECTION 33. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) As used in this SECTION, "taxpayer" means a nonprofit corporation that is an owner of land and improvements:

(1) that were granted an exemption under IC 6-1.1-10 from property taxes first due and payable in 2001;

(2) that were owned by a sorority and used by the sorority to carry out its purposes during the period relevant to the determination of exemption from property taxes under IC 6-1.1-10-16 or IC 6-1.1-10-24 for the assessment dates in 2002 and 2003;

(3) for which a property tax liability was imposed for property taxes first due and payable in 2003 and 2004 that in total exceeded sixty thousand dollars ($60,000); and

(4) that would have qualified for an exemption under IC 6-1.1-10-16 or IC 6-1.1-10-24 from property taxes first due and payable in 2003 and 2004 if the owner had complied with the filing requirements for the exemption in a timely manner.

(c) The land and improvements described in subsection (b) are
exempt from property taxes first due and payable in 2003 and 2004, notwithstanding that the taxpayer failed to make a timely application for the exemption for those years.

(d) The taxpayer may file claims with the county auditor for a refund for the amounts paid toward property taxes on the land and improvements described in subsection (b) that were billed to the taxpayer for property taxes first due and payable in 2003 and 2004. The claim must be filed as set forth in IC 6-1.1-26-1(1) through IC 6-1.1-26-1(3). The claims must present sufficient facts for the county auditor to determine:

(1) whether the claimant meets the qualifications described in subsection (b); and

(2) the amount that should be refunded to the taxpayer.

(e) Upon receiving a claim filed under this SECTION, the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the county auditor shall submit the claim under IC 6-1.1-26-3 to the county board of commissioners for review. The only grounds for disallowing the claim under IC 6-1.1-26-4 are that the claimant is not a person that meets the qualifications described in subsection (b) or that the amount claimed is not the amount due to the taxpayer. If the claim is allowed, the county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this SECTION. The amount of the refund must equal the amount of the claim allowed. Notwithstanding IC 6-1.1-26-5, no interest is payable on the refund.

(f) This SECTION expires December 31, 2008.

SECTION 34. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "assessment date" has the meaning set forth in IC 6-1.1-1-2.

(b) Notwithstanding IC 6-1.1-4-4.5, as amended by this act:

(1) for the property tax assessment of agricultural land for the assessment date in 2005 and 2006, the statewide agricultural land base rate value of eight hundred eighty dollars ($880) per acre is substituted for the statewide agricultural land base rate value of one thousand fifty dollars ($1,050) per acre in the real property assessment guidelines of the department of local government finance that apply for those assessment dates; and

(2) IC 6-1.1-4-4.5(e), as added by this act, does not apply with
respect to the property tax assessment of agricultural land for the assessment date in 2006.

(c) This SECTION expires January 1, 2008.

SECTION 35. [EFFECTIVE UPON PASSAGE]

(a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) As used in this SECTION, "taxpayer" means a nonprofit corporation that is an owner of land and improvements:

(1) that were:

(A) owned and occupied by the taxpayer during the period preceding the assessment date in 1999 and continuing through the date that this SECTION is effective; and

(B) used to prepare and create a soccer facility to provide youths with the opportunity to play supervised and organized soccer against other youths;

(2) for which the property tax liability imposed for property taxes first due and payable in 2000, 2001, 2002, 2003, and 2004 exceeded thirty-three thousand dollars ($33,000), in total, which has been paid by the taxpayer;

(3) that would have qualified for an exemption under IC 6-1.1-10 from property taxes first due and payable in 2000, 2001, 2002, 2003, and 2004 if the taxpayer had complied with the filing requirements for the exemption in a timely manner; and

(4) that have been granted an exemption under IC 6-1.1-10 from property taxes first due and payable in 2005.

(c) Land and improvements described in subsection (b) are exempt under IC 6-1.1-10-16 from property taxes first due and payable in 2003 and 2004, notwithstanding that the taxpayer failed to make a timely application for the exemption for those years.

(d) The taxpayer may file claims with the county auditor for a refund for the amounts paid toward property taxes on land and improvements described in subsection (b) that were billed to the taxpayer for property taxes first due and payable in 2003 and 2004. The claims must be filed as set forth in IC 6-1.1-26-1(1) through IC 6-1.1-26-1(3). The claims must present sufficient facts for the county auditor to determine whether the claimant is a person that meets the qualifications described in subsection (b) and the amount that should be refunded to the taxpayer.

(e) Upon receiving a claim filed under this SECTION, the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the county
auditor shall submit the claim under IC 6-1.1-26-4 to the county board of commissioners for review. The only grounds for disallowing the claim under IC 6-1.1-26-4 are that the claimant is not a person that meets the qualifications described in subsection (b) or that the amount claimed is not the amount due to the taxpayer. If the claim is allowed, the county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this SECTION. The amount of the refund must equal the amount of the claim allowed. Notwithstanding IC 6-1.1-26-5, no interest is payable on the refund.

(f) This SECTION expires December 31, 2007.

SECTION 36. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) A religious institution may file an application under IC 6-1.1-11 before May 11, 2005, for exemption of one (1) or more parcels of real property for property taxes first due and payable in 2001 and 2002 if:

1. the religious institution did not file an application under IC 6-1.1-11 for exemption of the real property with respect to property taxes first due and payable in 2001 or 2002;
2. the religious institution acquired the real property after December 31, 1998; and
3. the real property was exempt from property taxes for property taxes first due and payable in 2000.

(c) If a religious institution files an exemption application under subsection (b):

1. the exemption application is subject to review and action by:
   A. the county property tax assessment board of appeals; and
   B. the department of local government finance; and
2. the exemption determination made under subdivision (1) is subject to appeal;

in the same manner that would have applied if an application for exemption had been timely filed in 2000 and 2001.

(d) If an exemption application filed under subsection (b) is approved, the religious institution may file a claim under IC 6-1.1-26-1 with the county auditor for a refund for any payment of property taxes first due and payable in 2001 and for any payment of property taxes first due and payable in 2002, including
any paid interest and penalties, with respect to the exempt property.

(e) Upon receiving a claim for a refund filed under subsection (d), the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount of the refund due the claimant. Interest is not payable on the refund.

(f) If an exemption application filed under subsection (b) is approved, the county treasurer shall forgive the interest and penalties charged to the religious institution for the exempt property in 2001 and 2002 to the extent of the approved exemptions.

(g) This SECTION expires January 1, 2006.

SECTION 37. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) A religious institution may file an application under IC 6-1.1-11 before August 1, 2005, for exemption of one (1) or more parcels of real property for property taxes first due and payable in 2004 and 2005 if:

(1) the religious institution did not file an application under IC 6-1.1-11 for exemption of the real property with respect to property taxes first due and payable in 2004 or 2005;
(2) the religious institution acquired the real property after December 31, 1999, for charitable or religious purposes;
(3) it is determined that the real property is exempt or would have been exempt from property taxes for property taxes first due and payable after December 31, 1999; and
(4) the religious institution:
(A) has occupied the real property for the years described in subdivision (1); and
(B) has used the real property for its religious or charitable purposes in the years described in subdivision (1).

(c) If a religious institution files an exemption application under subsection (b):

(1) the exemption application is subject to review and action by:
(A) the county property tax assessment board of appeals; and
(B) the department of local government finance; and
(2) the exemption determination made under subdivision (1) is subject to appeal; in the same manner that would have applied if an application for exemption had been timely filed in 2003 and 2004.

(d) The religious institution may file a claim under IC 6-1.1-26-1 with the county auditor for a refund for any payment of property taxes first due and payable in 2004 and 2005, including any paid interest and penalties, with respect to the exempt property if:
   (1) an exemption application filed under subsection (b) is approved; and
   (2) the religious institution has paid any property taxes in 2004 and 2005 attributable to the exempt property.

(e) Upon receiving a claim for a refund filed under subsection (d), the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount of the refund due the claimant. Interest is not payable on the refund.

(f) If:
   (1) the religious institution incurred property tax liabilities in any combination of 2004 or 2005 because of the failure to properly apply for a property tax exemption for the religious institution's real property described in subsection (a); and
   (2) an exemption application filed under subsection (b) is approved;
the county treasurer of the county in which the real property is located shall forgive the property taxes, penalties, and interest charged to the religious institution for the exempt property in any combination of 2004 or 2005.

(g) This SECTION expires January 1, 2006.

SECTION 38. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) For purposes of this SECTION, "eligible entity" means a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics.

(c) An eligible entity may file an application under IC 6-1.1-11 before August 1, 2005, for exemption of one (1) or more parcels of real property for property taxes first due and payable in 2001 and 2002 if:
   (1) the eligible entity filed an application under any statute for
exemption of the real property with respect to property taxes first due and payable in 2001 and 2002; and
(2) it is determined that the real property would have been eligible for exemption from property taxes for property taxes first due and payable in 2001 and 2002 if IC 6-1.1-10-16(c)(3) had been in effect for those years.

(d) If an eligible entity files an exemption application under subsection (c):
   (1) the exemption application is subject to review and action by:
       (A) the county property tax assessment board of appeals; and
       (B) the department of local government finance; and
   (2) the exemption determination made under subdivision (1) is subject to appeal;
   in the same manner that applies to other exemption applications.
   (e) The eligible entity may file a claim under IC 6-1.1-26-1 with the county auditor for a refund for any payment of property taxes first due and payable in 2001 and 2002, including any paid interest and penalties, with respect to the exempt property if:
      (1) an exemption application filed under subsection (c) is approved; and
      (2) the eligible entity has paid any property taxes in 2001 and 2002 attributable to the exempt property.
   (f) Upon receiving a claim for a refund filed under subsection (e), the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount of the refund due the claimant. Interest is not payable on the refund.
   (g) This SECTION expires January 1, 2006.

SECTION 39. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-12.1 apply throughout this SECTION.
(b) With respect to an application filed to claim a deduction under IC 6-1.1-12.1-5.4 for new manufacturing equipment or new research and development equipment for an assessment date in 2003, if the department of local government finance has not issued notification before June 1, 2005, of its determination to approve, deny, or alter the amount of the deduction claimed, the amount of the deduction allowed under IC 6-1.1-12.1-5.4 is the amount of the
deduction allowed in calculating the tax statement issued to the taxpayer under IC 6-1.1-22-8.

(c) Subject to subsection (f), if subsection (b) applies:
   (1) the property owner; or
   (2) the county auditor with whom the application was filed;
may appeal the amount of the deduction allowed in calculating the tax statement under IC 6-1.5-5.

(d) With respect to an application filed to claim a deduction under IC 6-1.1-12.1-5.4 for:
   (1) new manufacturing equipment or new research and development equipment for an assessment date in 2004; or
   (2) new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for an assessment date in 2005;
the amount of the deduction allowed under IC 6-1.1-12.1-5.4 is the amount of the deduction allowed in calculating the tax statement issued to the taxpayer under IC 6-1.1-22-8.

(e) Subject to subsection (f), if subsection (d) applies, the property owner may appeal the amount of the deduction allowed in calculating the tax statement by filing an appeal under IC 6-1.1-15-1, except that the request for a preliminary conference must be filed with the county auditor.

(f) An appeal initiated under subsection (c) or (e):
   (1) for an assessment date in 2003 or 2004 must be initiated not later than the later of:
      (A) July 14, 2005; or
      (B) forty-five (45) days after the issuance of the tax statement; and
   (2) for an assessment date in 2005 must be initiated not later than forty-five (45) days after the issuance of the tax statement.

(g) The county auditor shall:
   (1) mail a notice to each property owner who has filed a deduction application subject to this SECTION advising the property owner of the provisions of this SECTION for approval and appeal of deductions; and
   (2) mail the notice under subdivision (1):
      (A) before June 1, 2005, to a property owner who has filed a deduction application for an assessment date in 2003 or 2004; and
(B) on or before the date that the tax statement is issued under IC 6-1.1-22-8 to a property owner who has filed a deduction application for an assessment date in 2005.

SECTION 40. [EFFECTIVE JULY 1, 2005] (a) The term of a member of the county property tax assessment board of appeals as of the effective date of this act expires December 31, 2005.

(b) This SECTION expires January 1, 2006.

SECTION 41. [EFFECTIVE JULY 1, 2005] IC 6-1.1-5.5-3, IC 6-1.1-5.5-4, and IC 6-1.1-5.5-5, all as amended by this act, apply only to sales disclosure forms for conveyances after June 30, 2005.

SECTION 42. An emergency is declared for this act.
enforcement action. Actions to which this exemption applies include the statutory obligations of an agency to approve or ratify an action of another agency.

(6) An agency action related to an offender within the jurisdiction of the department of correction.

(7) A decision of the Indiana economic development corporation, the office of tourism development, the department of environmental management, the tourist information and grant fund review committee, the Indiana development finance authority, the corporation for innovation development, or the lieutenant governor that concerns a grant, loan, bond, tax incentive, or financial guarantee.

(8) A decision to issue or not issue a complaint, summons, or similar accusation.

(9) A decision to initiate or not initiate an inspection, investigation, or other similar inquiry that will be conducted by the agency, another agency, a political subdivision, including a prosecuting attorney, a court, or another person.

(10) A decision concerning the conduct of an inspection, investigation, or other similar inquiry by an agency.

(11) The acquisition, leasing, or disposition of property or procurement of goods or services by contract.

(12) Determinations of the department of workforce development under IC 22-4-18-1(g)(1), IC 22-4-40, or IC 22-4-41.

(13) A decision under IC 9-30-12 of the bureau of motor vehicles to suspend or revoke a driver's license, a driver's permit, a vehicle title, or a vehicle registration of an individual who presents a dishonored check.

(14) An action of the department of financial institutions under IC 28-1-3.1 or a decision of the department of financial institutions to act under IC 28-1-3.1.

(15) A determination by the NVRA official under IC 3-7-11 concerning an alleged violation of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg) or IC 3-7.

(16) Imposition of a civil penalty under IC 4-20.5-6-8 if the rules of the Indiana department of administration provide an administrative appeals process.

SECTION 2. IC 5-14-1.5-6.1, AS AMENDED BY P.L.4-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) As used in this section, "public official"
means a person:
(1) who is a member of a governing body of a public agency; or
(2) whose tenure and compensation are fixed by law and who
executes an oath.

(b) Executive sessions may be held only in the following instances:
(1) Where authorized by federal or state statute.
(2) For discussion of strategy with respect to any of the following:
   (A) Collective bargaining.
   (B) Initiation of litigation or litigation that is either pending or
       has been threatened specifically in writing.
   (C) The implementation of security systems.
   (D) The purchase or lease of real property by the governing
       body up to the time a contract or option to purchase or lease is
       executed by the parties.

   However, all such strategy discussions must be necessary for
   competitive or bargaining reasons and may not include
   competitive or bargaining adversaries.
(3) For discussion of the assessment, design, and implementation
   of school safety and security measures, plans, and systems.
(4) Interviews with industrial or commercial prospects or agents
   of industrial or commercial prospects by the Indiana economic
   development corporation, the office of tourism development, the
   Indiana development finance authority, or economic development
   commissions.
(5) To receive information about and interview prospective
   employees.
(6) With respect to any individual over whom the governing body
   has jurisdiction:
   (A) to receive information concerning the individual's alleged
       misconduct; and
   (B) to discuss, before a determination, the individual's status
       as an employee, a student, or an independent contractor who
       is:
       (i) a physician; or
       (ii) a school bus driver.
(7) For discussion of records classified as confidential by state or
   federal statute.
(8) To discuss before a placement decision an individual student's
   abilities, past performance, behavior, and needs.
(9) To discuss a job performance evaluation of individual
employees. This subdivision does not apply to a discussion of the salary, compensation, or benefits of employees during a budget process.

(10) When considering the appointment of a public official, to do the following:

(A) Develop a list of prospective appointees.

(B) Consider applications.

(C) Make one (1) initial exclusion of prospective appointees from further consideration.

Notwithstanding IC 5-14-3-4(b)(12), a governing body may release and shall make available for inspection and copying in accordance with IC 5-14-3-3 identifying information concerning prospective appointees not initially excluded from further consideration. An initial exclusion of prospective appointees from further consideration may not reduce the number of prospective appointees to fewer than three (3) unless there are fewer than three (3) prospective appointees. Interviews of prospective appointees must be conducted at a meeting that is open to the public.

(11) To train school board members with an outside consultant about the performance of the role of the members as public officials.

(12) To prepare or score examinations used in issuing licenses, certificates, permits, or registrations under IC 15-5-1.1 or IC 25.

(c) A final action must be taken at a meeting open to the public.

(d) Public notice of executive sessions must state the subject matter by specific reference to the enumerated instance or instances for which executive sessions may be held under subsection (b). The requirements stated in section 4 of this chapter for memoranda and minutes being made available to the public is modified as to executive sessions in that the memoranda and minutes must identify the subject matter considered by specific reference to the enumerated instance or instances for which public notice was given. The governing body shall certify by a statement in the memoranda and minutes of the governing body that no subject matter was discussed in the executive session other than the subject matter specified in the public notice.

(e) A governing body may not conduct an executive session during a meeting, except as otherwise permitted by applicable statute. A meeting may not be recessed and reconvened with the intent of circumventing this subsection.
SECTION 3. IC 5-14-3-4.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.8. (a) Records relating to negotiations between the office of tourism development and industrial, research, or commercial prospects are excepted from section 3 of this chapter at the discretion of the office of tourism development if the records are created while negotiations are in progress.

(b) Notwithstanding subsection (a), the terms of the final offer of public financial resources communicated by the office of tourism development to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

(c) When disclosing a final offer under subsection (b), the office of tourism development shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

SECTION 4. IC 5-29 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 29. OFFICE OF TOURISM DEVELOPMENT

Chapter 1. Definitions

Sec. 1. The definitions set forth in this chapter apply throughout this article.

Sec. 2. "Agritourism" means the act of visiting a working farm or any agricultural, horticultural, or agribusiness operation for purposes of enjoyment, education, or active involvement in the activities of the farm or operation.

Sec. 3. "Council" refers to the Indiana tourism council established by IC 5-29-4-1.

Sec. 4. "Director" refers to the director of the office of tourism development appointed under IC 5-29-2-2.

Sec. 5. "Office" refers to the office of tourism development established by IC 5-29-2-1.

Chapter 2. Office of Tourism Development

Sec. 1. The office of tourism development is established.

Sec. 2. The lieutenant governor shall appoint the director of the office.

Sec. 3. (a) The director of the office serves at the pleasure of the lieutenant governor.

(b) The director is the executive and chief administrative officer of the office.
(c) The director is entitled to compensation in an amount to be fixed by the lieutenant governor with the approval of the budget agency.

Sec. 4. The director may hire employees as necessary in the performance of the office's functions. Salaries of personnel shall be fixed by the director, with the approval of the lieutenant governor and the budget agency.

Sec. 5. (a) The office may do the following:

1) Cooperate with federal, state, and local governments and agencies in the coordination of programs to promote tourism.
2) Receive and expend funds, grants, gifts, and contributions of money, property, labor, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government.

The office:

(A) may accept federal grants for providing planning assistance, making grants, or providing other services or functions necessary to political subdivisions, planning commissions, or other public or private organizations;

(B) shall administer these grants in accordance with the terms of the grants; and

(C) may contract with political subdivisions, planning commissions, or other public or private organizations to carry out the purposes for which the grants were made.

3) Request assistance, information, and advice regarding the duties and functions of the office from an officer, agent, or employee of the state. The head of any other state department or agency may assign any of the department's or agency's employees to the office on a temporary basis, or may direct a division or agency under the department's or agency's supervision and control to make a special study or survey requested by the director.

4) Disseminate information concerning and advertise or contract to advertise the cultural, recreational, quality of life, and tourism advantages of Indiana.

5) Plan, direct, and conduct research activities.

(b) The office shall assist in the development and promotion of Indiana's tourist resources, facilities, attractions, and activities.

Sec. 6. The director may establish advisory committees to advise the office on issues determined by the director. If the director establishes an advisory committee under this section, the advisory
committee must:
   (1) have members that represent diverse geographic areas and economic sectors of Indiana; and
   (2) include members or representatives of tourism organizations.
   An advisory committee member is not entitled to salary or per diem.

   Sec. 7. The director may adopt rules under IC 4-22-2 to carry out this article.

Chapter 3. Tourism Information and Promotion Fund

   Sec. 1. As used in this chapter, "fund" refers to the tourism information and promotion fund established by section 4 of this chapter.

   Sec. 2. As used in this chapter, "promotion" includes the planning and conducting of information and advertising campaigns.

   Sec. 3. As used in this chapter, "tourism group" means a private nonprofit corporation established under Indiana law whose purposes include the promotion of tourist resources and facilities in Indiana.

   Sec. 4. (a) The tourism information and promotion fund is established within the state treasury. The fund shall be used for the purposes of this chapter.
   (b) The fund consists of appropriations from the general assembly and gifts, donations, bequests, devises, and contributions received by the office.
   (c) The office shall administer the fund. The following may be paid from money in the fund:
       (1) Grants.
       (2) Expenses of administering the fund.
       (3) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.
       (d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund.
   (e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state general fund.

   Sec. 5. The office may make grants from the fund to tourism groups for the promotion of tourist resources and facilities in
Indiana. However, each grant must be matched by funds provided by the applicant, and the office may not provide more than one-half (1/2) of the funds for a project. The matching funds required from the applicant may be provided by any source except other state funds.

Sec. 6. (a) The office shall establish guidelines for the application and approval of grants.

(b) The office may seek the recommendations from the council when making a determination to approve or reject a grant application.

Sec. 7. Promotional materials produced with the assistance of funds provided under this chapter must include the following statement: "Produced in cooperation with the Indiana Office of Tourism Development." Promotional materials must also include a statement provided by the office.

Sec. 8. The office may adopt rules under IC 4-22-2 to carry out this chapter.

Chapter 4. Indiana Tourism Council

Sec. 1. The Indiana tourism council is established.

Sec. 2. The council consists of the following members:

(1) The lieutenant governor.

(2) Two (2) members of the senate, who may not be members of the same political party, appointed by the president pro tempore of the senate, for a term of one (1) year.

(3) Two (2) members of the house of representatives, who may not be members of the same political party, appointed by the speaker of the house of representatives, for a term of one (1) year.

(4) Six (6) regional tourism industry representatives, appointed by the respective tourism regions, for a term of one (1) year.

(5) Twelve (12) representatives of the private sector, appointed by the governor, for a term of two (2) years. One (1) representative must own or operate an agritourism business.

(6) The director.

(7) The commissioner of the Indiana department of transportation.

(8) The director of the department of natural resources.

(9) A member appointed by the Indiana Hotel and Lodging Association, for a term of one (1) year.
(10) A member appointed by the Restaurant and Hospitality Association of Indiana, for a term of one (1) year.
(11) A member appointed by the Association of Indiana Convention and Visitor Bureaus, for a term of one (1) year.
(12) A member appointed by the Council of Indiana Attractions, for a term of one (1) year.
(13) A member appointed by the Indiana Gaming Association, for a term of one (1) year.
(14) A member appointed by the Recreation Vehicle Indiana Council, for a term of one (1) year.
(15) A member appointed by the Indiana Bed and Breakfast Association, for a term of one (1) year.
(16) A member appointed by the Indiana State Festival Association, for a term of one (1) year.
(17) A member who lives in a rural community and is interested in agritourism, appointed by the Indiana rural development council, for a term of one (1) year.

Sec. 3. (a) Eighteen (18) members of the council constitute a quorum.
(b) The affirmative votes of a majority of the members appointed to the council are required for the council to take action.
(c) The lieutenant governor shall serve as chairperson of the council.
(d) The council shall adopt written procedures to govern the transaction of business by the council.
(e) A member of the council who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also not entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties.

Sec. 4. (a) The council shall do the following:
(1) Assist in developing goals and objectives for the office.
(2) Analyze the results and effectiveness of grants made by the office.
(3) Build commitment and unity among tourism industry groups.
(4) Create a forum for sharing talent, resources, and ideas regarding tourism.
(5) Encourage public and private participation necessary for the promotion of tourism.
(6) Make recommendations to the office regarding matters
involving tourism.

(7) Make recommendations concerning grants from the tourism information and promotion fund.

(8) Make budget recommendations to the lieutenant governor.

(b) The council may establish advisory groups to make recommendations to the office on tourism research, development, and marketing.

Sec. 5. The council may receive funds from any source and may expend funds for activities necessary, convenient, or expedient to carry out the council's purposes.

Sec. 6. The office shall provide administrative services to the council, as directed by the lieutenant governor.

Sec. 7. The council shall submit an annual report to the governor and to the general assembly in an electronic format under IC 5-14-6 not later than November 1 each year.

SECTION 5. IC 6-1.1-43-1, AS AMENDED BY P.L.4-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies to the following economic development incentive programs:

(1) Grants and loans provided by the Indiana economic development corporation under IC 5-28 or the office of tourism development under IC 5-29.

(2) Incentives provided in an economic revitalization area under IC 6-1.1-12.1.

(3) Incentives provided under IC 6-3.1-13.

(4) Incentives provided in an airport development zone under IC 8-22-3.5-14.

SECTION 6. IC 8-3-1-21.1, AS AMENDED BY P.L.4-2005, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21.1. (a) Upon receiving notice of intent to abandon railroad rights-of-way from any railroad company, the department shall, upon receipt, notify:

(1) the county executives, county surveyors, and cities and towns of the counties affected;

(2) the Indiana economic development corporation; and

(3) the office of tourism development; and

(4) the department of natural resources; of the notice.

(b) Within one (1) year of a final decision of the Interstate Commerce Commission permitting an abandonment of a railroad right-of-way, the railroad shall remove any crossing control device,
railroad insignia, and rails on that part of the right-of-way that serves as a public highway and reconstruct that part of the highway so that it conforms to the standards of the contiguous roadway. The Indiana department of transportation or the county, city, or town department of highways having jurisdiction over the highway may restore the crossing if the unit:

(1) adopts construction specifications for the project; and
(2) enters into an agreement with the railroad concerning the project.

The cost of removing any crossing control device, railroad insignia, rails, or ties under this subsection must be paid by the railroad. The cost of reconstructing the highway surface on the right-of-way must be paid by the Indiana department of transportation or the county, city, or town department of highways having jurisdiction over the crossing.

(c) If a railroad fails to comply with subsection (b), the Indiana department of transportation or the county, city, or town department of highways having jurisdiction over the crossing may proceed with the removal and reconstruction work. The cost of the removal and reconstruction shall be documented by the agency performing the work and charged to the railroad. Work by the agency may not proceed until at least sixty (60) days after the railroad is notified in writing of the agency's intention to undertake the work.

(d) This section does not apply to an abandoned railroad right-of-way on which service is to be reinstated or continued.

(e) As used in this section, "crossing control device" means any traffic control device installed by the railroad and described in the National Railroad Association's manual, Train Operations, Control and Signals Committee, Railroad-Highway Grade-Crossing Protection, Bulletin No. 7, as an appropriate traffic control device.

(f) Costs not paid by a railroad under subsection (b) may be added to the railroad's property tax statement of current and delinquent taxes and special assessments under IC 6-1.1-22-8.

(g) Whenever the Indiana department of transportation notifies the department of natural resources that a railroad intends to abandon a railroad right-of-way under this section, the department of natural resources shall make a study of the feasibility of converting the right-of-way for recreational purposes. The study must be completed within ninety (90) days after receiving the notice from the Indiana department of transportation. If the department of natural resources finds that recreational use is feasible, the department of natural
resources shall urge the appropriate state and local authorities to acquire the right-of-way for recreational purposes.

SECTION 7. IC 8-21-9-12, AS AMENDED BY P.L.4-2005, SECTION 116, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The department has jurisdiction only over two (2) major new continental or intercontinental airport facilities designed and constructed to serve a part of Indiana or adjacent states.

(b) The department may designate the location and character of all airport facilities which the department may hold, own, or over which it is authorized to act and to regulate all matters related to the location and character of the airport facilities.

(c) The department may designate the location and establish, limit, and control points of ingress to and egress from any airport property.

(d) The department may lease to others for development or operation the parts of any airport or airport facility on terms and conditions as the department considers necessary.

(e) The department may make directly, or through hiring of expert consultants, investigations, and surveys of whatever nature, including, but not limited to, studies of business conditions, freight rates, airport services, physical surveys of the conditions of structures, and the necessity for additional airports or for additional airport facilities for the development and improvement of commerce and for the more expeditious handling of commerce, and to make studies, surveys, and estimates as are necessary for the execution of its powers under this chapter.

(f) The department may make and enter into all contracts, undertakings, and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter. When the cost of any such contract for construction, or for the purchase of equipment, materials or supplies, involves an expenditure of more than five thousand dollars ($5,000), the department shall make a written contract with the lowest and best bidder after advertisement for not less than two (2) consecutive weeks in a newspaper of general circulation in Marion County, Indiana, and in such other publications as the department shall determine. Such notice shall state the general character of the materials to be furnished, the place where plans and specifications therefor may be examined, and the time and place of receiving bids. Each bid shall contain the full name of every person or company interested in it and shall be accompanied by a sufficient bond.
or certified check on a solvent bank that if the bid is accepted a contract will be entered into and the performance of its proposal secured. The department may reject any and all bids. A bond with good and sufficient surety, as shall be approved by the department, shall be required of all contractors in an amount equal to at least fifty percent (50%) of the contract price conditioned upon the faithful performance of the contract.

(g) The department may fix and revise periodically and charge and collect equitable rates, fees, rentals, or other charges for the use of any airport facility or airport facilities under its control, which rates, fees, rentals, or other charges shall be in amounts reasonably related to the cost of providing and maintaining the particular airport facility or airport facilities for which these rates, fees, rentals, and other charges are established.

(h) The department may make application for, receive, and accept from any federal agency, grants for or in aid of the planning, construction, operating, or financing of any airport facility, and to receive and accept contributions from any source of either money, property, labor, or other things of value, to be held, used and applied for the purposes for which made, in each case on such terms and conditions as the department considers necessary or desirable. The department may enter into and carry out contracts and agreements in connection with this subsection.

(i) The department may appear in its own behalf before boards, commissions, departments, or other agencies of the federal government or of any state or international conference and before committees of the Congress of the United States and the general assembly of Indiana in all matters relating to the designs, establishment, construction, extension, operations, improvements, repair, or maintenance of any airport or airport facility operated and maintained by the department under this chapter, and to appear before any federal or state agencies in matters relating to air rates, airport services and charges, differentials, discriminations, labor relations, trade practices, and all other matters affecting the physical development of and the business interest of the department and those it serves.

(j) The department may contract for the services of consulting engineers, architects, attorneys, accountants, construction and financial experts, and such other individuals as are necessary in its judgment. However, the employment of an attorney shall be subject to such approval of the attorney general as may be required by law.
(k) The department may do all things necessary and proper to promote and increase commerce within its territorial jurisdiction, including cooperation with civic, technical, professional, and business organizations and associations, the office of tourism development, and the Indiana economic development corporation.

(l) The department may establish and maintain a traffic bureau for the purpose of advising the department as to the airport's competitive economic position with other airports.

(m) The department may contract for the use of any license, process, or device, whether patented or not, which the department finds is necessary for the operation of any airport facility, and may permit the use thereof by any lessee on such terms and conditions as the department may determine. The cost of such license, process, or device may be included as part of the cost of the airport facility.

(n) The department may issue airport revenue bonds and airport revenue funding bonds.

(o) The department may do all acts and things necessary or proper to carry out the powers expressly granted in this chapter.

SECTION 8. IC 9-21-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in subsection (b), a person may not place or maintain upon a highway a traffic sign or signal bearing commercial advertising. A public authority may not permit the placement of a traffic sign or signal bearing commercial advertising. A public authority may not permit the placement of a traffic sign or signal that bears a commercial message.

(b) Under criteria to be jointly established by the Indiana department of transportation and the department office of commerce, tourism development, the Indiana department of transportation may authorize the posting of any of the following:

1. Limited tourist attraction signage.
2. Business signs on specific information panels on the interstate system of highways and other freeways.

All costs of manufacturing, installation, and maintenance to the Indiana department of transportation for a business sign posted under this subsection shall be paid by the business.

(c) A person may not place, maintain, or display a flashing, a rotating, or an alternating light, beacon, or other lighted device that:

1. Is visible from a highway; and
2. May be mistaken for or confused with a traffic control device or for an authorized warning device on an emergency vehicle.

(d) This section does not prohibit the erection, upon private property
adjacent to highways, of signs giving useful directional information and of a type that cannot be mistaken for official signs.

SECTION 9. IC 14-10-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The natural resources commission is established. The commission consists of twelve (12) members as follows:

1. The commissioner of the Indiana department of transportation or the commissioner's designee.
2. The commissioner of the department of environmental management or the commissioner's designated deputy.
3. The director of the department of commerce tourism development or the director's designated deputy designee.
4. The director of the department.
5. The chairman of the advisory council for the bureau of water and resource regulation.
6. The chairman of the advisory council for the bureau of lands and cultural resources.
7. The president of the Indiana academy of science or the president's designee.
8. Five (5) citizen members appointed by the governor, at least two (2) of whom must have knowledge, experience, or education in the environment or in natural resource conservation. Not more than three (3) citizen members may be of the same political party.

SECTION 10. IC 14-13-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The commission consists of the following members:

1. The executive of Gary.
2. The executive of Hammond.
3. The executive of East Chicago.
4. The executive of Portage.
5. The executive of Michigan City.
6. The executive of Whiting.
7. The director president of the department of commerce, Indiana economic development corporation or the president's designee, who is a nonvoting member.
8. The director of the department, who is a nonvoting member.
9. One (1) member appointed jointly by the executives of Burns Harbor, Porter, Ogden Dunes, Dune Acres, and Beverly Shores.
10. The director of the office of tourism development or the director's designee, who serves as a nonvoting member.
(b) A member of the commission may designate an individual to serve on the commission in the member’s place.

SECTION 11. IC 14-13-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The commission consists of the following members:

(1) One (1) resident of Vincennes appointed by the executive of Vincennes.
(2) One (1) resident of Mount Vernon appointed by the executive of Mount Vernon.
(3) One (1) resident of Tell City appointed by the executive of Tell City.
(4) One (1) resident of Clarksville appointed by the legislative body of Clarksville.
(5) One (1) resident of Lawrenceburg appointed by the executive of Lawrenceburg.
(6) One (1) resident of Aurora appointed by the executive of Aurora.
(7) One (1) resident of Rising Sun appointed by the executive of Rising Sun.
(8) One (1) resident of Jeffersonville appointed by the executive of Jeffersonville.
(9) One (1) resident of New Albany appointed by the executive of New Albany.
(10) One (1) resident of Evansville appointed by the executive of Evansville.
(11) One (1) resident of Madison appointed by the executive of Madison.
(12) One (1) resident of Terre Haute appointed by the executive of Terre Haute.
(13) One (1) resident of Vevay appointed by the legislative body of Vevay.
(14) The director president of the department of commerce Indiana economic development corporation or the director’s president’s designee, who is a nonvoting member.
(15) The director of the department or the director’s designee, who is a nonvoting member.
(16) The director of the office of tourism development or the director’s designee, who is a nonvoting member.

SECTION 12. IC 14-13-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The commission
consists of the following fourteen (14) fifteen (15) members:

(1) Eight (8) members who serve four (4) year terms as follows:
   (A) Two (2) residents of Jeffersonville appointed by the executive of Jeffersonville.
   (B) Two (2) residents of Clarksville appointed by the executive of Clarksville.
   (C) Two (2) residents of New Albany appointed by the executive of New Albany.
   (D) One (1) resident of Clark County appointed by the governor.
   (E) One (1) resident of Floyd County appointed by the governor.
(2) The executive of Jeffersonville.
(3) The executive of New Albany.
(4) The president of the legislative body of Clarksville.
(5) The director of the department of commerce tourism development or the director's designee, who serves as a nonvoting member.
(6) The director of the department or the director's designee, who serves as a nonvoting member.
(7) The commissioner of the Indiana department of transportation or the commissioner's designee, who serves as a nonvoting member.

(8) The president of the Indiana economic development corporation or the president's designee, who serves as a nonvoting member.

SECTION 13. IC 14-13-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The members of the commission are the following:

(1) The director or the director's designee.
(2) One (1) individual appointed by the county executive of each county that:
   (A) contains a part of the corridor; and
   (B) chooses to support the activities of the commission by resolution adopted by the county executive.
(3) The director of the Indiana department of transportation, or the director's designee, who shall serve as a nonvoting member.
(4) The director of the division of historic preservation and archaeology of the department of natural resources, or the director's designee, who shall serve as a nonvoting member.
(5) The director of the department of environmental management, or the director's designee, who shall serve as a nonvoting member.

(6) The director of the office of tourism development of the department of commerce, or the director's designee, who shall serve as a nonvoting member.

(7) The president of the Indiana economic development corporation or the president's designee, who shall serve as a nonvoting member.

SECTION 14. IC 14-18-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The department shall do the following:

(1) Draft and distribute copies of the following to the hotel and motel industry:
   (A) A proposed lease and contract.
   (B) A notice of the time and place that the department will hold a public hearing to consider the terms and conditions of the proposed lease and contract.

(2) Submit a copy of the proposed lease to the department office of commerce: tourism development.

(b) The department office of commerce tourism development shall submit an evaluation and recommendations for amendments for consideration before the public hearing.

SECTION 15. IC 14-18-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The department shall do the following:

(1) Draft and distribute copies of the following to the hotel and motel industry:
   (A) A proposed lease and contract.
   (B) A notice of the time and place that the department will hold a public hearing to consider the terms and conditions of the proposed lease and contract.

(2) Submit a copy of the proposed lease to the department office of commerce: tourism development.

(b) The department office of commerce tourism development shall submit an evaluation and recommendations for amendments for consideration before the public hearing.

SECTION 16. IC 14-20-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Thousands of Hoosiers all over the nation have contributed toward the moving and restoration of this historic house and because the house has already
proven to be an outstanding tourist attraction and in keeping with our great American heritage, it is the intent of this chapter that the department of commerce, tourism development, the department, and other appropriate state boards and agencies give widespread publicity to this memorial by brochure, pamphlet, or other means.

SECTION 17. IC 14-20-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The commission consists of the following members:

1) Six (6) members of the house of representatives, to be appointed by the speaker of the house of representatives. Not more than three (3) members appointed under this subdivision may be members of the same political party.

2) Six (6) members of the senate, to be appointed by the president pro tempore of the senate. Not more than three (3) members appointed under this subdivision may be members of the same political party.

3) The governor or the governor's designee.

4) The director of the department of natural resources or the director's designee.

5) One (1) employee of the department office of commerce tourism development with expertise in the tourism or film industry, to be designated by the lieutenant governor, director of the office of tourism development.

6) One (1) member of the Indiana historical society, to be appointed by the governor.

7) Three (3) Indiana citizens, to be appointed by the governor. Not more than two (2) members appointed under this subdivision may be members of the same political party.

SECTION 18. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 4-4-3.5; IC 4-4-3.6; IC 4-4-29.

SECTION 19. P.L.4-2005, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: SECTION 151.

(a) The duties conferred on the department of commerce relating to tourism and community development are transferred to the office of the lieutenant governor on the effective date of this act. Notwithstanding any other law, beginning on the effective date of this act the office of the lieutenant governor is also responsible for administering the following funds, programs, councils, and accounts:

1) The tourism information and promotion fund.
(2) The tourism marketing fund.
(3) The Indiana tourism council.
(4) (1) The community promotion program.
(5) (2) The Indiana main street program.
(6) (3) The individual development accounts program.
(7) (4) The home ownership education account.
(b) The rules, policies, and guidelines adopted by:
(1) the department of commerce concerning tourism and community development; or
(2) an entity described in subsection (a);
before the effective date of this act are considered, on and after the effective date of this act, rules, policies, and guidelines of the office of the lieutenant governor until the office of the lieutenant governor adopts replacement rules, policies, and guidelines.
(c) On the effective date of this act, the office of the lieutenant governor becomes the owner of all property and obligations relating to tourism promotion and community development of the department of commerce. Any amounts owed to the department of commerce before the effective date of this act under a program administered under this SECTION on and after the effective date of this act by the office of the lieutenant governor shall be payable to the office of the lieutenant governor.
(d) Any appropriations to the department of commerce relating to tourism and community development and funds relating to tourism and community development under the control or supervision of the department of commerce on the effective date of this act, as determined by the budget agency, are transferred to the control or supervision of the office of the lieutenant governor on the effective date of this act.
(e) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by the transfer of responsibilities to the lieutenant governor.
(f) This SECTION expires July 1, 2007.

SECTION 20. [EFFECTIVE JULY 1, 2005] (a) The duties conferred on the lieutenant governor relating to tourism are transferred to the office of tourism development on July 1, 2005.
(b) The rules, policies, and guidelines adopted by the lieutenant governor or department of commerce concerning tourism before July 1, 2005, are considered, on and after July 1, 2005, rules, policies, and guidelines of the office of tourism development until
the office of tourism development adopts replacement rules, policies, and guidelines.

(c) On July 1, 2005, the office of tourism development becomes the owner of all property and obligations relating to tourism promotion of the lieutenant governor or department of commerce.

(d) Any appropriations to the lieutenant governor, department of commerce, or economic development entity covered by P.L.4-2005, relating to tourism and funds relating to tourism under the control or supervision of the lieutenant governor on July 1, 2005, as determined by the budget agency, are transferred to the control or supervision of the office of tourism on July 1, 2005.

(e) This SECTION expires July 1, 2007.

SECTION 21. [EFFECTIVE JULY 1, 2005] (a) A reference in any law or other document to the tourism information and promotion fund established by IC 4-4-3.5-2 (repealed by this act) shall be treated after June 30, 2005, as a reference to the tourism information and promotion fund established by IC 5-29-3-4, as added by this act.

(b) A reference in any law or other document to the Indiana tourism council established by IC 4-4-29-3 (repealed by this act) shall be treated after June 30, 2005, as a reference to the Indiana tourism council established by IC 5-29-4-1, as added by this act.

P.L.230—2005

AN ACT to amend the Indiana Code concerning elections.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 3-5-4-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.7. Except as otherwise expressly authorized or required under this title, a filing by a person with a commission, the election division, or an election board may not be made by fax or electronic mail.

SECTION 2. IC 3-5-4-7 IS AMENDED TO READ AS follows
[EFFECTIVE JULY 1, 2005]: Sec. 7. Except as otherwise provided in this title, a reference to a federal statute or regulation in this title is a reference to the statute or regulation as in effect January 1, 2003, 2005.

SECTION 3. IC 3-5-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section applies after December 31, 2003, whenever the individual who holds the office of circuit court clerk is a candidate on the ballot for any office.

(b) As used in this section, "ballot" refers to an absentee ballot, a ballot card, or any other form of ballot.

(c) Notwithstanding any law requiring the name or signature of the circuit court clerk to appear on a ballot for authentication or any other purpose, the name or signature of the individual who is circuit court clerk may not appear on the ballot except to indicate that the individual is a candidate for an office.

(d) The circuit court clerk shall substitute a uniform device or symbol prescribed by the commission for the circuit court clerk's printed name or signature to authenticate a ballot.

SECTION 4. IC 3-5-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The statement required by section 1 of this chapter must contain the following:

(1) A statement of the qualifications that an individual must meet to vote in Indiana, including qualifications relating to registration.
(2) A statement describing the circumstances that permit a voter who has moved from the precinct where the voter is registered to return to that precinct to vote.
(3) A statement that an individual who meets the qualifications and circumstances listed in subdivisions (1) and (2) may vote in the election.
(4) A statement describing how a voter who is challenged at the polls may be permitted to vote.
(5) The date of the election and the hours during which the polls will be open, as required by 42 U.S.C. 15482.
(6) Instructions on how to vote, including how to cast a vote and how to cast a provisional ballot, as required by 42 U.S.C. 15482.
(7) Instructions for mail-in registrants and first time voters under IC 3-7-33-4.5 and 42 U.S.C. 15483, as required under 42 U.S.C. 15482.
(8) General information on voting rights under applicable federal and state laws, including the right of an individual to cast a provisional ballot and instructions on how to contact the
appropriate officials if these rights are alleged to have been violated, as required under 42 U.S.C. 15482.

(9) General information on federal and state laws regarding prohibitions on acts of fraud and misrepresentation, as required under 42 U.S.C. 15482.

(10) A statement informing the voter what assistance is available to assist the voter at the polls.

(11) A statement informing the voter what circumstances will spoil the voter's ballot and the procedures available for the voter to request a new ballot.

(12) A statement describing which voters will be permitted to vote at the closing of the polls.

(13) Other information that the commission considers important for a voter to know.

(b) The voter's bill of rights is not required to contain the information described in subsection (a)(5), (a)(6), (a)(7), (a)(8), and (a)(9) before January 1, 2004.

SECTION 5. IC 3-5-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As required by 42 U.S.C. 15483, and after December 31, 2003, the precinct election board shall post the voter's bill of rights in a public place in each polling place on election day.

(b) The commission may require a copy of the voter's bill of rights to be distributed with voter registration materials or other materials that are given to voters.

SECTION 6. IC 3-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A person who is a candidate for elected office or after December 31, 2004, a member of a candidate's committee may not be appointed as:

(1) a member of a county election board;

(2) a proxy of record for a member under section 4.5 of this chapter; or

(3) an alternate proxy of record for a member under section 4.5 of this chapter.

(b) If an appointed member, a proxy, or an alternate proxy becomes:

(1) a candidate for elected office; or

(2) after December 31, 2004, a member of a candidate's committee;

the member, proxy, or alternate proxy may not continue to serve on the county election board.
(c) An appointed member, a proxy, or an alternate proxy may not hold elected office while serving on the county election board.

(d) The circuit court clerk may not be a member of a candidate's committee other than the clerk's own candidate's committee.

SECTION 7. IC 3-6-5-34 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. Except as expressly provided by statute, an appeal may be taken from a decision of a county election board to the circuit court. An appeal taken under this section must be filed not later than thirty (30) days after the board makes the decision subject to the appeal.

SECTION 8. IC 3-6-5-35 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 35. (a) An individual who knowingly, recklessly, or negligently fails to perform a duty as a precinct election officer required by this title is subject to a civil penalty under this section in addition to any other penalty imposed.

(b) If the county election board determines, by unanimous vote of the entire membership of the board, that an individual serving as a precinct election officer has failed to perform a duty required by this title, the board shall assess the individual a civil penalty of not more than five hundred dollars ($500).

(c) A civil penalty assessed under this section may be deducted from any compensation that the individual may otherwise be entitled to under IC 3-6-6.

SECTION 9. IC 3-6-5.2-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) This section applies after December 31, 2004. A person who is a candidate for elected office or a member of a candidate's committee may not be appointed as a member of the board.

(b) If an appointed member becomes a:

(1) candidate for elected office; or

(2) member of a candidate's committee;

the member may not continue to serve on the board.

(c) An appointed member may not hold elected office while a member of the board.

(d) The circuit court clerk may not be a member of a candidate's committee other than the clerk's own candidate's committee.

SECTION 10. IC 3-6-5.2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this section, before July 1, 1999; "board" refers to the combined county
election board and board of registration:

(b) The board may, by a vote of a majority of the members of the board, hire attorneys to provide legal services for the board, as determined by the board.

SECTION 11. IC 3-6-5.2-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. Except as expressly provided by statute, an appeal may be taken from a decision of the board to the circuit court. An appeal taken under this section must be filed not later than thirty (30) days after the board makes the decision subject to the appeal.

SECTION 12. IC 3-6-5.4-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) This section applies after December 31, 2004. A person who is a candidate for elected office or a member of a candidate's committee may not be appointed as a member of the board.

(b) If an appointed member becomes a:

(1) candidate for elected office; or

(2) member of a candidate's committee;

the member may not continue to serve on the board.

(c) An appointed member may not hold elected office while a member of the board.

(d) The circuit court clerk may not be a member of a candidate's committee other than the clerk's own candidate's committee.

SECTION 13. IC 3-6-5.4-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. Except as expressly provided by statute, an appeal may be taken from a decision of the board to the circuit court. An appeal taken under this section must be filed not later than thirty (30) days after the board makes the decision subject to the appeal.

SECTION 14. IC 3-6-6-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37. (a) When the county election board (or a precinct election board acting on behalf of the county election board) appoints a precinct election officer and the individual accepts the appointment by swearing the oath of office required under this chapter, a contract is created between the county election board and the individual in which the county election board retains the services of the precinct election officer as an independent contractor.

(b) The appointment of a precinct election officer expires when the county election board completes the canvass of the precinct under
IC 3-12-4.  
(c) For purposes of Article 2, Section 9 of the Constitution of the State of Indiana, the position of precinct election officer is not a lucrative office.

SECTION 15. IC 3-6-6-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) The county election board by unanimous vote of the entire membership of the board may permit an individual who is not a voter to serve as any precinct election officer (other than inspector), or to assist a precinct election officer, if the individual satisfies all the following:

1. The individual is at least sixteen (16) years of age but not more than seventeen (17) years of age.
2. The individual is a citizen of the United States.
3. The individual is a resident of the county.
4. The individual has a cumulative grade point average equivalent to not less than 3.0 on a 4.0 scale.
5. The individual has the written approval of the principal of the school the individual attends at the time of the appointment or, if the student is educated in the home, the approval of the individual responsible for the education of the student.
6. The individual has the approval of the individual's parent or legal guardian.
7. The individual has satisfactorily completed any training required by the county election board.
8. The individual otherwise is eligible to serve as a precinct election officer under this chapter.

(b) After January 1, 2004; An individual appointed to a precinct election office or assistant under this section:

1. must serve in a nonpartisan manner in accordance with the standards developed by the Help America Vote Foundation under 36 U.S.C. 152602; and
2. while serving as a precinct election officer or assistant:
   (A) is not required to obtain an employment certificate under IC 20-33-3; and
   (B) is not subject to the limitations on time and duration of employment under IC 20-33-3.

SECTION 16. IC 3-6-6-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. (a) The county election board shall conduct a training and educational meeting for precinct election officers.
(b) The board shall require inspectors to attend the meeting and may require other precinct election officers to attend the meeting. The board shall maintain a record of the attendance of each individual at the meeting conducted under this subsection.

(c) The meeting required under this section must include information:

(1) relating to making polling places and voting systems accessible to elderly voters and disabled voters; and
(2) relating to the voting systems used in the county.

The meeting may include other information relating to the duties of precinct election officers as determined by the county election board.

(d) The meeting required by this section must be held not later than the day before election day.

(e) If an individual:

(1) is appointed as a precinct election officer after the training and educational meeting conducted under this section; or
(2) demonstrates to the county election board that the individual was unable to attend the meeting due to good cause;

the county election board may authorize the individual to serve as a precinct election officer if the county election board determines that there is insufficient time to conduct the training required by this section.

SECTION 17. IC 3-6-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 6.5. Certified Election Worker Program

Sec. 1. The certified election worker program is established.

Sec. 2. The program must consist of courses in several aspects of precinct election administration, including the following:

(1) The duties of precinct election officers and county election officials.
(2) The laws governing activity permitted and prohibited in polling places.
(3) The laws and procedures governing the operation of voting systems.
(4) The laws governing voter registration, absentee ballots, provisional ballots, and the tabulation of ballots.
(5) Effective communication and problem solving techniques.

Sec. 3. The secretary of state:

(1) shall administer the program; and
(2) may establish procedures and requirements for the
certification of an individual who satisfactorily completes the program.

Sec. 4. The designation of an individual as a certified election worker expires January 1 of the fourth year following the individual’s certification. The individual’s certification may be renewed by the secretary of state after compliance with the requirements for renewal established under this chapter.

SECTION 18. IC 3-6-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Each political party or independent candidate may appoint challengers and pollbook holders for each precinct in which the political party or independent candidate is on the ballot.

(b) This subsection applies to a public question that is submitted to the electorate. A county election board may appoint challengers and pollbook holders if a petition requesting the appointment is filed with the board. The petition must be signed by:

(1) the chairman of a political action committee organized under IC 3-9 to support or oppose the approval of the public question; and

(2) at least the number of voters equal to two percent (2%) of the votes cast in the last election for secretary of state in the county.

(c) A challenger must be at least eighteen (18) years of age.

(d) The county election board, county chairman, other local chairman of the party, or independent candidate:

(1) must make the appointments in writing; and

(2) shall issue one (1) identification card for each person appointed under this section.

(e) Each political party or independent candidate described in subsection (a) or a political action committee described in subsection (b) may have only one (1) challenger and one (1) pollbook holder present at each precinct's polls at any time during election day. The challenger and pollbook holder present at the polls must possess an identification card issued under subsection (d).

(f) The identification card issued under subsection (d) must clearly state the following:

(1) The status of the individual as an appointed challenger or pollbook holder.

(2) The name of the individual serving as a challenger or pollbook holder.

(3) The name of the person who appointed the individual as a challenger or pollbook holder, and whether the person is a
political party, an independent candidate, or a county election board.

(4) If the challenger or pollbook holder has been appointed by a political party, the name of the political party.

SECTION 19. IC 3-6-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A pollbook holder or a challenger appointed under this chapter is entitled to do the following:

(1) Enter the polls at least thirty (30) minutes before the opening of the polls and remain there throughout election day until the polls close.

(2) Enter, leave, and reenter the polls at any time on election day.

(b) A pollbook holder or a challenger is subject to the orders of the board while in the polls.

(c) If demanded by a member of the precinct election board, a pollbook holder or a challenger shall produce the identification card issued under section 1(d) of this chapter.

SECTION 20. IC 3-6-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A watcher present at the polls must possess an identification card issued under this section and present the card if demanded by a member of the precinct election board.

(b) The county election board, county chairman, or chairman of the committee of the independent candidate for a federal or a state office:

(1) must appoint each watcher in writing; and

(2) shall issue one (1) watcher identification card for each person appointed as a watcher.

(c) The identification card must be signed by the chairman of the county election board, county chairman of the party, or chairman of the committee of the independent candidate for a federal or a state office that the watcher represents.

(d) The identification card described in subsection (a) must clearly state the following:

(1) The status of the individual as an appointed watcher.

(2) The name of the individual serving as a watcher.

(3) The name of the person who appointed the individual as a watcher.

(4) If the individual has been appointed as a watcher by a political party, the name of the political party.

SECTION 21. IC 3-6-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. When the attorney-in-fact has
certified the names of the watchers in writing under section 4 of this chapter to the circuit court clerk, the clerk shall immediately issue certificates to the persons named. The certificates entitle the watchers to go to the precincts designated in the statement. Each watcher’s credentials must state the following:

1. The name of the attorney-in-fact who certified the watcher to the clerk.
2. The status of the individual as a watcher appointed under this chapter.
3. The name of the individual serving as a watcher.
4. If the watcher is acting on behalf of a school board candidate, or a group of political party candidates, the name of the school board candidate or political party whose candidates have petitioned for watchers under this chapter.

SECTION 22. IC 3-6-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Each person who acts as a watcher under this chapter must obtain a watcher identification card from the county election board. The identification card issued under this subsection must clearly state the following:

1. The status of the individual as an appointed watcher.
2. The name of the individual serving as a watcher.
3. The name of the person that appointed the individual as a watcher.

(b) Watchers appointed under this chapter do not have a voice or vote in any proceeding of a precinct election board. The watchers may attend the election as witnesses only and are subject to the orders of the board.

(c) Except as provided in subsection (d), a watcher appointed under this chapter may photograph the proceedings of a precinct election board.

(d) A watcher appointed under this chapter may not photograph a voter:

1. while the voter is in the polls if the voter informs the precinct election board that the voter objects to being photographed by the watcher; or
2. in a manner that permits the watcher to see or know for what ticket, candidates, or public questions the voter has voted.

SECTION 23. IC 3-8-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A declaration of candidacy for a primary election must be filed not later than noon
seventy-four (74) days and not earlier than one hundred four (104) days before the primary election. The declaration must be subscribed and sworn to before a person authorized to administer oaths.

(b) A declaration of intent to be a write-in candidate must be filed:
   (1) not earlier than the first date specified in IC 3-8-6-10(b) for the timely filing of a petition of nomination; and
   (2) not later than noon on the date specified by IC 3-13-1-15(c) for a major political party to file a certificate of candidate selection.

The declaration must be subscribed and sworn to before a person authorized to administer oaths.

(c) During a year in which a federal decennial census, federal special census, special tabulation, or corrected population count becomes effective under IC 1-1-3.5, a declaration of:
   (1) candidacy may be filed for an office that will appear on the primary election ballot; or
   (2) intent to be a write-in candidate for an office that will appear on the general, municipal, or school board election ballot; that year as a result of the new tabulation of population or corrected population count.

SECTION 24. IC 3-8-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A declaration of candidacy may be made by mail and is considered filed as of the date and hour it is received the filing occurs in the manner described by IC 3-5-2-24.5 in the office of the election division or circuit court clerk.

(b) A declaration of candidacy may not be made by telegraph or facsimile transmission.

(c) A declaration is not valid unless received in the office of the election division or circuit court clerk by noon on the seventy-fourth day before a primary election.

(d) An officer receiving a declaration may require information supporting the eligibility of the candidate and, where applicable; (c) This subsection applies to a candidate required to file a statement of economic interest under IC 2-2.1-3-2 or IC 33-23-11-15 or a financial disclosure statement under IC 4-2-6-8. The election division shall require the candidate to produce a:
   (1) copy of the statement, file stamped by the office required to receive the statement of economic interests; or
   (2) receipt showing that statements of economic interest or other
The election division shall reject a filing that does not comply with this subsection.

SECTION 25. IC 3-8-2-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) A person who files a declaration of candidacy under this chapter may, at any time not later than noon seventy-one (71) days before the date set for holding the primary election, file a statement with the same office where the person filed the declaration of candidacy, stating that the person is no longer a candidate and does not wish the person's name to appear on the primary election ballot as a candidate.

(b) A candidate who is disqualified from being a candidate under IC 3-8-1-5 must file a notice of withdrawal immediately upon becoming disqualified. The filing requirements of subsection (a) do not apply to a notice of withdrawal filed under this subsection.

(c) A candidate who has moved from the election district the candidate sought to represent must file a notice of withdrawal immediately after changing the candidate's residence. The filing requirements of subsection (a) do not apply to a notice of withdrawal filed under this subsection.

SECTION 26. IC 3-8-3-9, AS AMENDED BY SEA 482-2005, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Each circuit court clerk shall, not later than noon Monday after the day the primary election is held, send to the election division by certified mail or hand delivery one (1) complete copy of all returns for presidential candidates. The clerk shall state the number of votes received by each candidate in each congressional district within the county.

(b) A statement described in subsection (a) may be sent by using the computerized list established under IC 3-7-26.3. A statement sent under this subsection section complies with any requirement for the statement to be certified or sealed.

SECTION 27. IC 3-8-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section applies to each political party that elects delegates to the party's state convention at a primary election.

(b) Delegates to a state convention shall be chosen at the primary election conducted by the political party on the first Tuesday after the
first Monday in May 2000 and every two (2) years thereafter. If provided in the rules of the state committee of the political party, delegates may be elected from delegate districts in each county.

(c) Not later than noon November 30 of the year preceding the year in which the state convention is to be conducted, the state chairman of a political party shall certify the following to the election division and to each county committee of the party:

1. The number of delegates to be elected in each county.
2. Whether the delegates are to be elected from districts or at large in each county.
3. If a county is to elect delegates from districts, how many districts must be established in each county.

(d) The county committee shall establish any delegate districts required to be established under subsection (c) and file descriptions setting forth the district boundaries with the county election board not later than noon December 31 of the year preceding the year the state convention is to be conducted. If the county committee does not timely file district descriptions under this subsection, the county election board shall establish districts not later than the first day that a declaration of candidacy may be filed under IC 3-8-2-4, and apportion the delegates to be elected from each district in accordance with subsection (c).

SECTION 28. IC 3-8-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) If more than one candidate from the same political party files a declaration of candidacy for the same office, that political party shall conduct:

1. a town convention under this chapter; or
2. a primary election;

then choose the nominee of that party for that office as provided in the ordinance adopted under section 2 of this chapter.

(b) If a town convention is required under subsection (a), the town chairman shall organize, conduct, and issue a call for a town convention to be held in the town, or, if there is no suitable location in the town, then either at the nearest available location within any county in which the town is located or at the county seat of any county in which the town is located.

(c) The convention must be held before August 21 in each year in which a municipal election is to be held. The purpose of the convention is to select the nominees for all town offices to be elected at the next municipal election and for which more than one (1) declaration of
candidacy has been filed.

(d) The chairman shall file a notice of the call with the circuit court clerk of the county containing the greatest percentage of population of the town. The chairman shall also have notice of the call posted at least three (3) days in three (3) prominent public places in the town, including the office of the clerk-treasurer. The notice must state the time, place, and purpose of the convention.

(e) If the county chairman determines that an emergency requires the rescheduling of a town convention after notice has been given under subsection (d), the chairman shall promptly file a notice in the office of the county election board and in the office of the town clerk-treasurer stating the date, time, and place of the rescheduled convention.

SECTION 29. IC 3-8-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The town chairman and secretary of each town political party committee shall act as chairman and secretary of their respective conventions.

(b) As the first item of convention business, the town chairman shall make the initial determination regarding which individuals are eligible to vote in the town convention under section 11 of this chapter. If an individual objects to the determination of the chairman, the matter shall be put to the vote of all those individuals whose eligibility to vote is not in dispute.

(c) As the second item of convention business, the town chairman shall submit copies of proposed rules to the members of the convention for adoption. The rules must provide for at least the following:

(1) The voting method to be used for nominating candidates at the convention.

(2) The method to be used for resolving tie votes.

(3) Any method for removing candidates from consideration by the convention if no candidate receives a majority vote from all voters casting a ballot at the convention.

(4) The rights of nonvoting observers, media, candidate watchers, or others attending the convention.

(d) If the town chairman of the political party committee is unable or unwilling to act as chairman of the convention, the secretary acts as chairman until the convention elects a chairman of the convention from among the voters attending the convention. If the town secretary of the political party committee is unable or unwilling to act as secretary of the convention, the convention shall elect a secretary of the convention.
from among the voters attending the convention.

(e) After adoption of the convention rules, the convention may proceed to vote on the candidates to be nominated. The candidates for town offices must be nominated by a majority of the voters present and voting.

(f) The town convention may recess and reconvene if a majority of eligible voters at the convention adopt a motion to recess and reconvene. The motion must state the date, time, and location of the reconvening of the convention. However, a convention may not reconvene on a date following the final date permitted for a convention to be convened under section 10 of this chapter.

SECTION 30. IC 3-8-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A petition of nomination must state all of the following:

(1) The name of each candidate as:
   (A) the candidate wants the candidate's name to appear on the ballot; and
   (B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

(2) The address of each candidate, including the mailing address, if different from the residence address of the candidate.

(3) The office that each candidate seeks.

(4) The information required under IC 3-10-4-5, if the petition nominates candidates for presidential electors.

(5) That the petitioners desire and are registered and qualified to vote for each candidate.

(6) Whether the candidate is affiliated with the same political party as any other candidate or group of candidates that has filed or will be filing a petition of nomination with the county voter registration office under section 10 of this chapter. This subdivision
   (A) applies after December 31, 2004; and
   (B) does not apply to an independent candidate.

(b) A petition of nomination must:

(1) designate a brief name of the political party that the candidates represent;

(2) indicate that the candidate is an independent candidate; or

(3) indicate that the candidates are an independent ticket.

(c) If a political party has previously filed a device with the election division under IC 3-8-7-11, the petition may incorporate that device by
reference in the petition. If a political party has not previously filed a device under IC 3-8-7-11, or the petition is for an independent ticket, the petition of nomination may include a device for designating the party or ticket on the ballot.

SECTION 31. IC 3-8-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Except as provided in subsection (f), if a political party has filed a statement with the election division (or any of its predecessors) that the device selected by the political party be used to designate the candidates of the political party on the ballot for all elections throughout the state, the device must be used until:

1. the device is changed in accordance with party rules; and
2. a statement concerning the use of the new device is filed with the election division.

(b) Except as provided in subsection (c), the device may be any appropriate symbol.
(c) A political party or an independent candidate may not use as a device:
1. a symbol that has previously been filed by a political party or candidate with the election division (or any of its predecessors);
2. the coat of arms or seal of the state or of the United States;
3. the national or state flag; or
4. any other emblem common to the people.
(d) Not later than noon, August 20, before each general or municipal election,
1. the state chairman of each political party whose candidates are to be certified under this section; or
2. an individual filing a petition of nomination for candidates to be certified under this section
shall file with the election division shall provide each county election board with a camera-ready copy of the device under which the candidates of the political party or the petitioner are to be listed so that ballots may be prepared using the best possible reproduction of the device.
(e) This subsection applies to a candidate or political party whose name or device is not filed with the election division under subsection (a) and is to be printed only on ballots prepared by a county election board to identify candidates for election to a local office.
Not later than noon, August 20, the chairman of the political party or the petitioner of nomination shall file a camera-ready copy of the
device under which the candidates of the political party or the petitioner are to be listed with the county election board of each county in which the name of the candidate or party will be placed on the ballot. The county election board shall provide the camera-ready copy of the device to the town election board of a town located wholly or partially within the county upon request by the town election board.

(f) If a copy of the device is not filed in accordance with subsection (d) or (e), or unless a device is designated in accordance with section 26 or 27 of this chapter, the election division, county election board or town election board is not required to use any device to designate the list of candidates.

SECTION 32. IC 3-8-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 8. Removal of Name From Ballot of a Candidate for Legislative or State Offices at a General Election for Disqualification or Withdrawal

Sec. 1. (a) This chapter applies only to a candidate for election to any of the following:

1. A legislative office.
2. A state office other than a judicial office.

(b) This chapter applies notwithstanding any other law relating to challenges to the qualifications of a candidate to be elected at a general election.

Sec. 2. A candidate may not be challenged under this chapter if all of the following apply:

1. The candidate's qualification was previously challenged under this chapter or other applicable law.
2. This challenge would be based on substantially the same grounds as the previous challenge to the candidate.
3. The commission conducted a hearing on the challenge and made a final determination in favor of the candidate.

Sec. 3. (a) An individual who challenges the qualification of a candidate for election to an office must be a registered voter of the election district the candidate seeks to represent.

(b) A challenge under this chapter must be filed with the election division not later than forty (40) days before the date of the general election at which a candidate to the office is to be elected.

(c) The challenger must file a sworn statement with the election division:

1. questioning the qualification of a candidate to seek the
office; and
(2) setting forth the facts known to the voter concerning this question.

Sec. 4. The commission shall do the following not later than three (3) business days after the challenger's sworn statement is filed under section 3 of this chapter:
(1) Meet to hear the challenge.
(2) Conclude the hearing.

Sec. 5. (a) Not later than one (1) business day after concluding the hearing, the commission shall announce its determination on the matter.
(b) If the commission does not announce a determination on the matter as provided in subsection (a), the commission is considered to have:
(1) dismissed the challenge; and
(2) taken final action on the challenge.

Sec. 6. The candidate or the challenger may appeal any final action:
(1) that the commission has taken; or
(2) that the commission is considered to have taken under section 5 of this chapter;
to the court of appeals for errors of law under the same terms, conditions, and standards that govern appeals in ordinary civil actions. An assignment of errors that the commission's final action is contrary to law is sufficient to present both the sufficiency of the facts found to sustain the commission's action and the sufficiency of the evidence to sustain the finding of facts upon which the commission's action was rendered.

Sec. 7. (a) Regardless of the status of a challenge before the commission or the court of appeals, at noon thirty (30) days before the general election the following apply:
(1) The challenge is terminated.
(2) The name of the challenged candidate may not be removed from the ballot.
(3) The name of another individual may not replace the name of the challenged candidate on the ballot.
(4) Any votes cast for the challenged candidate shall be canvassed, counted, and reported under the name of the challenged candidate.
(b) All of the following apply if a candidate attempts to withdraw as a candidate after noon thirty (30) days before the
general election:
  (1) The name of the candidate may not be removed from the ballot.
  (2) The name of another individual may not replace the name of the candidate on the ballot.
  (3) Any votes cast for the candidate shall be canvassed, counted, and reported under the name of the candidate.

Sec. 8. (a) This section applies if a candidate whose name remains on the ballot under section 7 of this chapter receives the most votes in the general election among all candidates for the office.
  (b) If, after the election, it is determined as provided by law that the individual was not qualified to be elected to the office, it shall be considered that:
    (1) an eligible candidate of the same political party, if any, as the ineligible candidate had been elected; and
    (2) a vacancy in the office occurred after the election.
  (c) The vacancy in the office shall be filled as otherwise provided by law.

SECTION 33. IC 3-10-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) Precinct committeemen shall be elected on the first Tuesday after the first Monday in May 2006 and every four (4) years thereafter.
  (b) The rules of a political party may specify whether a precinct committeeman elected under subsection (a) continues to serve as a precinct committeeman after the boundaries of the precinct are changed by a precinct establishment order issued under IC 3-11-1.5.

SECTION 34. IC 3-10-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) In those precincts where ballot card voting systems are to be used, each county election board shall prepare and distribute separate primary paper ballots for each political party participating in a primary election at least equal in number to one hundred percent (100%) of the number of votes cast by for the candidate of the party who received the greatest number of votes cast in each the precinct at the last general election. If voting machines, ballot card voting systems, or
  (b) In those precincts where electronic voting systems are to be used, the board shall determine the number of emergency paper ballots required to be printed and furnished to the precincts for emergency purposes only.

SECTION 35. IC 3-10-1-31.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31.1. (a) This section applies only to election materials for elections held after December 31, 2003.

(b) The inspector of each precinct shall deliver the bags required by section 30(a) and 30(c) of this chapter in good condition, together with poll lists, tally sheets, and other forms, to the circuit court clerk when making returns.

(c) Except for unused ballots disposed of under IC 3-11-3-31 or affidavits received by the county election board under IC 3-14-5-2 for delivery to the foreman of a grand jury, the circuit court clerk shall seal the ballots and other material during the time allowed to file a verified petition or cross-petition for a recount of votes or to contest the election. Except as provided in subsection (d), after the recount or contest filing period, the election material (except for ballots, which remain confidential) shall be made available for copying and inspection under IC 5-14-3. The circuit court clerk shall carefully preserve the sealed ballots and other material for twenty-two (22) months, as required by 42 U.S.C. 1974, after which the sealed ballots and other material are subject to IC 5-15-6 unless an order issued under:
(1) IC 3-12-6-19 or IC 3-12-11-16; or
(2) 42 U.S.C. 1973;
requires the continued preservation of the ballots or other material.

(d) If a petition for a recount or contest is filed, the material for that election remains confidential until completion of the recount or contest.

(e) This subsection applies before January 1, 2006. Upon delivery of the poll lists, the county voter registration office may unseal the envelopes containing the poll lists. For the purposes of:
(1) a cancellation of registration conducted under IC 3-7-43 through IC 3-7-46;
(2) a transfer of registration conducted under IC 3-7-39, IC 3-7-40, or IC 3-7-42;
(3) a change of name made under IC 3-7-41;
(4) adding the registration of a voter under IC 3-7-48-8; or
(5) recording that a voter subject to IC 3-7-33-4.5 submitted the documentation required under 42 U.S.C. 15483 and IC 3-11-8 or IC 3-11-10;
the county voter registration office may inspect the poll lists and update the registration record of the county. The county voter registration office shall use the poll lists to update the registration record to include the voter's voter identification number if the voter's voter identification
number is not already included in the registration record. Upon completion of the inspection, the poll list shall be preserved with the ballots and other materials in the manner prescribed by subsection (c) for the period prescribed by subsections (c) and (d).

(f) This subsection applies after December 31, 2005. Upon delivery of the poll lists, the county voter registration office may unseal the envelopes containing the poll lists. For purposes of:

† a cancellation of registration conducted under IC 3-7-43 through IC 3-7-46;
(2) a transfer of registration conducted under IC 3-7-39, IC 3-7-40, or IC 3-7-42;
(3) a change of name made under IC 3-7-41; or
(4) adding the registration of a voter under IC 3-7-48-8;
the county voter registration office may inspect the poll lists and update the registration record of the county. The county voter registration office shall use the poll lists to update the registration record to include the voter’s current voter identification number if the voter’s voter identification number is not included in the registration record. Upon completion of the inspection, the poll list shall be preserved with the ballots and other materials in the manner prescribed by subsection (c) for the period prescribed by subsections (c) and (d):

(g) This subsection does not apply to ballots. Notwithstanding subsection (c), if a county voter registration office determines that the inspection and copying of precinct election material would reveal the political parties, candidates, and public questions for which an individual cast an absentee ballot, the county voter registration office shall keep confidential only that part of the election material necessary to protect the secrecy of the voter’s ballot.

(h) After the expiration of the period described in subsection (c) or (d), the ballots may be destroyed in the manner provided by IC 3-11-3-31 or transferred to a state educational institution as provided by IC 3-12-2-12.

SECTION 36. IC 3-10-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Electors for President and Vice-President of the United States shall be elected in 2008 and every four (4) years thereafter at a general election held in accordance with 3 U.S.C. 1.

SECTION 37. IC 3-10-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. United States Senators shall be elected at a general election held in accordance with
2 U.S.C. 1 and as follows:

(1) One (1) in 2000 2006 and every six (6) years thereafter.
(2) One (1) in 2004 2010 and every six (6) years thereafter.

SECTION 38. IC 3-10-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The following public officials shall be elected in 2000 2008 and every four (4) years thereafter:

(1) Governor.
(2) Lieutenant governor.
(3) Attorney general.
(4) Superintendent of public instruction.

SECTION 39. IC 3-10-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The following public officials shall be elected in 2002 2006 and every four (4) years thereafter:

(1) Secretary of state.
(2) Auditor of state.
(3) Treasurer of state.

SECTION 40. IC 3-10-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. A prosecuting attorney shall be elected in each judicial circuit in 2002 2006 and every four (4) years thereafter in accordance with Article 7, Section 16 of the Constitution of the State of Indiana.

SECTION 41. IC 3-10-4-1, AS AMENDED BY SEA 14-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The names of the candidates of:

(1) a political party;
(2) a group of petitioners under IC 3-8-6; or
(3) a write-in candidate for the office of President or Vice President of the United States under IC 3-8-2-2.5;

for electors of President and Vice President of the United States may not be placed on the ballot.

(b) The names of the nominees for President and Vice President of the United States of each political party or group of petitioners shall be placed:

(1) in one (1) column on the ballot if paper ballots are used; or
(2) on one (1) ballot label in one (1) column or row if voting machines are used;

(3) (2) either:

(A) grouped together on a separate screen; or
(B) grouped together below the names of the offices as specified in IC 3-11-14-3.5; 
if an electronic voting system is used; or 
(4) grouped together below the names of the offices as specified in IC 3-11-13-11 if a ballot card is used.

(c) The name of each ballot must permit a voter to cast a ballot for a write-in candidate for the office of President or Vice President of the United States shall be placed as in the manner provided under IC 3-11-2-6.

SECTION 42. IC 3-10-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as otherwise provided in this chapter, a municipal primary election shall be held on the first Tuesday after the first Monday in May 2003 and every four (4) years thereafter.

(b) Each political party whose nominee received at least ten percent (10%) of the votes cast in the state for secretary of state at the last election shall nominate all candidates to be voted for at the municipal election to be held in November.

SECTION 43. IC 3-10-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Notwithstanding section 2 of this chapter, in a town that adopted an ordinance under IC 18-3-1-16(b) (before its repeal on September 1, 1981), P.L.13-1982, SECTION 3 (before its expiration on January 1, 1988), or section 2.5 of this chapter each political party shall, at the primary election in:

1) May 2002 and every four (4) years thereafter; and

2) May 2003 and every four (4) years thereafter;

nominate candidates for the election to be held under section 6(a) of this chapter, unless a primary election is not required under section 4 of this chapter. The primary election shall be conducted under this chapter.

(b) Notwithstanding section 2 of this chapter, in a town that adopted an ordinance under section 2.6 of this chapter each political party shall, at the primary election in:

1) May 2002 and every four (4) years thereafter; and

2) May 2004 and every four (4) years thereafter;

nominate candidates for the election to be held under section 6(b) of this chapter, unless a primary election is not required under section 4 of this chapter. The primary election shall be conducted under this chapter.

(c) Notwithstanding section 2 of this chapter, in a town that adopted
an ordinance under section 2.6 of this chapter each political party shall, at the primary election in May 2004 and every four (4) years thereafter, nominate candidates for the election to be held under section 6(c) of this chapter, unless a primary election is not required under section 4 of this chapter. The primary election shall be held under this chapter.

SECTION 44. IC 3-10-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Notwithstanding section 5 of this chapter, a town that adopted an ordinance under IC 18-3-1-16(b) (before its repeal on September 1, 1981), P.L.13-1982, SECTION 3 (before its expiration on January 1, 1988), or section 2.5 of this chapter shall:

(1) at the general election in November 2002 and every four (4) years thereafter; and
(2) at the municipal election in November 2003 and every four (4) years thereafter;

elect town council members for terms of four (4) years to those offices whose terms expire at noon January 1 following the election, as provided in IC 36-5-2-3. The election shall be conducted under this chapter.

(b) Notwithstanding section 5 of this chapter, a town that adopted an ordinance under section 2.6 of this chapter shall:

(1) at the general election in November 2002 and every four (4) years thereafter; and
(2) at the general election in November 2004 and every four (4) years thereafter;

elect town council members for terms of four (4) years to those offices whose terms expire at noon January 1 of the following year. The election shall be conducted under this chapter.

(c) Notwithstanding section 5 of this chapter, a town that adopted an ordinance under section 2.6 of this chapter shall, at the general election in November 2004 and every four (4) years thereafter, elect a town clerk-treasurer and town court judge (if a town court has been established under IC 33-35-1-1) to those offices whose terms expire at noon January 1 of the following year. The election shall be conducted under this chapter.

SECTION 45. IC 3-10-7-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) A town election board shall appoint a precinct election board for each precinct in the town.
(b) If a precinct is wholly or partly in the town, the town election board may designate the polls for the precinct to be at the polls for an adjoining precinct, using the precinct election board of the adjoining precinct.

(c) If a precinct election board administers more than one (1) precinct under subsection (b), the board shall keep the ballots cast in each precinct separate from ballots cast in any other precinct, so that the votes cast for each candidate and on each public question in each of the precincts administered by the board may be determined.

(d) Each precinct election board consists of:

(1) one (1) inspector; and

(2) two (2) judges of opposite political parties.

(e) The members of a precinct election board must be voters who reside in the town.

SECTION 46. IC 3-10-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as provided in subsection (b) or (c), if a special election is held at a time other than the time of a general election, the election shall be held in accordance with this title. Each county election board and other local public official who is required to perform any duties in connection with a general election shall perform the same duties for the special election, subject to the same provisions and penalties as for a general election.

(b) If a special election is held:

(1) under a court order under IC 3-12-8; or

(2) for a local public question;

the county election board may provide that several precincts may vote in the special election at the same polling place, if the county election board finds by unanimous vote of the entire membership of the board that the consolidation of polling places will not result in undue inconvenience to voters.

(c) If a special election is held:

(1) under a court order under IC 3-12-8 for a school board office; or

(2) for a local public question;

the county election board may by unanimous vote of the entire membership of the board adopt a resolution to provide that each precinct election board will include only one (1) inspector and one (1) judge, and that only one (1) sheriff and one (1) poll clerk may be nominated as precinct election officers. If the board has adopted a
resolution under subsection (b), a resolution adopted under this subsection may also provide for more than one (1) precinct to be served by the same precinct election board. A resolution adopted under this subsection may not be rescinded by the county election board and expires the day after the special election is conducted.

(d) The following procedures apply if a county election board adopts a resolution under subsection (c):

(1) The inspector shall be nominated by the county chairman entitled to nominate an inspector under IC 3-6-6-8.
(2) The judge shall act as a clerk whenever this title requires that two (2) clerks perform a duty.
(3) The poll clerk shall act as a judge whenever this title requires that two (2) judges perform a duty.
(4) If a precinct election board administers more than one (1) precinct, the board shall keep the ballots cast in each precinct separate from ballots cast in any other precinct, so that the votes cast for each candidate and on each public question in each of the precincts administered by the board may be determined.

SECTION 47. IC 3-10-12-3.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.4. (a) This section applies to a voter who:

(1) changes residence from a precinct in a county to another precinct:
   (A) in the same county; and
   (B) in the same congressional district; as the former precinct; and
(2) does not notify the county voter registration office of the change of address before election day.

(b) A voter described by subsection (a) may:

(1) correct the voter registration record; and
(2) vote in the precinct where the voter formerly resided; if the voter makes an oral affirmation as described in subsection (e) or a written affirmation as described in section 4 of this chapter of the voter's current residence address.

(c) A voter who moved outside of a municipality may not return to the precinct where the voter formerly resided to vote in a municipal election.

(d) A voter who moved from a location outside a municipality to a location within a municipality within thirty (30) days before a:
(1) municipal primary election;
(2) municipal election; or
(3) special election held only within the municipality;
may not vote in the election in the precinct of the person's former residence.

(e) A voter entitled to make a written affirmation under subsection (b) may make an oral affirmation. The voter must make the oral affirmation before the poll clerks of the precinct. After the voter makes an oral affirmation under this subsection, the poll clerks shall:

(1) reduce the substance of the affirmation to writing at an appropriate location on the poll list; and
(2) initial the affirmation.

SECTION 48. IC 3-10-12-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. After December 31, 2005, the written affirmation described in section 3 section 3.4 of this chapter must include the person's voter identification number to permit transfer of the registration under IC 3-7-13-13.

SECTION 49. IC 3-10-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The written affirmation described in section 3 section 3.4 of this chapter may be executed as follows:

(1) At the office of the circuit court clerk or the board of county voter registration office for the county of the precinct of the person's former residence, not later than 4 p.m. on the day before the election.
(2) Before the inspector of the precinct of the person's former residence, if the application and statement are executed on the day of the election.
(3) When the application for an absentee ballot is filed with the county election board of the county of the precinct of the person's former residence.

(b) If the person executes the affidavit under this section at the office of the circuit court clerk or board of county voter registration office before the day of the election, the clerk or board office shall furnish a copy of the affirmation to the person. The person shall present the copy to the inspector of the precinct of the person's former residence when the person offers to vote in that precinct under IC 3-11-8.

(c) If the person executes the affirmation under this section when
filing an application for an absentee ballot, the county election board shall attach the original or a copy of the affirmation to the person's application for an absentee ballot before the application and ballot are delivered to the inspector of the precinct of the person's former residence.

(d) If the person executes the affirmation under this section before the inspector of the precinct of the person's former residence on the day of the election, the inspector shall return the original affirmation to the circuit court clerk or board of county election board. The county election board shall forward the affidavit to the county voter registration office after the closing of the polls.

SECTION 50. IC 3-11-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The nominees of a:

(1) major political party;

(2) political party described by IC 3-8-4-10; or

(3) group of petitioners under IC 3-8-6 who are identified by the petition as the nominees of a political party;

shall be listed on the ballots under the name and device of the party or petitioners as designated by them in their certificate or petition. or if none is designated; then under some suitable name and device: If the same device for designating candidates is selected by two (2) parties or groups of petitioners, it shall be given to the one (1) party that first selected it, and a suitable device shall be selected for the other party or group of petitioners under IC 3-8-7-11.

SECTION 51. IC 3-11-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The county election board shall deliver the following to each inspector or the inspector's representative:

(1) The sealed package of paper ballots; provisional ballots; sample ballots; and any other supplies provided for the inspector's precinct by the election division.

(2) The local sample ballots, the ballot labels, if any, and all poll lists, registration lists, and other supplies considered necessary to conduct the election in the inspector's precinct.

(3) The local ballots printed under the direction of the county election board as follows:

(A) In those precincts where ballot card voting systems are to be used, the number of ballots at least equal to one hundred percent (100%) of the number of voters in the inspector's precinct, according to the poll list.
(B) In those precincts where voting machines, ballot card systems, or electronic voting systems are to be used, the number of paper ballots that will be required to be printed and furnished to the precincts for emergency purposes only.

(C) Provisional ballots in the number considered necessary by the county election board.

(4) Twenty (20) ink pens suitable for printing the names of write-in candidates on the ballot or ballot envelope.

(5) Copies of the voter's bill of rights for posting as required by 42 U.S.C. 15482.

(6) Copies of the instructions for a provisional voter required by 42 U.S.C. 15482. The county election board shall provide at least the number of copies of the instructions as the number of provisional ballots provided under subdivision (3).

SECTION 52. IC 3-11-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Before each election each county executive shall secure for each precinct of the county an accessible facility in which to hold the election.

(b) If an accessible facility is not available within the precinct, then the polls may be located in a public building in an adjoining another precinct in the county if the public building is: polling are:

1. either:
   (A) not more than one mile from the closest boundary of the precinct for which it is the polls; or
   (B) located in the same township as the precinct that does not have an accessible facility available; and

2. located in an accessible facility.

(c) If the county election board, by a unanimous vote of its entire membership, determines that an accessible facility is not available under subsection (b), the board may locate the polls in the most convenient available accessible facility in the county.

(d) If the county election board, by unanimous vote of its entire membership, determines that:

1. an accessible facility is not available under subsection (b) or (c); and

2. the most convenient accessible facility is located in an adjoining county;

the board may locate the polls in the facility described in subdivision (2) with the unanimous consent of the entire membership of the county election board of the county in which the
facility is located.

SECTION 53. IC 3-11-8-4.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.3. (a) If the county election board adopts an order by the unanimous vote of the entire membership of the board, the county executive may locate the polls for the precinct at the polls for an adjoining precinct, using the precinct election board of the adjoining precinct.

(b) An order adopted under this section expires December 31 after the date the order was adopted.

(c) If a precinct election board administers more than one (1) precinct under this section, the board shall keep the ballots cast in each precinct separate from ballots cast in any other precinct, so that the votes cast for each candidate and on each public question in each of the precincts administered by the board may be determined.

SECTION 54. IC 3-11-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) Only the following persons are permitted in the polls during an election:

(1) Members of a precinct election board.
(2) Poll clerks and assistant poll clerks.
(3) Election sheriffs.
(4) Deputy election commissioners.
(5) Pollbook holders and challengers.
(6) Watchers.
(7) Voters for the purposes of voting.
(8) Minor children accompanying voters as provided under IC 3-11-11-8. and IC 3-11-12-29.
(9) An assistant to a precinct election officer appointed under IC 3-6-6-39.
(10) An individual authorized to assist a voter in accordance with IC 3-11-9.
(11) A member of a county election board, acting on behalf of the board.
(12) A mechanic authorized to act on behalf of a county election board to repair a voting system (if the mechanic bears credentials signed by each member of the board).
(13) Either of the following who have been issued credentials signed by the members of the county election board:

(A) The county chairman of a political party.
(B) The county vice chairman of a political party.
(14) The secretary of state, as chief election officer of the state, unless the individual serving as secretary of state is a candidate for nomination or election to an office at the election.

(b) This subsection applies to a simulated election for minors conducted with the authorization of the county election board. An individual participating in the simulated election may be in the polls for the purpose of voting. A person supervising the simulated election may be in the polls to perform the supervision.

(c) The inspector of a precinct has authority over all simulated election activities conducted under subsection (b) and shall ensure that the simulated election activities do not interfere with the election conducted in that polling place.

SECTION 55. IC 3-11-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. Challengers appointed under IC 3-6-7 are entitled to stand at the sides of the chute next to the entrance to the polls, as provided in IC 3-6-7-2. No other person may not remain within a distance equal to the length of the chute (as defined in IC 3-5-2-10) of the entrance to the polls except for the purpose of offering to vote.

SECTION 56. IC 3-12-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This chapter:

(1) is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what will be counted as a vote on a paper ballot; and

(2) applies to each precinct where voting is by paper ballot.

(b) After the polls have closed, each precinct election board shall count the paper ballot votes for each candidate for each office and on each public question. The board shall begin by counting the state paper ballots and shall complete the count of the state paper ballots before counting the local paper ballots. The ballots shall be counted by laying each ballot upon a table in the order in which it is taken from the ballot box.

(c) Notwithstanding subsection (b), the precinct election board may count absentee ballots before the polls have closed. If the precinct election board counts absentee ballots under this subsection, a member of the precinct election board may not, before the polls have closed, provide any person other than a member of the precinct election board with information concerning the number of votes:

(1) a candidate received for an office; or
(2) cast to approve or reject a public question; on absentee ballots counted under this subsection.

(d) If a precinct election board administers more than one (1) precinct, the board shall keep the ballots cast in each precinct separate from ballots cast in any other precinct, so that the votes cast for each candidate and on each public question in each of the precincts administered by the board may be determined.

SECTION 57. IC 3-12-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The return printed by the automatic tabulating machines, along with the return of votes by absentee and provisional voters, constitutes the official return of each precinct. Upon completion of the count, the return is open to the public.

(b) This subsection applies if the votes have been cast on a ballot card voting system that is not designed to allow the counting and tabulation of votes by the precinct election board. The circuit court clerk shall, upon request, furnish to the media in the area the results of the tabulation.

(c) This subsection applies if the votes have been cast on a ballot card voting system that is designed to allow the counting and tabulation of votes by the precinct election board. Upon receiving the certificate for the media prepared under section 2(c) of this chapter, the circuit court clerk shall deliver the certificate to any person designated to receive the certificate by the editors of the newspapers published in the county or by the managers of the radio and television stations operating in the county.

(d) If a precinct election board administers more than one (1) precinct, the precinct election board or circuit court clerk shall keep the ballots cast in each precinct separate from ballots cast in any other precinct, so that the votes cast for each candidate and on each public question in each of the precincts administered by the board may be determined.

SECTION 58. IC 3-12-3.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) When paper vote total printouts have been obtained, the precinct election board shall prepare certificates stating the number of votes that each candidate received for each office and the votes on each public question by attaching the paper vote total printouts to certificate forms supplied by the county election board.

(b) Each member of the board shall be given a copy of the
(c) If a precinct election board administers more than one (1) precinct, the board shall keep the ballots cast in each precinct separate from ballots cast in any other precinct, so that the votes cast for each candidate and on each public question in each of the precincts administered by the board may be determined.

SECTION 59. IC 3-12-9-1, AS AMENDED BY HEA 1288-2005, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever a tie vote at an election for:

(1) a federal office;
(2) a state office (other than governor and lieutenant governor);
or
(3) a legislative office;
(4) a circuit office; or
(5) a school board office not covered under IC 20-23-4 or IC 20-23-7;

occurs, a special election shall be held.

(b) Whenever a tie vote occurs at a primary election for the nomination of a candidate to be voted for at the general or municipal election, IC 3-13-1-17 applies.

SECTION 60. IC 3-12-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Whenever a circuit court clerk receives certification that a tie vote at an election for a local office (other than a circuit office) or a school board office occurred, the clerk shall immediately send a written notice of the tie vote to:

(1) the fiscal body of the affected political subdivision; or
(2) if the tie vote occurred in an election for a circuit office in a circuit that includes more than one county, to the fiscal body of each county of the circuit.

SECTION 61. IC 3-12-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The fiscal body of a political subdivision that receives notice under section 3 of this chapter shall resolve the tie vote by electing a person to fill the office not later than December 31 following the election (or not later than June 30 following the election of a school board member in May) at which the tie vote occurred. The fiscal body shall select one (1) of the candidates who was involved in the tie vote to fill the office.

(b) If a tie vote has occurred in an election for a circuit office in a circuit that contains more than one (1) county, the fiscal bodies of the counties shall meet in joint session at the county seat of the county that contains the greatest percentage of population of the
circuit to select one (1) of the candidates who was involved in the
tie vote in order to fill the office in accordance with this section.

(c) If a tie vote has occurred for the election of more than one (1)
at-large seat on a legislative or fiscal body, the fiscal body shall select
the number of individuals necessary to fill each of the at-large seats for
which the tie vote occurred. However, a member of a fiscal body who
runs for reelection and is involved in a tie vote may not cast a vote
under this section.

(d) The executive of the political subdivision (other than a town
or a school corporation) may cast the deciding vote to break a tie vote
in a fiscal body acting under this section. The clerk-treasurer of the
town may cast the deciding vote to break a tie vote in a town fiscal
body acting under this section. A tie vote in the fiscal body of a
school corporation under this section shall be broken under
IC 20-4-1-26.5 or IC 20-4-8-8.

SECTION 62. IC 3-13-1-2.5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 2.5. A candidate seeking to fill a candidate vacancy
under this chapter must comply with the requirements imposed
under IC 3-8-1 for the office.

SECTION 63. IC 3-13-1-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) To be eligible
to participate in a caucus called under section 7 of this chapter, an
elected precinct committeeman must be entitled to vote for the office
for which a candidate is to be selected. An elected precinct
committeeman is eligible to participate in a caucus called under this
chapter, regardless of when the ballot vacancy occurred.

(b) An appointed precinct committeeman is eligible to participate
in a caucus called under section 7 of this chapter if the precinct
committeeman was a committeeman thirty (30) days before the
vacancy occurred.

(c) For purposes of a candidate vacancy resulting from the
failure of a candidate to be nominated at a primary at which
precinct committeemen were elected, an appointed precinct
committeeman is eligible to serve if the committeeman has been
reappointed following the primary in accordance with the rules of
the committeeman's political party.

SECTION 64. IC 3-13-1-20 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) This section
applies to a political party subject to IC 3-8-4-10, IC 3-10-2-15, or
IC 3-10-6-12.

(b) A candidate vacancy that exists following the convention of the party shall be filled by the state committee of the political party not later than noon June 30 before election day: the date and time specified by section 7(a)(1) of this chapter for a major political party to fill a candidate vacancy. The chairman of the state committee shall file a notice of intent to fill the candidate vacancy with the official who is required to receive a certificate of candidate selection under section 15 of this chapter. The notice must be filed not later than ten (10) days before the chairman fills the candidate vacancy. The chairman of the state committee shall act in accordance with section 15 of this chapter to certify the candidate selected to fill the vacancy.

(c) This subsection applies to a candidate vacancy resulting from a vacancy on the general election ballot resulting from the failure of the convention to nominate a candidate for an office. The certificate required by subsection (b) shall be filed not later than noon July 3 before election day: the date and time specified by section 15(c) of this chapter for a major political party to file a certificate of candidate selection.

(d) This subsection applies to all candidate vacancies not described by subsection (c). If a candidate vacancy occurs as a result of:
    (1) the death of a candidate;
    (2) the withdrawal of a candidate;
    (3) the disqualification of a candidate under IC 3-8-1-5; or
    (4) a court order issued under IC 3-8-7-29(d);
the political party may fill the vacancy within the same period of time that a major political party is permitted to fill a candidate vacancy under section 7(b) of this chapter.

(e) The certificate required by subsection (b) shall be filed not more than three (3) days (excluding Saturdays and Sundays) within the period of time required under section 15(d) of this chapter for a major political party to file the certificate after selection of the candidates.

SECTION 65. IC 3-13-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. A candidate seeking to fill a candidate vacancy under this chapter must comply with the requirements imposed under IC 3-8-1 for the office.

SECTION 66. IC 3-14-5-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section applies during an election whenever a voter makes an affidavit before the inspector in a precinct that a person who has voted is an illegal voter in the precinct. This section does not apply to an affidavit executed by an individual who:

1. is subject to the requirements set forth in IC 3-7-33-4.5;
2. is challenged solely as a result of the individual’s inability or refusal to comply with IC 3-7-33-4.5; and
3. subsequently complies with IC 3-7-33-4.5 before the close of the polls on election day.

(b) Immediately after the close of the polls the inspector shall deliver the affidavit to the county election board for delivery by the prosecuting attorney for the county to the grand jury under section 2 of this chapter. The prosecuting attorney for the county shall:

1. proceed as if the affidavit had been made before the prosecuting attorney; and
2. notify ensure that the grand jury notifies the NVRA official under section 2 of this chapter if a violation of NVRA appears to have occurred.

SECTION 67. IC 3-14-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Each precinct election board shall, at the close of the polls, place all affidavits prescribed by this title for use on election day to determine the eligibility of a precinct election officer (or a person who wishes to cast a ballot) in a strong paper bag or envelope and securely seal it. Each member shall endorse that member’s name on the back of the bag or envelope.

(b) The inspector and judge of the opposite political party shall deliver the sealed bag or envelope to the county election board whose duty it is to The county election board shall do the following:

1. Remove the affidavits from the bag or envelope.
2. Mail a copy of each affidavit to the secretary of state.
3. Replace the affidavits within the bag or envelope.
4. Reseal the bag or envelope with the endorsement of the name of each county election board member on the back of the bag or envelope.
5. Carefully preserve it the resealed bag or envelope and deliver it, with the county election board’s seal unbroken, to the foreman of the grand jury when next in session.
(c) The grand jury shall inquire into the truth or falsity of the affidavits, and the court having jurisdiction over the grand jury shall specially charge the jury as to its duties under this section.

(d) The grand jury shall file a report of the result of its inquiry with:
(1) the court; and
(2) the NVRA official if a violation of NVRA appears to have occurred.

SECTION 68. IC 9-13-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Except as otherwise provided in this title, a reference in this title to a federal statute or regulation relating to the National Voter Registration Act of 1993 (42 U.S.C. 1973gg) is a reference to the statute or regulation as in effect January 1, 2000. 2005.

SECTION 69. IC 12-7-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Except as otherwise provided in this title, a reference in this title to a federal statute or regulation relating to the federal National Voter Registration Act of 1993 (42 U.S.C. 1973gg) is a reference to the statute or regulation as in effect January 1, 2000. 2005.

SECTION 70. IC 16-18-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Except as otherwise provided in this title, a reference in this title to a federal statute or regulation relating to the federal National Voter Registration Act of 1993 (42 U.S.C. 1973gg) is a reference to the statute or regulation as in effect January 1, 2000. 2005.

SECTION 71. IC 20-3-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The six (6) members who are elected for a position on the governing body described under section 3(b)(1) of this chapter are determined as follows:
(1) Each candidate must file a nomination petition with the clerk of the circuit court at least board of elections and registration not earlier than one hundred four (104) days and not later than noon seventy-four (74) days before the election at which the members are to be elected and that includes the following information:
(A) The name of the candidate.
(B) The district in which the candidate resides.
(C) The signatures of at least one hundred (100) registered voters residing within the school corporation.
(D) The fact that the candidate is running for a district position.
(E) A certification that the candidate meets the qualifications for candidacy imposed by this chapter.

(2) Only eligible voters residing in the district may vote for a candidate.
(3) The candidate within each particular district who receives the greatest number of votes within the district is elected.

(b) The member who is elected for a position on the governing body described under section 3(b)(2) of this chapter is determined as follows:

(1) Each candidate must file a nomination petition with the clerk of the circuit court at least seventy-four (74) days before the election at which the at-large member is to be elected. The petition must include the following information:
   (A) The name of the candidate.
   (B) The signatures of at least one hundred (100) registered voters residing within the school corporation.
   (C) The fact that the candidate is running for the at-large position on the governing body.
   (D) A certification that the candidate meets the qualifications for candidacy imposed by this chapter.

(2) Only eligible voters residing in the school corporation may vote for a candidate.
(3) The candidate who:
   (A) runs for the at-large position on the governing body; and
   (B) receives the greatest number of votes within the school corporation;

is elected to the at-large position.

SECTION 72. IC 20-3-21-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The members shall be elected as follows:

(1) Three (3) of the members elected under section 3(b)(1) of this chapter shall be elected at the primary election to be held in 2000 and every four (4) years thereafter.
(2) Three (3) of the members elected under section 3(b)(1) of this chapter shall be elected at the primary election to be held in 2002 and every four (4) years thereafter.
(3) The at-large member elected under section 3(b)(2) of this chapter shall be elected at the primary election to be held in 2004
2008 and every four (4) years thereafter.

SECTION 73. IC 20-3-22-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. To be eligible to be a candidate for the governing body under this chapter, the following apply:

(1) Each prospective candidate must file a nomination petition with the clerk of the circuit court at least board of elections and registration not earlier than one hundred four (104) days and not later than noon seventy-four (74) days before the primary election at which the members are to be elected that includes the following information:
   (A) The name of the prospective candidate.
   (B) Whether the prospective candidate is a district candidate or an at-large candidate.
   (C) A certification that the candidate meets the qualifications for candidacy imposed under this chapter.
   (D) The signatures of at least one hundred (100) registered voters residing within the school corporation.

(2) Each prospective candidate for a district position must:
   (A) reside within the district; and
   (B) have resided within the district for at least the three (3) years immediately preceding the election.

(3) Each prospective candidate for an at-large position must:
   (A) reside within the boundaries of the school corporation; and
   (B) have resided within the boundaries of the school corporation for at least the three (3) years immediately preceding the election.

(4) Each prospective candidate (regardless of whether the candidate is a district candidate or an at-large candidate) must:
   (A) be a registered voter and must have been a registered voter for at least the three (3) years immediately preceding the election; and
   (B) be a high school graduate or have received a:
      (i) high school equivalency certificate; or
      (ii) state of Indiana general educational development (GED) diploma under IC 20-10.1-12.1.

(5) A prospective candidate may not:
   (A) hold any other elective or appointive office; or
   (B) have a pecuniary interest in any contract with the school corporation or its governing body;
as prohibited by law.

SECTION 74. IC 20-3-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The members shall be elected as follows:

(1) Three (3) of the members shall be elected at the primary election to be held in 2000 2008 and every four (4) years thereafter.

(2) Two (2) of the members shall be elected at the primary election to be held in 2002 2006 and every four (4) years thereafter.

SECTION 75. IC 20-4-1-26.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26.5. (a) This section applies to each school corporation, whenever created.

(b) If the board of school trustees is to be elected at the primary election, each registered voter may vote in the board of school trustee election without otherwise voting in the primary election.

(c) If a tie vote occurs among any of the candidates, the judge of the circuit court; or in case of a united school corporation, the judge of the circuit court of the county having the most pupils enrolled in the united school corporation; shall select one (1) of the candidates who shall be declared and certified elected. Tie vote shall be resolved under IC 3-12-9-4.

(d) If after the first board of school trustees takes office, there is a vacancy on the board of school trustees for any reason, including the failure of the sufficient number of petitions for candidates being filed, and whether the vacating member was elected or appointed, the remaining members of the board of school trustees, whether or not a majority of the board, shall by a majority vote fill the vacancy by appointing a person from within the boundaries of the community school corporation, with the residence and other qualifications provided for a regularly elected or appointed board member filling the office, to serve for the term or balance of terms respectively. If a tie vote occurs among the remaining members of the board under this subsection or IC 3-12-9-4, or the board fails to act within thirty (30) days after any vacancy occurs, the judge of the circuit court in the county where the majority of registered voters of the school corporation reside shall make the appointment.

(e) A vacancy in the board of trustees occurs if a member ceases to be a resident of any community school corporation. A vacancy does not occur when the member moves from a district of the school corporation
from which the member was elected or appointed as long as the member continues to be a resident of the school corporation.

(f) At the first primary or general election in which members of the board of school trustees are elected, a simple majority of the candidates elected as members of the board of school trustees who receive the highest number of votes shall be elected for four (4) year terms. The balance of the candidates elected as members of the board of school trustees receiving the next highest number of votes shall be elected for two (2) year terms. Thereafter, all school board members shall be elected for four (4) year terms.

(g) Board members elected in November take office and assume their duties on January 1 or July 1 after their election, as determined by the board of school trustees before the election. Board members elected in May take office and assume their duties on July 1 after their election.

SECTION 76. IC 20-4-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In a community school corporation set up under IC 20-4-1 that has a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000), and that is the successor in interest to a school city having the same population, the governing body shall consist of a board of trustees of five (5) members elected in the manner provided in this chapter.

(b) At the 2000 primary election and at each primary election every four (4) years thereafter, there shall be elected in each school corporation covered by this chapter two (2) school trustees each of whom shall serve for four (4) years. The two (2) candidates for the office of school trustee receiving the highest number of votes at the election take office on July 1 next following the election.

(c) At the 2002 primary election and at each primary election every four (4) years thereafter, there shall be elected in each school city covered by this chapter three (3) school trustees each of whom shall serve for four (4) years. The three (3) candidates for the office of school trustee receiving the highest number of votes at the election take office on July 1 next following the election.

(d) The school trustees shall be elected at the times provided and shall succeed the retiring members in the order and manner as set forth in this section.

SECTION 77. IC 20-4-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) At the time provided by IC 3-8-2-4 for filing a declaration of candidacy for the primary election next following the creation of the county school
corporation as provided in this chapter, nominations for members of the board of education of said county school corporation shall be made by a petition signed by the nominee and ten (10) voters of the county residing in the same board member district as the nominee, which shall be filed with the clerk of the circuit court in the respective county. Such nominations shall be listed by board member districts on the primary election ballot as prescribed by IC 3-10-1-19, but without party designation.

(b) Voting and tabulation of votes shall be conducted in the same manner as in primary elections under IC 3-10-1. The candidates elected from each board member district and at large shall be the persons having the greatest number of votes. If in the first election more than two (2) candidates in any one (1) board member district shall be among those who received the greatest number of votes or if in any subsequent election more than one (1) person shall be among those who received the greatest number of votes, then the candidate or candidates respectively receiving the next greatest number of votes in other board member districts respectively shall be declared elected. In the event of a tie vote occurs among any of the candidates, the tie vote shall be resolved under IC 3-12-9-4. If a tie vote occurs when the fiscal body acts under IC 3-12-9-4, the judge of the circuit court shall select one (1) of said candidates who shall be declared and certified elected.

(c) If at any time there shall occur a vacancy or vacancies on the board for any reason including the failure of the sufficient number of petitions for candidates being filed, it shall be the duty of the judge of the circuit court to fill said vacancies by appointing a person or persons from the respective board member district or districts to serve for the term or balance of terms respectively.

(d) At the first primary election wherein members of the county board of education shall be elected, the three (3) candidates who receive the highest number of votes in each of the respective board member districts shall be elected for four (4) year terms and the two (2) candidates from different districts receiving the next highest number of votes respectively shall be elected for two (2) year terms. All candidates for membership on the county board of education shall be voted upon by the voters in the county school corporation district only and shall be elected for four (4) year terms after the first election and shall take office and assume their duties one (1) week after their election.
SECTION 78. IC 20-23-4-30, AS ADDED BY HEA 1288-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 30. (a) This section applies to each school corporation.
(b) If the governing body is to be elected at the primary election, each registered voter may vote in the governing body election without otherwise voting in the primary election.
(c) If a tie vote occurs among any of the candidates,
   (1) the judge of the circuit court; or
   (2) in case of a united school corporation, the judge of the circuit court of the county having the most students enrolled in the united school corporation;
shall select one of the candidates who shall be declared and certified elected. The tie vote shall be resolved under IC 3-12-9-4.
(d) If after the first governing body takes office, there is a vacancy on the governing body for any reason, including the failure of the sufficient number of petitions for candidates being filed, whether the vacating member was elected or appointed, the remaining members of the governing body, whether or not a majority of the governing body, shall by a majority vote fill the vacancy by appointing a person from within the boundaries of the community school corporation to serve for the term or balance of the term. An individual appointed under this subsection must possess the qualifications provided for a regularly elected or appointed governing body member filling the office. If:
   (1) a tie vote occurs among the remaining members of the governing body under this subsection or IC 3-12-9-4; or
   (2) the governing body fails to act within thirty (30) days after any vacancy occurs;
the judge of the circuit court in the county where the majority of registered voters of the school corporation reside shall make the appointment.
(e) A vacancy in the governing body occurs if a member ceases to be a resident of any community school corporation. A vacancy does not occur when the member moves from a district of the school corporation from which the member was elected or appointed if the member continues to be a resident of the school corporation.
(f) At the first primary or general election in which members of the governing body are elected:
   (1) a simple majority of the candidates elected as members of the governing body who receive the highest number of votes shall be elected for four (4) year terms; and
(2) the balance of the candidates elected as members of the governing body receiving the next highest number of votes shall be elected for two (2) year terms. Thereafter, all school board members shall be elected for four (4) year terms.

(g) Governing body members elected:
    (1) in November take office and assume their duties on January 1 or July 1 after their election, as determined by the board of school trustees before the election; and
    (2) in May take office and assume their duties on July 1 after their election.

SECTION 79. IC 20-23-12-5, AS ADDED BY HEA 1288-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The six (6) members who are elected for a position on the governing body described under section 3(b) of this chapter are determined as follows:

    (1) Each prospective candidate must file a nomination petition with the clerk of the circuit court at least board of elections and registration not earlier than one hundred four (104) days and not later than noon seventy-four (74) days before the election at which the members are to be elected that includes the following information:
        (A) The name of the prospective candidate.
        (B) The district in which the prospective candidate resides.
        (C) The signatures of at least one hundred (100) registered voters residing in the school corporation.
        (D) The fact that the prospective candidate is running for a district position.
        (E) A certification that the prospective candidate meets the qualifications for candidacy imposed by this chapter.

SECTION 80. IC 20-23-13-1, AS ADDED BY HEA 1288-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In a community school corporation established under IC 20-23-4 that:

    (1) has a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000); and
    (2) is the successor in interest to a school city having the same population;

the governing body consists of a board of trustees of five (5) members elected in the manner provided in this chapter.
(b) At the 2004-2008 primary election and at each primary election every four (4) years thereafter, there shall be elected in each school corporation covered by this chapter two (2) governing body members, each of whom shall serve for four (4) years. The two (2) candidates for the office of school trustee receiving the highest number of votes at the election take office on July 1 next following the election.

(c) At the 2002-2006 primary election and at each primary election every four (4) years thereafter, there shall be elected in each school city covered by this chapter three (3) governing body members, each of whom shall serve for four (4) years. The three (3) candidates for the office of school trustee receiving the highest number of votes at the election take office on July 1 next following the election.

(d) The governing body members shall be elected at the times provided and shall succeed the retiring members in the order and manner as set forth in this section.

SECTION 81. IC 20-23-14-5, AS ADDED BY HEA 1288-2005, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 5. To be eligible to be a candidate for the governing body under this chapter, the following apply:

(1) Each prospective candidate must file a nomination petition with the clerk of the circuit court at least board of elections and registration not earlier than one hundred four (104) days and not later than noon seventy-four (74) days before the primary election at which the members are to be elected that includes the following information:

(A) The name of the prospective candidate.

(B) Whether the prospective candidate is a district candidate or an at-large candidate.

(C) A certification that the prospective candidate meets the qualifications for candidacy imposed under this chapter.

(D) The signatures of at least one hundred (100) registered voters residing in the school corporation.

(2) Each prospective candidate for a district position must:

(A) reside in the district; and

(B) have resided in the district for at least the three (3) years immediately preceding the election.

(3) Each prospective candidate for an at-large position must:

(A) reside in the school corporation; and

(B) have resided in the school corporation for at least the three (3) years immediately preceding the election.
(4) Each prospective candidate (regardless of whether the candidate is a district candidate or an at-large candidate) must:
   (A) be a registered voter;
   (B) have been a registered voter for at least the three (3) years immediately preceding the election; and
   (C) be a high school graduate or have received a:
       (i) high school equivalency certificate; or
       (ii) state general educational development (GED) diploma under IC 20-20-6.

(5) A prospective candidate may not:
   (A) hold any other elective or appointive office; or
   (B) have a pecuniary interest in any contract with the school corporation or its governing body;
   as prohibited by law.

SECTION 82. IC 36-2-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 4. (a) This subsection does not apply to a county having a population of:
   (1) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
   (2) more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

   The executive shall divide the county into three (3) districts that are composed of contiguous territory and are reasonably compact. The district boundaries drawn by the executive must not cross precinct boundary lines and must divide townships only when a division is clearly necessary to accomplish redistricting under this section. If necessary, the county auditor shall call a special meeting of the executive to establish or revise districts.

   (b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). A county redistricting commission shall divide the county into three (3) single-member districts that comply with subsection (d). The commission is composed of:
       (1) the members of the Indiana election commission;
       (2) two (2) members of the senate selected by the president pro tempore, one (1) from each political party; and
       (3) two (2) members of the house of representatives selected by the speaker, one (1) from each political party.

   The legislative members of the commission have no vote and may act only in an advisory capacity. A majority vote of the voting members is
required for the commission to take action. The commission may meet as frequently as necessary to perform its duty under this subsection. The commission’s members serve without additional compensation above that provided for them as members of the Indiana election commission, the senate, or the house of representatives.

(c) This subsection applies to a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000). The executive shall divide the county into three (3) single-member districts that comply with subsection (d).

(d) Single-member districts established under subsection (b) or (c) must:
   (1) be compact, subject only to natural boundary lines (such as railroads, major highways, rivers, creeks, parks, and major industrial complexes);
   (2) contain, as nearly as is possible, equal population; and
   (3) not cross precinct lines.

(e) A division under subsection (a), (b), or (c) shall be made:
   (1) in 2001 and every ten (10) years after that; during the first year after a year in which a federal decennial census is conducted; and
   (2) when the county adopts an order declaring a county boundary to be changed under IC 36-2-1-2.

(f) A division under subsection (a), (b), or (c) may be made in any odd-numbered year not described in subsection (e).

SECTION 83. IC 36-2-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) This subsection does not apply to a county having a population of:
   (1) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
   (2) more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

The county executive shall, by ordinance, divide the county into four (4) contiguous, single-member districts that comply with subsection (d). If necessary, the county auditor shall call a special meeting of the executive to establish or revise districts. One (1) member of the fiscal body shall be elected by the voters of each of the four (4) districts. Three (3) at-large members of the fiscal body shall be elected by the voters of the whole county.

(b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred
thousand (700,000). The county redistricting commission established under IC 36-2-2-4 shall divide the county into seven (7) single-member districts that comply with subsection (d). One (1) member of the fiscal body shall be elected by the voters of each of these seven (7) single-member districts.

(c) This subsection applies to a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000). The fiscal body shall divide the county into nine (9) single-member districts that comply with subsection (d). Three (3) of these districts must be contained within each of the three (3) districts established under IC 36-2-2-4(c). One (1) member of the fiscal body shall be elected by the voters of each of these nine (9) single-member districts.

(d) Single-member districts established under subsection (a), (b), or (c) must:

1. be compact, subject only to natural boundary lines (such as railroads, major highways, rivers, creeks, parks, and major industrial complexes);
2. not cross precinct boundary lines;
3. contain, as nearly as possible, equal population; and
4. include whole townships, except when a division is clearly necessary to accomplish redistricting under this section.

(e) A division under subsection (a), (b), or (c) shall be made:

1. in 2001 and every ten (10) years after that; during the first year after a year in which a federal decennial census is conducted; and
2. when the county executive adopts an order declaring a county boundary to be changed under IC 36-2-1-2.

(f) A division under subsection (a), (b), or (c) may be made in any odd-numbered year not described in subsection (e).

SECTION 84. IC 36-3-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The city-county legislative body shall, by ordinance, divide the whole county into twenty-five (25) districts that:

1. are compact, subject only to natural boundary lines (such as railroads, major highways, rivers, creeks, parks, and major industrial complexes);
2. contain, as nearly as is possible, equal population; and
3. do not cross precinct boundary lines.

This division shall be made in 1992 and every ten (10) years after that.
during the second year after a year in which a federal decennial census is conducted and may also be made at any other time, subject to IC 3-11-1.5-32.

(b) The legislative body is composed of twenty-five (25) members elected from the districts established under subsection (a) and four (4) members elected from an at-large district containing the whole county.

(c) Each voter of the county may vote for four (4) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The four (4) at-large candidates receiving the most votes from the whole county and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(d) If the legislative body fails to make the division before the date prescribed by subsection (a) or the division is alleged to violate subsection (a) or other law, a taxpayer or registered voter of the county may petition the superior court of the county to hear and determine the matter. There may not be a change of venue from the court or from the county. The court sitting en banc may appoint a master to assist in its determination and may draw proper district boundaries if necessary. An appeal from the court's judgment must be taken within thirty (30) days, directly to the supreme court, in the same manner as appeals from other actions.

(e) An election of the legislative body held under the ordinance or court judgment determining districts that is in effect on the date of the election is valid, regardless of whether the ordinance or judgment is later determined to be invalid.

SECTION 85. IC 36-4-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section applies only to second class cities.

(b) The legislative body shall adopt an ordinance to divide the city into six (6) districts that:

(1) are composed of contiguous territory, except for territory that is not contiguous to any other part of the city;
(2) are reasonably compact;
(3) do not cross precinct boundary lines, except as provided in subsection (c) or (d); and
(4) contain, as nearly as is possible, equal population.

(c) The boundary of a city legislative body district may cross a precinct boundary line if:

(1) more than one (1) member of the legislative body elected from
the districts established under subsection (b) resides in one (1) precinct established under IC 3-11-1.5 after the most recent municipal election; and
(2) following the establishment of a legislative body district whose boundary crosses a precinct boundary line, not more than one (1) member of the legislative body elected from districts resides within the same city legislative body district.
(d) The boundary of a city legislative body district may cross a precinct line if the districts would not otherwise contain, as nearly as is possible, equal population.
(e) A city legislative body district with a boundary described by subsection (c) or (d) may not cross a census block boundary line: except:
(1) except when following a precinct boundary line; or
(2) unless the city legislative body certifies in the ordinance that the census block has no population, and is not likely to ever have population.
(f) The legislative body may not adopt an ordinance dividing the city into districts with boundaries described by subsection (c) or (d) unless the clerk of the city mails a written notice to the circuit court clerk. The notice must:
(1) state that the legislative body is considering the adoption of an ordinance described by this subsection; and
(2) be mailed not later than ten (10) days before the legislative body adopts the ordinance.
(g) The division under subsection (b) shall be made: in 2002, every ten (10) years after that;
(1) during the second year after a year in which a federal decennial census is conducted; and
(2) when required to assign annexed territory to a district.
This division may be made at any other time, subject to IC 3-11-1.5-32.
(h) The legislative body is composed of six (6) members elected from the districts established under subsection (b) and three (3) at-large members.
(i) Each voter of the city may vote for three (3) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The three (3) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.
(j) If any territory in the city is not included in one (1) of the
districts established under this section, the territory is included in the district that:
   (1) is contiguous to that territory; and
   (2) contains the least population of all districts contiguous to that territory.

(k) If any territory in the city is included in more than one (1) of the districts established under this section, the territory is included in the district that:
   (1) is one (1) of the districts in which the territory is described in the ordinance adopted under this section;
   (2) is contiguous to that territory; and
   (3) contains the least population of all districts contiguous to that territory.

(l) A copy of the ordinance establishing districts under this section must be filed with the circuit court clerk of the county that contains the greatest population of the city not later than thirty (30) days after the ordinance is adopted.

SECTION 86. IC 36-4-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) This section applies to third class cities, except as provided by section 5 of this chapter.

(b) This subsection does not apply to a city with an ordinance described by subsection (j). The legislative body shall adopt an ordinance to divide the city into five (5) districts that:
   (1) are composed of contiguous territory, except for territory that is not contiguous to any other part of the city;
   (2) are reasonably compact;
   (3) do not cross precinct boundary lines except as provided in subsection (c) or (d); and
   (4) contain, as nearly as is possible, equal population.

(c) The boundary of a city legislative body district may cross a precinct boundary line if:
   (1) more than one (1) member of the legislative body elected from the districts established under subsection (b) or (j) resides in one precinct established under IC 3-11-1.5 after the most recent municipal election; and
   (2) following the establishment of a legislative body district whose boundary crosses a precinct boundary line, not more than one (1) member of the legislative body elected from the districts resides within the same city legislative body district.
(d) The boundary of a city legislative body district may cross a precinct line if the districts would not otherwise contain, as nearly as is possible, equal population.

(e) A city legislative body district with a boundary described by subsection (c) or (d) may not cross a census block boundary line: except:
   (1) except when following a precinct boundary line; or
   (2) unless the city legislative body certifies in the ordinance that the census block has no population, and is not likely to ever have population.

(f) The legislative body may not adopt an ordinance dividing the city into districts with boundaries described by subsection (c) or (d) unless the clerk of the city mails a written notice to the circuit court clerk. The notice must:
   (1) state that the legislative body is considering the adoption of an ordinance described by this subsection; and
   (2) be mailed not later than ten (10) days before the legislative body adopts the ordinance.

(g) The division under subsection (b) or (j) shall be made: in 2002; every ten (10) years after that:
   (1) during the second year after a year in which a federal decennial census is conducted; and
   (2) when required to assign annexed territory to a district.

This division may be made at any other time, subject to IC 3-11-1.5-32.

(h) This subsection does not apply to a city with an ordinance described by subsection (j). The legislative body is composed of five (5) members elected from the districts established under subsection (b) and two (2) at-large members.

(i) This subsection does not apply to a city with an ordinance described by subsection (j). Each voter of the city may vote for two (2) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The two (2) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(j) A city may adopt an ordinance under this subsection to divide the city into four (4) districts that:
   (1) are composed of contiguous territory;
   (2) are reasonably compact;
   (3) do not cross precinct boundary lines, except as provided in
subsection (c) or (d); and
(4) contain, as nearly as is possible, equal population.

(k) This subsection applies to a city with an ordinance described by subsection (j). The legislative body is composed of four (4) members elected from the districts established under subsection (j) and three (3) at-large members.

(l) This subsection applies to a city with an ordinance described by subsection (j). Each voter of the city may vote for three (3) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The three (3) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(m) A copy of the ordinance establishing districts under this section must be filed with the circuit court clerk of the county that contains the greatest population of the city no later than thirty (30) days after the ordinance is adopted.

(n) If any territory in the city is not included in one (1) of the districts established under this section, the territory is included in the district that:

(1) is contiguous to that territory; and
(2) contains the least population of all districts contiguous to that territory.

(o) If any territory in the city is included in more than one (1) of the districts established under this section, the territory is included in the district that:

(1) is one (1) of the districts in which the territory is described in the ordinance adopted under this section;
(2) is contiguous to that territory; and
(3) contains the least population of all districts contiguous to that territory.

SECTION 87. IC 36-4-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to third class cities having a population of less than ten thousand (10,000). The legislative body of such a city may, by ordinance adopted before September 1, 1982, decide to be governed by this section instead of section 4 of this chapter. If this ordinance is repealed after August 31, 1982, except as a part of a codification of ordinances that reenacts the ordinance under IC 36-1-5-6, then section 4 of this chapter again applies to the city. The clerk of the legislative
body shall send a certified copy of any ordinance adopted under this subsection to the secretary of the county election board.

(b) This subsection does not apply to a city with an ordinance described by subsection (j). The legislative body shall adopt an ordinance to divide the city into four (4) districts that:

1. are composed of contiguous territory, except for territory that is not contiguous to any other part of the city;
2. are reasonably compact;
3. do not cross precinct boundary lines except as provided in subsection (c) or (d); and
4. contain, as nearly as is possible, equal population.

(c) The boundary of a city legislative body district may cross a precinct boundary line if:

1. more than one (1) member of the legislative body elected from the districts established under subsection (b) or (j) resides in one (1) precinct established under IC 3-11-1.5 after the most recent municipal election; and
2. following the establishment of a legislative body district whose boundary crosses a precinct boundary line, not more than one (1) member of the legislative body elected from the districts resides within the same city legislative body district.

(d) The boundary of a city legislative body district may cross a precinct line if the districts would not otherwise contain, as nearly as is possible, equal population.

(e) A city legislative body district with a boundary described by subsection (c) or (d) may not cross a census block boundary line:

1. except when following a precinct boundary line; or
2. unless the city legislative body certifies in the ordinance that the census block has no population, and is not likely to ever have population.

(f) The legislative body may not adopt an ordinance dividing the city into districts with boundaries described by subsection (c) or (d) unless the clerk of the city mails a written notice to the circuit court clerk. The notice must:

1. state that the legislative body is considering the adoption of an ordinance described by this subsection; and
2. be mailed not later than ten (10) days before the legislative body adopts the ordinance.

(g) The division under subsection (b) or (j) shall be made: in 2002.
every ten (10) years after that:

1. during the second year after a year in which a federal decennial census is conducted; and

2. when required to assign annexed territory to a district.

This division may be made at any other time, subject to IC 3-11-1.5-32.

(h) This subsection does not apply to a city with an ordinance described by subsection (j). The legislative body is composed of four (4) members elected from the districts established under subsection (b) and one (1) at-large member.

(i) This subsection does not apply to a city with an ordinance described by subsection (j). Each voter may vote for one (1) candidate for at-large membership and one (1) candidate from the district in which the voter resides. The at-large candidate receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(j) A city may adopt an ordinance under this subsection to divide the city into three (3) districts that:

1. are composed of contiguous territory, except for territory that is not contiguous to any other part of the city;
2. are reasonably compact;
3. do not cross precinct boundary lines, except as provided in subsection (c) or (d); and
4. contain, as nearly as is possible, equal population.

(k) This subsection applies to a city with an ordinance described by subsection (j). The legislative body is composed of three (3) members elected from the districts established under subsection (j) and two (2) at-large members.

(l) This subsection applies to a city with an ordinance described by subsection (j). Each voter of the city may vote for two (2) candidates for at-large membership and one (1) candidate from the district in which the voter resides. The two (2) at-large candidates receiving the most votes from the whole city and the district candidates receiving the most votes from their respective districts are elected to the legislative body.

(m) This subsection applies to a city having a population of less than seven thousand (7,000). A legislative body of such a city that has, by resolution adopted before May 7, 1991, decided to continue an election process that permits each voter of the city to vote for one (1) candidate at large and one (1) candidate from each of its four (4) council districts may hold elections using that voting arrangement. The at-large
candidate and the candidate from each district receiving the most votes from the whole city are elected to the legislative body. The districts established in cities adopting such a resolution may cross precinct boundary lines.

(n) A copy of the ordinance establishing districts under this section must be filed with the circuit court clerk of the county that contains the greatest population of the city not later than thirty (30) days after the ordinance is adopted.

(o) If any territory in the city is not included in one (1) of the districts established under this section, the territory is included in the district that:

1. is contiguous to that territory; and
2. contains the least population of all districts contiguous to that territory.

(p) If any territory in the city is included in more than one (1) of the districts established under this section, the territory is included in the district that:

1. is one (1) of the districts in which the territory is described in the ordinance adopted under this section;
2. is contiguous to that territory; and
3. contains the least population of all districts contiguous to that territory.

SECTION 88. IC 36-5-2-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.1. (a) The legislative body may, by ordinance, divide the town into districts for the purpose of conducting elections of town officers.

(b) A town legislative body district must comply with the following standards:

1. The district must be composed of contiguous territory, except for territory that is not contiguous to any other part of the town.
2. The district must be reasonably compact.
3. The district must contain, as nearly as is possible, equal population.
4. The district may not cross a census block boundary except when following a precinct boundary line or unless the ordinance specifies that the census block has no population and is not likely to ever have population.
5. The district may not cross precinct lines, except as provided in subsection (c).

(c) The boundary of a town legislative body district established
under subsection (a) may cross a precinct boundary line if:
(1) the legislative body provides by ordinance under section 5 of this chapter that all legislative body members are to be elected at large by the voters of the whole town; or
(2) the district would not otherwise contain, as nearly as is possible, equal population.
(d) If any territory in the town is not included in one (1) of the districts established under this section, the territory is included in the district that:
(1) is contiguous to that territory; and
(2) contains the least population of all districts contiguous to that territory.
(e) If any territory in the town is included in more than one (1) of the districts established under this section, the territory is included in the district that:
(1) is one (1) of the districts in which the territory is described in the ordinance adopted under this section;
(2) is contiguous to that territory; and
(3) contains the least population of all districts contiguous to that territory.
(f) The ordinance may be appealed in the manner prescribed by IC 34-13-6. If the town is located in two (2) or more counties, the appeal may be filed in the circuit or superior court of any of those counties.
(g) This subsection does not apply to a town with an ordinance described by subsection (h). The division permitted by subsection (a) shall be made: in 2002, every ten (10) years after that;
(1) during the second year after a year in which a federal decennial census is conducted, subject to IC 3-11-1.5-32; and
(2) when required to assign annexed territory to a municipal legislative body district.
The division may also be made in any other year.
(h) This subsection applies to a town having a population of less than three thousand five hundred (3,500). The town legislative body may adopt an ordinance providing that:
(1) town legislative body districts are abolished; and
(2) all members of the legislative body are elected at large.
(i) An ordinance described by subsection (h):
(1) may not be adopted or repealed during a year in which a municipal election is scheduled to be conducted in the town under
IC 3-10-6 or IC 3-10-7; and
(2) is effective upon passage.

(j) A copy of the ordinance establishing districts under this section must be filed with the circuit court clerk of the county that contains the greatest population of the town not later than thirty (30) days after the ordinance is adopted.

SECTION 89. IC 36-6-6-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) This section applies to townships in a county containing a consolidated city.

(b) The legislative body shall adopt a resolution that divides the township into legislative body districts that:
   (1) are composed of contiguous territory;
   (2) are reasonably compact;
   (3) respect, as nearly as reasonably practicable, precinct boundary lines; and
   (4) contain, as nearly as reasonably practicable, equal population.

(c) Before a legislative body may adopt a resolution that divides a township into legislative body districts, the secretary of the legislative body shall mail a written notice to the circuit court clerk. This notice must:
   (1) state that the legislative body is considering the adoption of a resolution to divide the township into legislative body districts; and
   (2) be mailed not later than ten (10) days before the legislative body adopts the resolution.

(d) The legislative body shall make a division into legislative body districts at the following times:
   (1) In 2001.
   (2) Every ten (10) years after 2002:
      (1) During the second year after a year in which a federal decennial census is conducted.
      (2) Subject to IC 3-11-1.5-32.5, whenever the boundary of the township changes.

(e) The legislative body may make the division under this section at any time, subject to IC 3-11-1.5-32.5.

SECTION 90. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to an individual appointed to serve as a precinct election officer under IC 3-6-6-39.

(b) The secretary of state and election division may establish guidelines for an individual to serve in a nonpartisan manner. The
guidelines adopted under this SECTION expire when the standards
developed by the Help America Vote Foundation under 36 U.S.C.
152602 for this purpose become effective.

(c) This SECTION expires January 1, 2009.

SECTION 91. THE FOLLOWING ARE REPEALED [EFFECTIVE
UPON PASSAGE]: IC 3-6-5.1-1; IC 3-6-7-2; IC 3-10-12-3;
IC 3-11-8-28; IC 3-11.5-5-4; IC 3-11.7-5-6.

SECTION 92. An emergency is declared for this act.

P.L.231-2005
[S.397. Approved May 12, 2005.]

AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-1.1-18.5-10.3, AS AMENDED BY P.L.2-2005,
SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 10.3. (a) The ad valorem property tax levy limits
imposed by section 3 of this chapter do not apply to ad valorem
property taxes imposed by a library board for a capital projects fund
under IC 36-12-3. IC 36-12-12. However, the maximum amount that
is exempt from the levy limits under this section may not exceed the
property taxes that would be raised in the ensuing calendar year with
a property tax rate of one and thirty-three hundredths cents ($0.0133)
per one hundred dollars ($100) of assessed valuation.

(b) For purposes of computing the ad valorem property tax levy
limit imposed on a library board under section 3 of this chapter, the
library board's ad valorem property tax levy for a particular calendar
year does not include that part of the levy imposed under IC 36-12-3
IC 36-12-12 that is exempt from the ad valorem property tax levy
limits under subsection (a).

SECTION 2. IC 9-21-5-13, AS AMENDED BY HEA 1288-2005,
SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 13. (a) Except as provided in subsections (b) and
(c), a person who violates this chapter commits a Class C infraction.

(b) A person who exceeds a speed limit that is:
(1) established under section 6 of this chapter and imposed only in the immediate vicinity of a school when children are present; or
(2) established under section 11 of this chapter and imposed only in the immediate vicinity of a worksite when workers are present; commits a Class B infraction.

(c) A person who while operating a school bus knowingly or intentionally exceeds a speed limit set forth in section 14 of this chapter commits a Class C misdemeanor.

SECTION 3. IC 9-21-12-11, AS AMENDED BY HEA 1288-2005, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A person who violates section 5, 6, or 7 of this chapter commits a Class C infraction.

(b) A person who knowingly or intentionally violates section 12, 13, 14, 15, 16, or 17 of this chapter commits a Class C misdemeanor.

SECTION 4. IC 10-13-3-21, AS AMENDED BY HEA 1288-2005, SECTION 116, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. As used in this chapter, "special education cooperative" has the meaning set forth in IC 20-35-5-1(a)(7).

SECTION 5. IC 20-1-18-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Two (2) or more school corporations may cooperate to establish and maintain or supervise schools or departments for vocational education if the governing bodies of these school corporations agree to cooperate and apportion the cost of the schools or departments among the school corporations.

(b) If the cooperating school corporations agree to establish and maintain or supervise the schools or departments under subsection (a), the heads of these designated representatives of the school corporations or their delegated representatives constitute a board for the management of the schools or departments. The board may adopt a plan of organization, administration, and support for the schools or departments. This plan, if approved by the Indiana state board of education, constitutes a binding contract between the cooperating school corporations.

(c) The governing bodies of the cooperating school corporations may cancel or annul this contract by the vote of a majority of these governing bodies and upon the approval of the Indiana state board of education. However, if a school corporation desires to withdraw a
course offering from the cooperative agreement after:

(1) attempting to withdraw the course offering under any withdrawal procedure authorized by the school corporation's cooperative agreement or by law; and

(2) being denied the authority to withdraw the course offering;

the school corporation may appeal the denial to the Indiana state board of education. In the appeal a school corporation must submit a proposal requesting the withdrawal to the Indiana state board of education for approval. The proposal must describe how the school corporation intends to implement the particular vocational education course and must include a provision that provides for at least a two (2) year phase-out of the educational program or course offering from the cooperative agreement. Upon approval of the proposal by the Indiana state board of education, the school corporation may proceed with the school corporation's withdrawal of the course offering from the agreement and shall proceed under the proposal. This withdrawal procedure may not be construed to permit a school corporation to change any other terms of the contract under subsection (b) except those terms that require the school corporation to provide the particular course offering sought to be withdrawn.

(d) The board described in subsection (b) may enter into an agreement to acquire sites, buildings, and equipment by lease or purchase that are suitable for these schools or departments. This authority extends to the acquisition of facilities available under IC 21-5-11.

(e) This board may, by resolution adopted by a majority of the board, designate three (3) or more individuals from its membership to constitute an executive committee. To the extent provided in the resolution, this committee shall exercise the authority of the full board in the management of the school and shall submit a written summary of its actions to the full board at least semiannually.

SECTION 6. IC 20-1-19-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) A person who knowingly, intentionally, or recklessly violates this chapter commits a Class B misdemeanor, except as provided in subsection (b) of this section.

(b) A person who, with intent to defraud, represents himself or herself to be an agent of a postsecondary proprietary educational institution commits a Class C felony.

SECTION 7. IC 20-3-14-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. With respect to whether the disposition of the assets and liabilities of the losing school corporation, allocation of school tax receipts, and the amount to be paid by the acquiring school corporation is equitable, the court shall be satisfied that the annexing resolution conforms substantially to the following standards:

(a) The acquiring school corporation shall assume a portion of all installments of principal and interest on any indebtedness of the losing school corporation (other than current obligations or temporary borrowing) which fall due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property on the annexed territory. Such The portion shall consist consists of the following:

1) All such installments relating to any indebtedness incurred in connection with the acquisition or construction of any building located in the annexed territory.

2) A proportion of all such installments relating to any other indebtedness which is the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation, as the same is assessed for general taxation immediately prior to annexation.

(b) The acquiring school corporation shall make the payments and assume the obligations provided for a school corporation acquiring territory and/or or building or buildings under IC 21-5-10.

(c) Unless the losing school corporation shall consent to some other allocation, the portion of the special school and tuition fund moneys collected by the losing school corporation shall not be allocated in a greater amount to the acquiring school corporation than would be awarded if such two (2) corporations were respectively the original school corporation and the annexing school corporation within the meaning of IC 20-4-16; and the amount to be paid the losing corporation by the acquiring school corporation on account of the acquisition by the acquiring school corporation of a building in the annexed territory shall not be less than would be awarded if such two (2) school corporations were respectively the acquiring corporation and original school corporation within the meaning of IC 20-4-15.

(d) Where the annexed territory includes all of any losing school corporation, the acquiring school corporation shall acquire all of the property and assets of the losing school corporation without making payment of any nature for the same and shall assume all of the
liabilities and obligations of the losing school corporation.

SECTION 8. IC 20-4-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, unless context clearly requires otherwise, the following terms shall have the meanings set forth:

1. "School corporation" shall mean and include all local school corporations in the state of Indiana.

2. "Reorganization of school corporations" shall mean and include the formation of new school corporations, the alteration of the boundaries of established school corporations, and the dissolution of established school corporations, through or by means of:
   - (A) the uniting of two (2) or more established school corporations;
   - (B) the subdivision of one (1) or more school corporations;
   - (C) the transfer to any established school corporation of a part of the territory of one (1) or more school corporations, or the attachment thereto of all or any part of the territory of one (1) or more school corporations, or the transfer of said established school corporation; and
   - (D) any combination of the methods listed in subdivisions (A) through (C).

3. "Community school corporation" shall mean a school corporation proposed to be formed or formed under the provisions of this chapter and shall include a united school corporation as defined in this section.

4. "United school corporation" shall mean a school corporation having territory in two (2) or more adjacent counties.

5. "Administrative unit" shall mean a school corporation comprising all the area under a single system of local administration and under the control of a local board of education, board of school trustees, or board of school commissioners.

6. "Attendance unit" or "school unit" shall mean the geographical and population area served by a single school, consisting of part, or all, of an administrative unit.

7. "County committee" or "committee" shall mean the county committee for the reorganization of school corporations, provided for in section 5 through 13 of this chapter.

8. "State board" or "board" shall mean refers to the Indiana state board of education.
(9) "State department" shall mean refers to the state department of education.
(10) "State superintendent" shall mean refers to the state superintendent of public instruction.
(11) "County superintendent" shall mean refers to the county superintendent of schools.
(12) "Party" includes any person, firm, limited liability company, corporation, association, or municipality interested in any proceedings under the provisions of this chapter.
(13) "School aid bonds" shall mean any bonds of a civil unit of government the proceeds of which were used for school purposes in any school corporation.

SECTION 9. IC 20-4-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) With respect to whether the disposition of the assets and liabilities of the losing school corporation, allocation of school tax receipts and the amount to be paid by the acquiring school corporation is equitable, the court subject to the provisions of subdivision (b) shall be satisfied that the annexing resolution conforms substantially to the following standards:

(1) The acquiring school corporation shall assume a portion of all installments of principal and interest on any indebtedness of the losing school corporation (other than current obligations or temporary borrowing) which fall due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property on the annexed territory. Such The portion shall consist of the following:

(i) (A) All such installments relating to any indebtedness incurred in connection with the acquisition or construction of any building located in the annexed territory. and

(iii) (B) A proportion of all such installments relating to any other indebtedness which is the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation, as the same is assessed for general taxation immediately prior to annexation.

(2) The acquiring school corporation shall make the payments and assume the obligations provided for school corporation acquiring territory and/or building or buildings under IC 21-5-10.

(3) Unless the losing school corporation shall consent to some
other allocation: the portion of the general fund moneys collected by the losing school corporation shall not be allocated to the acquiring school corporation in a greater amount than would be awarded if such two (2) corporations were respectively the "original school corporation" and the "annexing school corporation" within the meaning of IC 20-4-16; using the method therein provided for allocating the special school and tuition fund moneys:

(b) Such standards shall not be applicable to the extent the losing and acquiring school corporations otherwise agree in a situation where all or a majority of the students in the annexed territory have been transferred from the losing to the acquiring school corporation for the five (5) school years immediately preceding the transfer. Such agreement, as between school corporations, shall not, however, prejudice the rights of bondholders or lessors whose rights as against the losing and acquiring school corporations shall, upon enforcement, be allocated between them in accordance with subsection (a)(1) and (2).

SECTION 10. IC 20-4-5-25.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.5. (a) This section provides an alternative method for a school corporation to reorganize as a community school corporation.

(b) The following may petition directly to the state board to be reorganized as a community school corporation:

(1) A consolidated school corporation organized under section 2 of this chapter.

(2) A county school corporation organized under IC 20-4-8-2.

(3) A metropolitan school district organized under IC 20-4-8-12 or IC 20-4-8-24.

(c) The following apply to a school corporation that petitions directly to the state board under subsection (b):

(1) The school corporation is not required to do the following:

(A) Seek approval of a county committee established by IC 20-4-1-5.

(B) Pursue a joint meeting of a county committee and the state board under IC 20-4-1-17.1.

(2) The state board may waive the attainment of any standard required for reorganization as a community school corporation under this chapter.

SECTION 11. IC 20-4-8-25 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. In the resolution creating a county school corporation or metropolitan school district, or in the petitions requesting the creation of or requesting a referendum on the question of creating such corporation or district, under section 2; 12 or 24 of this chapter, the resolutions or petitions may specify when such school corporation or school district shall be created and come into existence, and such corporation or district shall then be created and come into existence at the time provided in all such resolutions or petitions.

SECTION 12. IC 20-4-57-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) If the department of local government finance submits a petition to the school property tax control board under section 5 of this chapter, the school property tax control board shall hold a fact finding hearing.

(b) At a hearing described in subsection (a), the school property tax control board shall determine the following:

(1) Whether the township school has made all payments required by any statute, including the following:
   (A) P.L.32-1999.
   (B) IC 20-4-4-7 and IC 20-4-16-3.
   (C) The resolution or plan of annexation of the township school, including:
      (i) any amendment to the resolution or plan;
      (ii) any supporting or related documents; and
      (iii) any agreement between the township school and an annexing corporation relating to the winding up of affairs of the township school.

(2) The amount, if any, by which the township school is in arrears on any payment described in subdivision (1).

(3) Whether the township school has filed with the department all reports concerning the affairs of the township school, including all transfer tuition reports required for the two (2) school years immediately preceding the date on which the township school was annexed.

(c) In determining the amount of arrears under subsection (b)(2), the school property tax control board shall consider all amounts due to an annexing corporation, including the following:

(1) Any transfer tuition payments due to the annexing corporation.
(2) All levies, excise tax distributions, and state distributions received by the township school and due to the annexing
corporation, including levies and distributions received by the township school after the date on which the township school was annexed.

(3) All excessive levies that the township school agreed to impose and pay to an annexing corporation but failed to impose.

(d) If, in a hearing under this section, a school property tax control board determines that a township school has:

1. under subsection (b)(1), failed to make a required payment; or
2. under subsection (b)(3), failed to file a required report;

the department may act under section 8 of this chapter.

SECTION 13. IC 20-8.1-5.1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. Before February 1 and before October 1 of each year, except when a hearing has been requested under IC 9-24-2-1(a)(4), the governing body of the school corporation a principal shall submit to the bureau of motor vehicles the pertinent information concerning an individual's ineligibility under IC 9-24-2-1 to be issued a driver's license or learner's permit, or concerning the invalidation of a license or permit under IC 9-24-2-4.

SECTION 14. IC 20-8.1-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Not later than sixty (60) days after the enrollment of children for the first time and when additional immunizations are required by statute or rule, each school shall file a written report with the state department of health and the local health department having jurisdiction. The report shall include the following:

1. A statement of the number of children who have demonstrated immunity against diphtheria, pertussis (whooping cough), tetanus, measles, rubella, poliomyelitis, mumps, and hepatitis B.
2. A statement of the number of children who have not demonstrated immunity against the illnesses listed in subdivision (1).
3. A statement of the number of children who have been found positive for sickle cell anemia and lead poisoning.

(b) The state department of health and the local health department shall, for good cause shown that there exists a substantial threat to the health and safety of a student or the school community, be able to validate immunization reports by onsite reviews or examinations of nonidentifying immunization record data. This section does not independently authorize the state department of health, a local department of health, or an agent of the state or local department of
health to have access to identifying medical or academic record data of individual students attending nonaccredited nonpublic schools.

(c) A school shall file a report for each child who enrolls subsequent to the filing of the report for children who enrolled at the beginning of the school year. The state department of health shall have exclusive power to adopt rules for the administration of this section.

SECTION 15. IC 20-9.1-5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Except as provided in subsection (b) or in another section of this article, a person who knowingly, intentionally, or recklessly violates chapter 2, 2.5, 3, 4, or 5 of this article commits a Class C misdemeanor.

(b) A person who violates section 6.6 of this chapter commits a Class B infraction.

SECTION 16. IC 20-10.1-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Each governing body shall make requisition for the necessary textbooks for the students from the contracting publishers approved by the state board of education. The contracting publisher shall ship the books, within ninety (90) days, directly to these officials. On receipt of the books, each school corporation shall have charge and custody of all books consigned to it, receipting to the contracting publisher for them, and each governing body shall reimburse the contracting publisher the amount owed by the school corporation for these books from its general fund.

(b) Each governing body shall purchase with its general fund money any current textbooks, from a resident student who presents them for sale on or before the beginning of the school term in which the books are to be used, at a price based on the original price to the corporation less a reasonable reduction for damage from usage.

(c) The proper school authorities shall likewise purchase any stock of books which are to be used during any school year from any dealer whose business is located in the county in which the school corporation is located, and who was authorized by law to sell these books before March 1, 1935, at not to exceed the price paid by the dealer to the contracting publisher from whom these books were purchased.

SECTION 17. IC 20-10.1-25.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The council shall advise the state superintendent and the governor on education related technology initiatives.
(b) The appointed membership of the council shall reflect its purposes and be experienced in technology generally. An appointed member of the council serves at the pleasure of the appointing authority. The council consists of the following sixteen (16) voting members:

1. The state superintendent of public instruction.
2. The special assistant to the state superintendent of public instruction responsible for technology who is appointed under section 5 of this chapter.
3. Four (4) individuals who represent private business appointed jointly by the state superintendent and the governor. Each member appointed under this subdivision must be experienced in development and utilization of information technology. None of the members appointed under this subdivision may represent possible providers of technology or related services.
4. Three (3) individuals who:
   A. manage educational environments, including higher education; and
   B. are experienced in their educational work with information technology;
   are appointed jointly by the state superintendent and the governor.
5. Three (3) individuals who are public school educators familiar with and experienced in the use of technology in educational settings appointed jointly by the state superintendent and the governor, with one (1) representing an urban school corporation, one (1) representing a suburban school corporation, and one (1) representing a rural school corporation.
6. Four (4) members who are members of the general assembly and who are appointed as follows:
   A. Two (2) members of the house of representatives, appointed by the speaker of the house of representatives with not more than one (1) from a particular political party.
   B. Two (2) members of the senate, appointed by the president pro tempore of the senate with not more than one (1) from a particular political party.

(c) The state superintendent shall designate the chair of the council from the membership of the council.

(d) Nine (9) members of the council constitute a quorum to conduct business. No action of the council is valid unless approved by at least seven (7) nine (9) voting members of the council.
(e) Each member of the council who is not a state employee is not entitled to the minimum salary per diem as provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member’s duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(f) Each member of the council who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member’s duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(g) Each member of the council who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

SECTION 18. IC 20-12-76-18, AS ADDED BY HEA 1288-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 18. (a) Subject to subsections (b), (c), (e), and (f), the commission shall determine the penal sum of each surety bond based upon the following guidelines:

(1) A postsecondary proprietary educational institution that has no annual gross tuition charges assessed for the previous year shall secure a surety bond in the amount of five thousand dollars ($5,000).

(2) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are not more than five thousand dollars ($5,000), the institution shall secure a surety bond in the amount of one hundred percent (100%) of that institution's annual gross tuition charges assessed for the previous year.

(3) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than five thousand dollars ($5,000) but less than fifty thousand dollars ($50,000), the institution shall secure a surety bond in the amount of five thousand dollars ($5,000).

(4) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than fifty thousand dollars ($50,000) but less than five
hundred thousand dollars ($500,000), the institution shall secure a surety bond in the amount of ten percent (10%) of that institution's annual gross tuition charges assessed for the previous year.

(5) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than five hundred thousand dollars ($500,000), the institution shall secure a surety bond in the amount of fifty thousand dollars ($50,000).

(b) When a postsecondary proprietary educational institution is required to contribute to the fund and the fund has a balance on the date that the surety bond is due of at least:

(1) one hundred thousand dollars ($100,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by twenty percent (20%);
(2) two hundred thousand dollars ($200,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by forty percent (40%);
(3) three hundred thousand dollars ($300,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by sixty percent (60%);
(4) four hundred thousand dollars ($400,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by eighty percent (80%); or
(5) five hundred thousand dollars ($500,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by one hundred percent (100%).

(c) Except as provided in:

(1) section 22 of this chapter; and
(2) subsection (f);
and upon the fund achieving at least an initial five hundred thousand dollar ($500,000) balance, each postsecondary proprietary educational institution that contributes to the fund when the initial quarterly contribution as required under this chapter after the fund's establishment is not required to make contributions to the fund or submit a surety bond.

(d) The commission shall determine the number of quarterly contributions required for the fund to initially accumulate five hundred thousand dollars ($500,000).

(e) Except as provided in section 22 of this chapter and
subsection (f), postsecondary proprietary educational institutions that begin making contributions to the fund after the initial quarterly contribution as required under this chapter are:

1. required to make contributions to the fund for the same number of quarters as determined by the commission under subsection (d); and
2. after making the contributions to the fund as provided in subdivision (1) for the required number of quarters, may not be required to submit a surety bond.

(f) If after the fund acquires five hundred thousand dollars ($500,000) the balance in the fund becomes less than one hundred thousand dollars ($100,000), all postsecondary proprietary educational institutions not required to make contributions to the fund as described in subsection (c) or (e) shall make contributions to the fund for the number of quarters necessary for the fund to accumulate five hundred thousand dollars ($500,000).

SECTION 19. IC 20-12-76-40, AS ADDED BY HEA 1288-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. (a) Except as provided in subsection (b), a person who knowingly, intentionally, or recklessly violates this chapter commits a Class B misdemeanor.

(b) A person who, with intent to defraud, represents the person to be an agent of a postsecondary proprietary educational institution commits a Class C felony.

SECTION 20. IC 20-20-14-3 AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The council shall advise the state superintendent and the governor on education related technology initiatives.

(b) The appointed membership of the council shall reflect its purposes and be experienced in technology generally. An appointed member of the council serves at the pleasure of the appointing authority. The council consists of the following sixteen (16) voting members:

1. The state superintendent.
2. The special assistant to the state superintendent of public instruction responsible for technology who is appointed under section 5 of this chapter.
3. Four (4) individuals who represent private business appointed jointly by the state superintendent and the governor. Each
member appointed under this subdivision must be experienced in development and use of information technology. A member appointed under this subdivision may not represent possible providers of technology or related services.

(4) Three (3) individuals who:
   (A) manage educational environments, including higher education; and
   (B) are experienced in their educational work with information technology;

are appointed jointly by the state superintendent and the governor.

(5) Three (3) individuals who are public school educators familiar with and experienced in the use of technology in educational settings appointed jointly by the state superintendent and the governor, with one (1) representing an urban school corporation, one (1) representing a suburban school corporation, and one (1) representing a rural school corporation.

(6) Four (4) members who are members of the general assembly and who are appointed as follows:
   (A) Two (2) members of the house of representatives, appointed by the speaker of the house of representatives with not more than one (1) from a particular political party.
   (B) Two (2) members of the senate, appointed by the president pro tempore of the senate with not more than one (1) from a particular political party.

(c) The state superintendent shall designate the chair of the council from the membership of the council.

(d) Nine (9) members of the council constitute a quorum to conduct business. Action of the council is not valid unless approved by at least seven (7) nine (9) voting members of the council.

(e) Each member of the council who is not a state employee is not entitled to the minimum salary per diem as provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(f) Each member of the council who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided
in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(g) Each member of the council who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

SECTION 21. IC 20-23-5-12, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) With respect to whether the disposition of the assets and liabilities of the losing school corporation, allocation of school tax receipts, and the amount to be paid by the acquiring school corporation is equitable, the court, subject to subsection (b), shall be satisfied that the annexing resolution conforms substantially to the following standards:

1. The acquiring school corporation shall assume a part of all installments of principal and interest on any indebtedness of the losing school corporation (other than current obligations or temporary borrowing) that fall due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property of the annexed territory. The part consists of the following:

   A. All installments relating to any indebtedness incurred in connection with the acquisition or construction of any building located in the annexed territory.

   B. A proportion of all installments relating to any other indebtedness that is the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation, as the indebtedness is assessed for general taxation immediately before annexation.

2. The acquiring school corporation shall make the payments and assume the obligations provided for a school corporation acquiring territory or a building or buildings under IC 21-5-10.

3. Unless the losing school corporation consents to some other allocation, the part of the general fund money collected by the losing school corporation may not be allocated to the acquiring school corporation in a greater amount than would be awarded if the losing school corporation and the acquiring school corporation were respectively the “original school corporation” and the
“annexing school corporation” within the meaning of IC 20-23-16, using the method provided in IC 20-23-16 for allocating the special school and tuition fund money.

(b) Standards under subsection (a) may not be applicable to the extent the losing school corporation and acquiring school corporation otherwise agree in a situation where all or a majority of the students in the annexed territory have been transferred from the losing school corporation to the acquiring school corporation for the five (5) school years immediately preceding the transfer. The agreement between school corporations may not prejudice the rights of bondholders or lessors whose rights against the losing school corporation and acquiring school corporation shall, upon enforcement, be allocated between the losing school corporation and acquiring school corporation in accordance with subsection (a)(1) and (a)(2).

SECTION 22. IC 20-23-6-12, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) This section provides an alternative method for a school corporation to be reorganized as a community school corporation.

(b) The following may petition directly to the state board to be reorganized as a community school corporation:

(1) A consolidated school corporation organized under section 3 of this chapter.

(2) A county school corporation organized under IC 20-23-16-15.

(3) A metropolitan school district organized under IC 20-23-7-2 or IC 20-23-7-12.

(c) The following apply to a school corporation that petitions directly to the state board under subsection (b):

(1) The school corporation is not required to do the following:

(A) Seek approval of a county committee established by IC 20-23-4-11.

(B) Pursue a joint meeting of a county committee and the state board under IC 20-23-4-18.

(2) The state board may waive the attainment of any standard required for reorganization as a community school corporation under this chapter.

SECTION 23. IC 20-23-7-13, AS ADDDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. In the resolution creating a county school corporation or metropolitan school district or in the petitions requesting
the creation of or requesting a referendum on the question of creating a corporation or district under IC 20-23-16-15 or section 2 or 12 of this chapter, the resolutions or petitions may specify when a school corporation or school district shall be created and the corporation or district shall then be created at the time provided in the resolutions or petitions.

SECTION 24. IC 20-23-9-6, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) If the department of local government finance submits a petition to the school property tax control board under section 5 of this chapter, the school property tax control board shall hold a factfinding hearing.

(b) At a hearing described in subsection (a), the school property tax control board shall determine the following:

(1) Whether the township school has made all payments required by any statute, including the following:
   (A) P.L.32-1999.
   (B) IC 20-23-5-12. and IC 20-23-16-37.
   (C) The resolution or plan of annexation of the township school, including:
      (i) any amendment to the resolution or plan;
      (ii) any supporting or related documents; and
      (iii) any agreement between the township school and an annexing corporation relating to the winding up of affairs of the township school.

(2) The amount, if any, by which the township school is in arrears on any payment described in subdivision (1).

(3) Whether the township school has filed with the department of local government finance all reports concerning the affairs of the township school, including all transfer tuition reports required for the two (2) school years immediately preceding the date on which the township school was annexed.

(c) In determining the amount of arrears under subsection (b)(2), the school property tax control board shall consider all amounts due to an annexing corporation, including the following:

(1) Any transfer tuition payments due to the annexing corporation.
(2) All levies, excise tax distributions, and state distributions received by the township school and due to the annexing corporation, including levies and distributions received by the township school after the date on which the township school was
annexed.

(3) All excessive levies that the township school agreed to impose and pay to an annexing corporation but failed to impose.

(d) If, in a hearing under this section, a school property tax control board determines that a township school has:

(1) under subsection (b)(1), failed to make a required payment; or
(2) under subsection (b)(3), failed to file a required report;

the department may act under section 7 of this chapter.

SECTION 25. IC 20-23-16-2, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Reorganization plans approved before March 15, 1963, by the state board are void on March 15, 1963, except with respect to any community school corporation where:

(1) any plan has received a majority affirmative vote at an election;
(2) the plan has been certified by the clerk of the circuit court as being petitioned in by fifty-five percent (55%) or more of the registered voters for any such reorganized school corporation and notice has been published by the county committee under sections 1 and 6 of this chapter and IC 20-23-4-11 through IC 20-23-4-17, IC 20-23-4-20 through IC 20-23-4-23, IC 20-23-4-42, and IC 20-23-4-43; or
(3) the plan provides for a school corporation meeting the qualifications for formation of a community school corporation under IC 20-23-4-16.

(b) The county committee and other government officials shall, with respect to any such voided reorganization plan, take all actions necessary for the preparation of a comprehensive plan as if a prior plan had not been submitted, and within the time prescribed by IC 20-23-4-5 IC 20-23-4-11 through IC 20-23-4-10 IC 20-23-4-17 and IC 20-23-16-1.

SECTION 26. IC 20-23-16-3, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. With respect to a proposed community school corporation formed out of two (2) or more school corporations operating a joint high school that has an enrollment of at least six hundred (600) in grades 9 through 12 at the time of the adoption of a preliminary plan adopted under IC 20-23-4-5 IC 20-23-4-11 through IC 20-23-4-10; IC 20-23-4-17, IC 20-23-16-1, and IC 20-23-16-2, the preliminary plan or final plan adopted under IC 20-23-4-5
IC 20-23-4-11 through IC 20-23-4-10; IC 20-23-4-17, IC 20-23-16-1, and IC 20-23-16-2 may provide for a board of nine (9) members.

SECTION 27. IC 20-25-5-15, AS ADDED BY HEA 1288-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. With respect to whether the disposition of the assets and liabilities of the losing school corporation is equitable, the allocation of school tax receipts is equitable, and the amount to be paid by the acquiring school corporation is equitable, a court must be satisfied that the annexing resolution conforms substantially to the following standards:

(1) Except for current obligations or temporary borrowing, the acquiring school corporation shall assume a part of all installments of principal and interest on the indebtedness of the losing school corporation that is due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property in the annexed territory. The part assumed by the acquiring school corporation consists of the following:

(A) All installments relating to any indebtedness incurred in connection with the acquisition or construction of a building located in the annexed territory.

(B) A proportion of all installments relating to any other indebtedness that is in the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation. Valuation under this clause is based upon the assessment for general taxation immediately before annexation.

(2) The acquiring school corporation shall make the payments and assume the obligations provided for a school corporation acquiring:

(A) territory;
(B) a building or buildings; or
(C) both territory and a building or buildings; under IC 21-5-10.

(3) Unless the losing school corporation consents to another allocation, the part of the special school and tuition fund money collected by the losing school corporation shall not be allocated in a greater amount to the acquiring school corporation than would be awarded if the:

(A) two (2) corporations were respectively the original school
corporation and the annexing school corporation under IC 20-23-16; and
(B) amount to be paid to the losing corporation by the acquiring school corporation based on the acquisition by the acquiring school corporation of a building in the annexed territory may not be less than would be awarded if the two (2) school corporations were respectively the acquiring school corporation and original school corporation under IC 20-23-16.

(4) (3) If the annexed territory includes an entire losing school corporation, the acquiring school corporation shall:
(A) acquire all the property and assets of the losing school corporation without making any payments for the losing school corporation; and
(B) assume all of the liabilities and obligations of the losing school corporation.

SECTION 28. IC 20-25-10-3, AS ADDED BY HEA 1288-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The board shall:
(1) modify, develop, and publish the plan required under this chapter; and
(2) implement the modified plan;
in compliance with the timelines of IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10.

SECTION 29. IC 20-25-10-5, AS ADDED BY HEA 1288-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board shall annually assess and evaluate educational programs offered by the school city to determine:
(1) the relationship of the programs to improved student achievement; and
(2) the educational value of the programs in relation to cost.
(b) The board may obtain information from:
(1) educators in the schools offering a program;
(2) students participating in a program; and
(3) the parents of students participating in a program;
in preparing an assessment and evaluation under this section. The assessment must include the performance of the school's students in achieving student performance improvement levels under IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8,
IC 20-31-9, IC 20-31-10, and IC 20-25-11.

SECTION 30. IC 20-25-11-1, AS ADDED BY HEA 1288-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The board shall establish annual student performance improvement levels for each school that are not less rigorous than the student performance improvement levels under IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10, including the following:

1) For students:
   (A) improvement in results on assessment tests and assessment programs;
   (B) improvement in attendance rates; and
   (C) improvement in progress toward graduation.

2) For teachers:
   (A) improvement in student results on assessment tests and assessment programs;
   (B) improvement in the number and percentage of students achieving:
      (i) state achievement standards; and
      (ii) if applicable, performance levels set by the board;
   (C) improvement in student progress toward graduation;
   (D) improvement in student attendance rates for the school year;
   (E) improvement in individual teacher attendance rates;
   (F) improvement in:
      (i) communication with parents; and
      (ii) parental involvement in classroom and extracurricular activities; and
   (G) other objectives developed by the board.

3) For the school and school administrators:
   (A) improvement in student results on assessment tests, totaled by class and grade;
   (B) improvement in the number and percentage of students achieving:
      (i) state achievement standards; and
      (ii) if applicable, performance levels set by the board;
   (C) improvement in:
      (i) student graduation rates; and
(ii) progress toward graduation;
(D) improvement in student attendance rates;
(E) management of:
   (i) general fund expenditures; and
   (ii) total expenditures;
   per student;
(F) improvement in teacher attendance rates; and
(G) other objectives developed by the board.

SECTION 31. IC 20-25-13-7, AS ADDED BY HEA 1288-2005,
SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 7. IC 20-28-6-4 and IC 20-28-6-5 apply to
certificated employees in the school city. A teacher’s students' performance improvement levels under the assessment tests and programs of IC 20-31-1, IC 20-31-2, IC 20-31-5, IC 20-31-6,
IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10 may be used as
a factor, but not the only factor, to evaluate the performance of a
teacher in the school city.

SECTION 32. IC 20-26-7-33, AS ADDED BY HEA 1288-2005,
SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 33. (a) The hearing described in section 31 of
this chapter may be adjourned from day to day.
(b) When the hearing has concluded, the board of county
commissioners and county council, acting jointly, shall determine from:
   (1) the evidence submitted;
   (2) an inspection of the building; or
   (3) both the evidence and an inspection;
if the building should be condemned.
(c) If the board of county commissioners and county council, acting
jointly, determine that the building should be condemned, the board
and council shall fix a date when the order of the board and council
becomes effective. An appeal from the finding and determination of the
board of county commissioners may be made to the circuit or superior
court of the county in the same manner as appeals are taken from the
board of county commissioners.

SECTION 33. IC 20-26-11-8, AS ADDED BY HEA 1288-2005,
SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 8. (a) A student who is placed in a state licensed
private or public health care facility, child care facility, or foster family
home:
   (1) by or with the consent of the division of family and children;
(2) by a court order; or
(3) by a child placing agency licensed by the division of family and children;
may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public health care or child care facility by a parent may attend school in the school corporation in which the facility is located if:

(1) the placement is necessary for the student's physical or emotional health and well-being and, if the placement is in a health care facility, is recommended by a physician; and
(2) the placement is projected to be for not less than fourteen (14) consecutive calendar days or a total of twenty (20) calendar days.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. Not later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department. The acceptance or notice of appeal by the school corporation must be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-35, the state board shall make a determination on transfer tuition according to the procedures in section 15 of this chapter. In the case of a student who has been identified as disabled under IC 20-35, the determination on transfer tuition shall be made under this subsection and the procedures adopted by the state board under IC 20-35-2-1(b)(5).

(c) A student who is placed in:

(1) an institution operated by the division of disability, aging, and rehabilitative services or the division of mental health and addiction;
or
(2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of mental health and addiction;
may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

SECTION 34. IC 20-26-12-15 AS ADDED BY HEA 1288-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) A governing body shall requisition the necessary textbooks from the contracting publishers approved by the state board. The contracting publisher shall ship the textbooks to the governing body not more than ninety (90) days after the requisition. On receipt of the textbooks, the governing body’s school corporation has custody of the textbooks. The governing body shall provide a receipt to the contracting publisher and reimburse the contracting publisher the amount owed by the school corporation from the school corporation’s general fund.

(b) A governing body shall purchase textbooks:
   (1) from a resident student who presents the textbooks for sale on or before the beginning of the school term in which the books are to be used;
   (2) with money from the school corporation’s general fund; and
   (3) at a price based on the original price to the school corporation minus a reasonable reduction for damage from usage.

(c) The proper school authorities shall purchase any textbooks that are to be used during any school year from any dealer:
   (1) whose business is located in the county in which the school corporation is located; and
   (2) who was authorized to sell textbooks before March 1, 1935.

The purchase price may not exceed the price paid by the dealer to the contracting publisher.

SECTION 35. IC 20-27-3-8, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 36. IC 20-27-5-33, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 37. IC 20-27-6-8, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 8. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 38. IC 20-27-7-19, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 39. IC 20-27-8-16, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. Except as provided in section 3(b) of this chapter, a person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 40. IC 20-27-9-17, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. Except as provided in this article, a person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 41. IC 20-27-10-4, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C misdemeanor.

SECTION 42. IC 20-28-1-10, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. "Managing body" refers to:

(1) the governing body;
(2) the board of managers (as defined in IC 20-35-5-1(a)(3));
(3) any other governing entity;
that has the responsibility for administering the school corporation's special education program or a special education cooperative organized under IC 20-35-5, IC 20-26-10, or IC 36-1-7.

SECTION 43. IC 20-33-2-32, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) In a county that has not been completely reorganized under IC 20-23-4, the governing body of each school corporation that constitutes a separate attendance district under section 30 of this chapter shall appoint an attendance officer. One (1) additional attendance officer may be appointed for every seven thousand five hundred (7,500) students in average daily attendance in the corporation.

(b) Whenever the governing body of a school corporation makes an
appointment under this section, it shall appoint an individual nominated by the superintendent. However, the governing body may decline to appoint any nominee and require another nomination. The salary of each attendance officer appointed under this section shall be fixed by the governing body. In addition to salary, the officer is entitled to receive reimbursement for actual expenses necessary to properly perform the officer's duties. The salary and expenses of an attendance officer appointed under this section shall be paid by the treasurer of the county in which the officer serves, on a warrant signed by the county auditor. The county council shall appropriate, and the board of county commissioners shall allow, the funds necessary to make these payments. However, a warrant shall not be issued to an attendance officer until the attendance officer has filed an itemized statement with the county auditor. This statement shall show the time employed and expenses incurred. The superintendent shall approve the statement and certify that it is correct.

SECTION 44. IC 20-33-8-33, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. Before February 1 and before October 1 of each year, except when a hearing has been requested to determine financial hardship under IC 9-24-2-1(a)(4), the governing body of the school corporation a principal shall submit to the bureau of motor vehicles the pertinent information concerning an individual's ineligibility under IC 9-24-2-1 to be issued a driver's license or learner's permit, or concerning the invalidation of a license or permit under IC 9-24-2-4.

SECTION 45. IC 20-34-4-6, AS ADDED BY HEA 1288-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Not later than sixty (60) days after the enrollment of students for the first time and when additional immunizations are required by statute or rule, each school shall file a written report with the state department of health and the local health department having jurisdiction. The report must include the following:

1. A statement of the number of students who have demonstrated immunity against diphtheria, pertussis (whooping cough), tetanus, measles, rubella, poliomyelitis, mumps, and hepatitis B.
2. A statement of the number of students who have not demonstrated immunity against the illnesses listed in subdivision (1).
3. A statement of the number of students who have been found
positive for sickle cell anemia or lead poisoning.

(b) The state department of health and the local health department shall, for good cause shown that there exists a substantial threat to the health and safety of a student or the school community, be able to validate immunization reports by onsite reviews or examinations of nonidentifying immunization record data. This section does not independently authorize the state department of health, a local department of health, or an agent of the state department of health or local department of health to have access to identifying medical or academic record data of individual students attending nonaccredited nonpublic schools.

(c) A school shall file a report for each student who enrolls subsequent to after the filing of the report for students who enrolled at the beginning of the school year. The state department of health has exclusive power to adopt rules for the administration of this section.

SECTION 46. IC 20-35-4-10, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) For purposes of this section, "comprehensive plan" means a plan for educating the following:

(1) All children with disabilities that a school corporation is required to educate under sections 8 through 9 of this chapter.

(2) The additional children with disabilities that the school corporation elects to educate.

(b) For purposes of this section, "school corporation" includes the following:

(1) The Indiana School for the Blind board.

(2) The Indiana School for the Deaf board.

(c) The state board shall adopt rules under IC 4-22-2 detailing the contents of the comprehensive plan. Each school corporation shall complete and submit to the state superintendent a comprehensive plan. School corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a school corporation enters into a contractual agreement as permitted under section 9 of this chapter, the school corporation shall collaborate with the service provider in formulating the comprehensive plan.

(d) Notwithstanding the age limits set out in IC 20-35-1-1, IC 20-35-1-2, the state board may:

(1) conduct a program for the early identification of children with disabilities, between the ages of birth and less than twenty-two
(22) years of age not served by the public schools or through a contractual agreement under section 9 of this chapter; and
(2) use agencies that serve children with disabilities other than the public schools.

(e) The state board shall adopt rules under IC 4-22-2 requiring the:
(1) department of correction;
(2) state department of health;
(3) division of disability, aging, and rehabilitative services;
(4) Indiana School for the Blind board;
(5) Indiana School for the Deaf board; and
(6) division of mental health and addiction;
to submit to the state superintendent a plan for the provision of special education for children in programs administered by each respective agency who are entitled to a special education.

(f) The state superintendent shall furnish professional consultant services to school corporations and the entities listed in subsection (e) to aid them in fulfilling the requirements of this section.

SECTION 47. IC 20-35-5-15, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. Meetings of the board of managers shall be held in accordance with IC 20-26-4-2.

SECTION 48. IC 20-35-8-2, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The state board shall adopt rules under IC 4-22-2 to establish limits on the amount of transportation that may be provided in the student's individualized education program. Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility, these rules must limit the transportation required by the student's individualized education program to the following:

(1) The student's first entrance and final departure each school year.
(2) Round trip transportation each school holiday period.
(3) Two (2) additional round trips each school year.

(b) If a student is a transfer student receiving special education in a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-33-6-1 IC 20-26-11-1 through IC 20-33-6-4 IC 20-26-11-4 shall pay the cost of transportation required by the student's individualized education program. However, if a transfer student was counted as an eligible student for purposes of
a distribution in a calendar year under IC 21-3-3.1, the transportation costs that the transferee school may charge for a school year ending in the calendar year shall be reduced by the sum of the following:

(1) The quotient of:
   (A) the amount of money that the transferee school is eligible to receive under IC 21-3-3.1-2.1 for the calendar year in which the school year ends; divided by
   (B) the number of eligible students for the transferee school for the calendar year (as determined under IC 21-3-3.1-2.1).

(2) The amount of money that the transferee school is eligible to receive under IC 21-3-3.1-4 for the calendar year in which the school year ends for the transportation of the transfer student during the school year.

(c) If a student receives a special education:
   (1) in a facility operated by:
      (A) the state department of health;
      (B) the division of disability, aging, and rehabilitative services;
   or
      (C) the division of mental health and addiction;
   (2) at the Indiana School for the Blind; or
   (3) at the Indiana School for the Deaf;
   the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

(d) If a student is placed in a private facility under IC 20-35-6-2 in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

SECTION 49. IC 20-37-1-1, AS ADDED BY HEA 1288-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Two (2) or more school corporations may cooperate to:

(1) establish; and
(2) maintain or supervise;
schools or departments for vocational education if the governing bodies of the school corporations agree to cooperate and apportion the cost of the schools or departments among the school corporations.

(b) If the cooperating school corporations agree to:
    (1) establish; and
    (2) maintain or supervise;
the schools or departments under subsection (a), the heads designated representatives of the school corporations or their delegated representatives constitute a board for the management of the schools or departments. The board may adopt a plan of organization, administration, and support for the schools or departments. The plan, if approved by the state board, is a binding contract between the cooperating school corporations.

(c) The governing bodies of the cooperating school corporations may cancel or annul the plan described in subsection (b) by the vote of a majority of the governing bodies and upon the approval of the state board. However, if a school corporation desires to withdraw a course offering from the cooperative agreement after:
    (1) attempting to withdraw the course offering under a withdrawal procedure authorized by the school corporation's cooperative agreement or bylaw; and
    (2) being denied the authority to withdraw the course offering;
the school corporation may appeal the denial to the state board. In the appeal, a school corporation must submit a proposal requesting the withdrawal to the state board for approval.

(d) The proposal under subsection (c) must do the following:
    (1) Describe how the school corporation intends to implement the particular vocational education course.
    (2) Include a provision that provides for at least a two (2) year phaseout of the educational program or course offering from the cooperative agreement.
Upon approval of the proposal by the state board, the school corporation may proceed with the school corporation's withdrawal of the course offering from the cooperative agreement and shall proceed under the proposal.

(e) The withdrawal procedure under subsections (c) and (d) may not be construed to permit a school corporation to change any other terms of the plan described in subsection (b) except those terms that require the school corporation to provide the particular course offering sought to be withdrawn.
(f) The board described in subsection (b) may do the following:
(1) Enter into an agreement to acquire by lease or purchase:
   (A) sites;
   (B) buildings; or
   (C) equipment;
that is suitable for these schools or departments. This authority extends to the acquisition of facilities available under IC 21-5-11.
(2) By resolution adopted by a majority of the board, designate three (3) or more individuals from the board's membership to constitute an executive committee.

(g) To the extent provided in a resolution adopted under subsection (f)(2), an executive committee shall do the following:
(1) Exercise the authority of the full board in the management of the schools or departments.
(2) Submit a written summary of its actions to the full board at least semiannually.

SECTION 50. IC 33-33-53-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. In accordance with rules adopted by the judges of the court under section 6 of this chapter, the presiding judge shall do the following:
(1) Ensure that the court operates efficiently and judicially under rules adopted by the court.
(2) Annually submit to the fiscal body of Monroe County a budget for the court, including amounts necessary for:
   (A) the operation of the circuit's probation department;
   (B) the defense of indigents; and
   (C) maintaining an adequate law library.
(3) Make the appointments or selections required of a circuit or superior court judge under the following statutes:
   IC 8-4-21-2  
   IC 11-12-2-2  
   IC 16-22-2-4  
   IC 16-22-2-11  
   IC 16-22-7  
   IC 20-4-1  
   IC 20-4-8  
   IC 20-4-15-2  
   IC 20-5-20-4  
   IC 20-5-23-1  
   IC 20-14-10-10
(4) Make appointments or selections required of a circuit or superior court judge by any other statute, if the appointment or selection is not required of the court because of an action before the court.

SECTION 51. IC 36-1-14-1, AS AMENDED BY HEA 1288-2005, SECTION 236, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section does not apply to donations of proceeds from riverboat gaming to a public school endowment corporation under IC 20-26-5-19; IC 20-26-5-21.

(b) As used in this section, "riverboat gaming revenue" means tax revenue received by a unit under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue.

(c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, an endowment, a bequest, a trust, or riverboat gaming revenue to a foundation under the following conditions:

(1) The foundation is a charitable nonprofit community foundation.

(2) The foundation retains all rights to the donation, including investment powers.

(3) The foundation agrees to do the following:

(A) Hold the donation as a permanent endowment.

(B) Distribute the income from the donation only to the unit as directed by resolution of the fiscal body of the unit.

(C) Return the donation to the general fund of the unit if the foundation:

(i) loses the foundation's status as a public charitable organization;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the fiscal body of the unit.

SECTION 52. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-4-1-14; IC 20-4-1-28; IC 20-4-1-35; IC 20-4-1-36; IC 20-4-1-37; IC 20-4-1-38; IC 20-4-1-39; IC 20-4-5-10; IC 20-4-5-11; IC 20-4-8-2; IC 20-4-8-3; IC 20-4-8-4; IC 20-4-8-5; IC 20-4-8-6; IC 20-4-8-7; IC 20-4-8-8; IC 20-4-8-9; IC 20-4-8-10;
AN ACT to amend the Indiana Code concerning transportation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-4-5.1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The Indiana twenty-first century research and technology fund is established to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

(1) To increase the capacity of Indiana institutions of higher education, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal or private research and development funding.

(2) To stimulate the transfer of research and technology into marketable products.

(3) To assist with diversifying Indiana's economy by focusing investment in biomedical research and biotechnology, information technology, and other high technology industry clusters requiring high skill, high wage employees.

(4) To encourage an environment of innovation and cooperation among universities and businesses to promote research activity.

(b) The fund shall be administered by the budget agency. The fund consists of:
appropriations from the general assembly;
(2) proceeds of bonds issued by the Indiana development finance authority under IC 4-4-11.4 for deposit in the fund; and
(3) gifts and grants to the fund.
The budget agency shall review each recommendation. The budget agency, after review by the budget committee, may approve, deny, or modify grants and loans recommended by the board. Money in the fund may not be used to provide a recurring source of revenue for the normal operating expenditures of any project.
(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.
(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter.
SECTION 2. IC 4-4-5.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The board has the following powers:
(1) To accept, analyze, and approve applications under this chapter.
(2) To contract with experts for advice and counsel.
(3) To employ staff to assist in carrying out this chapter, including providing assistance to applicants who wish to apply for a grant or loan from the fund, analyzing proposals, working with experts engaged by the board, and preparing reports and recommendations for the board.
(4) To approve and recommend applications for grants or loans from the fund to the budget committee and budget agency.
(b) The board shall give priority to applications for grants or loans from the fund that:
(1) have the greatest economic development potential; and
(2) require the lowest ratio of money from the fund compared with the combined financial commitments of the applicant and those cooperating on the project.
(c) The board shall make final funding determinations for applications for grants or loans from the fund that will be submitted to the budget agency for review and approval. In making a determination on a proposal intended to obtain federal or private research funding, the board shall be advised by a peer review panel and shall consider the
following factors in evaluating the proposal:

1. The scientific merit of the proposal.
2. The predicted future success of federal or private funding for the proposal.
3. The ability of the researcher to attract merit based scientific funding of research.
4. The extent to which the proposal evidences interdisciplinary or inter-institutional collaboration among two (2) or more Indiana institutions of higher education or private sector partners, as well as cost sharing and partnership support from the business community.

The purposes for which grants and loans may be made include erecting, constructing, reconstructing, extending, remodeling, improving, completing, equipping, and furnishing research and technology transfer facilities.

(d) The peer review panel shall be chosen by and report to the board. In determining the composition and duties of a peer review panel, the board shall consider the National Institutes of Health and the National Science Foundation peer review processes as models. The members of the panel must have extensive experience in federal research funding. A panel member may not have a relationship with any private entity or academic institution in Indiana that would constitute a conflict of interest for the panel member.

(e) In making a determination on any other application for a grant or loan from the fund involving a proposal to transfer research results and technologies into marketable products or commercial ventures, the board shall consult with experts as necessary to analyze the likelihood of success of the proposal and the relative merit of the proposal.

SECTION 3. IC 4-4-11-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The authority is granted all powers necessary or appropriate to carry out and effectuate its public and corporate purposes under this chapter, IC 4-4-21, and IC 15-7-5, including but not limited to the following:

1. Have perpetual succession as a body politic and corporate and an independent instrumentality exercising essential public functions.
2. Without complying with IC 4-22-2, adopt, amend, and repeal bylaws, rules, and regulations not inconsistent with this chapter, IC 4-4-21, and IC 15-7-5 and necessary or convenient to regulate its affairs and to carry into effect the powers, duties, and purposes
of the authority and conduct its business.

(3) Sue and be sued in its own name.

(4) Have an official seal and alter it at will.

(5) Maintain an office or offices at a place or places within the state as it may designate.

(6) Make and execute contracts and all other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under this chapter, IC 4-4-21, and IC 15-7-5.

(7) Employ architects, engineers, attorneys, inspectors, accountants, agriculture experts, silviculture experts, aquaculture experts, and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment and to fix their compensation.

(8) Procure insurance against any loss in connection with its property and other assets, including loans and loan notes in amounts and from insurers as it may consider advisable.

(9) Borrow money, make guaranties, issue bonds, and otherwise incur indebtedness for any of the authority's purposes, and issue debentures, notes, or other evidences of indebtedness, whether secured or unsecured, to any person, as provided by this chapter, IC 4-4-21, IC 4-4-11.4, and IC 15-7-5.

(10) Procure insurance or guaranties from any public or private entities, including any department, agency, or instrumentality of the United States, for payment of any bonds issued by the authority or for reinsurance on amounts paid from the industrial development project guaranty fund, including the power to pay premiums on any insurance or reinsurance.

(11) Purchase, receive, take by grant, gift, devise, bequest, or otherwise, and accept, from any source, aid or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of this chapter, IC 4-4-21, and IC 15-7-5, subject to the conditions upon which the grants or contributions are made, including but not limited to gifts or grants from any department, agency, or instrumentality of the United States, and lease or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with real or personal property or any interest in real or personal property, wherever situated, for any purpose consistent with this chapter, IC 4-4-21, or IC 15-7-5.
(12) Enter into agreements with any department, agency, or instrumentality of the United States or this state and with lenders and enter into loan agreements, sales contracts, and leases with contracting parties, including borrowers, lenders, developers, or users, for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise (as defined in IC 15-7-4.9-2), rural development project (as defined in IC 15-7-4.9-19.5), industrial development project, or international exports, and distribute data and information concerning the encouragement and improvement of agricultural enterprises and agricultural employment, rural development projects, industrial development projects, international exports, and other types of employment in the state undertaken with the assistance of the authority under this chapter.

(13) Enter into contracts or agreements with lenders and lessors for the servicing and processing of loans and leases pursuant to this chapter, IC 4-4-21, and IC 15-7-5.

(14) Provide technical assistance to local public bodies and to profit and nonprofit entities in the development or operation of agricultural enterprises, rural development projects, and industrial development projects.

(15) To the extent permitted under its contract with the holders of the bonds of the authority, consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any contract, loan, loan note, loan note commitment, contract, lease, or agreement of any kind to which the authority is a party.

(16) To the extent permitted under its contract with the holders of bonds of the authority, enter into contracts with any lender containing provisions enabling it to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges when, by reason of other income or payment by any department, agency, or instrumentality of the United States of America or of this state, the reduction can be made without jeopardizing the economic stability of the agricultural enterprise, rural development project, or industrial development project being financed.

(17) Invest any funds not needed for immediate disbursement, including any funds held in reserve, in direct and general obligations of or obligations fully and unconditionally guaranteed
by the United States, obligations issued by agencies of the United States, obligations of this state, or any obligations or securities which may from time to time be legally purchased by governmental subdivisions of this state pursuant to IC 5-13, or any obligations or securities which are permitted investments for bond proceeds or any construction, debt service, or reserve funds secured under the trust indenture or resolution pursuant to which bonds are issued.

(18) Collect fees and charges, as the authority determines to be reasonable, in connection with its loans, guarantees, advances, insurance, commitments, and servicing.

(19) Cooperate and exchange services, personnel, and information with any federal, state, or local government agency, or instrumentality of the United States or this state.

(20) Sell, at public or private sale, with or without public bidding, any loan or other obligation held by the authority.

(21) Enter into agreements concerning, and acquire, hold, and dispose by any lawful means, land or interests in land, building improvements, structures, personal property, franchises, patents, accounts receivable, loans, assignments, guarantees, and insurance needed for the purposes of this chapter, IC 4-4-21, or IC 15-7-5.

(22) Take assignments of accounts receivable, loans, guarantees, insurance, notes, mortgages, security agreements securing notes, and other forms of security, attach, seize, or take title by foreclosure or conveyance to any industrial development project when a guaranteed loan thereon is clearly in default and when in the opinion of the authority such acquisition is necessary to safeguard the industrial development project guaranty fund, and sell, or on a temporary basis, lease, or rent such industrial development project for any use.

(23) Expend money, as the authority considers appropriate, from the industrial development project guaranty fund created by section 16 of this chapter.

(24) Purchase, lease as lessee, construct, remodel, rebuild, enlarge, or substantially improve industrial development projects, including land, machinery, equipment, or any combination thereof.

(25) Lease industrial development projects to users or developers, with or without an option to purchase.
(26) Sell industrial development projects to users or developers, for consideration to be paid in installments or otherwise.
(27) Make direct loans from the proceeds of the bonds to users or developers for:
   (A) the cost of acquisition, construction, or installation of industrial development projects, including land, machinery, equipment, or any combination thereof; or
   (B) eligible expenditures for an educational facility project described in IC 4-4-10.9-6.2(a)(2);
with the loans to be secured by the pledge of one (1) or more bonds, notes, warrants, or other secured or unsecured debt obligations of the users or developers.
(28) Lend or deposit the proceeds of bonds to or with a lender for the purpose of furnishing funds to such lender to be used for making a loan to a developer or user for the financing of industrial development projects under this chapter.
(29) Enter into agreements with users or developers to allow the users or developers, directly or as agents for the authority, to wholly or partially construct industrial development projects to be leased from or to be acquired by the authority.
(30) Establish reserves from the proceeds of the sale of bonds, other funds, or both, in the amount determined to be necessary by the authority to secure the payment of the principal and interest on the bonds.
(31) Adopt rules governing its activities authorized under this chapter, IC 4-4-21, and IC 15-7-5.
(32) Use the proceeds of bonds to make guaranteed participating loans.
(33) Purchase, discount, sell, and negotiate, with or without guaranty, notes and other evidences of indebtedness.
(34) Sell and guarantee securities.
(35) Make guaranteed participating loans under IC 4-4-21-26.
(36) Procure insurance to guarantee, insure, reinsure, and reinsure against political and commercial risk of loss, and any other insurance the authority considers necessary, including insurance to secure the payment of principal and interest on notes or other obligations of the authority.
(37) Provide performance bond guarantees to support eligible export loan transactions, subject to the terms of this chapter or IC 4-4-21.
(38) Provide financial counseling services to Indiana exporters.
(39) Accept gifts, grants, or loans from, and enter into contracts or other transactions with, any federal or state agency, municipality, private organization, or other source.
(40) Sell, convey, lease, exchange, transfer, or otherwise dispose of property or any interest in property, wherever the property is located.
(41) Cooperate with other public and private organizations to promote export trade activities in Indiana.
(42) Make guarantees and administer the agricultural loan and rural development project guarantee fund established by IC 15-7-5.
(43) Take assignments of notes and mortgages and security agreements securing notes and other forms of security, and attach, seize, or take title by foreclosure or conveyance to any agricultural enterprise or rural development project when a guaranteed loan to the enterprise or rural development project is clearly in default and when in the opinion of the authority the acquisition is necessary to safeguard the agricultural loan and rural development project guarantee fund, and sell, or on a temporary basis, lease or rent the agricultural enterprise or rural development project for any use.
(44) Expend money, as the authority considers appropriate, from the agricultural loan and rural development project guarantee fund created by IC 15-7-5-19.5.
(45) Reimburse from bond proceeds expenditures for industrial development projects under this chapter.
(46) Do any act necessary or convenient to the exercise of the powers granted by this chapter, IC 4-4-21, or IC 15-7-5, or reasonably implied from those statutes, including but not limited to compliance with requirements of federal law imposed from time to time for the issuance of bonds.

(b) The authority's powers under this chapter shall be interpreted broadly to effectuate the purposes of this chapter and may not be construed as a limitation of powers.

(c) This chapter does not authorize the financing of industrial development projects for a developer unless any written agreement that may exist between the developer and the user at the time of the bond resolution is fully disclosed to and approved by the authority.

SECTION 4. IC 4-4-11.4 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 11.4. Additional Authority: Twenty-First Century Research and Technology Fund

Sec. 1. As used in this chapter, "authority" refers to the Indiana development finance authority.

Sec. 2. As used in this chapter, "bonds" means any bonds, notes, debentures, interim certificates, revenue anticipation notes, warrants, or any other evidences of indebtedness of the authority.

Sec. 3. As used in this chapter, "financial institution" means a financial institution (as defined in IC 28-1-1).

Sec. 4. As used in this chapter, "holder" means a person who is the:

(1) bearer of any outstanding bond or note registered to bearer or not registered; or

(2) registered owner of any outstanding bond or note that is registered other than to bearer.

Sec. 5. As used in this chapter, "person" means any individual, partnership, firm, association, joint venture, limited liability company, or corporation.

Sec. 6. As used in this chapter, "reserve fund" means a reserve fund established under section 15 of this chapter.

Sec. 7. (a) The authority may issue its bonds in principal amounts that the authority considers necessary to provide funds for the purposes under this chapter, including the following:

(1) Providing a source of money for the Indiana twenty-first century research and technology fund established by IC 4-4-5.1-3.

(2) Payment, funding, or refunding of the principal of, or interest or redemption premiums on, bonds issued by the authority under this chapter whether the bonds or interest to be paid, funded, or refunded have or have not become due.

(3) Establishment or increase of reserves to secure or to pay bonds or interest on bonds and all other costs or expenses of the authority incident to and necessary or convenient to carry out the authority's corporate purposes and powers under this chapter.

(b) Every issue of bonds shall be obligations of the authority payable solely out of the revenues or funds of the authority under section 15 of this chapter, subject to agreements with the holders of a particular series of bonds pledging a particular revenue or
Bonds may be additionally secured by a pledge of a grant or contributions from the United States, a political subdivision, or a person, or by a pledge of income or revenues, funds, or money of the authority from any source.

Sec. 8. (a) A bond of the authority:
   (1) is not a debt, liability, loan of the credit, or pledge of the faith and credit of the state or of any political subdivision;
   (2) is payable solely from the money pledged or available for its payment under this chapter, unless funded or refunded by bonds of the authority; and
   (3) must contain on its face a statement that the authority is obligated to pay principal and interest, and redemption premiums, if any, and that the faith, credit, and taxing power of the state are not pledged to the payment of the bond.

(b) The state pledges to and agrees with the holders of the bonds issued under this chapter that the state will not:
   (1) limit or restrict the rights vested in the authority to fulfill the terms of any agreement made with the holders of its bonds; or
   (2) in any way impair the rights or remedies of the holders of the bonds;

until the bonds, together with the interest on the bonds, and interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the holders, are fully met, paid, and discharged.

Sec. 9. The bonds of the authority are negotiable instruments for all purposes of the Uniform Commercial Code (IC 26), subject only to the provisions of the bonds for registration.

Sec. 10. (a) Bonds of the authority must be authorized by resolution of the authority, may be issued in one (1) or more series, and must:
   (1) bear the date;
   (2) mature at the time or times;
   (3) be in the denomination;
   (4) be in the form;
   (5) carry the conversion or registration privileges;
   (6) have the rank or priority;
   (7) be executed in the manner;
   (8) be payable from the sources in the medium of payment at the place inside or outside Indiana; and
   (9) be subject to the terms of redemption;
as the resolution of the authority or the trust agreement securing the bonds provides.

(b) Bonds may be issued under this chapter without obtaining the consent of any state agency and without any other proceeding or condition other than the proceedings or conditions specified in this chapter. However, the total principal of all outstanding bonds issued under this chapter may not exceed one billion dollars ($1,000,000,000). Not more than two hundred million dollars ($200,000,000) in bonds may be issued in any state fiscal year. Bonds issued before July 1, 2007, must provide that debt principal and other debt service payments are not required before July 1, 2007. Bonds may not be issued under this chapter after June 30, 2011, other than bonds issued to refinance bonds originally issued before July 1, 2011.

(c) The rate or rates of interest on the bonds may be fixed or variable. Variable rates shall be determined in the manner and in accordance with the procedures set forth in the resolution authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest, and bonds bearing a fixed rate or rates of interest may be converted to bonds bearing a variable rate of interest, to the extent and in the manner set forth in the resolution pursuant to which the bonds are issued. The interest on bonds may be payable semiannually or annually or at any other interval or intervals as may be provided in the resolution, or the interest may be compounded and paid at maturity or at any other times as may be specified in the resolution.

(d) The bonds may be made subject to mandatory redemption by the authority at the times and under the circumstances set forth in the authorizing resolution.

Sec. 11. Bonds of the authority may be sold at public or private sale at the price the authority determines. If bonds of the authority are to be sold at public sale, the authority shall publish notice of the sale for two (2) weeks in two (2) newspapers published and of general circulation in Indianapolis.

Sec. 12. The authority may periodically issue its bonds under this chapter and pay and retire the principal of the bonds or pay the interest due thereon or fund or refund the bonds from proceeds of bonds, or from other funds or money of the authority available for that purpose in accordance with a contract between the authority and the holders of the bonds.
Sec. 13. (a) In the discretion of the authority, any bonds issued under this chapter may be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside Indiana.

(b) The trust agreement or the resolution providing for the issuance of the bonds may contain provisions for protecting and enforcing the rights and remedies of the holders of any such bonds as are reasonable and proper and not in violation of law.

(c) The trust agreement or resolution may set forth the rights and remedies of the holders of any bonds and of the trustee and may restrict the individual right of action by the holders.

(d) In addition to the provisions of subsections (a), (b), and (c), any trust agreement or resolution may contain other provisions the authority considers reasonable and proper for the security of the holders of any bonds.

(e) All expenses incurred in carrying out the trust agreement or resolution may be paid from revenues or assets pledged or assigned to the payment of the principal of and the interest on bonds or from any other funds available to the authority.

Sec. 14. The authority may purchase bonds of the authority out of the authority's funds or money available for the purchase of its own bonds. The authority may hold, cancel, or resell the bonds subject to, and in accordance with, agreements with holders of its bonds. Unless canceled, bonds held by the authority are considered to be held for resale or transfer and the obligation evidenced by the bonds shall not be considered to be extinguished.

Sec. 15. (a) The authority may establish and maintain a debt service fund, and if necessary, a reserve fund, for each issue of bonds in which there shall be deposited or transferred:

(1) all money appropriated by the general assembly for the purpose of the fund in accordance with section 18(a) of this chapter;

(2) all proceeds of bonds required to be deposited in the fund by terms of a contract between the authority and its holders or a resolution of the authority with respect to the proceeds of bonds;

(3) all other money appropriated by the general assembly to the funds; and

(4) any other money or funds of the authority that the authority decides to deposit in either fund.
(b) Subject to section 18(b) of this chapter, money in any reserve fund shall be held and applied solely to the payment of the interest on and principal of bonds of the authority as the interest and principal become due and payable and for the retirement of bonds.

(c) Money in any reserve fund in excess of the required debt service reserve, whether by reason of investment or otherwise, may be withdrawn at any time by the authority and transferred to another fund or account of the authority, subject to the provisions of any agreement with the holders of any bonds.

Sec. 16. Money in any reserve fund may be invested in the manner provided in the trust agreement or the resolution authorizing issuance of the bonds.

Sec. 17. For purposes of valuation, investments in the reserve fund shall be valued at par, or if purchased at less than par, at cost unless otherwise provided by resolution or trust agreement of the authority. Valuation on a particular date shall include the amount of interest then earned or accrued to that date on the money or investments in the reserve fund.

Sec. 18. (a) In order to assure the payment of debt service on bonds of the authority issued under this chapter or maintenance of the required debt service reserve in any reserve fund, the general assembly may annually or biannually appropriate to the authority for deposit in one (1) or more of the funds the sum, certified by the chairman of the authority to the general assembly, that is necessary to pay the debt service on the bonds or to restore one (1) or more of the funds to an amount equal to the required debt service reserve. The chairman annually, before December 1, shall make and deliver to the general assembly the chairman's certificate stating the sum required to pay debt service on the bonds or to restore one (1) or more of the funds to an amount equal to the required debt service reserve. This subsection does not create a debt or liability of the state to make any appropriation.

(b) All amounts received on account of money appropriated by the state to any fund shall be held and applied in accordance with section 15(b) of this chapter. However, at the end of each fiscal year, if the amount in any fund exceeds the debt service or required debt service reserve, any amount representing earnings or income received on account of any money appropriated to the funds that exceeds the expenses of the authority for that fiscal year may be transferred to the Indiana twenty-first century research and technology fund established by IC 4-4-5.1-3.
Sec. 19. Subject to any agreement with its holders, the authority may combine a reserve fund established for an issue of bonds into one (1) or more reserve funds.

Sec. 20. The authority may establish additional reserves or other funds or accounts as the authority considers necessary, desirable, or convenient to further the accomplishment of the authority's purposes or to comply with any of the authority's agreements or resolutions.

Sec. 21. Unless the resolution or trust agreement authorizing the bonds provides otherwise, money or investments in a fund or account of the authority established or held for the payment of bonds shall be applied to the payment or retirement of the bonds, and to no other purpose.

Sec. 22. (a) An action to contest the validity of any bonds of the authority to be sold at public sale may not be brought after the fifteenth day following the first publication of notice of the sale of the bonds. An action to contest the validity of any bond sale under this chapter may not be brought after the fifth day following the bond sale.

(b) If bonds are sold at private sale, an action to contest the validity of such bonds may not be brought after the fifteenth day following the adoption of the resolution authorizing the issuance of the bonds.

(c) If an action challenging the bonds of the authority is not brought within the time prescribed by subsection (a) or (b), whichever is applicable, all bonds of the authority are conclusively presumed to be fully authorized and issued under the laws of the state, and a person or a qualified entity is estopped from questioning their authorization, sale, issuance, execution, or delivery by the authority.

(d) If this chapter is inconsistent with any other law (general, special, or local), this chapter controls.

Sec. 23. All property of the authority is exempt from levy and sale by virtue of an execution and no execution or other judicial process may issue against the property. A judgment against the authority may not be a charge or lien upon its property. However, this section does not apply to or limit the rights of the holder of bonds to pursue a remedy for the enforcement of a pledge or lien given by the authority on the authority’s revenues or other money.

Sec. 24. A pledge of revenues or other money made by the authority is binding from the time the pledge is made. Revenues or
other money so pledged and thereafter received by the authority are immediately subject to the lien of the pledge without any further act, and the lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against the authority, regardless of whether the parties have notice of the lien. Neither the resolution nor any other instrument by which a pledge is created needs to be filed or recorded except in the records of the authority.

Sec. 25. The chairman of the authority may receive from the United States of America or any department or agency thereof, or any state agency any amount of money as and when appropriated, allocated, granted, turned over, or in any way provided for the purposes of the authority or this chapter, and those amounts shall, unless otherwise directed by the federal authority, be credited to and be available to the authority.

Sec. 26. A financial institution may give to the authority a good and sufficient undertaking with such sureties as are approved by the authority to the effect that the financial institution shall faithfully keep and pay over to the order of or upon the warrant of the authority or the authority's authorized agent all those funds deposited with the financial institution by the authority and agreed interest under or by reason of this chapter, at such times or upon such demands as may be agreed with the authority or instead of these sureties, deposit with the authority or the authority's authorized agent or a trustee or for the holders of bonds, as collateral, those securities as the authority may approve. The deposits of the authority may be evidenced by an agreement in the form and upon the terms and conditions that may be agreed upon by the authority and the financial institution.

Sec. 27. The authority may enter into agreements or contracts with a financial institution inside or outside Indiana as the authority considers necessary, desirable, or convenient for rendering services in connection with the care, custody, or safekeeping of securities or other investments held or owned by the authority, for rendering services in connection with the payment or collection of amounts payable as to principal or interest, and for rendering services in connection with the delivery to the authority of securities or other investments purchased by or sold by the authority, and to pay the cost of those services. The authority may also, in connection with any of the services to be rendered by a financial institution as to the custody and safekeeping of its
securities or investments, require security in the form of collateral bonds, surety agreements, or security agreements in such form and amount as, the authority considers necessary or desirable.

Sec. 28. Notwithstanding the restrictions of any other law, all financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees, and other fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds issued under this chapter.

Sec. 29. All property of the authority is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments, direct or indirect, of the state or a political subdivision of the state. All bonds issued under this chapter are issued by a body corporate and public of the state, but not a state agency, and for an essential public and governmental purpose and the bonds, the interest thereon, the proceeds received by a holder from the sale of the bonds to the extent of the holder’s cost of acquisition, proceeds received upon redemption before maturity, and proceeds received at maturity and the receipt of the interest and proceeds are exempt from taxation in the state for all purposes except a state inheritance tax imposed under IC 6-4.1.

Sec. 30. Any bonds issued by the authority under this chapter are exempt from the registration and other requirements of IC 23-2-1 and any other securities registration laws.

Sec. 31. This chapter is supplemental to all other statutes governing the authority.

SECTION 5. IC 8-10-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Revenue bonds issued under the provisions of this article: shall

(1) do not be deemed to constitute a debt of the commission, the state, or of any political subdivision thereof of the state, or a pledge of the faith and credit of the commission, the state, or of any such political subdivision but such bonds shall be of the state;

(2) are payable solely from the funds pledged for their payment as authorized in this article, unless such the bonds are refunded by refunding bonds issued under the provisions of this chapter, which refunding bonds shall be payable solely from funds pledged for their payment as authorized herein: All such revenue bonds shall in this article; and
(3) must contain on the face thereof a statement to the effect that the bonds, as to both principal and interest, are not an obligation of the commission, the state, of Indiana, or of any political subdivision thereof, but are payable solely from revenues pledged for their payment.

All expenses incurred in carrying out the provisions of this article shall be payable solely from funds provided under the authority of this article and nothing in this article contained shall be construed to authorize the commission to incur indebtedness or liability on behalf of or payable by the state or any political subdivision thereof.

SECTION 6. IC 8-10-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The commission is hereby authorized and empowered to acquire by purchase whenever it shall deem such purchase expedient, any land, property, rights, right-of-ways, rights of way, franchises, easements, and other interests in lands, including lands under water and riparian rights, as it may deem necessary or convenient for the construction and operation of any port or project, upon such terms and at such price as may be considered by it to be reasonable and can be agreed upon between the commission and the owner thereof, and to take title thereto in the name of the state.

(b) The commission is hereby further authorized and empowered to sell, transfer, and convey any such land or any interest therein so acquired, or any portion thereof, when the same shall no longer be needed for such purposes. The commission is further authorized and empowered to transfer and convey any such lands or interest therein as may be necessary or convenient for the construction and operation of any port or project, or as otherwise required under the provisions of this article. However, no such sale shall be made without first obtaining the approval of the governor, and a sale may not be made at less than the appraised value established by three (3) independent appraisers appointed by the governor. The commission shall be authorized to restrict the use of any land so sold by it and provide for a reversion to the commission in the event the land shall not be used for the purpose represented by the purchaser, and such restrictions and reversions shall be set out in appropriate covenants in the deeds of conveyance, which deeds shall be subject to the approval of the governor.

(c) The commission shall also be authorized to lease, or grant options to lease, to others for development any portion of the land owned by the commission, on such terms as the commission shall
determine to be advantageous. All such leases or options to lease which leases cover a period of more than four (4) years shall be subject to the approval of the governor. Leases of lands under the jurisdiction or control of the commission shall be made only for such uses and purposes as are calculated to contribute to the growth and development of ports, terminal facilities, and projects under the jurisdiction or control of the commission. In the event the commission shall lease to others a building or structure financed by the issuance of revenue bonds under IC 8-10-4, the rent shall be in an amount at least sufficient to pay the interest on and principal of the amount of such bonds representing the cost of such building or structure to the extent such interest and principal is payable during the term of the lease; as well as to pay the cost of maintenance, repair and insurance for such building and a reasonable portion of the commission's administrative expense incurred during the term of the lease which is allocable to such building or structure. This transaction must be structured as a self-liquidating or nonrecourse project (as defined in IC 8-10-4-1).

(d) No tenant, lessee, licensee, owner of real estate located within a port or project, or other person or entity has any right, claim, title, or interest in any real estate, personal property, or common property owned by the commission, a port, a project, or the state, unless a written agreement entered into by the commission expressly provides:

(1) the exact nature and extent of the right, claim, title, or interest;
(2) all the conditions under which the right, claim, title, or interest is granted; and
(3) a legal or complete description of the specific property.

SECTION 7. IC 8-10-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. In the discretion of the commission any bonds issued under the provisions of this act may be secured by a trust agreement by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company within the state, except as provided in IC 8-10-4. Any resolution adopted by the commission providing for the issuance of revenue bonds and any trust agreement pursuant to which such bonds are issued may pledge or assign all or any portion of the revenues received or to be received by the commission except such part as may be necessary to pay the cost of the commission's administrative expenses, operation, maintenance and repair and to provide reserves therefor and depreciation reserves required by any bond resolution adopted or trust agreement executed by the commission, but the
commission shall not convey or mortgage any port or project or any part thereof, except for self liquidating or nonrecourse projects under IC 8-10-4. In authorizing the issuance of bonds for any particular port or project, the commission may limit the amount of such bonds that may be issued as a first lien and charge against the revenues pledged to the payment of such bonds or the commission may authorize the issuance from time to time thereafter of additional bonds secured by the same lien to provide funds for the completion of the port or project on account of which the original bonds were issued, or to provide funds to pay the cost of additional projects undertaken in connection with the development of the port or project, or for both such purposes. Such additional bonds shall be issued on such terms and conditions as may be provided in the bond resolution or resolutions adopted by the commission and in the trust agreement or any agreement supplemental thereto and may be secured equally and ratably without preference, priority or distinction with the original issue of bonds or may be made junior thereto. Any pledge or assignment made by the commission pursuant hereto shall be valid and binding from the time that the pledge or assignment is made and the revenues so pledged and thereafter received by the commission shall immediately be subject to the lien of such pledge or assignment without physical delivery thereof or further act. The lien of such pledge or assignment shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the commission irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created or assignment made need be filed or recorded except in the records of the commission. Any such trust agreement or any resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including, but not limited to, covenants setting forth the duties of the commission in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation and insurance of the port or project in connection with which such bonds shall have been authorized, the rates of fees, tolls, rentals or other charges, to be collected for the use of the project, and the custody, safeguarding and application of all moneys, and provisions for the employment of consulting engineers in connection with the construction or operation of such project. It shall be lawful for any bank or trust company incorporated under the laws of the state which may
act as depository of the proceeds of bonds or other funds of the commission, to furnish such indemnifying bonds or to pledge such securities as may be required by the commission. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing bonds or debentures of private corporations. In addition to the foregoing, any such trust agreement may contain such other provisions as the commission may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as a part of the cost of the operation of the port or project.

SECTION 8. IC 8-10-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this chapter, "self-liquidating or nonrecourse project" shall mean means:

(1) a project for which a lease or leases have been executed providing for payment of rental in an amount at least the commission determines to be sufficient to pay:

(A) the interest and principal of such the bonds to be issued to finance the cost of such the project; and further providing for the payment by the lessee or lessees of

(B) all costs of maintenance, repair, and insurance of such the project; or

(2) a project that is structured in such a manner that the commission determines there is no recourse against the state or the Indiana port commission.

(b) Other words and terms used in this chapter shall have the same meaning as in other provisions of this article, unless otherwise specifically provided.

SECTION 9. IC 8-10-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. In addition to the powers conferred upon the Indiana port commission by other provisions of this article, the commission, in connection with any self-liquidating or nonrecourse project, shall have the following powers notwithstanding any other provision of this article to the contrary:

(a) (1) The revenue bonds issued by the commission to finance the cost of such self-liquidating or nonrecourse project may be issued without regard to any maximum interest rate limitation in this article or any other law.

(b) (2) The revenue bonds issued by the commission to finance
the cost of such self-liquidating or nonrecourse project may be sold in such manner, either at public or private sale, as the commission may determine, and the provisions of IC 4-1-5 shall not be applicable to such sale.

(c)(3) IC 4-13.6, IC 5-16-1, IC 5-16-2, IC 5-16-3, IC 5-16-5, IC 5-16-5.5, IC 5-16-6, IC 5-16-6.5, IC 5-16-8, IC 5-16-9, IC 5-16-10, IC 5-16-11, IC 5-16-11.1, IC 8-10-1-7(12), IC 8-10-1-29, and IC 36-1-12 do not apply to a self-liquidating or nonrecourse project to be leased to a private party whose payments are expected to be sufficient to pay all debt service on bonds issued by the commission to finance the project.

——

P.L.233-2005
[S.467. Approved May 12, 2005.]

AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 9-18-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A renewal reservation of a personalized license plate must be completed by October 31 of the year before issuance of the personalized license plate or other indicia of renewal of registration as set forth in IC 9-18-2-8, according to the plate cycle set under IC 9-18-2-47.

SECTION 2. IC 9-18-15-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) If a person who has been issued a personalized license plate renews the registration; the person’s combination of numerals and letters is not available to another person until the following registration period.

(b) If a person does not renew who has been issued a personalized license plate by October 31 of the year before the year a new personalized license plate is to be issued; reserves the same configuration of letters or numbers, or both, for the next plate cycle as set forth in the combination section 5 of this chapter, that configuration of letters and numerals; that was issued becomes or numbers or both, is not available upon the application of a person
SECTION 3. IC 9-18-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. If a person who has:
   (1) registered a vehicle; and
   (2) been issued a personalized license plate for the vehicle;
releases ownership of the registered vehicle without transferring the registration to another vehicle, the combination of **numbers and or letters, or both, does not become available until the following registration year. in the next registration year to any person.**

SECTION 4. IC 9-18-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) In addition to the applicable excise tax imposed under IC 6-6-5, the regular registration fees, and any additional fee required to receive a special recognition license plate described in section 1(b) of this chapter, a person applying for or renewing the registration of a personalized license plate shall pay **the personalized license plate fee and contribution under IC 9-29-5-32.5** upon an original application or registration renewal, as provided in section 5 of this chapter.

   (b) Each license branch shall collect the personalized license plate fee and contribution at the time of application or registration renewal for the personalized license plate.

   (c) Upon the payment of the required fee contribution; and service charges for an original application or renewal of a personalized license plate, the bureau shall issue a receipt designating and acknowledging a state fee a political contribution; and the service charge under IC 9-29.

   (d) The payment of regular registration fees and excise tax, if applicable, may be deferred until the time that the personalized license plate is delivered to the person who applied for the plate.

   (e) A license branch shall collect the service charge prescribed under IC 9-29 for each initial or renewal application for a personalized license plate as a reservation and special processing fee.

SECTION 5. IC 9-18-15-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Revenue derived from the fees and contributions **collected before July 1, 2005,** under section 10 of this chapter, except the part of the fee retained under section 10(e) of this chapter, shall be deposited with the treasurer of state in a special fund. The money from this fund remaining after the
deduction provided for in subsection (d) shall be distributed monthly by the auditor of state in the following manner:

(1) To any political party that cast at least five percent (5%) but less than thirty-three percent (33%) of the total vote of the state of all political parties at the last general election for the office of governor, as certified to the secretary of state under IC 3-12-5-6, the auditor of state shall distribute an amount from the special fund equal to the fractional amount of the vote cast in the last general election for the office of governor. Distribution of money from this fund shall be made to the treasurer of the state central committee of the political party.

(2) The balance of the special fund remaining after distributions provided by subdivision (1) shall be distributed monthly by the auditor of state in equal amounts to the treasurers of the state central committees of the two (2) political parties that cast the highest and next highest number of votes statewide for governor in the last election.

(b) The bureau shall provide to:
(1) the treasurers of the respective state central committees; and
(2) the auditor of state by the twentieth day of each month for the purpose of making the distributions under subsection (a); a report defining the number of personalized license plates sold in each county, including the total dollar amount due the treasurers, during the monthly period prescribed in subsection (a). In addition, the bureau shall provide to the treasurers information necessary to comply with IC 3-9.

(c) Within thirty (30) days of receipt of money distributed under subsection (a), the treasurers of the respective state committees shall distribute to the treasurers of each county central committee of their respective parties an amount equal to one-half (1/2) of the distributions provided for in subsection (a)(2) that were collected during the quarterly period in that county.

(d) The bureau shall deduct seven dollars ($7) for each original application and renewal application for a personalized plate and deposit the money in the motor vehicle highway account.

(e) This section expires October 31, 2005.

SECTION 6. IC 9-18-15-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.5. The bureau shall:

(1) deduct thirty-seven dollars ($37) of the fee collected for an
initial or a renewal application for a personalized license plate; and
(2) deposit:
   (A) seven dollars ($7) of the fee described in subdivision (1) in the motor vehicle highway account established under IC 8-14-1; and
   (B) thirty dollars ($30) of the fee described in subdivision (1) as a service charge into the state license branch fund established by IC 9-29-14-1.

SECTION 7. IC 9-29-5-32.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32.5. The fee for a personalized license plate under IC 9-18-15 is as follows:

   (1) The applicable excise tax imposed under IC 6-6-5.
   (2) The regular vehicle registration fee imposed under this chapter.
   (3) A state fee of seven dollars ($7) for the motor vehicle highway account established under IC 8-14-1.
   (4) A service charge of thirty dollars ($30) for the state license branch fund established by IC 9-29-14-1.

SECTION 8. IC 9-29-5-32 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 9. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "bureau" refers to the bureau of motor vehicles established by IC 9-14-1-1.

(b) As used in this SECTION, "personalized license plate" has the meaning set forth in IC 9-13-2-125.

(c) The bureau shall determine the persons who were:
   (1) issued a personalized license plate for 2003; and
   (2) not issued the same personalized license plate for the same vehicle for 2004 or 2005.

(d) Before September 1, 2005, the bureau shall:
   (1) contact the persons identified in subsection (c); and
   (2) inquire if those persons desire the same personalized license plate for the same vehicle for 2006 as was issued for 2003.

(e) A person in the category determined under subsection (c) is entitled to:
   (1) renew the registration of the vehicle; and
   (2) be issued the same personalized license plate for the vehicle for 2006 as was issued for 2003;
if the person completes the renewal of the registration by October 31, 2005.

(f) A vehicle registered as authorized by this SECTION is subject to the annual registration fee and to any other:
   (1) fee;
   (2) contribution;
   (3) service charge; or
   (4) excise tax;
required of a person registering a vehicle in accordance with IC 9-18-15-10, as amended by this act.

(g) A person who has been issued a personalized license plate under subsection (e) must comply with IC 9-18-15-10, as amended by this act, to be issued the same personalized license plate for 2007.

(h) This SECTION expires January 1, 2008.
(b) IC 4-21.5-5-12 and IC 4-21.5-5-14 do not apply to judicial review of a final determination of the Indiana board of tax review.

SECTION 2. IC 5-22-4-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 9. The department of child services is the purchasing agency for services procured by the department under IC 31-33-1.5-10.

SECTION 3. IC 6-1.1-17-3, AS AMENDED BY SEA 209-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;
(2) the estimated maximum permissible levy;
(3) the current and proposed tax levies of each fund; and
(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing.

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and
(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(d) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:
(1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.
(2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

SECTION 4. IC 6-1.1-17-14, AS AMENDED BY SEA 209-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county fiscal body or the county board of tax adjustment reduces:

(1) a township assistance tax rate below the rate necessary to meet the estimated cost of township assistance;
(2) a family and children's fund tax rate below the rate necessary to collect the levy recommended by the department of child services; or
(3) a children's psychiatric residential treatment services fund tax rate below the rate necessary to collect the levy recommended by the department of child services.

SECTION 5. IC 6-3.5-6-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

<table>
<thead>
<tr>
<th>Township</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Center Township</td>
<td>.0251</td>
</tr>
<tr>
<td>Decatur Township</td>
<td>.00217</td>
</tr>
<tr>
<td>Franklin Township</td>
<td>.0023</td>
</tr>
<tr>
<td>Lawrence Township</td>
<td>.01177</td>
</tr>
<tr>
<td>Perry Township</td>
<td>.01130</td>
</tr>
<tr>
<td>Pike Township</td>
<td>.01865</td>
</tr>
<tr>
<td>Warren Township</td>
<td>.01359</td>
</tr>
<tr>
<td>Washington Township</td>
<td>.01346</td>
</tr>
</tbody>
</table>
Wayne Township .01307
Lawrence-City .00858
Beech Grove .00845
Southport .00025
Speedway .00722
Indianapolis/Marion County .86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

- Center Township $1,898,145
- Decatur Township $164,103
- Franklin Township $173,934
- Lawrence Township $890,086
- Perry Township $854,544
- Pike Township $1,410,375
- Warren Township $1,027,721
- Washington Township $1,017,890
- Wayne Township $988,397
- Lawrence-City $648,848
- Beech Grove $639,017
- Southport $18,906
- Speedway $546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, and IC 6-1.1-18.6 IC 12-19-7, and
IC 12-19-7.5 for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by
(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, and IC 6-1.1-18.6 IC 12-19-7, and IC 12-19-7.5 for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:
(A) the maximum permissible property tax levy under IC 6-1.1-18.5, and IC 6-1.1-18.6 IC 12-19-7, and IC 12-19-7.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by
(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, and IC 6-1.1-18.6 IC 12-19-7, and IC 12-19-7.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the
county in 1999 for the county's welfare fund and welfare administration fund.

SECTION 6. IC 10-13-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) As used in this chapter, "criminal justice agency" means any agency or department of any level of government whose principal function is:

1. the apprehension, prosecution, adjudication, incarceration, probation, rehabilitation, or representation of criminal offenders;
2. the location of parents with child support obligations under 42 U.S.C. 653;
3. the licensing and regulating of riverboat gambling operations;
4. the licensing and regulating of pari-mutuel horse racing operations;
(b) The term includes the following:
   1. The office of the attorney general.
   2. The Medicaid fraud control unit, for the purpose of investigating offenses involving Medicaid.
   3. A nongovernmental entity that performs as its principal function the:
      A. apprehension, prosecution, adjudication, incarceration, or rehabilitation of criminal offenders;
      B. location of parents with child support obligations under 42 U.S.C. 653;
      C. licensing and regulating of riverboat gambling operations;
      D. licensing and regulating of pari-mutuel horse racing operations;
      under a contract with an agency or department of any level of government.
   4. The division of family and children or a juvenile probation officer conducting a criminal history check (as defined in IC 31-9-2-29.7) under IC 12-14-25.5-3; IC 31-34; or IC 31-37 to determine the appropriateness of an out-of-home placement for a:
      A. child at imminent risk of placement;
      B. child in need of services; or
      C. delinquent child;

SECTION 7. IC 10-13-3-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. As used in this chapter, "emergency placement"
means an emergency out-of-home placement of a child by the department of child services established by IC 31-33-1.5-2 or a court as a result of exigent circumstances, including an out-of-home placement under IC 31-34-2 or IC 31-34-4, or the sudden unavailability of the child's parent, guardian, or custodian. The term does not include placement to an entity or in a facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.

SECTION 8. IC 10-13-3-12.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 12.5. As used in this chapter, "national name based criminal history record check" means a query of the Interstate Identification Index data base maintained by the Federal Bureau of Investigation that:

1. is conducted using the subject's name; and
2. does not use fingerprint identification or another method of positive identification.

SECTION 9. IC 10-13-3-27, AS AMENDED BY HEA 1288-2005, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 27. (a) Except as provided in subsection (b), on request, law enforcement agencies shall release or allow inspection of a limited criminal history to noncriminal justice organizations or individuals only if the subject of the request:

1. has applied for employment with a noncriminal justice organization or individual;
2. has applied for a license and criminal history data as required by law to be provided in connection with the license;
3. is a candidate for public office or a public official;
4. is in the process of being apprehended by a law enforcement agency;
5. is placed under arrest for the alleged commission of a crime;
6. has charged that the subject's rights have been abused repeatedly by criminal justice agencies;
7. is the subject of a judicial decision or determination with respect to the setting of bond, plea bargaining, sentencing, or probation;
8. has volunteered services that involve contact with, care of, or supervision over a child who is being placed, matched, or monitored by a social services agency or a nonprofit corporation;
9. is currently residing in a location designated by the department of child services (established by IC 31-33-1.5-2)
or by a juvenile court as the out-of-home placement for a child at the time the child will reside in the location;

(9) (10) has volunteered services at a public school (as defined in IC 20-18-2-15) or nonpublic school (as defined in IC 20-18-2-12) that involve contact with, care of, or supervision over a student enrolled in the school;

(10) (11) is being investigated for welfare fraud by an investigator of the division of family and children resources or a county office of family and children;

(11) (12) is being sought by the parent locator service of the child support bureau of the division of family and children;

(12) (13) is or was required to register as a sex and violent offender under IC 5-2-12; or

(13) (14) has been convicted of any of the following:

(A) Rape (IC 35-42-4-1), if the victim is less than eighteen (18) years of age.
(B) Criminal deviate conduct (IC 35-42-4-2), if the victim is less than eighteen (18) years of age.
(C) Child molesting (IC 35-42-4-3).
(D) Child exploitation (IC 35-42-4-4(b)).
(E) Possession of child pornography (IC 35-42-4-4(c)).
(F) Vicarious sexual gratification (IC 35-42-4-5).
(G) Child solicitation (IC 35-42-4-6).
(H) Child seduction (IC 35-42-4-7).
(I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).
(J) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age.

However, limited criminal history information obtained from the National Crime Information Center may not be released under this section except to the extent permitted by the Attorney General of the United States.

(b) A law enforcement agency shall allow inspection of a limited criminal history by and release a limited criminal history to the following noncriminal justice organizations:

(1) Federally chartered or insured banking institutions.
(2) Officials of state and local government for any of the following purposes:
   (A) Employment with a state or local governmental entity.
   (B) Licensing.
(3) Segments of the securities industry identified under 15 U.S.C.
(c) Any person who uses limited criminal history for any purpose not specified under this section commits a Class A misdemeanor.

SECTION 10. IC 10-13-3-27.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27.5. (a) If:

(1) exigent circumstances require the emergency placement of a child; and
(2) the department will be unable to obtain criminal history information from the Interstate Identification Index before the emergency placement is scheduled to occur;

upon request of the department of child services established by IC 31-33-1.5-2, a caseworker, or a juvenile probation officer, the department may conduct a national name based criminal history record check of each individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location. The department shall promptly transmit a copy of the report it receives from the Interstate Identification Index to the agency or person that submitted a request under this section.

(b) Not later than seventy-two (72) hours after the department of child services, the caseworker, or the juvenile probation officer receives the results of the national name based criminal history record check, the department of child services, the caseworker, or the juvenile probation officer shall provide the department with a complete set of fingerprints for each individual who is currently residing in the location designated as the out-of-home placement at the time the child will be placed in the location. The department shall:

(1) use fingerprint identification to positively identify each individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location; or
(2) submit the fingerprints to the Federal Bureau of Investigation not later than fifteen (15) days after the date on which the national name based criminal history record check was conducted.

The child shall be removed from the location designated as the out-of-home placement if an individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location fails to provide a complete set
of fingerprints to the department of child services, the caseworker, or the juvenile probation officer.

(c) The department and the person or agency that provided fingerprints shall comply with all requirements of 42 U.S.C. 5119a and any other applicable federal law or regulation regarding:

(1) notification to the subject of the check; and
(2) the use of the results obtained based on the check of the person's fingerprints.

(d) If an out-of-home placement is denied as the result of a national name based criminal history record check, an individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location may contest the denial by submitting to the department of child services, the caseworker, or the juvenile probation officer:

(1) a complete set of the individual's fingerprints; and
(2) written authorization permitting the department of child services, the caseworker, or the juvenile probation officer to forward the fingerprints to the department for submission to the Federal Bureau of Investigation;

not later than five (5) days after the out-of-home placement is denied.

(e) The:

(1) department; and
(2) Federal Bureau of Investigation;

may charge a reasonable fee for processing a national name based criminal history record check. The department shall adopt rules under IC 4-22-2 to establish a reasonable fee for processing a national name based criminal history record check and for collecting fees owed under this subsection.

(f) The:

(1) department of child services, for an out-of-home placement arranged by a caseworker or the department of child services; or
(2) juvenile court, for an out-of-home placement ordered by the juvenile court;

shall pay the fee described in subsection (e), arrange for fingerprinting, and pay the costs of fingerprinting, if any.

SECTION 11. IC 10-13-3-39, AS AMENDED BY HEA 1288-2005, SECTION 120, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) The department is designated as the authorized agency to receive requests for, process,
and disseminate the results of national criminal history background checks that comply with this section and 42 U.S.C. 5119a.

(b) A qualified entity may contact the department to request a national criminal history background check on any of the following persons:

(1) A person who seeks to be or is employed with the qualified entity. A request under this subdivision must be made not later than three (3) months after the person is initially employed by the qualified entity.

(2) A person who seeks to volunteer or is a volunteer with the qualified entity. A request under this subdivision must be made not later than three (3) months after the person initially volunteers with the qualified entity.

(c) A qualified entity must submit a request under subsection (b) in the form required by the department and provide a set of the person's fingerprints and any required fees with the request.

(d) If a qualified entity makes a request in conformity with subsection (b), the department shall submit the set of fingerprints provided with the request to the Federal Bureau of Investigation for a national criminal history background check for convictions described in IC 20-26-5-11. The department shall respond to the request in conformity with:

(1) the requirements of 42 U.S.C. 5119a; and

(2) the regulations prescribed by the Attorney General of the United States under 42 U.S.C. 5119a.

(e) This subsection applies to a qualified entity that:

(1) is not a school corporation or a special education cooperative; or

(2) is a school corporation or a special education cooperative and seeks a national criminal history background check for a volunteer.

After receiving the results of a national criminal history background check from the Federal Bureau of Investigation, the department shall make a determination whether the applicant has been convicted of an offense described in IC 20-26-5-11 and convey the determination to the requesting qualified entity.

(f) This subsection applies to a qualified entity that:

(1) is a school corporation or a special education cooperative; and

(2) seeks a national criminal history background check to determine whether to employ or continue the employment of a
certificated employee or a noncertificated employee of a school corporation or an equivalent position with a special education cooperative.

After receiving the results of a national criminal history background check from the Federal Bureau of Investigation, the department may exchange identification records concerning convictions for offenses described in IC 20-26-5-11 with the school corporation or special education cooperative solely for purposes of making an employment determination. The exchange may be made only for the official use of the officials with authority to make the employment determination. The exchange is subject to the restrictions on dissemination imposed under P.L.92-544, (86 Stat. 1115) (1972).

(g) This subsection applies to a qualified entity (as defined in IC 10-13-3-16) that is a public agency under IC 5-14-1.5-2(a)(1). After receiving the results of a national criminal history background check from the Federal Bureau of Investigation, the department shall provide a copy to the public agency. Except as permitted by federal law, the public agency may not share the information contained in the national criminal history background check with a private agency.

SECTION 12. IC 12-7-2-57.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 57.5. (a) "Department", for purposes of IC 12-13-14, has the meaning set forth in IC 12-13-14-1.

(b) "Department", for purposes of IC 12-19, refers to the department of child services.

(c) "Department", for purposes of IC 12-20, refers to the department of local government finance established by IC 6-1.1-30-1.1.

SECTION 13. IC 12-7-2-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 64. "Director" refers to the following:

(1) With respect to a particular division, the director of the division.
(2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.
(3) For purposes of IC 12-10-15, the term refers to the director of the division of disabilities, disability, aging, and rehabilitative services.
(4) For purposes of IC 12-19-5, the term refers to the director of the department of child services established by
IC 31-33-1.5-2.
(4) (5) For purposes of IC 12-25, the term refers to the director of
the division of mental health and addiction.
(5) (6) For purposes of IC 12-26, the term:
(A) refers to the director who has administrative control of and
responsibility for the appropriate state institution; and
(B) includes the director's designee.
(6) (7) If subdivisions (1) through (5) do not apply, the term
refers to the director of any of the divisions.

SECTION 14. IC 12-7-2-69 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 69. (a) "Division",
except as provided in subsections (b) and (c), refers to any of the
following:

(1) The division of disability, aging, and rehabilitative services
established by IC 12-9-1-1.
(2) The division of family and children resources established by
IC 12-13-1-1.
(3) The division of mental health and addiction established by
IC 12-21-1-1.
(b) The term refers to the following:
(1) For purposes of the following statutes, the division of
disability, aging, and rehabilitative services established by
IC 12-9-1-1:
(A) IC 12-9.
(B) IC 12-10.
(C) IC 12-11.
(D) IC 12-12.
(E) IC 12-12.5.
(2) For purposes of the following statutes, the division of family
and children resources established by IC 12-13-1-1:
(A) IC 12-13.
(B) IC 12-14.
(C) IC 12-15.
(D) IC 12-16.
(E) IC 12-17.
(F) IC 12-17.2.
(G) IC 12-17.4.
(H) IC 12-18.
(I) IC 12-19.
(J) IC 12-20.
(3) For purposes of the following statutes, the division of mental health and addiction established by IC 12-21-1-1:
   (A) IC 12-21.
   (B) IC 12-22.
   (C) IC 12-23.
   (D) IC 12-25.

(c) With respect to a particular state institution, the term refers to the division whose director has administrative control of and responsibility for the state institution.

(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term refers to the division whose director has administrative control of and responsibility for the appropriate state institution.

SECTION 15. IC 12-8-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, 2006. 2008.

SECTION 16. IC 12-8-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. This chapter expires January 1, 2006. 2008.

SECTION 17. IC 12-8-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, 2006. 2008.

SECTION 18. IC 12-8-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. This chapter expires January 1, 2006. 2008.

SECTION 19. IC 12-13-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The division of family and children resources is established.

SECTION 20. IC 12-13-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The division shall administer or supervise the public welfare activities of the state. The division has the following powers and duties:

(1) The administration of old age assistance, aid to dependent children, and assistance to the needy blind and persons with disabilities, excluding assistance to children with special health care needs.

(2) The administration of the following:
   (A) Any public child welfare service.
   (B) The licensing and inspection under IC 12-17.2. and IC 12-17.4:
   (C) The care of dependent and neglected children in foster
family homes or institutions, especially children placed for adoption or those born out of wedlock.
(D) The interstate placement of children.
(3) The provision of services to county governments, including the following:
(A) Organizing and supervising county offices for the effective administration of public welfare functions.
(B) Compiling statistics and necessary information concerning public welfare problems throughout Indiana.
(C) Researching and encouraging research into crime, delinquency, physical and mental disability, and the cause of dependency.
(4) Prescribing the form of, printing, and supplying to the county departments offices blanks for applications, reports, affidavits, and other forms the division considers necessary and advisable.
(5) Cooperating with the federal Social Security Administration and with any other agency of the federal government in any reasonable manner necessary and in conformity with IC 12-13 through IC 12-19 to qualify for federal aid for assistance to persons who are entitled to assistance under the federal Social Security Act. The responsibilities include the following:
(A) Making reports in the form and containing the information that the federal Social Security Administration Board or any other agency of the federal government requires.
(B) Complying with the requirements that a board or agency finds necessary to assure the correctness and verification of reports.
(6) Appointing from eligible lists established by the state personnel board employees of the division necessary to effectively carry out IC 12-13 through IC 12-19. The division may not appoint a person who is not a citizen of the United States and who has not been a resident of Indiana for at least one (1) year immediately preceding the person's appointment unless a qualified person cannot be found in Indiana for a position as a result of holding an open competitive examination.
(7) Assisting the office of Medicaid policy and planning in fixing fees to be paid to ophthalmologists and optometrists for the examination of applicants for and recipients of assistance as needy blind persons.
(8) When requested, assisting other departments, agencies,
divisions, and institutions of the state and federal government in performing services consistent with this article.

(9) Acting as the agent of the federal government for the following:

(A) In welfare matters of mutual concern under IC 12-13 through IC 12-19, except for responsibilities of the department of child services under IC 31-33-1.5.

(B) In the administration of federal money granted to Indiana in aiding welfare functions of the state government.

(10) Administering additional public welfare functions vested in the division by law and providing for the progressive codification of the laws the division is required to administer.

(11) Supervising day care centers and child placing agencies.

(12) Supervising the licensing and inspection of all public child caring agencies.

(13) Supervising the care of delinquent children and children in need of services.

(14) Assisting juvenile courts as required by IC 31-30 through IC 31-40.

(15) Supervising the care of dependent children and children placed for adoption.

(16) (12) Compiling information and statistics concerning the ethnicity and gender of a program or service recipient.

(17) Providing permanency planning services for children in need of services, including:

(A) making children legally available for adoption; and

(B) placing children in adoptive homes;

in a timely manner.

SECTION 21. IC 12-13-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The division shall administer the following:

(1) The Interstate Compact on the Placement of Children (IC 12-17-8);

(2) (1) Any sexual offense services.

(3) (2) A child development associate scholarship program.

(4) (3) Any school age dependent care program.

(5) (4) Migrant day care services.

(6) Any youth services programs.

(7) Project safe place.

(8) (5) Prevention services to high risk youth.
Any commodities program.

The migrant nutrition program.

Any emergency shelter programs.

Any weatherization programs.


The home visitation and social services program.

The educational consultants program.

Child abuse prevention programs.

Community restitution or service programs.

The crisis nursery program.

Energy assistance programs.

Domestic violence programs.

Social services programs.

Assistance to migrants and seasonal farmworkers.

The step ahead comprehensive early childhood grant program.

Any other program:

(A) designated by the general assembly; or

(B) administered by the federal government under grants consistent with the duties of the division.

SECTION 22. IC 12-13-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Each county auditor shall keep records and make reports relating to the county welfare fund (before July 1, 2001), the family and children's fund, and other financial transactions as required under IC 12-13 through IC 12-19 and as required by the division or the department of child services.

(b) All records provided for in IC 12-13 through IC 12-19 shall be kept, prepared, and submitted in the form required by the division or the department of child services and the state board of accounts.

SECTION 23. IC 12-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The following bureaus are established within the division:

(1) A bureau of family independence: child development.

(2) A family protection bureau of economic independence.

(3) A youth development bureau that includes a children's disabilities services unit.

(4) A bureau of child care services.

(5) A bureau of residential services.

(6) A bureau of family resources.
A food stamp bureau.

A child support bureau.

SECTION 24. IC 12-13-7-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The division shall
administer the following:

(1) The Community Services Block Grant under 42 U.S.C. 9901
et seq.
(2) The Low Income Home Energy Assistance Block Grant under
42 U.S.C. 8621 et seq.
(3) The United States Department of Energy money under 42
U.S.C. 6851 et seq.
(4) The domestic violence prevention and treatment fund under
IC 12-18-4.
(5) The Child Care and Development Block Grant under 42
(6) Title IV-B of the federal Social Security Act under 42 U.S.C.
620 et seq.
(7) Title IV-E of the federal Social Security Act under 42 U.S.C.
670 et seq.
(8) The federal Food Stamp Program under 7 U.S.C. 2011 et
seq.
(9) The Social Services Block Grant under 42 U.S.C. 1397 et seq.
(10) Title IV-A of the federal Social Security Act.
(11) Any other funding source:
    (A) designated by the general assembly; or
    (B) available from the federal government under grants that
are consistent with the duties of the division.

SECTION 25. IC 12-13-7-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The division is the
single state agency responsible for administering the following:

(1) The Child Care and Development Block Grant under 42
U.S.C. 658 et seq.; 42 U.S.C. 9858 et seq. The division shall apply
to the United States Department of Health and Human Services
for a grant under the Child Care Development Block Grant.
(2) Title IV-B of the federal Social Security Act under 42 U.S.C.
620 et seq.
(3) Title IV-E of the federal Social Security Act under 42 U.S.C.
670 et seq.
(4) The federal Food Stamp Program under 7 U.S.C. 2011 et
seq.
The federal Social Services Block Grant under 42 U.S.C. 1397 et seq:

SECTION 26. IC 12-13-7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The division and the department of child services shall do the following:

(1) Prepare and submit to the state board of accounts for approval forms and records for assistance, receipts, disbursements, advancements, transfers, and other financial transactions necessary to administer IC 12-13 through IC 12-19.

(2) Disclose financial transactions connected with subdivision (1).

(b) Upon the approval and adoption by the state board of accounts, the division and the department of child services shall prescribe the forms, records, and method of accounting for all counties.

SECTION 27. IC 12-13-7-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The director of the division shall prepare a biennial budget of money necessary to be appropriated by the general assembly for the division for the purposes of IC 12-13 through IC 12-19. The budget must include an estimate of all federal money that may be allotted to the state by the federal government for the purposes of the division. The budget shall be submitted to and filed with the budget director.

SECTION 28. IC 12-13-15-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A child fatality review consists of determining:

(1) whether similar future deaths could be prevented; and

(2) agencies or resources that should be involved to adequately prevent future deaths of children.

(b) In conducting the child fatality review under subsection (a), the local child fatality review team shall review every record concerning the deceased child that is held by the department of child services.

SECTION 29. IC 12-13-15.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A child fatality review conducted by the statewide child fatality review committee under this chapter must consist of determining:

(1) whether similar future deaths could be prevented; and

(2) agencies or resources that should be involved to adequately prevent future deaths of children.

(b) In conducting the child fatality review under subsection (a), the statewide child fatality review committee shall review every
record concerning the deceased child that is held by:
(1) the department of child services; or
(2) a local child fatality review team.

SECTION 30. IC 12-14-25.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Family preservation services may provide:
(1) comprehensive, coordinated, flexible, and accessible services;
(2) intervention as early as possible with emphasis on establishing a safe and nurturing environment;
(3) services to families who have members placed in care settings outside the nuclear family; and
(4) planning options for temporary placement outside the family if it would endanger the child to remain in the home.
(b) Unless authorized by a juvenile court, family preservation services may not include a temporary out-of-home placement if a person who:
(1) is currently residing in the location designated as the out-of-home placement; or
(2) in the reasonable belief of family preservation services is expected to be residing in the location designated as the out-of-home placement during the time the child at imminent risk of placement would be placed in the location;
has committed an act resulting in a substantiated report of child abuse or neglect or has a juvenile adjudication or a conviction for a felony listed in IC 12-17.4-4-11.
(c) Before placing a child at imminent risk of placement in a temporary out-of-home placement, the county office of family and children shall conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person described in subsection (b)(1) and (b)(2). However, the county office of family and children is not required to conduct a criminal history check under this section if the temporary out-of-home placement is made to an entity or facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.

SECTION 31. IC 12-17-2-18, AS AMENDED BY SEA 2-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The bureau shall make the agreements necessary for the effective administration of the plan with local governmental officials within Indiana. The bureau shall contract with:
(1) a prosecuting attorney; or
(2) a private attorney if the bureau determines that a reasonable contract cannot be entered into with a prosecuting attorney and the determination is approved by at least two-thirds (2/3) of the Indiana child custody and support advisory committee (established by IC 33-24-11-1); or

(3) a collection agency licensed under IC 25-11 to collect arrearages on child support orders under which collections have not been made on arrearages for at least two (2) years; in each judicial circuit to undertake activities required to be performed under Title IV-D of the federal Social Security Act (42 U.S.C. 651), including establishment of paternity, establishment, enforcement, and modification of child support orders, activities under the Uniform Reciprocal Enforcement of Support Act (IC 31-2-1, before its repeal) or the Uniform Interstate Family Support Act (IC 31-18, or IC 31-1.5 before its repeal), and if the contract is with a prosecuting attorney, prosecutions of welfare fraud.

(b) The hiring of an attorney by an agreement or a contract made under this section is not subject to the approval of the attorney general under IC 4-6-5-3. An agreement or a contract made under this section is not subject to IC 4-13-2-14.3 or IC 5-22.

(c) Subject to section 18.5 of this chapter, a prosecuting attorney with which the bureau contracts under subsection (a):

(1) may contract with a private organization collection agency licensed under IC 25-11 to provide child support enforcement services; and

(2) shall contract with a collection agency licensed under IC 25-11 to collect arrearages on child support orders under which collections have not been made on arrearages for at least two (2) years.

(d) A prosecuting attorney or private attorney entering into an agreement or a contract with the bureau under this section enters into an attorney-client relationship with the state to represent the interests of the state in the effective administration of the plan and not the interests of any other person. An attorney-client relationship is not created with any other person by reason of an agreement or contract with the bureau.

(e) At the time that an application for child support services is made, the applicant must be informed that:

(1) an attorney who provides services for the child support bureau is the attorney for the state and is not providing legal
representation to the applicant; and
(2) communications made by the applicant to the attorney and the advice given by the attorney to the applicant are not confidential communications protected by the privilege provided under IC 34-46-3-1.

(f) A prosecuting attorney or private attorney who contracts or agrees under this section to undertake activities required to be performed under Title IV-D is not required to mediate, resolve, or litigate a dispute between the parties relating to the amount of parenting time or parenting time credit.

SECTION 32. IC 12-17-2-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.5. (a) The bureau shall establish a program to allow a prosecuting attorney with which the bureau has contracted under section 18 of this chapter to contract with a private organization collection agency licensed under IC 25-11 to provide child support enforcement services.

(b) The bureau may shall: establish:
(1) establish a list of approved private organizations collection agencies with which a prosecuting attorney may contract under this section; and
(2) establish requirements for participation in the program established under this section to assure:
   (A) effective administration of the plan; and
   (B) compliance with all federal and state statutes, regulations, and rules;
(3) update and review the list described in subdivision (1) and forward a copy of the updated list to each prosecuting attorney annually; and
(4) preapprove or approve all contracts between a collection agency and a prosecuting attorney.

(c) A contract between a prosecuting attorney and a private organization collection agency under this section must include the following provisions:
(1) A provision that records of a contractor operated child support enforcement system are subject to inspection and copying to the same extent the records would be subject to inspection and copying if the contractor were a public agency under IC 5-14-3.
(2) A provision that records that are provided by a contractor to the prosecuting attorney that relate to compliance by the contractor with the terms of the contract are subject to inspection
and copying in accordance with IC 5-14-3.

(d) Not later than July 1, 2006, the bureau shall provide the legislative council with a report:

(1) evaluating the effectiveness of the program established under this section; and

(2) evaluating the impact of arrearage reductions for child support orders under which collection agencies have collected under IC 12-17-2-18(c).

(e) The bureau is not liable for any costs related to a contract entered into under this section that are disallowed for reimbursement by the federal government under the Title IV-D program of the federal Social Security Act.

(f) The bureau shall treat costs incurred by a prosecuting attorney under this section as administrative costs of the prosecuting attorney.

(g) Contracts between a collection agency licensed under IC 25-11 and the bureau or a prosecuting attorney:

(1) must:

(A) be in writing;

(B) include:

(i) all fees, charges, and costs, including administrative and application fees; and

(ii) the right of the bureau or the prosecuting attorney to cancel the contract at any time;

(C) require the collection agency, upon the request of the bureau or the prosecuting attorney, to provide the:

(i) source of each payment received for arrearage on a child support order;

(ii) form of each payment received for arrearage on a child support order;

(iii) amount and percentage that is deducted as a fee or a charge from each payment of arrearage on a child support order; and

(iv) amount of arrearage owed under a child support order; and

(D) be one (1) year renewable contracts; and

(2) may be negotiable contingency contracts in which a collection agency may not collect a fee that exceeds fifteen percent (15%) of the arrearages collected per case.

SECTION 33. IC 12-17-12-12 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 12. The division may not approve a grant from the fund to an applicant unless the applicant
agrees to adopt the following program enrollment priorities:

(1) First priority must be given to children who are referred to a program by the local department of child protection services under IC 31-33 (or IC 31-6-11 before its repeal). Within this priority, children in families with the lowest gross monthly income compared to other children in this priority level must be enrolled first.

(2) Second priority must be given to children in kindergarten and grades 1 through 3 and the children's siblings if the children's families need school age child care services because of:
   (A) enrollment of a child's legal custodian in vocational training under a degree program;
   (B) employment of a child's legal custodian; or
   (C) physical or mental incapacitation of a child's legal custodian.

(3) Third priority must be given to children in grades 4 through 9 if the children's families need school age child care services because of:
   (A) enrollment of a child's legal custodian in vocational training under a degree program;
   (B) employment of a child's legal custodian; or
   (C) physical or mental incapacitation of a child's legal custodian.

SECTION 34. IC 12-17.4-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A waiver or variance granted under section 8 of this chapter and a waiver or variance renewed under section 10 of this chapter expires on the earlier of the following:

   (1) The date when the license affected by the waiver or variance expires.
   (2) The date set by the division for the expiration of the waiver or variance.
   (3) The occurrence of the event set by the division for the expiration of the waiver or variance.
   (4) Two (2) Four (4) years after the date that the waiver or variance becomes effective.

SECTION 35. IC 12-17.4-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A license for a child caring institution expires two (2) four (4) years after the date of issuance, unless the license is revoked, modified to a probationary or
suspended status, or voluntarily returned.

(b) A license issued under this chapter:
   (1) is not transferable;
   (2) applies only to the licensee and the location stated in the application; and
   (3) remains the property of the division.

(c) When a licensee submits a timely application for renewal, the current license shall remain in effect until the division issues a license or denies the application.

(d) A current license must be publicly displayed.

SECTION 36. IC 12-17.4-4-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) A person may not operate a therapeutic foster family home without a license issued under this article.

(b) The state or a political subdivision of the state may not operate a therapeutic foster family home without a license issued under this article.

(c) The division may only issue a license for a therapeutic foster family home that meets:
   (1) all of the licensing requirements of a foster family home; and
   (2) the additional requirements described in this section.

(d) An applicant for a therapeutic foster family home license must do the following:
   (1) Be licensed as a foster parent under 470 IAC 3-1-1 et seq.
   (2) Participate in thirty (30) hours of preservice training that includes:
      (A) twenty (20) hours of preservice training to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
      (B) ten (10) hours of additional preservice training in therapeutic foster care.

(e) A person who is issued a license to operate a therapeutic foster family home shall, within one (1) year after meeting the training requirements of subsection (d)(2) and annually thereafter, participate in twenty (20) hours of training that includes:
   (1) ten (10) hours of training as required in order to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
   (2) ten (10) hours of additional training in order to be licensed as a therapeutic foster parent under this chapter.

(f) An operator of a therapeutic foster family home may not provide supervision and care in a therapeutic foster family home to more than
two (2) foster children at the same time, not including the children for whom the applicant or operator is a parent, stepparent, guardian, custodian, or other relative. The division may grant an exception to this subsection whenever the placement of siblings in the same therapeutic foster family home is desirable or in the best interests of the foster children residing in the home.

(g) The department of child services shall adopt rules under IC 4-22-2 necessary to carry out this section, including rules governing the number of hours of training required under subsections (d) and (e).

SECTION 37. IC 12-17.4-4-1.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.7. (a) A person may not operate a special needs foster family home without a license issued under this article.

(b) The state or a political subdivision of the state may not operate a special needs foster family home without a license issued under this article.

(c) The division may only issue a license for a special needs foster family home that meets:
   (1) all of the licensing requirements of a foster family home; and
   (2) the additional requirements described in this section.

(d) An applicant for a special needs foster family home license must be licensed as a foster parent under 470 IAC 3-1-1 et seq. that includes participating in twenty (20) hours of preservice training.

(e) A person who is issued a license to operate a special needs foster family home shall, within one (1) year after meeting the training requirements of subsection (d) and annually thereafter, participate in twenty (20) hours of training that includes:
   (1) ten (10) hours of training as required in order to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
   (2) ten (10) hours of additional training that includes specialized training to meet the child's specific needs.

(f) An operator of a special needs foster family home may not provide supervision and care as a special needs foster family home if more than:
   (1) eight (8) individuals, each of whom either:
       (A) is less than eighteen (18) years of age; or
       (B) is at least eighteen (18) years of age and is receiving care and supervision under an order of a juvenile court; or
   (2) four (4) individuals less than six (6) years of age;
including the children for whom the provider is a parent, stepparent, guardian, custodian, or other relative, receive care and supervision in the home at the same time. Not more than four (4) of the eight (8) individuals described in subdivision (1) may be less than six (6) years of age. The division may grant an exception to this section whenever the division determines that the placement of siblings in the same special needs foster home is desirable.

(g) The division shall consider the specific needs of each special needs foster child whenever the division determines the appropriate number of children to place in the special needs foster home under subsection (f). The division may require a special needs foster family home to provide care and supervision to less than the maximum number of children allowed under subsection (f) upon consideration of the specific needs of a special needs foster child.

(b) The department of child services shall adopt rules under IC 4-22-2 necessary to carry out this section, including rules governing the number of hours of training required under subsection (e).

SECTION 38. IC 12-17.4-4-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) A license for a foster family home expires two (2) four (4) years after the date of issuance, unless the license is revoked, modified to a probationary or suspended status, or voluntarily returned.

(b) A license issued under this chapter:
   (1) is not transferable;
   (2) applies only to the licensee and the location stated in the application; and
   (3) remains the property of the division.

(c) A foster family home shall have the foster family home's license available for inspection.

(d) If a licensee submits a timely application for renewal, the current license shall remain in effect until the division issues a license or denies the application.

SECTION 39. IC 12-17.4-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A license for a group home expires two (2) four (4) years after the date of issuance, unless the license is revoked, modified to a probationary or suspended status, or voluntarily returned.

(b) A license issued under this chapter:
   (1) is not transferable;
(2) applies only to the licensee and the location stated in the application; and
(3) remains the property of the division.
(c) A current license shall be publicly displayed.
(d) If a licensee submits a timely application for renewal, the current license remains in effect until the division issues a license or denies the application.

SECTION 40. IC 12-17.4-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A license for a child placing agency expires two (2) four (4) years after the date of issuance, unless the license is revoked, modified to a probationary or suspended status, or voluntarily returned.
(b) A license issued under this chapter:
(1) is not transferable;
(2) applies only to the licensee and the location stated in the application; and
(3) remains the property of the division.
(c) A child placing agency shall have the child placing agency's license available for inspection.
(d) If a licensee submits a timely application for renewal, the current license shall remain in effect until the division issues a license or denies the application.

SECTION 41. IC 12-18-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A local domestic violence fatality review team consists of the following members:
(1) A survivor of domestic violence.
(2) A domestic violence direct service provider.
(3) A representative of law enforcement from the area served by the local domestic violence fatality review team.
(4) A prosecuting attorney or the prosecuting attorney's designee from the area served by the local domestic violence fatality review team.
(5) An expert in the field of forensic pathology, a coroner, or a deputy coroner.
(6) A medical practitioner with expertise in domestic violence.
(7) A judge who hears civil or criminal cases.
(8) An employee of the department of child protective services.
(b) If a local domestic violence fatality review team is established
in one (1) county, the legislative body that voted to establish the local domestic violence fatality review team under section 6 of this chapter shall:

(1) adopt an ordinance for the appointment and reappointment of members of the local domestic violence fatality review team; and
(2) appoint members to the local domestic violence fatality review team under the ordinance adopted.

(c) If a local domestic violence fatality review team is established in a region, the county legislative bodies that voted to establish the local domestic violence fatality review team under section 6 of this chapter shall:

(1) each adopt substantially similar ordinances for the appointment and reappointment of members of the local domestic violence fatality review team; and
(2) appoint members to the local domestic violence fatality review team under the ordinances adopted.

(d) A local domestic violence fatality review team may not have more than fifteen (15) members.

SECTION 42. IC 12-19-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The director of the division, in consultation with the director of the department of child services, shall appoint a county director in each county.

(b) The director shall appoint each county director:

(1) solely on the basis of merit; and
(2) from eligible lists established by the state personnel department.

(c) Each county director must be a citizen of the United States.

SECTION 43. IC 12-19-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The county director shall, with the approval of the director of the division, appoint from eligible lists established by the state personnel department the number of assistants necessary to do the following:

(1) administer the welfare activities within the county that are administered by the division under IC 12-13 through IC 12-19 or by an administrative rule, with the approval of the director of the division; or
(2) perform all other duties of the county office: administer the child protection services and child welfare activities within the county that are the responsibility of the department under IC 12-13 through IC 12-19 and IC 31-33-1.5 or by an
administrative rule, with the approval of the director of the department.

(b) The:
(1) division, for personnel performing activities described in subsection (a)(1);
(2) department, for personnel performing activities described in subsection (a)(2); or
(3) the division and the department jointly for personnel performing activities in both subsection (a)(1) and (a)(2);

shall determine the compensation of the assistants within the following:

(1) The salary ranges of the pay plan adopted by the state personnel department and approved by the budget agency, with the advice of the budget committee,

(2) and within lawfully established appropriations.

SECTION 44. IC 12-19-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in subsection (b), the division shall pay for the costs of personal services in the administration of a county office's duties under this article if the employment is necessary for the administration of the county office's duties imposed upon the county office by this article and rules prescribed by the division or the department shall be paid by the following:

(1) The division, for activities described in section 7(a)(1) of this chapter.
(2) The department, for activities described in section 7(a)(2) of this chapter.

(b) The division and the department shall negotiate and agree to the payment of personnel services within the administration of a county office for activities that qualify under both section 7(a)(1) and 7(a)(2) of this chapter.

SECTION 45. IC 12-19-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Subject to the rules adopted by the director of the division, a county office shall administer the following:

(1) Assistance to dependent children in the homes of the dependent children.
(2) Assistance and services to elderly persons.
(3) Assistance to persons with disabilities.
(4) Care and treatment of the following persons:
   (A) Children in need of services.
   (B) (A) Dependent children.
(B) Children with disabilities.

(5) Licensing of foster family homes for the placement of children in need of services.

(6) Supervision of the care and treatment of children in need of services in foster family homes.

(7) Licensing of foster family homes for the placement of delinquent children.

(8) Supervision of the care and treatment of delinquent children in foster family homes.

(9) Provision of family preservation services.

(10) Any other welfare activities that are delegated to the county office by the division under this chapter, including services concerning assistance to the blind.

SECTION 46. IC 12-19-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The following are not personally liable, except to the state, for an official act done or omitted in connection with the performance of duties under this article:

(1) The director of the division.

(2) Officers and employees of the division.

(3) Officers and employees of a county office.

(4) The director of the department of child services.

(5) Officers and employees of the department of child services.

SECTION 47. IC 12-19-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. An officer or employee of:

(1) the division; or

(2) a county office; or

(3) the department of child services;

may administer oaths and affirmations required to carry out the purposes of this article or of any other statute imposing duties on the county office.

SECTION 48. IC 12-19-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In addition to the other method of welfare financing provided by this article, the county director department may appeal for the right to conduct a public hearing to determine whether to recommend to a county to borrow money under this chapter on a short term basis to fund:

(1) child services under IC 12-19-7-1;

(2) children's psychiatric residential treatment services under IC 12-19-7.5; or
(3) other welfare services in the county payable from the family and children's fund or the children's psychiatric residential treatment services fund; if the county director department determines that the family and children's fund or the children's psychiatric residential treatment services fund will be exhausted before the end of a fiscal year.

(b) In an appeal under this section; the county director the hearing, the department must present facts that show the following:

1. That the amount of money in the family and children's fund or the children's psychiatric residential treatment services fund will be insufficient to fund the appropriate services within the county under this article.

2. The amount of money that the county director department estimates will be needed to fund that deficit.

(c) The county director shall immediately transmit an appeal under this section to the director:

SECTION 49. IC 12-19-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Upon receiving an appeal under section 1 of this chapter, The division department shall as soon as possible do the following:

1. Hold a public hearing to decide if the county should be allowed to borrow money.

2. Adopt Issue a resolution at that meeting recommendation supporting or rejecting the proposal to borrow money.

3. Transmit the resolution to the county director.

SECTION 50. IC 12-19-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Upon receiving a resolution under section 2 of this chapter, If the county director shall submit the appeal and the division's resolution department makes a recommendation after a hearing to borrow money, the department shall submit a certified copy of the recommendation to the county fiscal body and the county auditor. Upon receiving the appeal and the resolution, department's certified recommendation, the:

1. County fiscal body shall as soon as possible determine whether or not to loan the requested amount to the county office: department; and

2. (b) If the county fiscal body votes to allow a loan to be made, the county auditor on behalf of the county office shall borrow the money from a financial institution.

(c) (b) If the county fiscal body determines that the county office
should not be allowed to borrow money, the county fiscal body shall inform the county director of the county fiscal body's decision.

SECTION 51. IC 12-19-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The county director or a county fiscal body may not do the following:

1. Recommend or approve a request to borrow money made under this chapter unless the body determines that the family and children's fund or the children's psychiatric residential treatment services fund will be exhausted before the particular fund can fund all county obligations incurred under this article.
2. Recommend or approve a loan that will exceed the amount of the estimated deficit.

SECTION 52. IC 12-19-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) If money was borrowed under IC 12-1-11.5 (before its repeal) or the department:

1. appeals makes a request before August 1 of a year for permission to borrow money under this chapter;
2. receives permission from the county fiscal body to borrow money before November 1 of the year; and
3. borrows money under IC 12-1-11.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the following year and continuing for the term of the loan.

(b) The property tax levied under subsection (a) must be in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The levy under this section shall be retained by the county treasurer and applied by the county auditor to retire the debt.

SECTION 53. IC 12-19-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If the county director:

1. appeals makes a request after August 1 of a year for permission to borrow money;
2. receives permission from the county fiscal body to borrow money; and
3. borrows money in the year of the appeal under IC 12-1-11.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the second
year following the year of the appeal and continuing for the term of the loan.

(b) The property tax levied under subsection (a) must be in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The levy under this section shall be retained by the county treasurer and applied by the county auditor to retire the debt.

SECTION 54. IC 12-19-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this section, "indirect cost" means a cost that is not directly traceable to a particular activity undertaken in the administration of the following:

1. The federal Food Stamp program (7 U.S.C. 2011 et seq.).
2. The federal Aid to Families with Dependent Children program (42 U.S.C. 601 et seq.).
3. The federal Child Support Enforcement Act (42 U.S.C. 651 et seq.).

(b) The division and the department shall pay to each county the money paid to the state as reimbursement for the indirect costs incurred by the county and the county office.

SECTION 55. IC 12-19-7-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) The division of family and children resources may transfer any of the following to a county family and children's fund:

1. Money transferred under P.L.273-1999, SECTION 126, to the division from a county welfare fund on or after July 1, 2000, without regard to the county from which the money was transferred.
2. Money appropriated to the division or department for any of the following:
   A. Assistance awarded by a county to a destitute child under IC 12-17-1.
   B. Child welfare services as described in IC 12-17-3.
   C. Any other services for which the expenses were paid from a county welfare fund before January 1, 2000.

(b) Money transferred under subsection (a)(1) or (a)(2) must be used for purposes described in subsection (a)(2).

SECTION 56. IC 12-19-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A family and children's fund is established in each county. The fund shall be raised by a separate tax levy (the county family and children property tax
(1) is in addition to all other tax levies authorized; and
(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.

(b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.

(c) The following shall be paid into the county treasury and constitute the family and children's fund:
(1) All receipts from the tax imposed under this section.
(2) All grants-in-aid, whether received from the federal government or state government.
(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 57. IC 12-19-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) For taxes first due and payable in each year after 2003, 2005, each county shall impose a county family and children property tax levy equal to the product of:
(1) the county family and children property tax levy imposed for taxes first due and payable in the preceding year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget; levy; and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; multiplied by
(2) the greater of:
(A) the county's assessed value growth quotient for the ensuing calendar year; as determined under IC 6-1.1-18.5-2; or
(B) one (1).
When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable; the amount
to be used in subdivision (2) equals the average of the amounts used in
determining the two (2) most recent adjustments in the county's levy
under this section. If the amount levied in a particular year exceeds the
amount necessary to cover the costs payable from the fund; the levy in
the following year shall be reduced by the amount of surplus money:
necessary to pay the costs of the child services of the county for the
next fiscal year.

(b) The department of local government finance shall review each
county's property tax levy under this section and shall enforce the
requirements of this section with respect to that levy and comply with
IC 6-1.1-17.3.

SECTION 58. IC 12-19-7-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The county
director, department, upon the advice of the judges of the courts with
juvenile jurisdiction in the county and after consulting with the
division of family resources, shall annually compile and adopt a child
services budget, which must be in a form prescribed by the state board
of accounts. The budget may not exceed the levy limitation set forth in
IC 6-1.1-18.6.

(b) The budget must contain an estimate of the amount of money
that will be needed by the county office department during the fiscal
ensuing year to defray the expenses and obligations incurred by the
county office department in the payment of services for children
adjudicated to be children in need of services or delinquent children
and other related services, but not including the payment of AFDC.

SECTION 59. IC 12-19-7-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The county
director department shall, with the assistance of the judges of courts
with juvenile jurisdiction in the county, after consulting with the
division of family resources, and at the same time the budget is
compiled and adopted, recommend to the division compute the tax
levy that the director department and judges determine will be
required to raise the amount of revenue necessary to pay the expenses
and obligations of the county office department set forth in the budget
under section 6 of this chapter. However, the tax levy may not exceed
the maximum permissible levy set forth in IC 6-1.1-18.6 and the budget
may not exceed the levy limitation set forth in IC 6-1.1-18.

(b) After the county budget has been compiled; the county director
shall submit a copy of the budget and the tax levy recommended by the
county director and the judges of courts with juvenile jurisdiction in the
The division shall examine the budget and the tax levy for the purpose of determining whether, in the judgment of the division:

(1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of child services for the next fiscal year; and

(2) the tax levy recommended will yield the amount of the appropriation set forth in the budget.

SECTION 60. IC 12-19-7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The budget finally approved and the tax levy recommended by the division department shall be:

(1) certified to the county office; auditor; and

(2) filed for consideration by the county fiscal body; and

(3) filed with the department of local government finance.

SECTION 61. IC 12-19-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In September of each year, at the time provided by law, the county fiscal body shall do the following:

(1) Make the appropriations out of the family and children's fund that are:

   (A) based on the budget as submitted; and

   (B) necessary to maintain pay the child services of the county for the next fiscal year. subject to the maximum levy set forth in IC 6-1.1-18.6.

(2) Levy a tax in an amount necessary to produce the appropriated money.

SECTION 62. IC 12-19-7-11.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11.1. (a) The judges of the courts with juvenile jurisdiction in the county and the county director department shall meet with the county fiscal body at a public meeting:

(1) in April; and

(2) after June 30 and before October 1; in each year.

(b) At a meeting required in subsection (a), the county director department shall present to the county fiscal body and the judges the following reports:

(1) Expenditures made:

   (A) during the immediately preceding calendar quarter from
the family and children's fund in comparison to one-fourth (1/4) of the budget and appropriations approved by the county fiscal body for the calendar year; and

(B) from the fund in the corresponding calendar quarter of each of the two (2) preceding calendar years.

(2) Obligations incurred through the end of the immediately preceding calendar quarter that will be payable from the family and children's fund during the remainder of the calendar year or in any subsequent calendar year.

(3) The number of children, by category, for whom the family and children's fund was required to provide funds for services during the immediately preceding calendar quarter, in comparison to the corresponding calendar quarter of each of the two (2) preceding calendar years.

(4) The number and type of out-of-home placements, by category, for which the family and children's fund was required to provide funds for foster home care or institutional placement, and the average daily, weekly, or monthly cost of out of home placement care and services by category, during the immediately preceding calendar quarter, in comparison to the corresponding calendar quarter of each of the two (2) preceding calendar years.

(5) The number of children, by category, for whom the family and children's fund was required to provide funds for services for children residing with the child's parent, guardian, or custodian (other than foster home or institutional placement), and the average monthly cost of those services, during the immediately preceding calendar quarter, in comparison to the corresponding calendar quarter for each of the two (2) preceding calendar years.

(c) In preparing the reports described in subsection (b), the county director department may use the best information reasonably available from the records of the county office department and the county family and children's fund. for calendar years before 1998.

(d) At each meeting described in subsection (a), the county fiscal body, judges, and county director department may:

(1) discuss and suggest procedures to provide child welfare services in the most effective and cost-efficient manner; and

(2) consider actions needed, including revision of budgeting procedures, to eliminate or minimize any anticipated need for short term borrowing for the family and children's fund under any provisions of this chapter or IC 12-19-5.
SECTION 63. IC 12-19-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) If at any time the county director department determines that the family and children's fund is exhausted or will be exhausted before the close of a fiscal year, the county director department shall prepare an estimate and statement showing the amount of money, in addition to the money already made available, that will be necessary to defray the expenses of the county office department and pay the obligations of the county office, department, excluding administrative expenses and facilities, supplies, and equipment expenses for the county office department, in the administration of the county office department's activities for the unexpired part of the fiscal year.

(b) The county director department shall do the following:
   1. Certify the estimate and statement to the county executive.
   2. File the estimate and statement with the county auditor.
   3. File the estimate and statement with the department of local government finance.

SECTION 64. IC 12-19-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The county executive shall consider and act upon an estimate and statement under section 15 of this chapter at:
   1. the county executive's regular session immediately following the filing of the estimate and statement; or
   2. a special session that is:
      A. called for the purpose of considering and acting upon the estimate and statement; and
      B. called before the executive's regular session described in subdivision (1).

(b) The county executive shall, for and on behalf of the county, borrow sufficient money to carry out the purposes described in section 15 of this chapter if after consideration of the estimate and statement the county executive finds the following:
   1. That the county director department has not appealed certified a recommendation to borrow money under IC 12-19-5.
   2. That the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations of the county office department in the administration of the county's child services for the unexpired part of the fiscal year, is greater than the amount of money that may be advanced from the
general fund of the county.

(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 15 of this chapter either under this chapter or IC 12-19-5, the department may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department determines that insufficient money is available to carry out the purposes under section 15 of this chapter, the department of local government finance shall issue an appropriate order. The order may allow the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the purposes under section 15 of this chapter.

SECTION 65. IC 12-19-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Before making a loan under section 16 of this chapter, the county executive shall record a finding that the amount of money that will be required is greater than the amount of money that may be advanced from the general fund of the county. The finding must:

(1) set forth the estimated requirements of the county office; department; and
(2) direct the county auditor to call the county fiscal body into special session for the purpose of considering the making of the loan.

(b) In the notice of the special session of the county fiscal body, the auditor shall include a statement of the estimated amount of the proposed loan.

SECTION 66. IC 12-19-7-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

(1) Authorize the issuance of the bonds of the county to evidence the loan.
(2) Fix the following:
   (A) The loan's maximum amount, which may be less than the amount shown by the estimate of the county director: department.
   (B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).
SECTION 67. IC 12-19-7.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "private psychiatric residential treatment facility" means a privately owned and operated facility that:

(1) provides inpatient treatment to individuals less than twenty-one (21) years of age for mental health conditions;

(2) is licensed or certified by:

(A) the division of family and children: department; or

(B) the division of mental health and addiction;

(3) is enrolled in the state Medicaid program as a provider eligible to provide children's psychiatric residential treatment services.

SECTION 68. IC 12-19-7.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A children's psychiatric residential treatment services fund is established in each county. The fund shall be raised by a separate tax levy (the county children's psychiatric residential treatment services property tax levy) that:

(1) is in addition to all other tax levies authorized; and

(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 8 of this chapter.

(b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.

(c) The following shall be paid into the county treasury and constitute the children's psychiatric residential treatment services fund:

(1) All receipts from the tax imposed under this section.

(2) All grants-in-aid, whether received from the federal government or state government.

(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 69. IC 12-19-7.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a)
due and payable in 2004; each county must impose a county children's psychiatric residential services property tax levy equal to the amount determined using the following formula:

**STEP ONE:** Determine the sum of the amounts that were paid by the county minus the amounts reimbursed by the state (including reimbursements made with federal money); as determined by the state board of accounts in 2000, 2001, and 2002 for payments to facilities licensed under 470 IAC 3-13 for services that were made on behalf of the children and for which payment was made from the county family and children fund; or five percent (5%) of the average family and children budget; as determined by the department of local government finance in 2000; 2001; and 2002; whichever is greater.

**STEP TWO:** Subtract from the amount determined in **STEP ONE** the sum of the miscellaneous taxes that were allocated to the county family and children fund and used to pay the costs for providing services in facilities licensed under 470 IAC 3-13 in 2000; 2001; and 2002.

**STEP THREE:** Divide the amount determined in **STEP TWO** by three (3).

**STEP FOUR:** Calculate the **STEP ONE** amount and the **STEP TWO** amount for 2002 expenses only.

**STEP FIVE:** Adjust the amounts determined in **STEP THREE** and **STEP FOUR** by the amount determined by the department of local government finance under subsection (c).

**STEP SIX:** Determine whether the amount calculated in **STEP THREE**, as adjusted in **STEP FIVE**; or the amount calculated in **STEP FOUR**, as adjusted in **STEP FIVE**, is greater. Multiply the greater amount by the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 2002.

**STEP SEVEN:** Multiply the amount determined in **STEP SIX** by the county's assessed value growth quotient for property taxes first due and payable in 2004; as determined under IC 6-1.1-18.5-2.

**(b) (a)** For taxes first due and payable in each year after 2004; 2005, each county shall impose a county children's psychiatric residential treatment services property tax levy equal to the product of:

- the county children's psychiatric residential treatment services property tax levy imposed for taxes first due and payable in the preceding year; as that levy was determined by the department of
local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; multiplied by (2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year; as determined under IC 6-1.1-18.5-2; or
(B) one (1).

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable, the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section: If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund, the levy in the following year shall be reduced by the amount of surplus money.

(c) For taxes first due and payable in 2004, the department of local government finance shall adjust the levy for each county to reflect the county's actual expenses incurred in providing services to children in facilities licensed under 470 IAC 3-13 in 2000, 2001, and 2002. In making this adjustment, the department of local government finance may consider all relevant information, including the county's use of bond and loan proceeds to pay these expenses: necessary to pay the costs of children's psychiatric residential treatment services of the county for the next fiscal year.

(d) (b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 70. IC 12-19-7.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) For purposes of this section, "expenses and obligations incurred by the county office department" include all anticipated costs of children's residential psychiatric services that are equal to the state share of the cost of those services that are reimbursable under the state Medicaid plan.

(b) The county director: department, upon the advice of the judges of the courts with juvenile jurisdiction in the county and after consulting with the division of family resources, shall annually compile and adopt a children's psychiatric residential treatment services budget, which must be in a form prescribed by the state board
of accounts. The budget may not exceed the levy limitation set forth in IC 6-1.1-18.6.

(c) The budget must contain an estimate of the amount of money that will be needed by the county office department during the fiscal year to defray the expenses and obligations incurred by the county office department in the payment of children’s psychiatric residential treatment services for children who are residents of the county.

SECTION 71. IC 12-19-7.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The county director department shall, with the assistance of the judges of courts with juvenile jurisdiction in the county, after consulting with the division of family resources, and at the same time the budget is compiled and adopted, recommend to the division compute the tax levy that the director and judges determine will be required to raise the amount of revenue necessary to pay the expenses and obligations of the county office set forth in the budget under section 8 of this chapter. However, the tax levy may not exceed the maximum permissible levy set forth in IC 6-1.1-18.6; and the budget may not exceed the levy limitation set forth in IC 6-1.1-18.

(b) After the county budget has been compiled, the county director shall submit a copy of the budget and the tax levy recommended by the county director and the judges of courts with juvenile jurisdiction in the county to the division. The division shall examine the budget and the tax levy for the purpose of determining whether, in the judgment of the division:

1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of children’s psychiatric residential treatment services for the next fiscal year; and
2) the tax levy recommended will yield the amount of the appropriation set forth in the budget.

SECTION 72. IC 12-19-7.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The budget finally approved and the tax levy and tax levy recommended by the division department shall be:

1) certified to the county office and auditor;
2) filed for consideration by with the county fiscal body; and
3) filed with the department of local government finance.

SECTION 73. IC 12-19-7.5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. In September of
each year, at the time provided by law, the county fiscal body shall do the following:

(1) Make the appropriations out of the children's psychiatric residential treatment services fund that are:
   (A) based on the budget as submitted; and
   (B) necessary to maintain the children's psychiatric residential treatment services of the county for the next fiscal year. subject to the maximum levy set forth in IC 6-1.1-18.6.

(2) Levy a tax in an amount necessary to produce the appropriated money.

SECTION 74. IC 12-19-7.5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) If at any time the county director determines that the children's psychiatric residential treatment services fund is exhausted or will be exhausted before the close of a fiscal year, the county director shall prepare an estimate and statement showing the amount of money, in addition to the money already made available, that will be necessary to defray the expenses of the county office and pay the obligations of the county office, department, excluding administrative expenses and facilities, supplies, and equipment expenses for the county office, department, in the administration of the county office's activities for the unexpired part of the fiscal year.

(b) The county director shall do the following:
   (1) Certify the estimate and statement to the county executive.
   (2) File the estimate and statement with the county auditor.
   (3) File the estimate and statement with the department of local government finance.

SECTION 75. IC 12-19-7.5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The county executive shall consider and act upon an estimate and statement under section 14 of this chapter at:

(1) the county executive's regular session immediately following the filing of the estimate and statement; or

(2) a special session that is:
   (A) called for the purpose of considering and acting upon the estimate and statement; and
   (B) called before the executive's regular session described in subdivision (1).

(b) The county executive shall, for and on behalf of the county,
borrow sufficient money to carry out the purposes described in section 14 of this chapter if after consideration of the estimate and statement the county executive finds the following:

(1) That the county director department has not appealed certified a recommendation to borrow money under IC 12-19-5, or that the appeal has been denied.

(2) That the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations of the county office in the administration of the county's children's psychiatric residential treatment services for the unexpired part of the fiscal year is greater than the amount of money that may be advanced from the general fund of the county.

(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 14 of this chapter either under this chapter or IC 12-19-5, the department may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department determines that insufficient money is available to carry out the purposes under section 14 of this chapter, the department of local government finance shall issue an appropriate order. The order may allow the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the purposes under section 14 of this chapter.

SECTION 76. IC 12-19-7.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

(1) Authorize the issuance of the bonds of the county to evidence the loan.

(2) Fix the following:

(A) The loan's maximum amount, which may not be less than the amount shown by the estimate of the county director department.

(B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

SECTION 77. IC 12-19-7.5-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) A county auditor shall annually, not before January 1 and not later than March
31, determine the amount of any excess funds available in the county children's psychiatric treatment services fund based on the following formula:

STEP ONE: Determine the ending cash balance in the fund for the preceding fiscal year.

STEP TWO: Calculate one-half (1/2) of the actual cost of providing children's psychiatric treatment services for the preceding fiscal year.

STEP THREE: Subtract the amount determined in STEP TWO from the amount determined in STEP ONE.

(b) The county auditor shall transfer the amount determined in subsection (a) STEP THREE, if any, from the county children's psychiatric treatment services fund to the county general fund to be used to pay for the part of the care and maintenance of the inmates of the Plainfield juvenile correctional facility and the Indianapolis juvenile correctional facility that is charged back to the counties.

(b) If the county has a debt for juvenile per diem under IC 11-10-2-3, as determined by the budget agency, the lesser of the amount determined in subsection (a) STEP THREE or the actual debt shall be paid to the state within forty-five (45) days. If the county does not have juvenile debt, the funds remain in the children's psychiatric residential treatment services fund. Funds remaining in the children's psychiatric residential treatment services fund will be considered excess and used to reduce the succeeding year's levy.

SECTION 78. IC 12-24-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A superintendent who receives a written report of an alleged violation of section 3 of this chapter shall begin an investigation within twenty-four (24) hours after receipt of the written report.

(b) In accordance with IC 31-33, the superintendent shall report the alleged violation of section 3 of this chapter to either of the following:

(1) The local department of child protection service established within the county office services if the alleged victim is less than eighteen (18) years of age.

(2) The adult protective services unit designated under IC 12-10-3 if the alleged victim is at least eighteen (18) years of age.

SECTION 79. IC 20-19-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Chapter 5. Children's Social, Emotional, and Behavioral Health Plan

Sec. 1. The department of education, in cooperation with the department of child services, the department of correction, and the division of mental health and addiction, shall:

(1) develop and coordinate the children's social, emotional, and behavioral health plan that is to provide recommendations concerning:
   (A) comprehensive mental health services;
   (B) early intervention; and
   (C) treatment services;
   for individuals from birth through twenty-two (22) years of age;

(2) make recommendations to the state board, which shall adopt rules under IC 4-22-2 concerning the children's social, emotional, and behavioral health plan; and

(3) conduct hearings on the implementation of the plan before adopting rules under this chapter.

Sec. 2. The children's social, emotional, and behavioral health plan shall recommend:

(1) procedures for the identification and assessment of social, emotional, and mental health issues;

(2) procedures to assist a child and the child's family in obtaining necessary services to treat social, emotional, and mental health issues;

(3) procedures to coordinate provider services and interagency referral networks for an individual from birth through twenty-two (22) years of age;

(4) guidelines for incorporating social, emotional, and behavioral development into school learning standards and education programs;

(5) that social, emotional, and mental health screening be included as a part of routine examinations in schools and by health care providers;

(6) procedures concerning the positive development of children, including:
   (A) social, emotional, and behavioral development;
   (B) learning; and
   (C) behavioral health;

(7) plans for creating a children's social, emotional, and behavioral health system with shared accountability among
state agencies that will:
(A) conduct ongoing needs assessments;
(B) use outcome indicators and benchmarks to measure progress; and
(C) implement quality data tracking and reporting systems;
(8) a state budget for children's social, emotional, and mental health prevention and treatment;
(9) how state agencies and local entities can obtain federal funding and other sources of funding to implement a children's social, emotional, and behavioral health plan;
(10) how to maintain and expand the workforce to provide mental health services for individuals from birth through twenty-two (22) years of age and families;
(11) how employers of mental health professionals may:
   (A) improve employee job satisfaction; and
   (B) retain employees;
(12) how to facilitate research on best practices and model programs for children's social, emotional, and behavioral health;
(13) how to disseminate research and provide training and educational materials concerning the children's social, emotional, and behavioral health program to:
   (A) policymakers;
   (B) practitioners; and
   (C) the general public; and
(14) how to implement a public awareness campaign to:
   (A) reduce the stigma of mental illness; and
   (B) educate individuals:
      (i) about the benefits of children's social, emotional, and behavioral development; and
      (ii) how to access children's social, emotional, and behavioral development services.

SECTION 80. IC 25-11-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, unless the context otherwise requires:
(a) The term "person" means any individual, firm, partnership, limited liability company, or corporation.
(b) The term "collection agency" means and includes all persons engaging directly or indirectly and as a primary or secondary object, business, or pursuit, in soliciting claims for collection, or in the
collection of claims owed or due or asserted to be owed or due to another, including child support arrearages under IC 12-17-2. The term "collection agency" also means and includes, but shall not be limited to, any person who sells, furnishes, or maintains a letter or written demand service, including stickers or coupon books, designed for the purpose of making demand on any debtor on behalf of any creditor for the payment of any claim wherein the person furnishing or maintaining such letter or written demand service, including stickers or coupon books, shall sell such services for a stated amount or for a percentage of money collected whether paid to the creditor or to the collection agency, or where such services may be rendered as a part of a membership in such collection agency regardless of whether or not a separate fee or percentage is charged. The term "collection agency" shall also include, but not be limited to, any individual, firm, partnership, limited liability company, or corporation who uses a fictitious name, or any name other than the individual's or entity's name, in the collection of accounts receivable with the intention of conveying to the debtor that a third person has been employed.

(c) The term "claim" means any obligation for the payment of money or its equivalent and any sum or sums owed or due or asserted to be owed or due to another, for which any person may be employed to demand payment and to collect or enforce payment thereof. The term "claim" also includes obligations for the payment of money in the form of conditional sales agreements, notwithstanding that the personal property sold thereunder, for which payment is claimed, may be or is repossessed in lieu of payment.

SECTION 81. IC 31-9-2-22.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22.5. "Conduct a criminal history check", for purposes of IC 12-14-25.5, IC 31-19, IC 31-33, IC 31-34, IC 31-37, and IC 31-39-2-13.5, means to:

(1) request the state police department to:

(A) release or allow inspection of a limited criminal history (as defined in IC 10-13-3-11) and juvenile history data (as defined in IC 10-13-4-4) concerning a person who is currently residing in a location designated by the department of child services or by a juvenile court as the out-of-home placement for a child at the time the child will reside in the location; and

(B) conduct a:
(i) national fingerprint based criminal history background check in accordance with IC 10-13-3-39; or
(ii) national name based criminal history record check (as defined in IC 10-13-3-12.5) of a person described in clause (A) as provided by IC 10-13-3-27.5; and

(2) collect each:
   (A) substantiated report of child abuse or neglect reported in a jurisdiction where a probation officer, a caseworker, or the department of child services has reason to believe that a person described in subdivision (1)(A) resided; and
   (B) adjudication for a delinquent act described in IC 31-37-1-2 reported in a jurisdiction where a probation officer, a caseworker, or the department of child services has reason to believe a person described in subdivision (1)(A) resided.

SECTION 82. IC 31-9-2-38.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. "Department", for purposes of IC 31-19, IC 31-33, IC 31-34, and IC 31-40, has the meaning set forth in IC 31-33-1.5-1.

SECTION 83. IC 31-9-2-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. "Director", for purposes of IC 31-33, IC 31-34, and IC 31-37, refers to the director of the division of family and children: department of child services.

SECTION 84. IC 31-9-2-130 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 130. "Title IV-D agency" means:
   (1) the child support bureau created within the division of family and children as the single state agency to administer the child support provisions of Title IV-D of the federal Social Security Act (42 U.S.C. 651 through 669);
   (1) the bureau of child support established in the department of child services established by IC 31-33-1.5-8; or
   (2) a designated agent of the bureau department described in subdivision (1).

SECTION 85. IC 31-16-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) In a proceeding under IC 31-14 or IC 31-16-2 through IC 31-16-12 to establish, modify, or enforce a child support order, the court shall:
   (1) enter an order for immediate income withholding; and
   (2) modify any previously issued income withholding order that
has not been activated under this chapter to provide for immediate income withholding.

(b) The court shall issue the income withholding order to the income payor not later than fifteen (15) calendar days after the court's determination.

(c) The income withholding order must order income payors to send to the clerk of the court state central collection unit or other person specified in the support order under:

(1) IC 31-14-11-11;
(2) IC 31-16-4; or
(3) IC 31-16-9;

the amount of income established by the court for child support at the time the order for child support is established, enforced, or modified.

(d) However, the court shall issue an income withholding order that will not become activated except upon the occurrence of the two (2) conditions described in section 2 of this chapter if:

(1) the parties submit a written agreement providing for an alternative child support arrangement; or
(2) the court determines that good cause exists not to require immediate income withholding.

(e) A finding of good cause under subsection (d)(2) must:

(1) be written; and
(2) include:

(A) all reasons why immediate income withholding is not in the best interests of the child; and
(B) if the case involves a modification of support, a statement that past support has been timely paid.

(f) The income withholding order must contain a statement that if the withholding order is activated, income payors will be ordered to send to the clerk of the court state central collection unit or other person specified in the support order under:

(1) IC 31-14-11-11;
(2) IC 31-16-4; or
(3) IC 31-16-9;

the amount of income established by the court for child support.

SECTION 86. IC 31-16-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section applies to the implementation of income withholding under an order issued under sections 1 and 3 of this chapter.

(b) If the Title IV-D agency or the court becomes aware that the
obligor has an income payor to whom a notice has not been sent under subsection (c) or an income payor to whom notice of delinquent support has not been sent under subsection (c):

(1) the Title IV-D agency in a case arising under Title IV-D of the federal Social Security Act (42 U.S.C. 651 through 669); or

(2) the court;

shall not later than fifteen (15) calendar days after becoming aware of an income payor send a written notice to the income payor that the withholding is binding on the income payor.

(c) The notice to an income payor under this section must contain a statement of the following:

(1) That the income payor is required to withhold a certain amount of income from the obligor.

(2) That the total amount to be withheld under court order by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court state central collection unit or other person specified in the notice; up to the maximum amount permitted under 15 U.S.C. 1673(b).

(3) That the income payor shall:

(A) forward the withheld income described in subdivision (2)(A) and (2)(B) to the clerk of the court state central collection unit or other person named in the notice at the same time that the obligor is paid; and

(B) include a statement identifying:

(i) each cause number;

(ii) the name of each obligor; and

(iii) the name of each payee with the withheld income forwarded by the income payor.

(4) That withholding is binding upon the income payor until further notice from a Title IV-D agency.

(5) That the obligor may recover from the income payor in a civil action an amount not less than one hundred dollars ($100) if the income payor:

(A) discharges the obligor from employment;

(B) refuses the obligor employment; or
(6) That the income payor is liable for any amount that the income payor fails to forward under this chapter.

(7) That withholding under this chapter has priority over any secured or unsecured claim on income except claims for federal, state, and local taxes.

(8) That, if the income payor is required to withhold income from more than one (1) obligor, the income payor may:
   (A) combine in a single payment the withheld amounts for all obligors who have been ordered to pay the same clerk state central collection unit or other governmental agency; and
   (B) separately identify the part of the single payment that is attributable to each individual obligor.

(9) That if:
   (A) there is more than one (1) order for withholding against a single obligor; and
   (B) the obligor has insufficient disposable earnings to pay the amount required by all the orders;
the income payor shall distribute the withheld earnings pro rata among the entities entitled to receive earnings under the orders, giving priority to a current support withholding order. The income payor shall honor all withholdings to the extent that the total amount withheld does not exceed the limits imposed under 15 U.S.C. 1673(b).

(10) That the income payor shall implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(11) That the income payor shall:
   (A) notify:
      (i) the Title IV-D agency if the Title IV-D agency gives the notice under this section; or
      (ii) the court if the court gives the notice under this section;
when the obligor ceases employment or no longer receives income not later than ten (10) days after the employment or income ceases; and
   (B) provide:
      (i) the obligor's last known address; and
      (ii) the name and address of the obligor's new income payor,
SECTION 87. IC 31-16-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Whenever an income withholding order is to be:

(1) activated in a case arising under section 5 of this chapter; or
(2) implemented by a Title IV-D agency under section 3 of this chapter despite the absence of a withholding order in the support order;

the Title IV-D agency shall send a written notice to the obligor.

(b) The notice required under subsection (a) must contain a statement of the following:

(1) Whether the obligor is delinquent in the payment of child support.
(2) The amount of child support, if any, that the obligor is in arrears.
(3) That a certain amount of income is to be:
   (A) withheld under court order or action by the Title IV-D agency from the obligor's income; and
   (B) forwarded to the clerk of the court, state central collection unit or other person named in the notice.
(4) That the total amount to be withheld under court order or action by the Title IV-D agency by the obligor's income payor from the obligor's income is the sum of:
   (A) the obligor's current monthly child support obligation;
   (B) an amount to be applied toward the liquidation of any arrearages; and
   (C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court or other person specified in the notice to the income payor under this chapter;

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to the receipt of any current or subsequent income.

(6) That the only basis for contesting activation of income withholding is a mistake of fact.

(7) That an obligor may contest the Title IV-D agency's determination to activate income withholding by making written application to the Title IV-D agency not later than twenty (20) days after the date the notice is mailed.
(8) That if the obligor contests the Title IV-D agency's determination to activate the income withholding order, the Title IV-D agency shall schedule an administrative hearing.

(9) That if the obligor does not contest the Title IV-D agency's determination to activate the income withholding order, the Title IV-D agency will activate income withholding.

(10) That income withholding will continue until a court or the Title IV-D agency terminates activation of income withholding.

SECTION 88. IC 31-16-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If a petition to activate an income withholding order is filed under section 6(2) or 6(3) of this chapter, the court shall set a date for a hearing on the petition that is not later than twenty (20) days after the date the petition is filed. The court shall send a summons and a written notice to the obligor. The notice must contain a statement of the following:

(1) Whether the obligor is delinquent in the payment of child support.

(2) The amount of child support, if any, that the obligor is in arrears.

(3) That a certain amount for the payment of current and past due child support is to be withheld each month from the obligor's income and forwarded to the clerk of the court; state central collection unit or other person named in the notice.

(4) That the total amount to be withheld each month by the obligor's income payor from the obligor's income is the sum of:
   (A) the obligor's current monthly child support obligation;
   (B) an amount to be applied toward the liquidation of any arrearages; and
   (C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court; state central collection unit or other person named in the notice; up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to receipt of any current or subsequent income.

(6) That any of the following constitutes a basis for contesting the withholding:
   (A) A mistake of fact.
   (B) The parties have submitted a written agreement providing for an alternative child support arrangement.
(C) A court determines that good cause exists not to require immediate income withholding.
(7) That income withholding will continue until the activation of the income withholding order is terminated by the court.
(8) That if the obligor does not appear at the hearing, the court will activate the income withholding order.
(b) If:
(1) the obligor does not appear at the hearing on the petition filed under section 6(2) or 6(3) of this chapter; or
(2) the court grants the petition;
the court shall activate the income withholding order by mailing a written notice to the income payor as provided in section 10 of this chapter.

SECTION 89. IC 31-16-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) To activate or implement an income withholding order, in addition to the notice requirements imposed by sections 7 and 8 of this chapter:
(1) the Title IV-D agency in a case arising under section 3 or 5 of this chapter; or
(2) the court in a case arising under section 6 of this chapter;
shall mail a written notice to each income payor not later than fifteen (15) calendar days after the issuance of the income withholding order.
(b) The notice to each income payor must contain a statement of the following:
(1) That the income payor is required to withhold a certain amount of income from the obligor.
(2) That the total amount to be withheld each month by the obligor's income payor from the obligor's income is the sum of:
(A) the obligor's current monthly child support obligation;
(B) an amount to be applied toward the liquidation of any arrearages; and
(C) an optional fee of two dollars ($2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court; state central collection unit or other person named in the notice; up to the maximum amount permitted under 15 U.S.C. 1673(b).
(3) That the income payor shall:
(A) forward the withheld income described in subdivision (2)(A) and (2)(B) to the clerk of the court or the state central collection unit or other person named in the notice at the
same time that the obligor is paid; and  
(B) include a statement identifying:  
   (i) each cause number;  
   (ii) the Indiana support enforcement tracking system  
       (ISETS) case number;  
   (iii) the name of each obligor; and  
   (iv) the name of each payee with the withheld income  
       forwarded by the income payor; and  
   (v) the obligor’s Social Security number.  

(4) That withholding is binding upon the income payor until  
 further notice.  

(5) That the obligor may recover from the income payor in a civil  
 action an amount not less than one hundred dollars ($100) if the  
 income payor:  
   (A) discharges the obligor from employment;  
   (B) refuses the obligor employment; or  
   (C) disciplines the obligor;  
 because the income payor is required to forward income under  
 this chapter.  

(6) That the income payor is liable for any amount that the income  
 payor fails to forward under this chapter.  

(7) That withholding under this chapter has priority over any  
 secured or unsecured claim on income except claims for federal,  
 state, and local taxes.  

(8) That, if the income payor is required to withhold income from  
 more than one (1) obligor, the income payor may:  
   (A) combine in a single payment the withheld amounts for all  
       obligors who have been ordered to pay the same clerk state  
       central collection unit or other governmental agency; and  
   (B) separately identify the part of the single payment that is  
       attributable to each individual obligor.  

(9) That if:  
   (A) there is more than one (1) order for withholding against a  
       single obligor; and  
   (B) the obligor has insufficient disposable earnings to pay the  
       amount required by all the orders;  
 the income payor shall distribute the withheld earnings pro rata  
 among the entities entitled to receive earnings under the orders,  
 giving priority to a current support withholding order, and shall  
 honor all withholdings to the extent that the total amount withheld
does not exceed the limits imposed under 15 U.S.C. 1673(b).

(10) That the income payor shall implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(11) That the income payor shall:

(A) notify:
   (i) the Title IV-D agency in a case arising under section 5 of this chapter; or
   (ii) the court in a case arising under section 1 or 6 of this chapter;

   when the obligor terminates employment or ceases to receive other income not later than ten (10) days after termination; and

(B) provide:
   (i) the obligor's last known address; and
   (ii) the name and address of the obligor's new income payor if known.

SECTION 90. IC 31-16-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) An income payor that is required to withhold income under this chapter shall:

(1) forward income withheld for the payment of current and past due child support to the clerk of the court, the state central collection unit or other person named in the notice at the same time that the obligor is paid;

(2) include a statement identifying:
   (A) each cause number;
   (B) the Indiana support enforcement tracking system (ISETS) case number;
   (C) the name of each obligor and the obligor’s Social Security number; and
   (D) the name of each payee with the withheld income forwarded by the income payor; and

(3) implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(b) The income payor may retain, in addition to the amount required to be forwarded to the clerk of court state central collection unit under subsection (a), a fee of two dollars ($2) from the obligor's income each time the income payor forwards income to the clerk of the court state central collection unit or other person specified in the notice to an income payor under this chapter. If the income payor elects to withhold the fee, the amount to be withheld for the payment of
current and past due child support must be reduced accordingly if necessary to avoid exceeding the maximum amount permitted to be withheld under 15 U.S.C. 1673(b).

SECTION 91. IC 31-16-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in subsection (b), if the income payor is required to withhold income from more than one (1) obligor under this chapter, the income payor may:

(1) combine in a single payment the withheld amounts for all obligors who have been ordered to pay to the same clerk state central collection unit or other governmental agency; and
(2) separately identify the part of the single payment that is attributable to each individual obligor.

(b) If the income payor:
(1) is required to withhold income from more than one (1) obligor under this chapter; and
(2) employs more than fifty (50) employees;
the income payor shall make payments to the state central collection unit through electronic funds transfer or through electronic or Internet access made available by the state central collection unit.

(c) The department of child services shall assess a civil penalty of twenty-five dollars ($25) per obligor per pay period against an income payor that:
(1) is required to make a payment under subsection (b); and
(2) does not make the payment through electronic funds transfer or other means described in subsection (b).

The department shall deposit the penalties into the state general fund.

SECTION 92. IC 31-19-2-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) This section does not apply to a petitioner for adoption who provides the licensed child placing agency or county office of family and children with the results of a criminal history check conducted:
(1) in accordance with IC 31-9-2-22.5; and
(2) not more than one (1) year before the date on which the petition is filed.

(b) Every petitioner for adoption shall submit the necessary information, forms, or consents for:
(1) a licensed child placing agency; or
(2) the county office of family and children;
that conducts the inspection and investigation required for adoption of a child under IC 31-19-8-5 to conduct a criminal history check (as defined in IC 31-9-2-22.5) of the petitioner as part of its investigation.

(c) The petitioner for adoption shall pay the fees and other costs of the criminal history check required under this section.

SECTION 93. IC 31-19-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except:

(1) a child sought to be adopted by a stepparent;
(B) a child sought to be adopted by a blood relative grandparent, an aunt, or an uncle; or
(C) a child received by the petitioner for adoption from an agency outside Indiana with the written consent of the division of family and children resources; or
(2) if the court in its discretion, after a hearing held upon proper notice, has waived the requirement for prior written approval; a child may not be placed in a proposed adoptive home without the prior written approval of a licensed child placing agency or county office of family and children approved for that purpose by the division of family and children resources.

(b) Except as provided in subsection (d), before giving prior written approval for placement in a proposed adoptive home of a child who is under the care and supervision of:

(1) the juvenile court; or
(2) the department of child services;
a licensed child placing agency or the department of child services shall conduct a criminal history check (as defined in IC 31-9-2-22.5) concerning the proposed adoptive parent and any other person who is currently residing in the proposed adoptive home.

(c) The prospective adoptive parent shall pay the fees and other costs of the criminal history check required under this section.

(d) A licensed child placing agency or the department of child services is not required to conduct a criminal history check (as defined in IC 31-9-2-22.5) if a prospective adoptive parent provides the licensed child placing agency or county office of family and children with the results of a criminal history check conducted:

(1) in accordance with IC 31-9-2-22.5; and
(2) not more than one (1) year before the date on which the licensed child placing agency or county office of family and
children provides written approval for the placement.

SECTION 94. IC 31-33-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The purpose of this article is to:

(1) encourage effective reporting of suspected or known incidents of child abuse or neglect;
(2) provide in each county an effective child protection service to quickly investigate reports of child abuse or neglect;
(3) provide protection for an abused or a neglected child from further abuse or neglect;
(4) provide rehabilitative services for an abused or a neglected child and the child's parent, guardian, or custodian; and
(5) establish a centralized statewide child abuse registry and an automated child protection system.

SECTION 95. IC 31-33-1.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 1.5. Department of Child Services
Sec. 1. As used in this article, "department" refers to the department of child services established by section 2 of this chapter.

Sec. 2. (a) The department of child services is established.
(b) The governor shall appoint a director who is responsible for administering the department. The director:
   (1) serves at the governor's pleasure; and
   (2) is entitled to compensation set by the budget agency.

Sec. 3. The director may employ necessary personnel to carry out the department's responsibilities subject to:
   (1) the budget agency's approval under IC 4-12-1-13; and
   (2) IC 4-15-2.

Sec. 4. The director shall determine the best manner of organizing the department to provide the necessary services throughout Indiana to fulfill the purposes of this article.

Sec. 5. One (1) time every three (3) months, the department shall submit a report to the budget committee and to the legislative council that provides data and statistical information regarding caseloads of child protection caseworkers. The report made to the legislative council must be in an electronic format under IC 5-14-6.

Sec. 6. The report required under section 5 of this chapter must do the following:
   (1) Indicate the department's progress in recruiting, training,
and retaining caseworkers.

(2) Describe the methodology used to compute caseloads for each child protection caseworker.

(3) Indicate whether the statewide average caseloads for child protection caseworkers exceed the caseload standards established by the department.

(4) If the report indicates that average caseloads exceed caseload standards, include a written plan that indicates the steps that are being taken to reduce caseloads.

(5) Identify, describe, and, if appropriate, recommend best management practices and resources required to achieve effective and efficient delivery of child protection services.

Sec. 7. The department is responsible for the following:

(1) Providing child protection services under this article.

(2) Providing and administering child abuse and neglect prevention services.

(3) Providing and administering child services (as defined in IC 12-19-7-1).

(4) Providing and administering family services (as defined in IC 31-9-2-45).

(5) Providing family preservation services under IC 12-14-25.5.

(6) Regulating and licensing the following under IC 12-17.4:
   - Child caring institutions.
   - Foster family homes.
   - Group homes.
   - Child placing agencies.

(7) Administering the state's plan for the administration of Title IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).

(8) Administering foster care services.

(9) Administering independent living services (as described in 42 U.S.C. 677 et seq.).

(10) Administering adoption services.

Sec. 8. (a) The child support bureau is created within the department of child services. The bureau is charged with the administration of Title IV-D of the federal Social Security Act.

(b) The state's plan for the administration of Title IV-D must comply with all provisions of state law and with the federal statutes and regulations governing the program.

Sec. 9. (a) The bureau shall operate the state parent locator
service. The bureau shall make all necessary requests and responses to the federal parent locator service and to the parent locator services of the other states.

(b) To carry out the bureau's responsibilities under this chapter, the bureau, through the parent locator service, may request information and assistance from a state, county, city, or town agency. Officers and employees of a state, county, city, or town agency shall cooperate with the bureau in determining the location of a parent who:

1. owes child support; or
2. has abandoned or deserted a child;
by providing the pertinent information relative to the location, income, and property of the parent, notwithstanding a statute making the information confidential.

(c) Notwithstanding a statute making the information confidential, each person doing business in Indiana shall provide the bureau or an agent of the bureau with the following information, if available, upon receipt of the certification described in subsection (d):

1. Full name of the parent.
2. Social Security number of the parent.
3. Date of birth of the parent.
4. Address of the parent's residence.
5. Amount of wages earned by the parent.
6. Number of dependents claimed by the parent on state and federal tax withholding forms.
7. Name and address of the parent's employer.
8. Name and address of any financial institution maintaining an account for the parent.
9. Address of any real property owned by the parent.
10. Name and address of the parent's health insurance carrier and health coverage policy number.

(d) The parent locator service shall certify that the information requested in subsection (c) is for the purpose of locating a parent who owes child support or who has abandoned a child and that the information obtained is to be treated as confidential by the bureau and any other state to which the information is released.

(e) A business in Indiana and each unit of state and local government shall comply with an administrative subpoena issued by a Title IV-D agency in another jurisdiction. The information requested may not be provided unless the Title IV-D agency of the
other jurisdiction certifies that the information will be treated as confidential. The business or unit of government shall provide the Title IV-D agency of the other jurisdiction with the information listed in subsection (c), if available, if requested in the subpoena, upon certification by the Title IV-D agency of the other jurisdiction that the information is for the purpose of locating a parent who owes child support or who has abandoned or deserted a child.

(f) A person may not knowingly refuse to give the bureau, the bureau's agents, or the Title IV-D agency of another jurisdiction the following:

(1) The name of a parent of a child for whom the state is providing public assistance.
(2) Information that may assist the parent locator service or other jurisdiction in locating the parent of a child.

(g) Information obtained under this section may not be used in a criminal prosecution against the informant.

(h) A person may not knowingly give the bureau or the Title IV-D agency of another jurisdiction the incorrect name of a parent of a child or knowingly give the parent locator service incorrect information on the parent's whereabouts for the purpose of concealing the identity of the real parent of the child or the location of the parent.

Sec. 10. (a) The department may establish a program to procure any of the services described in section 7 of this chapter under a procurement agreement administered by the department. The department may enter into procurement agreements that cover the delivery of one (1) or more categories of services to all the counties in a region determined by the department. An agreement may provide for payment from state funds appropriated for the purpose or direct billing of services to the county receiving the service.

(b) If the department enters into a procurement agreement covering a county, the county, including the county's juvenile court, shall procure all services covered by the procurement agreement in accordance with the regional procurement agreement and the policies prescribed by the department. With the approval of the department, a county may use services from an alternate provider.

(c) The costs incurred under a procurement agreement shall be shared by the counties covered by the procurement agreement. The department shall allocate the costs of a regional procurement agreement among the counties covered by the agreement in
proportion to the use of the services by each county under the schedule prescribed by the department. A county shall pay the costs incurred under a procurement agreement from the:

(1) family and children's fund; or
(2) children's psychiatric residential treatment services fund;
as appropriate.

(d) If the department pays the costs incurred under a procurement contract from state funds appropriated for the purpose, the department shall present a claim for reimbursement to the appropriate county auditor. The county executive shall review and allow the full amount of the claim in the manner provided in IC 36-2-6.

Sec. 11. The department may adopt rules under IC 4-22-2 necessary to carry out the department's or bureau's duties under this chapter.

Sec. 12. The department is the single state agency responsible for administering the following:

(1) Title IV-B of the federal Social Security Act under 42 U.S.C. 620 et seq.
(2) Title IV-E of the federal Social Security Act under 42 U.S.C. 670 et seq.
(4) The federal Social Services Block Grant under 42 U.S.C. 1397 et seq.
(5) Any other federal program that provides funds to states for services related to the prevention of child abuse and neglect, child welfare services, foster care, independent living, or adoption services.

SECTION 96. IC 31-33-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The local child protective services department:

(1) must have sufficient qualified and trained staff to fulfill the purpose of this article;
(2) must be organized to maximize the continuity of responsibility, care, and service of individual caseworkers toward individual children and families;
(3) must provide training to representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing the representatives of their duties, in order to protect
the legal rights and safety of children and families from the initial time of contact during the investigation through treatment; and (4) must provide training to representatives of the child protective services system regarding the constitutional rights of the child's family, including a child's guardian or custodian, that is the subject of an investigation of child abuse or neglect consistent with the Fourth Amendment to the United States Constitution and Article I, Section 11 of the Constitution of the State of Indiana.

(b) This section expires June 30, 2008.

SECTION 97. IC 31-33-2-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.3. (a) This section applies after June 30, 2008.

(b) The department:

(1) must have sufficient qualified and trained staff to fulfill the purpose of this article;
(2) must be organized to maximize the continuity of responsibility, care, and service of individual caseworkers toward individual children and families;
(3) must provide training to representatives of the child protection services system regarding the legal duties of the representatives, which may consist of various methods of informing the representatives of their duties, in order to protect the legal rights and safety of children and families from the initial time of contact during the investigation through treatment; and
(4) must provide training to representatives of the child protection services system regarding the constitutional rights of the child's family, including a child's guardian or custodian, that is the subject of an investigation of child abuse or neglect consistent with the Fourth Amendment to the United States Constitution and Article 1, Section 11 of the Constitution of the State of Indiana.

SECTION 98. IC 31-33-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except in cases involving a child who may be a victim of institutional abuse or cases in which police investigation also appears appropriate, the local child protection service department is the primary public agency responsible for:

(1) receiving;
investigating or arranging for investigation; and
(3) coordinating;
the investigation of all reports of a child who may be a victim of known or suspected child abuse or neglect.

(b) In accordance with the local plan for the child protection services, the local child protection service department shall, by juvenile court order:
(1) provide protective services to prevent cases where a child may be a victim of further child abuse or neglect; and
(2) provide for or arrange for and coordinate and monitor the provision of the services necessary to ensure the safety of children.

(c) Reasonable efforts must be made to provide family services designed to prevent a child's removal from the child's parent, guardian, or custodian.

SECTION 99. IC 31-33-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The local child protection service department shall give notice of the existence and location of photographs, x-rays, and physical medical examination reports to:
(1) the appropriate prosecuting attorney; and
(2) the appropriate law enforcement agency, if the law enforcement agency has not already received the items described in this section under IC 31-33-10-3.

SECTION 100. IC 31-33-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The local child protection service department shall cooperate with and shall seek and receive the cooperation of appropriate public and private agencies, including the following:
(1) Law enforcement agencies.
(2) The courts.
(3) Organizations, groups, and programs providing or concerned with services related to the prevention, identification, or treatment of a child who may be a victim of child abuse or neglect.

(b) The local child protection service department shall also cooperate with public and private agencies, organizations, and groups that provide family services designed to prevent a child's removal from the child's home.

(c) Cooperation and involvement under this section may include the following:
(1) Consultation services.
(2) Planning.
(3) Case management.
(4) Public education and information services.
(5) Utilization of each other's facilities, staff, and other training.

SECTION 101. IC 31-33-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Notwithstanding any other law, the child protection service department may purchase and use the services of any public or private agency if adequate provision is made for continuity of care and accountability between the local protection service and the agency.

(b) If the local child protection service department purchases services under this article, the state shall reimburse the expenses, to the extent allowed by state and federal statutes, rules, and regulations, to the locality or agency in the same manner and to the same extent as if the services were provided directly by the local child protection service department.

SECTION 102. IC 31-33-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The community child protection team is a communitywide, multidisciplinary child protection team. The team must include the following eleven (11) members:

(1) The director of the local child protection service county office of family and children or the county office director's designee.
(2) Two (2) designees of the juvenile court judge.
(3) The county prosecuting attorney or the prosecuting attorney's designee.
(4) The county sheriff or the sheriff's designee.
(5) Either:
   (A) the president of the county executive in a county not containing a consolidated city or the president's designee; or
   (B) the executive of a consolidated city in a county containing a consolidated city or the executive's designee.
(6) A director of a court appointed special advocate or guardian ad litem program or the director's designee in the county in which the team is to be formed.
(7) Either:
   (A) a public school superintendent or the superintendent's designee; or
   (B) a director of a local special education cooperative or the
director's designee.
(8) Two (2) persons, each of whom is a physician or nurse, with experience in pediatrics or family practice.
(9) One (1) citizen of the community.
(b) The director of the county office of family and children shall appoint, subject to the approval of the director of the division of family and children's department, the members of the team under subsection (a)(7), (a)(8), and (a)(9).

SECTION 103. IC 31-33-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The community child protection team shall meet:
(1) at least one (1) time each month; or
(2) at the times that the team's services are needed by the child protection service.
(b) Meetings of the team shall be called by the majority vote of the members of the team.
(c) The team coordinator or at least two (2) other members of the team may determine the agenda.
(d) Notwithstanding IC 5-14-1.5, meetings of the team are open only to persons authorized to receive information under this article.

SECTION 104. IC 31-33-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The community child protection team:
(1) shall provide diagnostic and prognostic services for the local child protection service department or the juvenile court; and
(2) may recommend to the local child protection service department that a petition be filed in the juvenile court on behalf of the subject child if the team believes this would best serve the interests of the child.

SECTION 105. IC 31-33-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The community child protection team may receive and review:
(1) any case that the local child protection service department has been involved in within the county where the team presides; and
(2) complaints regarding child abuse and neglect cases that are brought to the team by a person or an agency.

SECTION 106. IC 31-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The local plan must describe the county office of family and children's department's
implementation of this article, including the following:
(1) Organization.
(2) Staffing.
(3) Mode of operations.
(4) Financing of the child protection services.
(5) The provisions made for the purchase of service and interagency relations.

SECTION 107. IC 31-33-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A person who has a duty under this chapter to report that a child may be a victim of child abuse or neglect shall immediately make an oral report to:
(1) the local child protection service; department; or
(2) the local law enforcement agency.

SECTION 108. IC 31-33-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The local child protection service department shall arrange for receipt, on a twenty-four (24) hour, seven (7) day per week basis, of all reports under this article of suspected child abuse or neglect.

SECTION 109. IC 31-33-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. To carry out section 1 of this chapter, a local child protection service the department must use a phone access system for receiving calls that is standardized among all counties. The division of family and children department shall adopt rules under IC 4-22-2 for the administration of this section.

SECTION 110. IC 31-33-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Each local child protection service The department shall cause to be inserted in each local telephone directory in the county a listing of the child abuse hotline's telephone number under the name "child abuse hotline". The child abuse hotline number under this section must be included with the other emergency numbers listed in the directory.

SECTION 111. IC 31-33-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The local child protection service department shall make a written report of a child who may be a victim of child abuse or neglect not later than forty-eight (48) hours after receipt of the oral report required of individuals by IC 31-33-5-4.

(b) Written reports under this section must be made on forms supplied by the administrator. The written reports must include, if known, the following information:
(1) The names and addresses of the following:
   (A) The child.
   (B) The child's parents, guardian, custodian, or other person
       responsible for the child's care.
(2) The child's age and sex.
(3) The nature and apparent extent of the child's injuries, abuse,
    or neglect, including any evidence of prior:
    (A) injuries of the child; or
    (B) abuse or neglect of the child or the child's siblings.
(4) The name of the person allegedly responsible for causing the
    injury, abuse, or neglect.
(5) The source of the report.
(6) The person making the report and where the person can be
    reached.
(7) The actions taken by the reporting source, including the
    following:
    (A) Taking of photographs and x-rays.
    (B) Removal or keeping of the child.
    (C) Notifying the coroner.
(8) The written documentation required by IC 31-34-2-3 if a child
    was taken into custody without a court order.
(9) Any other information that:
    (A) the director requires by rule; or
    (B) the person making the report believes might be helpful.

SECTION 112. IC 31-33-7-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A copy of the written
report of the local child protection service department shall
immediately be made available to:
(1) the appropriate law enforcement agency;
(2) the prosecuting attorney; and
(3) in a case involving death, the coroner for the coroner's
    consideration.

SECTION 113. IC 31-33-7-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Upon receiving a
written report under section 5(3) of this chapter, the coroner shall:
(1) accept a report for investigation; and
(2) report the coroner's findings to:
    (A) the appropriate law enforcement agency;
    (B) the prosecuting attorney;
    (C) the local child protection service department; and
    (D) the local child protection service department;
(D) the hospital if the institution making the report is a hospital.

SECTION 114. IC 31-33-7-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. Child abuse or neglect information may be expunged under IC 31-39-8 if the probative value of the information is so doubtful as to outweigh its validity. Child abuse or neglect information shall be expunged if it is determined to be unsubstantiated after:

1) an investigation by the department of a report of a child who may be a victim of child abuse or neglect; by the child protection service; or
2) a court proceeding.

SECTION 115. IC 31-33-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) When a law enforcement agency receives an initial report under IC 31-33-5-4 that a child may be a victim of child abuse or neglect, the law enforcement agency shall:

1) immediately communicate the report to the local child protection service department, whether or not the law enforcement agency has reason to believe there exists an imminent danger to the child's health or welfare; and
2) conduct an immediate, onsite investigation of the report along with the local child protection service department whenever the law enforcement agency has reason to believe that an offense has been committed.

(b) In all cases, the law enforcement agency shall forward any information, including copies of investigation reports, on incidents of cases in which a child may be a victim of child abuse or neglect, whether or not obtained under this article, to:

1) the local child protection agency department; and
2) the juvenile court under IC 31-34-7.

SECTION 116. IC 31-33-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies if the local child protection service department receives a report of suspected child abuse or neglect from:

1) a hospital;
2) a community mental health center;
3) a managed care provider (as defined in IC 12-7-2-127(b));
4) a referring physician;
5) a dentist;
(6) a licensed psychologist; or
(7) a school.

(b) Not later than thirty (30) days after the date a local child protection service the department receives a report of suspected child abuse or neglect from a person described in subsection (a), the child protection service department shall send a report to:

(1) the administrator of the hospital;
(2) the community mental health center;
(3) the managed care provider;
(4) the referring physician;
(5) the dentist; or
(6) the principal of the school.

The report must contain the items listed in subsection (e) that are known at the time the report is sent.

(c) Not later than ninety (90) days after the date a local child protection service the department receives a report of suspected child abuse or neglect, the local child protection service department shall send a report that contains any additional items listed in subsection (e) that were not covered in the prior report if available.

(d) The administrator, director, referring physician, dentist, licensed psychologist, or principal may appoint a designee to receive the report.

(e) A report made by the local child protection service department under this section must contain the following information:

(1) The name of the alleged victim of child abuse or neglect.
(2) The name of the alleged perpetrator and the alleged perpetrator's relationship to the alleged victim.
(3) Whether the case is closed.
(4) Whether information concerning the case has been expunged.
(5) The name of any agency to which the alleged victim has been referred.
(6) Whether the local child protection service department has made an investigation of the case and has not taken any further action.
(7) Whether a substantiated case of child abuse or neglect was informally adjusted.
(8) Whether the alleged victim was referred to the juvenile court as a child in need of services.
(9) Whether the alleged victim was returned to the victim's home.
(10) Whether the alleged victim was placed in residential care outside the victim's home.
Whether a wardship was established for the alleged victim.

(12) Whether criminal action is pending or has been brought against the alleged perpetrator.

(13) A brief description of any casework plan that has been developed by the child protection service department.

(14) The caseworker's name and telephone number.

(15) The date the report is prepared.

(16) Other information that the division of family and children department may prescribe.

(f) A report made under this section:

(1) is confidential; and

(2) may be made available only to:

(A) the agencies named in this section; and

(B) the persons and agencies listed in IC 31-33-18-2.

SECTION 117. IC 31-33-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The local child protection service department shall initiate an immediate and appropriately thorough child protection investigation of every report of known or suspected child abuse or neglect the local child protection service department receives, whether in accordance with this article or otherwise.

(b) Subject to subsections (d) and (e), if the report alleges a child may be a victim of child abuse, the investigation shall be initiated immediately, but not later than twenty-four (24) hours after receipt of the report.

(c) Subject to subsections (d) and (e), if reports of child neglect are received, the investigation shall be initiated within a reasonably prompt time, but not later than five (5) days, with the primary consideration being the well-being of the child who is the subject of the report.

(d) If the immediate safety or well-being of a child appears to be endangered or the facts otherwise warrant, the investigation shall be initiated regardless of the time of day.

(e) If the child protection service department has reason to believe that the child is in imminent danger of serious bodily harm, the child protection service department shall initiate within one (1) hour an immediate, onsite investigation.

SECTION 118. IC 31-33-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Upon the receipt of each report under this chapter of known or suspected child abuse, the local child protection service department shall contact the law
enforcement agency in the appropriate jurisdiction.

(b) The law enforcement agency, with the local child protection service department, shall conduct an immediate onsite investigation of the report if the law enforcement agency has reason to believe that an offense has been committed. The law enforcement agency shall investigate the alleged child abuse or neglect under this chapter in the same manner that the law enforcement agency conducts any other criminal investigation.

SECTION 119. IC 31-33-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsection (b), the local child protection service department shall:

1. cause color photographs to be taken of the areas of trauma visible on a child who is subject to a report; and
2. if medically indicated, cause a radiological examination of the child to be performed.

(b) If the law enforcement agency participates in the investigation, the law enforcement agency shall cause the color photographs to be taken as provided by this section.

(c) The division of family and children department shall reimburse the expenses of the photographs and x-rays.

SECTION 120. IC 31-33-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The local child protection service department shall immediately forward a copy of all reports made under this article to the appropriate prosecuting attorney if the prosecuting attorney has made a prior request to the service in writing for the copies.

SECTION 121. IC 31-33-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The local child protection service department shall promptly make a thorough investigation upon either the oral or written report. The primary purpose of the investigation is the protection of the child.

SECTION 122. IC 31-33-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The local child protection service's department's investigation, to the extent that is reasonably possible, must include the following:

1. The nature, extent, and cause of the known or suspected child abuse or neglect.
2. The identity of the person allegedly responsible for the child abuse or neglect.
(3) The names and conditions of other children in the home.
(4) An evaluation of the parent, guardian, custodian or person responsible for the care of the child.
(5) The home environment and the relationship of the child to the parent, guardian, or custodian or other persons responsible for the child's care.
(6) All other data considered pertinent.
(b) The investigation may include the following:
(1) A visit to the child's home.
(2) An interview with the subject child.
(3) A physical, psychological, or psychiatric examination of any child in the home.
(c) If:
(1) admission to the home, the school, or any other place that the child may be; or
(2) permission of the parent, guardian, custodian, or other persons responsible for the child for the physical, psychological, or psychiatric examination;
under subsection (b) cannot be obtained, the juvenile court, upon good cause shown, shall follow the procedures under IC 31-32-12.

SECTION 123. IC 31-33-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) If, before the investigation is complete, the opinion of the law enforcement agency or the local child protection service department is that immediate removal is necessary to protect the child from further abuse or neglect, the juvenile court may issue an order under IC 31-32-13.
(b) The child protection service department shall make a complete written report of the investigation.
(c) If a law enforcement agency participates in the investigation, the law enforcement agency shall also make a complete written report of the investigation.

SECTION 124. IC 31-33-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The local child protection service's department's report under section 8 of this chapter shall be made available to:
(1) the appropriate court;
(2) the prosecuting attorney; or
(3) the appropriate law enforcement agency;
upon request.
(b) If child abuse or neglect is substantiated after an investigation
is conducted under section 7 of this chapter, the local child protection service department shall forward its report to the office of the prosecuting attorney having jurisdiction in the county in which the alleged child abuse or neglect occurred.

(c) If the investigation substantiates a finding of child abuse or neglect as determined by the local child protection service department, a report shall be sent to the coordinator of the community child protection team under IC 31-33-3.

SECTION 125. IC 31-33-8-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In all cases, the law enforcement agency shall release information on an incident in which a child may be a victim of alleged child abuse or neglect, whether obtained under this article or not, to the local child protection service department.

SECTION 126. IC 31-33-8-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Upon completion of an investigation, the local child protection service department shall classify reports as substantiated, indicated, or unsubstantiated.

(b) Except as provided in subsection (c), a local child protection service the department shall expunge investigation records one (1) year after a report has been classified as indicated under subsection (a).

(c) If a local child protection service the department has:

1. classified a report under subsection (a) as indicated; and
2. not expunged the report under subsection (b);

and the subject of the report is the subject of a subsequent report, the one (1) year period in subsection (b) is tolled for one (1) year after the date of the subsequent report.

SECTION 127. IC 31-33-8-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. Whenever:

1. an arrest relating to child abuse or neglect is made, the law enforcement agency that makes the arrest;
2. criminal charges relating to child abuse or neglect are filed, the court in which the charges are filed;
3. a child in need of services determination is made, the local child protection service that files the petition upon which the determination is based; department;
4. a court approves a program of informal adjustment under IC 31-34-8 arising out of a child abuse or neglect report, the appropriate child protection service department; or
(5) a person who is accused of child abuse or neglect:
   (A) enters into a services referral agreement; and
   (B) fails to substantially comply with the terms of the services
   referral agreement;
under IC 31-33-13, the local child protection service that obtains
the agreement from the person; department;
shall transmit to the registry, not more than five (5) working days after
the circumstances described by subdivisions (1) through (5) occur, the
relevant child abuse or neglect report.

SECTION 128. IC 31-33-9-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Through a written
protocol or agreement, the division of family and children department
shall designate the public or private agencies primarily responsible for
investigating reports involving a child who:
   (1) may be a victim of child abuse or neglect; and
   (2) is under the care of a public or private institution.
   (b) The designated agency must be different from and separately
administered from the agency involved in the alleged act or omission.
Subject to this limitation, the agency:
   (1) may be:
       (A) the division of family and children; department; or
       (B) the local child protection service; or
       (C) a law enforcement agency; and
   (2) may not be the office of the prosecuting attorney.

SECTION 129. IC 31-33-9-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The protocol or
agreement must describe the specific terms or conditions of the
designation, including the following:
   (1) The manner in which reports of a child who may be a victim
of child abuse or neglect and who is under the care of a public or
private institution will be received.
   (2) The manner in which the reports will be investigated.
   (3) The remedial action that will be taken.
   (4) The manner in which the division of family and children
   department will be kept fully informed on the progress, findings,
and disposition of the investigation.

SECTION 130. IC 31-33-9-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. To fulfill the
purposes of this chapter, the division of family and children
department may purchase the services of the public or private agency
designated to investigate reports of child abuse or neglect.

SECTION 131. IC 31-33-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The division of family and children department shall reimburse the reasonable cost of photographs, x-rays, or physical medical examinations made under this chapter.

SECTION 132. IC 31-33-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. All photographs taken and a summary of x-rays and other medical care shall be sent to the local child protection service department and, upon request, to a law enforcement agency that investigates the alleged child abuse or neglect, at the time the written report is sent or as soon thereafter as possible. The local child protection service department shall give notice of the existence of photographs, x-rays, and physical medical examination reports in accordance with IC 31-33-2-4.

SECTION 133. IC 31-33-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever:
   (1) a child is subject to investigation by a local child protection service department for reported child abuse or neglect;
   (2) the child is a patient in a hospital; and
   (3) the hospital has reported or has been informed of the report and investigation;
   the hospital may not release the child to the child's parent, guardian, custodian, or to a court approved placement until the hospital receives authorization or a copy of a court order from the investigating local child protection service department indicating that the child may be released to the child's parent, guardian, custodian, or court approved placement.
   (b) If the authorization that is granted under this section is verbal, the investigating local child protection service department shall send a letter to the hospital confirming that the local child protection service department has granted authorization for the child's release.
   (c) The individual or third party payor responsible financially for the hospital stay of the child remains responsible for any extended stay under this section. If no party is responsible for the extended stay, the division of family and children department shall pay the expenses of the extended hospital stay.

SECTION 134. IC 31-33-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Based on the investigation and evaluation conducted under this article, the local
child protection service department shall offer to the family or any child believed to be suffering from child abuse or neglect:

(1) family services;
(2) rehabilitative services; or
(3) both types of services;
that appear appropriate for either the child or the family.

SECTION 135. IC 31-33-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Before offering services under section 1 of this chapter to a family, the local child protection service department:

(1) shall explain that the local child protection service department has no legal authority to compel the family to receive the social services; and
(2) may inform the family of the obligations and authority of the local child protection service department to petition a juvenile court for a proceeding alleging that the child may be a victim of child abuse or neglect.

SECTION 136. IC 31-33-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The local child protection service department shall coordinate, provide or arrange for, and monitor, as authorized by this article and IC 12, family or rehabilitative services, or both types of services, for a child and the child's family on a voluntary basis or under an order of the court, subject to IC 31-34-11 and IC 31-34-18.

SECTION 137. IC 31-33-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies if:

(1) a child abuse or neglect report is classified as substantiated;
(2) the local child protection service department does not seek court involvement under IC 31-34; and
(3) the local child protection service department recommends voluntary participation in family or rehabilitative services for not more than six (6) months.

SECTION 138. IC 31-33-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A person who is accused of child abuse or neglect may enter into a voluntary services referral agreement with the local child protection service department under this chapter. Under the terms of the agreement, the person shall successfully participate in and complete any family or rehabilitative services recommended by the local child protection service.
SECTION 139. IC 31-33-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. If a person who enters into an agreement under section 2 of this chapter (or IC 31-6-11-13.5(b) before its repeal) fails to substantially carry out the terms of the agreement, the local child protection service department shall:

(1) terminate the agreement; and

(2) forward the child abuse or neglect report relating to the person to the division of family and children for entry into the registry under IC 31-33-17.

SECTION 140. IC 31-33-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Before a person enters into a services referral agreement under this chapter, the local child protection service department shall advise the person, orally and in writing, that the division of family and children shall enter information contained in the child abuse or neglect report that gave rise to the service referral agreement into the registry as provided under IC 31-33-17 if the person fails to substantially comply with the terms of the agreement.

SECTION 141. IC 31-33-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The local child protection service department shall provide a court with access to information relating to a services referral agreement whenever the court:

(1) approves a program of informal adjustment; or

(2) presides over a child in need of services proceeding; involving the same person or family to whom services were recommended under the services referral agreement.

SECTION 142. IC 31-33-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If the local child protection services department determines that the best interests of the child require action in the juvenile or criminal court, the local child protection service department shall:

(1) refer the case to the juvenile court under IC 31-34-7; or

(2) make a referral to the prosecuting attorney if criminal prosecution is desired.

SECTION 143. IC 31-33-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The local child protection service department shall assist the juvenile court or the
court having criminal jurisdiction during all stages of the proceedings in accordance with the purposes of this article.

SECTION 144. IC 31-33-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The division of family and children department shall establish and maintain a centralized, computerized child abuse registry for the purpose of organizing and accessing data regarding substantiated reports of child abuse and neglect described under section 2 of this chapter that the division of family and children department receives from throughout Indiana under this article.

SECTION 145. IC 31-33-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The division of family and children department shall enter a substantiated report into the registry only if at least one (1) of the following applies:

1. An arrest of the alleged perpetrator of the child abuse or neglect is made.
2. Criminal charges are filed in state or federal court against the alleged perpetrator of the child abuse or neglect.
3. A court determines that a child is a child in need of services based on a report of child abuse or neglect.
4. A court approves a program of informal adjustment relating to the child abuse or neglect report under IC 31-34-8.
5. A person does not substantially comply with the terms of a services referral agreement under IC 31-33-13.

SECTION 146. IC 31-33-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The division of family and children department may not enter an unsubstantiated report into the registry.

SECTION 147. IC 31-33-17-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The division of family and children department shall store data regarding the child abuse or neglect reports in a manner so that the data is accessible under the following if known:

1. The child's name.
2. The child's date of birth.
3. The alleged perpetrator's name.
4. The child's mother's name.
5. The child's father's name.
6. The name of a sibling of the child.
7. The name of the child's guardian or custodian if applicable.
SECTION 148. IC 31-33-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The division of family and children department shall adopt rules under IC 4-22-2 for the purpose of ensuring that the confidentiality and access to reports of child abuse or neglect are maintained as provided in this chapter.

SECTION 149. IC 31-33-17-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Upon request, a person or an organization may have access to information contained in the registry as follows:

1. A law enforcement agency or local child protective service the department may have access to a substantiated report.

2. A person may have access to information consisting of an identifiable notation of a conviction arising out of a report of child abuse or neglect.

3. Upon submitting written verification of an application for employment or a consent for release of information signed by a child care provider, a person or an agency may obtain the following information contained in the child abuse registry regarding an individual who has applied for employment or volunteered for services in a capacity that would place the individual in a position of trust with children less than eighteen (18) years of age or regarding a child care provider who is providing or may provide child care for the person's child:
   A. Whether a child was found by a court to be a child in need of services based on a report of child abuse or neglect naming the applicant, volunteer, or child care provider as the alleged perpetrator.
   B. Whether criminal charges were filed against the applicant, volunteer, or child care provider based on a report of child abuse or neglect naming the applicant, volunteer, or child care provider as the alleged perpetrator.
   C. Whether a court has issued an arrest warrant for the applicant, volunteer, or child care provider based on a report of child abuse or neglect in which the applicant, volunteer, or child care provider is named as the alleged perpetrator.

4. A person may have access to whatever information is contained in the registry pertaining to the person, with protection for the identity of:
   A. the person who reports the alleged child abuse or neglect; and
(B) any other appropriate person.

(5) A person or an agency to whom child abuse and neglect reports are available under IC 31-33-18 may also have access to information contained in the registry.

(6) If a child care provider provides child care in the provider's home, upon submitting a consent for release of information signed by an individual who is at least eighteen (18) years of age, who resides with the child care provider, and who may have direct contact with children for whom the provider provides child care, a person may obtain the following information contained in the child abuse registry regarding the individual:

(A) Whether a child was found by a court to be a child in need of services based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(B) Whether criminal charges were filed against the individual based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the individual based on a report of child abuse or neglect in which the individual is named as the alleged perpetrator.

(7) The division of family and children department may use the following information contained in the registry regarding an individual described in IC 12-17.2-3.5-4.1(a) for purposes of determining the eligibility of a child care provider to receive a voucher payment (as defined in IC 12-17.2-3.5-3):

(A) Whether a child has been found by a court to be a child in need of services based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(B) Whether criminal charges have been filed against the individual based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the individual based on a report of child abuse or neglect in which the individual is named as the alleged perpetrator.

The division of family and children department may not disclose information used in connection with the division's activities under this subdivision.

SECTION 150. IC 31-33-17-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The division of family and children department shall administer the registry and each
local child protection service shall administer the automated child protection system under IC 31-33-20 in a manner that enables the division of family and children or each local child protection service department to do the following:

1. Immediately identify and locate prior reports of child abuse or neglect through the use of the division of family and children's department's:
   A) computerized tracking system; and
   B) automated risk assessment system.

2. Track steps in the investigative process to ensure compliance with all requirements for a report of child abuse and neglect.

3. Maintain and produce aggregate statistical reports monitoring patterns of child abuse and neglect that the division of family and children department shall make available to the public upon request.

4. Serve as a resource for the evaluation, management, and planning of preventative and remedial services to children who have been subject to child abuse or neglect.

SECTION 151. IC 31-33-17-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section does not apply to substantiated cases if a court determines that a child is a child in need of services based on a report of child abuse or neglect that names the alleged perpetrator as the individual who committed the alleged child abuse or neglect.

(b) Not later than thirty (30) days after the division of family and children department enters a substantiated child abuse or neglect report into the registry, the division of family and children department shall notify:

1. the parent, guardian, or custodian of the child who is named in the report as the victim of the child abuse or neglect; and
2. the alleged perpetrator, if other than the child's parent, guardian, or custodian, named in the report under IC 31-33-5-4; that the division of family and children department has entered the report into the registry.

(c) The division of family and children department shall state the following in a notice to an alleged perpetrator of a substantiated report under subsection (b):

1. The report has been classified as substantiated.
2. The alleged perpetrator may request that a substantiated report
be amended or expunged at an administrative hearing if the
alleged perpetrator does not agree with the classification of the
report unless a court is in the process of making a determination
described in IC 31-33-19.
(3) The alleged perpetrator's request for an administrative hearing
to contest the classification of a substantiated report must be
received by the division of family and children department not
more than thirty (30) days after the alleged perpetrator receives
the notice.
(d) If the alleged perpetrator fails to request an administrative
hearing within the time specified in subsection (c)(3), the alleged
perpetrator named in a substantiated report may request an
administrative hearing to contest the classification of the report if the
alleged perpetrator demonstrates that the failure to request an
administrative hearing was due to excusable neglect or fraud. The
Indiana Rules of Civil Procedure provide the standard for excusable
neglect or fraud.

SECTION 152. IC 31-33-17-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Whenever a
court grants a name change under IC 34-28-2 (or IC 34-4-6 before its
repeal) to a person:
(1) against whom an allegation of child abuse or neglect has been
substantiated; and
(2) whose name is maintained within the registry in accordance
with this chapter;
the person must notify the division of family and children department
regarding the name change not more than ten (10) business days after
the court enters a decree changing the person's name.
(b) The notice must include a copy of the decree of the court that
changes the name of the person, certified under the seal of the clerk of
court.

SECTION 153. IC 31-33-18-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
provided in section 1.5 of this chapter, the following are confidential:
(1) Reports made under this article (or IC 31-6-11 before its
repeal).
(2) Any other information obtained, reports written, or
photographs taken concerning the reports in the possession of:
(A) the division of family and children; resources;
(B) the county office of family and children; or
(C) the local child protection service department.
(b) Except as provided in section 1.5 of this chapter, all records held by:

(1) the division of family and children resources;
(2) a county office of family and children;
(3) a local child protection service;
(3) the department;
(4) a local child fatality review team established under IC 12-13-15; or
(5) the statewide child fatality review committee established under IC 12-13-15.1-6;

regarding the death of a child determined to be a result of abuse, abandonment, or neglect are confidential and may not be disclosed.

SECTION 154. IC 31-33-18-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section applies to records held by:

(1) the division of family and children resources;
(2) a county office of family and children;
(3) a local child protection service;
(3) the department;
(4) a local child fatality review team established under IC 12-13-15; or
(5) the statewide child fatality review committee established under IC 12-13-15.1-6;

regarding the death of a child determined to be a whose death or near fatality may have been the result of abuse, abandonment, or neglect.

(b) For purposes of subsection (a), a child's death or near fatality may have been the result of abuse, abandonment, or neglect if:

(1) an entity described in subsection (a) determines that the child's death or near fatality is the result of abuse, abandonment, or neglect; or
(2) a prosecuting attorney files:
    (A) an indictment or information; or
    (B) a complaint alleging the commission of a delinquent act;

that, if proven, would cause a reasonable person to believe that the child's death or near fatality may have been the result of abuse, abandonment, or neglect.

Upon the request of any person, or upon its own motion, the court exercising juvenile jurisdiction in the county in which the child's
death or near fatality occurred shall determine whether the allegations contained in the indictment, information, or complaint described in subdivision (2), if proven, would cause a reasonable person to believe that the child's death or near fatality may have been the result of abuse, abandonment, or neglect.

(b) (c) As used in this section:

(1) "identifying information" means information that identifies an individual, including an individual's:

(A) name, address, date of birth, occupation, place of employment, and telephone number;

(B) employer identification number, mother's maiden name, Social Security number, or any identification number issued by a governmental entity;

(C) unique biometric data, including the individual's fingerprint, voice print, or retina or iris image;

(D) unique electronic identification number, address, or routing code;

(E) telecommunication identifying information; or

(F) telecommunication access device, including a card, a plate, a code, a telephone number, an account number, a personal identification number, an electronic serial number, a mobile identification number, or another telecommunications service or device or means of account access; and

(2) "near fatality" has the meaning set forth in 42 U.S.C. 5106a.

(d) Unless information in a record is otherwise confidential under state or federal law, a record described in subsection (a) that has been redacted in accordance with this section is not confidential and may be disclosed to any person who requests the record. The person requesting the record may be required to pay the reasonable expenses of copying the record.

(e) When a person requests a record described in subsection (a), the entity having control of the record shall immediately transmit a copy of the record to the court exercising juvenile jurisdiction in the county in which the death or near fatality of the child occurred. However, if the court requests that the entity having control of a record transmit the original record, the entity shall transmit the original record.

(f) Upon receipt of the record described in subsection (a), the court shall, within thirty (30) days, redact the record to exclude:

(1) identifying information described in subsection (c)(1)(B)
of a person; and
or other information not relevant to establishing the facts and circumstances leading to the death of the child. However, the
court shall not redact the record to exclude information that relates to an employee of the division of family and children; an
employee of a county office of family and children; or an employee of a local child protection service.

(2) all identifying information of a child less than eighteen (18) years of age.

(g) The court shall disclose the record redacted in accordance with subsection (e) (f) to any person who requests the record, if the
person has paid:

1) to the entity having control of the record, the reasonable
expenses of copying under IC 5-14-3-8; and

2) to the court, the reasonable expenses of copying the record.

(h) The court’s determination under subsection (e) (f) that certain
identifying information or other information is not relevant to
establishing the facts and circumstances leading to the death or near fatality of a child is not admissible in a criminal proceeding or civil action.

SECTION 155. IC 31-33-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The reports and other
material described in section 1(a) of this chapter and the unredacted reports and other material described in section 1(b) of this chapter shall
be made available only to the following:

1) Persons authorized by this article.

2) A legally mandated public or private child protective agency
investigating a report of child abuse or neglect or treating a child or family that is the subject of a report or record.

3) A police or other law enforcement agency, prosecuting
attorney, or coroner in the case of the death of a child who is
investigating a report of a child who may be a victim of child
abuse or neglect.

4) A physician who has before the physician a child whom the
physician reasonably suspects may be a victim of child abuse or neglect.

5) An individual legally authorized to place a child in protective
custody if:

(A) the individual has before the individual a child whom the
individual reasonably suspects may be a victim of abuse or
neglect; and

(B) the individual requires the information in the report or record to determine whether to place the child in protective custody.

(6) An agency having the legal responsibility or authorization to care for, treat, or supervise a child who is the subject of a report or record or a parent, guardian, custodian, or other person who is responsible for the child's welfare.

(7) An individual named in the report or record who is alleged to be abused or neglected or, if the individual named in the report is a child or is otherwise incompetent, the individual's guardian ad litem or the individual's court appointed special advocate, or both.

(8) Each parent, guardian, custodian, or other person responsible for the welfare of a child named in a report or record and an attorney of the person described under this subdivision, with protection for the identity of reporters and other appropriate individuals.

(9) A court, for redaction of the record in accordance with section 1.5 of this chapter, or upon the court's finding that access to the records may be necessary for determination of an issue before the court. However, except for disclosure of a redacted record in accordance with section 1.5 of this chapter, access is limited to in camera inspection unless the court determines that public disclosure of the information contained in the records is necessary for the resolution of an issue then pending before the court.

(10) A grand jury upon the grand jury's determination that access to the records is necessary in the conduct of the grand jury's official business.

(11) An appropriate state or local official responsible for the child protective service protection services or legislation carrying out the official's official functions.

(12) A foster care review board established by a juvenile court under IC 31-34-21-9 (or IC 31-6-4-19 before its repeal) upon the court's determination that access to the records is necessary to enable the foster care review board to carry out the board's purpose under IC 31-34-21.

(13) The community child protection team appointed under IC 31-33-3 (or IC 31-6-11-14 before its repeal), upon request, to enable the team to carry out the team's purpose under IC 31-33-3.

(14) A person about whom a report has been made, with
protection for the identity of:
   (A) any person reporting known or suspected child abuse or neglect; and
   (B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.
(15) An employee of the division of family and children resources, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 12-14-25.5-3, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:
   (A) child at imminent risk of placement;
   (B) child in need of services; or
   (C) delinquent child.
The results of a criminal history check conducted under this subdivision must be disclosed to a court determining the placement of a child described in clauses (A) through (C).
(18) The department.
SECTION 156. IC 31-33-18-3 IS AMENDED TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Section 2 of this chapter does not prevent the county office of family and children or the local child protection service department from disclosing to a qualified individual engaged in a good faith research project either:
   (1) information of a general nature, including the incidents of reported child abuse or neglect or other statistical or social data used in connection with studies, reports, or surveys, and information related to their function and activities; or
   (2) information relating to case histories of child abuse or neglect if:
      (A) the information disclosed does not identify or reasonably tend to identify the persons involved; and
      (B) the information is not a subject of pending litigation.
(b) To implement this section, the division of family and children department shall adopt under IC 4-22-2 rules to govern the dissemination of information to qualifying researchers.
SECTION 157. IC 31-33-18-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Whenever a child abuse or neglect investigation is conducted under this article, the local child protection service department shall give verbal and written notice to each parent, guardian, or custodian of the child that:

(1) the reports and information described under section 1 of this chapter relating to the child abuse or neglect investigation; and

(2) if the child abuse or neglect allegations are pursued in juvenile court, the juvenile court's records described under IC 31-39; are available upon the request of the parent, guardian, or custodian except as prohibited by federal law.

(b) A parent, guardian, or custodian requesting information under this section may be required to sign a written release form that delineates the information that is requested before the information is made available. However, no other prerequisites for obtaining the information may be placed on the parent, guardian, or custodian except for reasonable copying costs.

SECTION 158. IC 31-33-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except as provided in sections 6 and 7 of this chapter, the division of family and children department shall conduct an administrative hearing under IC 4-21.5-3 upon a request made under IC 31-33-17-8.

SECTION 159. IC 31-33-19-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If the classifying agency fails to carry the burden of proof under section 2 of this chapter, the division of family and children department shall amend or expunge the report as ordered by the administrative hearing officer within the period provided under section 8 of this chapter.

SECTION 160. IC 31-33-19-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The division of family and children department shall expunge identifying information in a substantiated report contained within the registry as follows:

(1) Not later than ten (10) working days after any of the following occurs:

(A) A court having jurisdiction over a child in need of services proceeding determines that child abuse or neglect has not occurred.

(B) An administrative hearing officer under this chapter finds that the child abuse or neglect report is unsubstantiated.

(C) A court having criminal jurisdiction over a case involving child abuse or neglect in which criminal charges are filed and
the court:
   (i) dismisses the charges; or
   (ii) enters a not guilty verdict.
(2) Not later than ten (10) working days after the period of informal adjustment ceases under IC 31-34-8.
(3) Not later than six (6) months after the date that the division of family and children department enters the report into the registry as the result of a person’s failure to successfully participate in a services referral agreement under IC 31-33-13.
(4) Not later than twenty (20) years after a court determines that a child is a child in need of services based upon the report.
(b) However, if subsection (a)(1) through (a)(4) does not apply, the division of family and children department shall expunge the report not later than when the child who is named as the victim of child abuse or neglect reaches twenty-four (24) years of age.

SECTION 161. IC 31-33-19-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The division of family and children department shall immediately amend or expunge from the registry a substantiated report containing an inaccuracy arising from an administrative or a clerical error.

SECTION 162. IC 31-33-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Each local child protection service The department shall establish and maintain an automated child protection system.

SECTION 163. IC 31-33-20-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The system consists of the following components:
   (1) One (1) computer to be purchased for every two (2) child welfare caseworkers.
   (2) Automated risk assessment in which a child welfare worker or supervisor is able to review a substantiated child abuse and neglect case to determine prior case history during the intake, investigation, assessment, and case management processes.
   (3) The capability to allow supervisors to monitor child abuse and neglect cases and reports relating to the cases.
   (4) The automated production of standard reports to enable the automated compilation of information gathered on forms used by child welfare workers to report the information and results of child abuse and neglect cases. The system must also provide for the automation of other data for planning and evaluation as
determined by the division of family and children department.

(5) The capability of same day notification and transfer of statistical information to the division of family and children department regarding new and closed child abuse and neglect cases.

(6) The enabling of child welfare supervisors to review a child abuse or neglect case at any point after the case is initially determined to be substantiated abuse or neglect to confirm the status of the case and allow for the consolidated management of cases.

(7) The capability for adjustment to the system's programming at a later date if additional reporting requirements occur at a later date.

(8) A word processing capability to allow case notes to be recorded with each substantiated child abuse and neglect case.

SECTION 164. IC 31-33-20-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) In addition to the components under section 2 of this chapter, the system must have the capability to maintain a case history file.

(b) Whenever a child abuse or neglect case is substantiated as provided under IC 31-33-17-2, the system must have the capability to transmit the information regarding the case to the division of family and children department.

(c) Whenever a person enters a new child abuse or neglect report into the system, the system must have the capability to automatically search:

(A) (1) within the county; and

(B) (2) within the child abuse and neglect registry maintained by the division of family and children department under IC 31-33-17;

for reports that match the name of the perpetrator, victim, or person who is legally responsible for the victim's welfare with the persons named in the new report as described in this chapter.

(d) If the system identifies a previous, substantiated report, the system must have the capability to transfer the report to the county where the new report originated not later than twenty-four (24) hours after receipt of the new report. If the previous, matching report is located, a case history extract must be made available to the assigned caseworker.

SECTION 165. IC 31-33-20-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. At least ten (10) levels of security for confidentiality in the system must be maintained. The system must have a comprehensive system of limited access to information as follows:

1. The system must be accessed only by the entry of an operator identification number and a person's secret password.
2. Child welfare caseworkers and investigators must be allowed to access only cases that are assigned to the caseworker or investigator.
3. Child welfare supervisors may access only the following:
   A. Cases assigned to the supervisor.
   B. Cases assigned to a caseworker or an investigator who reports to the supervisor.
   C. Cases that are unassigned.
4. To preserve confidentiality in the workplace, case welfare managers, as designated by the division of family and children's department, may access any case, except restricted cases involving a state employee or the immediate family member of a state employee who has access to the system. Access to restricted information under this subdivision may be obtained only if an additional level of security is implemented.
5. Access to records of authorized users, including passwords, is restricted to:
   A. Users designated by the division of family and children's department as an administrator; and
   B. The administrator's level of administration as determined by the division of family and children's department.
6. Ancillary programs that may be designed for the system may not be executed in a manner that would circumvent the system's log on security measures.
7. Certain system functions must be accessible only to system operators with specified levels of authorization as determined by the division of family and children's department.
8. Files containing passwords must be encrypted.
9. There must be two (2) additional levels of security for confidentiality as determined by the division of family and children's department.

SECTION 166. IC 31-33-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person who intentionally communicates to:
(1) a law enforcement agency; or
(2) a local child protection service;
(2) the department;
a report of child abuse or neglect knowing the report to be false
commits a Class A misdemeanor. However, the offense is a Class D
felony if the person has a previous unrelated conviction for making a
report of child abuse or neglect knowing the report to be false.
(b) A person who intentionally communicates to:
(1) a law enforcement agency; or
(2) a local child protection service;
(2) the department;
a report of child abuse or neglect knowing the report to be false is
liable to the person accused of child abuse or neglect for actual
damages. The finder of fact may award punitive damages and attorney's
fees in an amount determined by the finder of fact against the person.
(c) The director of the county office of family and children or the
director's designee shall, after review by the county office's
department's attorney, notify the prosecuting attorney whenever the
director or the director's designee and the county office's
department's attorney have reason to believe that a person has
violated this section.
(d) A person who:
(1) has reason to believe that the person is a victim of a false
report of child abuse or neglect under this section; and
(2) is not named in a pending criminal charge or under
investigation relating to the report;
may file a complaint with the prosecuting attorney. The prosecuting
attorney shall review the relevant child abuse or neglect records of the
county office of family and children department and any other
relevant evidence.
SECTION 167. IC 31-33-22-5 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A person who is
accused of committing child abuse or neglect is entitled to access to a
report relevant to an alleged false accusation filed under this article if
a court finds that the report:
(1) is unsubstantiated; and
(2) was intentionally communicated to a law enforcement agency
or a local child protection service the department by a person
who knew the report was false.
SECTION 168. IC 31-34-2-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A person taking a child into custody under section 3 of this chapter shall make written documentation evidencing the following:

(1) The facts establishing probable cause to believe that the child is a child in need of services.
(2) Why the child's physical or mental condition will be seriously impaired or seriously endangered if the child is not immediately taken into custody.
(3) Why the person is unable to obtain a court order and what steps have been taken to obtain a court order.
(4) Why the local child protection service department of child services is unable to protect the safety of the child without taking the child into custody.
(5) Why the person is unable to obtain the assistance of a law enforcement officer if the child is taken into custody by a probation officer or caseworker without the assistance of a law enforcement officer.

(b) The division department of child services shall create forms to be used for documentation under this section.

(c) The person taking the child into custody shall immediately forward a copy of the documentation to the local department of child protection service services to be included in the report required by IC 31-33-7-4.

SECTION 169. IC 31-34-2.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Immediately after an emergency medical services provider takes custody of a child under section 1 of this chapter, the provider shall notify the local department of child protection service services that the provider has taken custody of the child.

(b) The local department of child protection service services shall:

(1) assume the care, control, and custody of the child immediately after receiving notice under subsection (a); and
(2) not later than forty-eight (48) hours after the local department of child protection service services has taken custody of the child, contact the Indiana clearinghouse for information on missing children established by IC 10-13-5-5 to determine if the child has been reported missing.

SECTION 170. IC 31-34-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A child for whom the local department of child protection service services assumes care,
control, and custody under section 2 of this chapter shall be treated as a child taken into custody without a court order, except that efforts to locate the child's parents or reunify the child's family are not necessary, if the court makes a finding to that effect under IC 31-34-21-5.6(b)(5).

SECTION 171. IC 31-34-2.5-4, AS AMENDED BY SEA 340-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Whenever a child is taken into custody without a court order under this chapter, the attorney for the county office of family and children department of child services shall, without unnecessary delay, request the juvenile court to:

1. authorize the filing of a petition alleging that the child is a child in need of services;
2. hold an initial hearing under IC 31-34-10 not later than the next business day after the child is taken into custody; and
3. appoint a guardian ad litem or a court appointed special advocate for the child.

SECTION 172. IC 31-34-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If a child is taken into custody under IC 31-34-2, the local department of child protection service services shall notify the child's custodial parent, guardian, or custodian not more than two (2) hours after the child has been taken into custody that the child has been taken into custody as the result of alleged child abuse or neglect.

SECTION 173. IC 31-34-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Subject to section 3 of this chapter, if after making a reasonable effort the child's custodial parent, guardian, or custodian cannot be located, the department of child protection service services shall make a good faith effort, not more than six (6) hours after the child has been taken into custody, to leave written notice at the last known address of the child's custodial parent, guardian, or custodian that the child has been taken into custody.

SECTION 174. IC 31-34-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. If the custodial parent, guardian, or custodian is believed to reside outside of Indiana, the local department of child protection service services shall send written notice by certified mail to the last known address of the noncustodial parent, guardian, or custodian on the same date that the child is taken into custody. However, if the child is not taken into custody on a business day, the department of child protection service
services shall send notice by certified mail on the next business day after the child is taken into custody.

SECTION 175. IC 31-34-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The local department of child protection service services must have as the services department’s first priority the immediate needs of the child for medical care, shelter, food, or other crisis services.

SECTION 176. IC 31-34-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If a child alleged to be a child in need of services is taken into custody under an order of the court under this chapter, the court shall consider placing the child with a suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering any other out-of-home placement.

(b) Before placing a child in need of services with a blood relative or an adoptive relative caretaker, the court may order the division of family and children resources to:

(1) complete a home study of the relative's home; and
(2) provide the court with a placement recommendation.

(c) Except as provided in subsection (e), before placing a child in need of services in an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the court shall order the division of family and children resources to conduct a criminal history check (as defined in IC 31-9-2-22.5) of each person who is:

(1) currently residing in the location designated as the out-of-home placement; or
(2) in the reasonable belief of the division of family and children resources, expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

(d) Except as provided in subsection (f), a court may not order an out-of-home placement if a person described in subsection (c)(1) or (c)(2) has:

(1) committed an act resulting in a substantiated report of child abuse or neglect; or
(2) been convicted of a felony listed in IC 12-17.4-4-11 or had a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult.

(e) The court is not required to order the division of family and children resources to conduct a criminal history check under
subsection (c) if the court orders an out-of-home placement to an entity or a facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.

(f) A court may order an out-of-home placement if:
   (1) a person described in subsection (c)(1) or (c)(2) has:
      (A) committed an act resulting in a substantiated report of child abuse or neglect; or
      (B) been convicted or had a juvenile adjudication for:
         (i) reckless homicide (IC 35-42-1-5);
         (ii) battery (IC 35-42-2-1) as a Class C or D felony;
         (iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;
         (iv) arson (IC 35-43-1-1) as a Class C or D felony;
         (v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;
         (vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or
         (vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and
   (2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that the placement is in the best interest of the child.

However, a court may not order an out-of-home placement if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(g) In making its written finding under subsection (f), the court shall consider the following:
   (1) The length of time since the person committed the offense, delinquent act, or abuse or neglect.
   (2) The severity of the offense, delinquent act, or abuse or neglect.
   (3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 177. IC 31-34-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The advisement
required by this section applies only to a person who:

(1) is named as being responsible for child abuse or neglect as the result of a substantiated report; and

(2) agrees to participate in a program of informal adjustment under this chapter.

(b) Before the person signs an agreement to participate in a program of informal adjustment, the local department of child protection services shall advise the person, orally and in writing, of the extent to which information contained in the substantiated report must be entered into the child abuse registry under IC 31-33-17 if the court approves the informal adjustment under section 1 of this chapter.

SECTION 178. IC 31-34-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Whenever the court approves a program of informal adjustment arising out of a child abuse or neglect report, the local department of child protection services shall transmit the report to the child abuse registry within five (5) working days as required by IC 31-33-8-13.

SECTION 179. IC 31-34-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Not later than five (5) months after a court approves a program of informal adjustment under this chapter, the local department of child protection services shall file with the court a report indicating the extent of compliance with the program.

(b) If the court extends the period of the informal adjustment under section 6 of this chapter, the local department of child protection services shall file a supplemental report not later than eleven (11) months after the court initially approves the program of informal adjustment updating the court on the status of a person's compliance with the program.

SECTION 180. IC 31-34-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Before complying with the other requirements of this chapter, the juvenile court shall first determine whether the following conditions make it appropriate to appoint a guardian ad litem or a court appointed special advocate, or both, for the child:

(1) If the child is alleged to be a child in need of services:
   (A) under IC 31-34-1-6;
   (B) under IC 31-34-1-10 or IC 31-34-1-11;
   (C) due to the inability, refusal, or neglect of the child's parent, guardian, or custodian to supply the child with the necessary
medical care; or
(D) because the location of both of the child's parents is unknown;
the court shall appoint a guardian ad litem or court appointed special advocate, or both, for the child.

(2) If the child is alleged to be a child in need of services under:
(A) IC 31-34-1-1;
(B) IC 31-34-1-2;
(C) IC 31-34-1-3;
(D) IC 31-34-1-4;
(E) IC 31-34-1-5;
(F) IC 31-34-1-7; or
(G) IC 31-34-1-8;
the court may shall appoint a guardian ad litem, court appointed special advocate, or both, for the child.

(3) If the parent, guardian, or custodian of a child denies the allegations of a petition under section 6 of this chapter, the court shall appoint a guardian ad litem, court appointed special advocate, or both, for the child.

SECTION 181. IC 31-34-18-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 6.1. (a) The predispositional report prepared by a probation officer or caseworker shall include the following information:

(1) A description of all dispositional options considered in preparing the report.
(2) An evaluation of each of the options considered in relation to the plan of care, treatment, rehabilitation, or placement recommended under the guidelines described in section 4 of this chapter.
(3) The name, occupation and position, and any relationship to the child of each person with whom the preparer of the report conferred as provided in section 1.1 of this chapter.

(b) If a probation officer or a caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the probation officer or caseworker shall conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who:

(1) is currently residing in the location designated as the out-of-home placement; or
(2) in the reasonable belief of the probation officer or caseworker,
is expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

The results of the criminal history check must be included in the predispositional report.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the probation officer or caseworker is considering only an out-of-home placement to an entity or facility that:
   (A) is not a residence (as defined in IC 3-5-2-42.5); or
   (B) is licensed by the state; or
(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 182. IC 31-34-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided in subsection (d), a court may not enter a dispositional decree under subsection (b) if a person who is:

(1) currently residing in the location designated as the out-of-home placement; or
(2) reasonably expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location;

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. If a criminal history check has not been conducted before a dispositional decree is entered under this section, the court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check in the manner set forth in IC 31-34-18-6.1.

(b) In addition to the factors under section 6 of this chapter, if the court enters a dispositional decree regarding a child in need of services that includes an out-of-home placement, the court shall consider whether the child should be placed with the child’s suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering other out-of-home placements for the child.

(c) The court is not required to order a probation officer or caseworker to conduct a criminal history check under subsection (a) if the court orders an out-of-home placement to an entity or a facility that
is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state:

(d) A court may enter a dispositional decree under subsection (b) if:

(1) a person described in subsection (a)(1) or (a)(2) has:
   (A) committed an act resulting in a substantiated report of child abuse or neglect; or
   (B) been convicted or had a juvenile adjudication for:
      (i) reckless homicide (IC 35-42-1-5);
      (ii) battery (IC 35-42-2-1) as a Class C or D felony;
      (iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;
      (iv) arson (IC 35-43-1-1) as a Class C or D felony;
      (v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;
      (vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or
      (vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and
   (2) the court makes a written finding that the person's commission of the offense; delinquent act; or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child; and the dispositional decree is in the best interest of the child.

However, a court may not enter a dispositional decree if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B); or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B):

(e) In making its written finding under subsection (d), the court shall consider the following:

   (1) The length of time since the person committed the offense; delinquent act; or act that resulted in the conviction; adjudication; or substantiated report of abuse or neglect;
   (2) The severity of the offense; delinquent act; or abuse or neglect;
   (3) Evidence of the person's rehabilitation; including the person's cooperation with a treatment plan; if applicable.

SECTION 183. IC 31-34-20-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) Except as
provided in subsection (c); (d) the juvenile court may not enter a dispositional decree placing a child in another home under section 1(3) of this chapter or awarding wardship to a county office of family and children that will place the child with a person under section 1(4) of this chapter if a person who is:

(1) currently residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter; or
(2) reasonably expected to be residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter during the time the child would be placed in the home;

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2 or IC 31-34-18-6.1 or IC 31-34-19-7 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the probation officer or caseworker is considering only an out-of-home placement to an entity or a facility that:
   (A) is not a residence (as defined in IC 3-5-2-42.5); or
   (B) is licensed by the state; or
(2) placement under this section is undetermined at the time the predispositional report is prepared.

(d) A court may enter a dispositional decree placing a child in another home or award wardship to a county office of family and children if:
(1) a person described in subsection (a)(1) or (a)(2) has:
(A) committed an act resulting in a substantiated report of child abuse or neglect; or
(B) been convicted or had a juvenile adjudication for:
   (i) reckless homicide (IC 35-42-1-5);
   (ii) battery (IC 35-42-2-1) as a Class C or D felony;
   (iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;
   (iv) arson (IC 35-43-1-1) as a Class C or D felony;
   (v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;
   (vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or
   (vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and
(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that the dispositional decree placing a child in another home or awarding wardship to a county office of family and children is in the best interest of the child.

However, a court may not enter a dispositional decree placing a child in another home or award wardship to a county office of family and children if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(d) In making its written finding under subsection (c), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.
(2) The severity of the offense, delinquent act, or abuse or neglect.
(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 184. IC 31-34-21-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) Except as provided in subsection (d), the juvenile court may not approve a
permanency plan under subsection (c)(1)(D), or (c)(1)(E), or (c)(1)(F) if a person who is currently residing with a person described in subsection (c)(1)(D) or (c)(1)(E) or in a residence in which the child would be placed under subsection (c)(1)(F)

(2) reasonably expected to be residing with a person described in subsection (c)(1)(D) or (c)(1)(E) during the time the child would be placed in the location:

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) or (a)(2) (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, IC 31-34-19.7, or IC 31-34-20-3.5 establishes whether a person described in subsection (a) or (a)(2) (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) A permanency plan under this chapter includes the following:

(1) The intended permanent or long term arrangements for care and custody of the child that may include any of the following arrangements that the court considers most appropriate and consistent with the best interests of the child:

   (A) Return to or continuation of existing custodial care within the home of the child's parent, guardian, or custodian or placement of the child with the child's noncustodial parent.
   (B) Initiation of a proceeding by the agency or appropriate person for termination of the parent-child relationship under IC 31-35.
   (C) Placement of the child for adoption.
   (D) Placement of the child with a responsible person,
including:
(i) an adult sibling;
(ii) a grandparent;
(iii) an aunt;
(iv) an uncle; or
(v) another relative;
who is able and willing to act as the child's permanent custodian and carry out the responsibilities required by the permanency plan.

(E) Appointment of a legal guardian. The legal guardian appointed under this section is a caretaker in a judicially created relationship between the child and caretaker that is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of the following parental rights with respect to the child:
(i) Care, custody, and control of the child.
(ii) Decision making concerning the child's upbringing.

(F) Placement of the child in another planned, permanent living arrangement.

(2) A time schedule for implementing the applicable provisions of the permanency plan.

(3) Provisions for temporary or interim arrangements for care and custody of the child, pending completion of implementation of the permanency plan.

(4) Other items required to be included in a case plan under IC 31-34-15 or federal law, consistent with the permanent or long term arrangements described by the permanency plan.

(d) A juvenile court may approve a permanency plan if:
(1) a person described in subsection (a)(1) or (a)(2) (a) has:
(A) committed an act resulting in a substantiated report of child abuse or neglect; or
(B) been convicted or had a juvenile adjudication for:
(i) reckless homicide (IC 35-42-1-5);
(ii) battery (IC 35-42-2-1) as a Class C or D felony;
(iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;
(iv) arson (IC 35-43-1-1) as a Class C or D felony;
(v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;
(vi) a felony relating to controlled substances under
IC 35-48-4 as a Class C or D felony; or
(vii) a felony that is substantially equivalent to a felony
listed in items (i) through (vi) for which the conviction was
entered in another state; and
(2) the court makes a written finding that the person's commission
of the offense, delinquent act, or act of abuse or neglect described
in subdivision (1) is not relevant to the person's present ability to
care for a child, and that approval of the permanency plan is in the
best interest of the child.

However, a court may not approve a permanency plan if the person has
been convicted of a felony listed in IC 12-17.4-4-11 that is not
specifically excluded under subdivision (1)(B), or has a juvenile
adjudication for an act that would be a felony listed in IC 12-17.4-4-11
if committed by an adult that is not specifically excluded under
subdivision (1)(B).

(e) In making its written finding under subsection (d), the court shall
consider the following:

(1) The length of time since the person committed the offense,
delinquent act, or act that resulted in the substantiated report of
abuse or neglect.
(2) The severity of the offense, delinquent act, or abuse or neglect.
(3) Evidence of the person's rehabilitation, including the person's
cooperation with a treatment plan, if applicable.

SECTION 185. IC 31-34-24-18 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The:
(1) juvenile court, in implementing a program of informal
adjustment for a child under IC 31-34-8; and
(2) local department of child protection service, services,
in proposing a voluntary services referral agreement for the benefit
of a child under IC 31-33-13;
shall consider and use to the extent feasible any available services
described in an early intervention plan approved under this chapter.

SECTION 186. IC 31-37-17-6.1 IS AMENDED TO READ AS
FOLLOWs [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) The
predispositional report prepared by a probation officer or caseworker
shall include the following information:

(1) A description of all dispositional options considered in
preparing the report.
(2) An evaluation of each of the options considered in relation to
the plan of care, treatment, rehabilitation, or placement
recommended under the guidelines described in section 4 of this chapter.

(3) The name, occupation and position, and any relationship to the child of each person with whom the preparer of the report conferred as provided in section 1.1 of this chapter.

(b) If a probation officer or a caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the probation officer or caseworker must conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who:

(1) is currently residing in the location designated as the out-of-home placement; or
(2) in the reasonable belief of the probation officer or caseworker, is expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

The results of the criminal history check must be included in the predispositional report.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the probation officer or caseworker is considering only an out-of-home placement to an entity or a facility that:
   (A) is not a residence (as defined in IC 3-5-2-42.5); or
   (B) is licensed by the state; or
(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 187. IC 31-37-19-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) Except as provided in subsection (c), the juvenile court may not enter a dispositional decree placing a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to the county office of family and children that results in a placement with a person under section 1(4) or 6(b)(2)(E) of this chapter if a person who is:

(1) currently residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of this chapter; or
(2) reasonably expected to be residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of this chapter during the time the child would be placed in the home;
has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-37-17-6.1 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) The juvenile court may enter a dispositional decree placing a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to the county office of family and children that results in a placement with a person under section 1(4) or 6(b)(2)(E) of this chapter if:

1. a person described in subsection (a)(1) or (a)(2) has:
   (A) committed an act resulting in a substantiated report of child abuse or neglect; or
   (B) been convicted or had a juvenile adjudication for:
      (i) reckless homicide (IC 35-42-1-5);
      (ii) battery (IC 35-42-2-1) as a Class C or D felony;
      (iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;
      (iv) arson (IC 35-43-1-1) as a Class C or D felony;
      (v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;
      (vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or
      (vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and
(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that entry of a dispositional decree placing the child in another home is in the best interest of the child.

However, a court may not enter a dispositional decree placing a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to the county office of family and children if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(d) In making its written finding under subsection (c), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 188. IC 31-37-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The:

(1) juvenile court, in implementing a program of informal adjustment for a child under IC 31-34-8; and

(2) local department of child protection service; services, in proposing a voluntary services referral agreement for the benefit of a child under IC 31-33-13;

shall consider and use to the extent feasible any available services described in an early intervention plan approved under this chapter.

SECTION 189. IC 31-39-2-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.5. The records of the juvenile court are available without a court order to an employee of the division of family and children; resources, a caseworker, or a juvenile probation officer conducting a criminal history check (as defined in IC 31-9-2-22.5) under IC 12-14-25.5-3, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:

(1) child at imminent risk of placement;

(2) child in need of services; or

(3) delinquent child.
SECTION 190. IC 31-39-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Child abuse or neglect information may be expunged under this chapter if the probative value of the information is so doubtful as to outweigh the information's validity.

(b) Child abuse or neglect information shall be expunged if the information is determined to be unsubstantiated after:

(1) an investigation of a report of a child who may be a victim of child abuse or neglect by the department of child protection service; services; or

(2) a court proceeding.

SECTION 191. IC 36-2-6-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) A county executive may adopt an ordinance allowing money to be disbursed for lawful county purposes under this section.

(b) Notwithstanding IC 5-11-10, with the prior written approval of the board having jurisdiction over the allowance of claims, the county auditor may make claim payments in advance of board allowance for the following kinds of expenses if the county executive has adopted an ordinance under subsection (a):

(1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions.
(2) License or permit fees.
(3) Insurance premiums.
(4) Utility payments or utility connection charges.
(5) General grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.
(6) Grants of state funds authorized by statute.
(7) Maintenance or service agreements.
(8) Leases or rental agreements.
(9) Bond or coupon payments.
(10) Payroll.
(11) State or federal taxes.
(12) Expenses that must be paid because of emergency circumstances.
(13) Expenses described in an ordinance.
(14) Expenses incurred under a procurement contract under IC 31-33-1.5-10.

(c) Each payment of expenses under this section must be supported
(d) The county executive or the county board having jurisdiction over the allowance of the claim shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

(e) A payment of expenses under this section must be published in the manner provided under section 3 of this chapter.

SECTION 192. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 6-1.1-18.6; IC 12-7-2-31.5; IC 12-7-2-31.6; IC 12-13-14.5; IC 12-17-2-4; IC 12-17-2-5; IC 12-17-2-8; IC 12-17-2-16; IC 12-17.4-3-12; IC 12-17.4-4-15; IC 12-17.4-5-12; IC 12-17.4-6-11; IC 12-19-7-5; IC 12-19-7-8; IC 12-19-7.5-7; IC 12-19-7.5-10; IC 31-9-2-29.7; IC 31-33-2-1; IC 31-33-2-7.

SECTION 193. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "division" refers to the division of family and children established by IC 12-13-1-1.

(b) The division shall take any steps necessary to transfer, beginning July 1, 2005, the designated state agency charged with the administration of Title IV-D of the federal Social Security Act from the child support bureau established by IC 12-17-2-5 to the department of child services established by IC 31-33-1.5-2, as added by this act.

(c) If the federal government has not approved the transfer of designation described in this SECTION by July 1, 2005, the department of child services shall enforce Title IV-D under the designation of the child support bureau established by IC 12-17-2-5.

(d) This SECTION expires December 31, 2006.

SECTION 194. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "department" refers to the department of child services established by IC 31-33-1.5-2, as added by this act.

(b) On July 1, 2005, the following occur:

(1) The powers, duties, and functions of:
   (A) a local, joint county, or multiple county child protection service established by IC 31-33-2-1 (before its repeal) or IC 31-33-2-7 (before its repeal);
   (B) the child support bureau created by IC 12-17-2-5 (before its repeal); and
   (C) the division of family and children established by
IC 12-13-1-1, before its amendment by this act, concerning:
(i) foster care;
(ii) independent living (as described in 42 U.S.C. 677 et seq.);
(iii) adoption;
(iv) the delivery of child services (as defined in IC 12-19-7-1);
(v) the regulation of residential child care establishments;
(vi) children in need of services;
(vii) children psychiatric residential treatment services (as defined in IC 12-19-7.5-1); and
(viii) family services (as defined in IC 31-9-2-45);
are transferred to the department.

(2) A reference in the Indiana Code or a rule to:
(A) child protection services or local, joint county, or multiple county child protection service;
(B) the child support bureau or the state's Title IV-D agency; and
(C) the division of family and children concerning the provision of:
(i) foster care;
(ii) independent living;
(iii) adoption;
(iv) the delivery of child;
(v) residential child care establishment;
(vi) children in need of;
(vii) children psychiatric residential treatment; and
(viii) family;
services;
shall be construed as a reference to the department.

(3) The property and records of:
(A) the child protection services and local, joint county, and multiple county child protection services;
(B) the child support bureau; and
(C) the division of family and children concerning:
(i) foster care;
(ii) independent living;
(iii) adoption;
(iv) the delivery of child;
(v) residential child care establishment;
(vi) children in need of;
(vii) children psychiatric residential treatment; and
(viii) family;
services;
are transferred to the department.
(4) Any appropriations made to the office of the secretary of family and social services to administer:
   (A) child protection services;
   (B) the child support bureau or Title IV-D;
   (C) foster care services;
   (D) independent living services;
   (E) adoption services;
   (F) the delivery of child services;
   (G) the regulation of residential child care establishments;
   (H) children in need of services;
   (I) children psychiatric residential treatment services; and
   (J) family services;
are transferred to the department.
(5) An individual who was an employee of:
   (A) a local, joint county, or multiple county child protection services;
   (B) the child support bureau; or
   (C) the division of family and children or a local county office of family and children concerning:
      (i) foster care;
      (ii) independent living;
      (iii) adoption;
      (iv) the delivery of child;
      (v) residential child care establishment;
      (vi) children in need of;
      (vii) children psychiatric residential treatment; and
      (viii) family;
services;
becomes an employee of the department. The employee is entitled to have the employee's service before July 1, 2005, recognized for the purposes of computing retention points under IC 4-15-2-32 if a layoff occurs and all other applicable employee benefits.
(c) This SECTION expires December 31, 2006.
SECTION, "department" refers to the department of child services established by IC 31-33-1.5-2, as added by this act.

(b) Rules adopted before July 1, 2005, by the division of family and children concerning:

(1) child protection services;
(2) Title IV-D or the child support bureau;
(3) foster care services;
(4) independent living services;
(5) adoption services;
(6) the delivery of child services;
(7) the regulation of residential child care establishments;
(8) children in need of services;
(9) children psychiatric residential treatment; and
(10) family services;

are considered after June 30, 2005, rules of the department.

(c) The department shall amend references in rules to indicate that the department and not the division of family and children is the entity that administers:

(1) child protection services;
(2) Title IV-D;
(3) foster care services;
(4) independent living services;
(5) adoption services;
(6) the delivery of child services;
(7) the regulation of residential child care establishments;
(8) children in need of services;
(9) children psychiatric residential treatment; and
(10) family services.

(d) This SECTION expires December 31, 2006.

SECTION 196. [EFFECTIVE JULY 1, 2005] (a) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to make appropriate changes in statutes that are required by this act, including the review of the following cites to determine whether changes are necessary:

(1) IC 12-7-2.
(2) IC 12-13-5.
(3) IC 12-13-6.
(4) IC 12-13-7.
(8) IC 12-14-24.
(9) IC 12-17-1.
(10) IC 12-17-2.
(11) IC 12-17-3.
(12) IC 12-17-8.
(13) IC 12-17-9.
(14) IC 12-17-10.
(15) IC 12-17-11.
(16) IC 12-17-16.
(17) IC 12-17-4.
(18) IC 12-19-1.
(19) IC 12-19-2.
(20) IC 12-19-5.
(21) IC 12-19-7.
(22) IC 12-19-7.5.
(23) IC 31-19.
(24) IC 31-34-4.
(25) IC 31-34-21.
(26) IC 31-34-24.
(28) IC 31-40-1.
(29) Any other statute needing to be changed as required by this act.

(b) A reference in the following statutes to the division of family and children shall be construed as a reference to the department of child services established by IC 31-33-1.5:

(1) IC 12-13-13.
(2) IC 12-13-15.
(3) IC 12-13-15.1.
(4) IC 12-14-24.
(5) IC 12-17-1.
(6) IC 12-17-3.
(7) IC 12-17-8.
(8) IC 12-17-9.
(9) IC 12-17-10.
(10) IC 12-17-11.
(11) IC 12-17-16.
(12) IC 12-17-4.
(13) IC 12-19-1-11.
(14) IC 12-19-1-14.
(15) IC 20-8.1-6.1-5.5.
(16) IC 31-19.
(17) IC 31-30 through IC 31-40 that are duties, functions, or responsibilities of the department of child services under IC 31-33-1.5.
(c) This SECTION expires December 31, 2007.
SECTION 197. [EFFECTIVE JULY 1, 2005] (a) On July 1, 2005, the following occur:
(1) The division of family and children established by IC 12-13-1-1 becomes the division of family resources.
(2) The powers, duties, and functions of the division of family and children, except for the powers, duties, and functions transferred to the department of child services established by this act, are transferred to the division of family resources.
(3) A reference in the Indiana Code or the Indiana Administrative Code to the division of family and children, except as changed by this act, shall be construed as a reference to the division of family resources.
(4) The property and records of the division of family and children, except for the property and records transferred by this act to the department of child services, are transferred to the division of family resources.
(5) Any appropriations made to the division of family and children, except for an appropriation concerning a power, duty, or function transferred to the department of child services under this act, are transferred to the division of family resources.
(6) An individual who is an employee of the division of family and children, except for an employee who is transferred to the department of child services under this act, becomes an employee of the division of family resources. The employee is entitled to have the employee's service before July 1, 2005, recognized for the purposes of computing retention points under IC 4-15-2-32 if a layoff occurs and all other applicable employee benefits.
(7) Rules adopted by the division of family and children before July 1, 2005, except for a rule concerning a power, duty, or function transferred to the department of child services under this act, are considered after June 30, 2005, to be rules of the division of family resources.
(8) The division of family resources shall amend references to
the division of family and children in rules adopted by the division of family and children before July 1, 2005, to reflect the change described in subdivision (1).

(b) This SECTION expires December 31, 2009.

SECTION 198. [EFFECTIVE JULY 1, 2005] The amendments to IC 12-19-7 and IC 12-19-7.5 by this act apply only to property taxes first due and payable after December 31, 2005.

SECTION 199. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(b) As used in this SECTION, "special needs adopted child" means a child who:

(1) has been adopted by an individual; and
(2) has been diagnosed with a mental illness, including an emotional or behavioral condition, by a psychologist licensed under IC 25-33 or a psychiatrist licensed under IC 25-22.5.

(c) As used in this SECTION, "waiver" refers to a Medicaid waiver allowed under the federal Social Security Act.

(d) Before September 1, 2005, the office shall apply to the United States Department of Health and Human Services for a waiver to allow the office to disregard parental income for Medicaid eligibility purposes if the parental income:

(1) is three hundred fifty percent (350%) or less of the federal income poverty level and the individual is otherwise ineligible for Medicaid; or
(2) exceeds three hundred fifty percent (350%) and is less than one thousand one percent (1001%) of the federal income poverty level and the office adopts a cost participation plan for these individuals;

and provide coverage of mental health services for a special needs adopted child who is less than nineteen (19) years of age.

(e) The office may not implement the waiver until the office files an affidavit with the governor attesting that the federal waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(f) If the office receives a waiver applied for under subsection (d) and the governor receives the affidavit filed under subsection (e), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

(g) The office may adopt rules under IC 4-22-2 necessary to
implement this SECTION.

(h) This SECTION expires December 31, 2012.

SECTION 200. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the select committee on the reorganization of child services established by this SECTION.

(b) There is established the select committee on the reorganization of child services. The committee shall study the organization of child services provided in Indiana and consider which is the proper agency to administer each program that has an impact on services for children. The duties of the committee include the following:

(1) Studying and making recommendations concerning the means in which the department of child services and the office of the secretary of family and social services shall cooperate in providing child services.

(2) Studying and making recommendations concerning the determination of the proper agency:

   (A) to administer specific child service programs; and

   (B) to employ the individuals providing child services.

(3) Studying and making a recommendation concerning the proper organization of the department of child services established by this act to deliver services for children on a statewide basis.

(4) Studying any other matter the committee determines is relevant to the reorganization of child services in Indiana.

(5) Studying the efficient provision of administrative functions used by more than one (1) agency providing child services.

(c) The committee consists of the following members:

   (1) Two (2) legislators appointed by the president pro tempore of the senate. Members appointed under this subdivision may not be members of the same political party.

   (2) Two (2) legislators appointed by the speaker of the house of representatives. Members appointed under this subdivision may not be members of the same political party.

   (3) The secretary of family and social services.

   (4) The director of the department of child services appointed under IC 31-33-1.5-2, as added by this act.

   (5) Three (3) directors of county offices of family and children appointed as follows:

      (A) One (1) director appointed by the secretary of the office of the secretary of family and social services.
(B) One (1) director appointed by the director of the department of child services.
(C) One (1) director appointed by the governor.
(6) One (1) guardian ad litem or court appointed special advocate appointed by the governor.
(7) One (1) school superintendent appointed by the governor.
The chairperson of the legislative council shall appoint a member described in subdivision (1) or (2) as chairperson of the committee.
(d) The committee shall operate under the policies governing study committees adopted by the legislative council.
(e) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including the final report.
(f) The final report of the committee must be submitted to the legislative council in electronic format under IC 5-14-6 not later than December 1, 2005.
(g) This SECTION expires December 31, 2005.
SECTION 201. [EFFECTIVE JULY 1, 2005] (a) The department of child services shall submit a report to the legislative council and the health finance commission established by IC 2-5-23-3 that contains statistics concerning the education levels and salaries of all:
(1) child protection caseworkers and child welfare caseworkers; and
(2) child protection caseworker and child welfare caseworker supervisors;
by September 1, 2005.
(b) The report required by subsection (a) must be in an electronic format under IC 5-14-6.
(c) This SECTION expires December 31, 2005.
SECTION 202. [EFFECTIVE JULY 1, 2005] (a) The department of education, in cooperation with the department of child services, the department of correction, and the division of mental health and addiction, shall submit a joint report not later than June 1, 2006, to the legislative council and the commission on mental health concerning the implementation of IC 12-13-16, as added by this act.
(b) The report required by subsection (a) must be in an electronic format under IC 5-14-6.
(c) This SECTION expires July 1, 2006.
SECTION 203. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-4-10.9-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1.2. "Affected statutes" means all statutes that grant a power to or impose a duty on the authority, including but not limited to IC 4-4-11, IC 4-4-21, IC 4-13.5, IC 8-1-33, IC 8-9.5, IC 8-14.5, IC 8-15, IC 8-16, IC 13-18-13, IC 13-18-21, IC 13-19-5, IC 14-14, and IC 15-7-5.

SECTION 2. IC 4-4-10.9-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1.5. "Authority" refers to the Indiana development finance authority established by IC 4-4-11.

SECTION 3. IC 4-4-10.9-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.1. "Broadband development program" refers to the Indiana broadband development program established by IC 8-1-33-15.

SECTION 4. IC 4-4-10.9-2.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.2. "Broadband development project" means a project authorized by the broadband development program under IC 8-1-33.

SECTION 5. IC 4-4-10.9-11, AS AMENDED BY P.L.4-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. (a) Except as provided in subsection (b), "industrial development project" includes:

1. The acquisition of land, site improvements, infrastructure improvements, buildings, or structures, rehabilitation, renovation, and enlargement of buildings and structures, machinery, equipment, furnishings, or facilities (or any combination of these), comprising or being functionally related and subordinate to any
project (whether manufacturing, commercial, agricultural, environmental, or otherwise) the development or expansion of which serves the public purposes set forth in IC 4-4-11-2;

(2) educational facility projects; and

(3) child care facility projects; and

(4) broadband development projects.

(b) For purposes of the industrial development guaranty fund program, "industrial development project" includes the acquisition of land, interests in land, site improvements, infrastructure improvements (including information and high technology infrastructure (as defined in IC 4-4-8-1)), buildings, or structures, rehabilitation, renovation, and enlargement of buildings and structures, machinery, equipment, furnishings, or facilities (or any combination of these), comprising or being functionally related and subordinate to any of the following:

(1) A pollution control facility.

(2) A manufacturing enterprise.

(3) A business service enterprise involved in:

   (A) computer and data processing services; or
   (B) commercial testing services.

(4) A business enterprise the primary purpose of which is the operation of an education and permanent marketing center for manufacturers and distributors of robotic and flexible automation equipment.

(5) Any other business enterprise, if the use of the guaranty program creates a reasonable probability that the effect on Indiana employment will be creation or retention of at least fifty (50) jobs.

(6) An agricultural enterprise in which:

   (A) the enterprise operates pursuant to a producer or growout agreement; and
   (B) the output of the enterprise is processed predominantly in Indiana.

(7) A business enterprise that is required by a state, federal, or local regulatory agency to make capital expenditures to remedy a violation of a state or federal law or a local ordinance.

(8) A recycling market development project.

(9) A high growth company with high skilled jobs (as defined in IC 4-4-10.9-9.5).
(10) A broadband development project.

SECTION 6. IC 4-4-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. This chapter may be cited as "The Indiana development finance authority law".

SECTION 7. IC 4-4-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) The legislature makes the following findings of fact:

1. That there currently exists in certain areas of the state critical conditions of unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution, including water pollution, air pollution, sewage and solid waste, radioactive waste, thermal pollution, radiation contamination, and noise pollution, and that these conditions may well exist, from time to time, in other areas of the state.

2. That in some areas of the state such conditions are chronic and of long standing and that without remedial measures they may become so in other areas of the state.

3. That economic insecurity due to unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution is a menace to the health, safety, morals, and general welfare of not only the people of the affected areas but of the people of the entire state.

4. That involuntary unemployment and its resulting burden of indigency falls with crushing force upon the unemployed worker and ultimately upon the state in the form of public assistance and unemployment compensation.

5. That security against unemployment and the resulting spread of indigency and economic stagnation in the areas affected can best be provided by:

   A. the promotion, attraction, stimulation, rehabilitation, and revitalization of industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products;

   B. the promotion and stimulation of international exports; and

   C. the education, both formal and informal, of people of all ages throughout the state by the promotion, attraction, construction, renovation, rehabilitation, and revitalization of
and assistance to educational facility projects.

(6) That the present and prospective health, safety, morals, right to gainful employment, and general welfare of the people of the state require as a public purpose the provision of safe drinking water, the provision of wastewater and storm water management, the abatement or control of pollution, the promotion of increased educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) for people of all ages through new, expanded, or revitalized educational facility projects or through assisting educational facility projects, and the promotion of employment creation or retention through development of new and expanded industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products.

(7) That there is a need to stimulate a larger flow of private investment funds from commercial banks, investment bankers, insurance companies, other financial institutions, and individuals into such industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products in the state.

(8) That the authority can encourage the making of loans or leases for creation or expansion of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, thus putting a larger portion of the private capital available in Indiana for investment to use in the general economic development of the state.

(9) That the issuance of bonds of the authority to create a financing pool for industrial development projects and carrying out the purposes of IC 13-18-13 and IC 13-18-21 promoting a substantial likelihood of opportunities for:
   (A) gainful employment;
   (B) business opportunities;
   (C) educational enrichment (including cultural, intellectual, scientific, or artistic opportunities);
   (D) the abatement, reduction, or prevention of pollution;
(E) the provision of safe drinking water;
(F) the provision of wastewater and storm water management;
(G) the removal or treatment of any substances in materials being processed that otherwise would cause pollution when used; or
(H) increased options for and availability of child care;
will improve the health, safety, morals, and general welfare of the people of the state and constitutes a public purpose for which the authority shall exist and operate.

(10) That the issuance of bonds of the authority to create a funding source for the making of guaranteed participating loans will promote and encourage an expanding international exports market and international exports sales and will promote the general welfare of all of the people of Indiana by assisting Indiana businesses through stimulation of the expansion of international exports sales for Indiana products and services, especially those of small and medium-sized businesses, by providing financial assistance through the authority.

(b) The Indiana development finance authority shall exist and operate for the public purposes of:

(1) promoting opportunities for gainful employment and business opportunities by the promotion and development of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, in any areas of the state;

(2) promoting the educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) of all the people of the state by the promotion, development, and assistance of educational facility projects;

(3) promoting affordable farm credit and agricultural loan financing at interest rates that are consistent with the needs of borrowers for farming and agricultural enterprises;

(4) preventing and remediating environmental pollution, including water pollution, air pollution, sewage and solid waste disposal, radioactive waste, thermal pollution, radiation contamination, and noise pollution affecting the health and
well-being of the people of the state by:

(A) the promotion and development of industrial development projects; and

(B) carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(5) promoting the provision of safe and adequate drinking water and wastewater and storm water management to positively affect the public health and well-being by carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(6) otherwise positively affecting the public health and well-being by carrying out the purposes of IC 13-18-13 and IC 13-18-21; and

(5) (7) promoting affordable and accessible child care for the people of the state by the promotion and development of child care facilities.

SECTION 8. IC 4-4-11-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.5. (a) The general assembly makes the following findings of fact in addition to those set forth in section 2 of this chapter:

(1) There are currently numerous bodies corporate and politic of the state, with separate decision making and borrowing authority, that may issue bonds, notes, obligations, and otherwise access the financial markets.

(2) Consolidation of this decision making and borrowing authority may provide economic efficiencies and management synergies and enable the state to communicate, with a single voice, with the various participants in the financial markets, including credit rating agencies, investment bankers, investors, and municipal bond insurers and other credit enhancers.

(b) In addition to the purposes set forth in section 2 of this chapter, the authority is established for the purpose of permitting the consolidation of certain bodies in a single body of decision making concerning access to the capital and financial markets in the name of, or for the benefit of, the state.

(c) The authority is authorized to carry out the public purposes provided for in the affected statutes through a single entity in order
to achieve the purposes of this section.

SECTION 9. IC 4-4-11-2.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.7. (a) This article shall be liberally construed to effect the purposes of this article.

(b) To the extent that the provisions of this article are inconsistent with the provisions of any other general, special, or local law, the provisions of this article are controlling and supersede all other laws.

SECTION 10. IC 4-4-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. (a) There is created for the public purposes set forth in section 2.5 of this chapter a body politic and corporate, not a state agency but an independent instrumentality exercising essential public functions, to be known as the Indiana development finance authority. The authority is separate and apart from the state in its corporate and sovereign capacity, and though separate from the state, the exercise by the authority of its powers constitutes an essential governmental, public, and corporate function.

(b) The authority shall be composed of the following nine (9) five (5) members:

1) The lieutenant governor, or the lieutenant governor's budget director, or the budget director's designee, who shall serve as chairman of the authority.

2) The treasurer of state, or the treasurer of state's designee.

3) Seven (7) Three (3) members appointed by the governor, no more than four (4) two (2) of whom may be from the same political party.

(c) All members shall be residents of the state.

SECTION 11. IC 4-4-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 5. All appointments to the authority shall be under section 4(b)(3) of this chapter are for terms of four (4) years. Each member shall hold appointed to the authority under section 4(b)(3) of this chapter:

1) holds office for the term of this appointment; and shall continue

2) continues to serve after expiration of his the appointment until his a successor is appointed and qualified; Any member
(3) is eligible for reappointment; any member and
(4) may be removed from office by the governor with or without
cause and serves at his the pleasure of the governor.
The governor shall fill a vacancy for the unexpired term of any
member appointed under section 4(b)(3) of this chapter.

SECTION 12. IC 4-4-11-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. (a) The governor
shall name the chairman from among the members to serve as
chairman at the pleasure of the governor. The members shall elect from
among their number a vice chairman and other officers as they may
determine.

(b) The members of the authority appointed by the governor under
section 4(b)(3) of this chapter are entitled to a per diem allowance for
attending meetings equal to that provided by law for members of the
general assembly: All the members of the authority shall receive
reimbursement for actual and necessary expenses on the same basis as
state employees: are entitled to reimbursement for traveling
expenses and other expenses actually incurred in connection with
their duties as provided by law. Members are not entitled to the
salary per diem provided by IC 4-10-11-2.1(b) or any other
compensation while performing their duties.

SECTION 13. IC 4-4-11-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. The powers of the
authority are vested in the members. Five (5) Three (3) members of the
authority constitute a quorum for the transaction of business. The
affirmative vote of at least five (5) three (3) members is necessary for
any action to be taken by the authority. Members may vote by written
proxy delivered in advance to any other member who is present at the
meeting. A vacancy in the membership of the authority does not impair
the right of a quorum to exercise all rights and perform all duties of the
authority.

SECTION 14. IC 4-4-11-9 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 9. The lieutenant
governor shall serve as the secretary-manager of the authority. The
secretary-manager shall appoint the public finance director, who
shall serve at the pleasure of the governor. The public finance
director shall:
(1) administer, manage, and direct the affairs and activities of the authority and the employees of the authority in accordance with the policies and under the control and direction of the members of the authority; The secretary-manager shall of the authority; (2) approve all accounts for salaries, allowable expenses of the authority or of any employee or consultant, and expenses incidental to the operation of the authority; The secretary-manager shall and (3) perform other duties as may be directed by the members of the authority in carrying out the purposes of this chapter, IC 4-4-21, and IC 15-7-5; the affected statutes.

SECTION 15. IC 4-4-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. The secretary-manager public finance director shall attend the meetings of the members of the authority, shall keep a record of the proceedings of the authority, and shall maintain and be custodian of all books, documents, and papers filed with the authority and its official seal. The secretary-manager public finance director may make copies of all minutes and other records and documents of the authority and may give certificates under seal of the authority to the effect that the copies are true copies. All persons dealing with the authority may rely upon such these certificates.

SECTION 16. IC 4-4-11-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. (a) The authority may, without the approval of the attorney general or any other state officer, employ bond counsel, other legal counsel, technical experts, and such other officers, agents, and employees, permanent or temporary, as it considers necessary to carry out the efficient operation of the authority, and shall determine their qualifications, duties, compensation, and terms of service. The authority shall fix the compensation of the public finance director. (b) The members of the authority may delegate adopt a resolution delegating to: (1) a member of the authority; (2) the secretary-manager public finance director; or (3) one (1) or more agents or employees of the authority; such administrative duties as that they consider proper, including the powers of the authority set forth in this section.
(c) Employees of the authority shall not be considered employees of the state.

SECTION 17. IC 4-4-11-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. Before:

(1) the issuance of any bonds or guaranteed participating loans under this chapter; IC 4-4-21; or IC 15-7-5; or

(2) the providing of any performance bond guarantees under IC 4-4-21;

(a) Each member of the authority, the public finance director, and any other employee or agent of the authority authorized by resolution of the authority to handle funds or sign checks, before beginning the individual’s duties, shall execute a surety bond in the penal sum of twenty-five fifty thousand dollars ($25,000); ($50,000).

To the extent any member of the authority an individual described in this section is already covered by a bond required by state law, the member individual need not obtain another bond so long as the bond required by state law is in at least the penal sum specified in this section and covers the member individual's activities for the authority. In lieu of a bond, the chairman of the authority may execute a blanket surety bond covering each member and the employees or other officers of the authority. Each surety bond shall be conditioned upon the faithful performance of the individual's duties of the office of the member and shall be issued by a surety company authorized to transact business in this state as surety. At all times after the issuance of any surety bonds, each member individual described in this section shall maintain the surety bonds in full force and effect. All costs of the surety bonds shall be borne by the authority.

(b) The public finance director, before beginning the public finance director's duties, must:

(1) execute a surety bond as provided in subsection (a); or

(2) be included in the coverage of a blanket surety bond described in subsection (a).

SECTION 18. IC 4-4-11-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14.5. (a) As used in this section, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

(b) The authority, after consulting with the treasurer of state,
the Indiana bond bank, the budget agency, and the Indiana commission for higher education, shall establish and periodically update a state debt management plan. The plan must include at least the following provisions with respect to debt issued or to be issued by the authority, other bodies corporate and politic of the state, and state educational institutions:

1. An inventory of existing debt.
2. Projections of future debt obligations.
3. Recommended criteria for the appropriate use of debt as a means to finance capital projects.
4. Recommended strategies to minimize costs associated with debt issuance.
5. An analysis of the impact of debt issued by all bodies corporate and politic and state educational institutions on the state budget.
6. Recommended guidelines for the prudent issuance of debt that creates a moral obligation of the state to pay all or part of the debt.
7. Recommended policies for the investment of:
   - (A) proceeds of bonds, notes, or other obligations issued by bodies corporate and politic and state educational institutions; and
   - (B) other money, funds, and accounts owned or held by a body corporate and politic.
8. Recommended policies for the establishment of a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the Internal Revenue Code.
9. Recommended policies for the preparation of financial disclosure documents, including official statements accompanying debt issues, comprehensive annual financial reports, and continuing disclosure statements. The recommended policies must include a provision for approval by the budget director of any statements or reports that include a discussion of the state's economic and fiscal condition.
10. Potential opportunities to more effectively and efficiently authorize and manage debt.
11. Recommendations to the budget director, the governor, and the general assembly with respect to financing of capital
The recommendations to the general assembly under subdivision (11) must be in an electronic format under IC 5-14-6.

SECTION 19. IC 4-4-11-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) The authority is granted all powers necessary or appropriate to carry out and effectuate its public and corporate purposes under this chapter, IC 4-4-21, and IC 15-7-5; the affected statutes, including but not limited to the following:

(1) Have perpetual succession as a body politic and corporate and an independent instrumentality exercising essential public functions.

(2) Without complying with IC 4-22-2, adopt, amend, and repeal bylaws, rules, guidelines, and regulations policies not inconsistent with this chapter, IC 4-4-21, and IC 15-7-5; the affected statutes, and necessary or convenient to regulate its affairs and to carry into effect the powers, duties, and purposes of the authority and conduct its business under the affected statutes. These bylaws, rules, guidelines, and policies must be made by a resolution of the authority introduced at one (1) meeting and approved at a subsequent meeting of the authority.

(3) Sue and be sued in its own name.

(4) Have an official seal and alter it at will.

(5) Maintain an office or offices at a place or places within the state as it may designate.

(6) Make, and execute, and enforce contracts and all other instruments necessary, or convenient, or desirable for the performance of its duties and the exercise of its powers and functions under this chapter, IC 4-4-21, and IC 15-7-5; purposes of the authority or pertaining to:

(A) a purchase, acquisition, or sale of securities or other investments; or

(B) the performance of the authority's duties and execution of any of the authority's powers under the affected statutes.

(7) Employ architects, engineers, attorneys, inspectors, accountants, agriculture experts, silviculture experts, aquaculture
experts, and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment and to fix their compensation.

(8) Procure insurance against any loss in connection with its property and other assets, including loans and loan notes in amounts and from insurers as it may consider advisable.

(9) Borrow money, make guaranties, issue bonds, and otherwise incur indebtedness for any of the authority's purposes, and issue debentures, notes, or other evidences of indebtedness, whether secured or unsecured, to any person, as provided by this chapter, IC 4-4-21, and IC 15-7-5, the affected statutes. Notwithstanding any other law, the:

(A) issuance by the authority of any indebtedness that establishes a procedure for the authority or a person acting on behalf of the authority to certify to the general assembly the amount needed to restore a debt service reserve fund or another fund to required levels; or

(B) execution by the authority of any other agreement that creates a moral obligation of the state to pay all or part of any indebtedness issued by the authority;

is subject to review by the budget committee and approval by the budget director.

(10) Procure insurance or guaranties from any public or private entities, including any department, agency, or instrumentality of the United States, for payment of any bonds issued by the authority or for reinsurance on amounts paid from the industrial development project guaranty fund, including the power to pay premiums on any insurance or reinsurance.

(11) Purchase, receive, take by grant, gift, devise, bequest, or otherwise, and accept, from any source, aid or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of this chapter, IC 4-4-21, and IC 15-7-5, the affected statutes, subject to the conditions upon which the grants or contributions are made, including but not limited to gifts or grants from any department, agency, or instrumentality of the United States, and lease or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with real or personal property or any interest in real or
personal property, wherever situated, for any purpose consistent with this chapter, IC 4-4-21, or IC 15-7-5, the affected statutes.  

(12) Enter into agreements with any department, agency, or instrumentality of the United States or this state and with lenders and enter into loan agreements, sales contracts, and leases with contracting parties, including participants (as defined in IC 13-11-2-151.1) for any purpose permitted under IC 13-18-13 or IC 13-18-21, borrowers, lenders, developers, or users, for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise (as defined in IC 15-7-4.9-2), rural development project (as defined in IC 15-7-4.9-19.5), industrial development project, purpose permitted under IC 13-18-13 and IC 13-18-21, or international exports, and distribute data and information concerning the encouragement and improvement of agricultural enterprises and agricultural employment, rural development projects, industrial development projects, international exports, and other types of employment in the state undertaken with the assistance of the authority under this chapter.  

(13) Enter into contracts or agreements with lenders and lessors for the servicing and processing of loans and leases pursuant to this chapter, IC 4-4-21, and IC 15-7-5, the affected statutes.  

(14) Provide technical assistance to local public bodies and to profit and nonprofit entities in the development or operation of agricultural enterprises, rural development projects, and industrial development projects.  

(15) To the extent permitted under its contract with the holders of the bonds of the authority, consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any contract, loan, loan note, loan note commitment, contract, lease, or agreement of any kind to which the authority is a party.  

(16) To the extent permitted under its contract with the holders of bonds of the authority, enter into contracts with any lender containing provisions enabling it to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges when, by reason of other income or payment by any department, agency, or instrumentality of the United States of America or of
this state, the reduction can be made without jeopardizing the economic stability of the agricultural enterprise, rural development project, or industrial development project being financed.

(17) **Notwithstanding IC 5-13, but subject to the requirements of any trust agreement entered into by the authority,** invest:
any funds not needed for immediate disbursement, including any funds held in reserve; in direct and general obligations of or obligations fully and unconditionally guaranteed by the United States; obligations issued by agencies of the United States; obligations of this state; or any obligations or securities which may from time to time be legally purchased by governmental subdivisions of this state pursuant to IC 5-13; or any obligations or securities which are permitted investments for bond proceeds or any construction; debt service; or reserve funds secured under the trust indenture or resolution pursuant to which bonds are issued:

(A) the authority's money, funds, and accounts;
(B) any money, funds, and accounts in the authority's custody; and
(C) proceeds of bonds or notes;
in the manner provided by an investment policy established by resolution of the authority.

(18) **Fix and revise periodically, and charge and collect, fees and charges as the authority determines to be reasonable in connection with: its**

(A) the authority’s loans, guarantees, advances, insurance, commitments, and servicing; and
(B) the use of the authority’s services or facilities.

(19) Cooperate and exchange services, personnel, and information with any federal, state, or local government agency, or instrumentality of the United States or this state.

(20) Sell, at public or private sale, with or without public bidding, any loan or other obligation held by the authority.

(21) Enter into agreements concerning, and acquire, hold, and dispose by any lawful means, land or interests in land, building improvements, structures, personal property, franchises, patents, accounts receivable, loans, assignments, guarantees, and
insurance needed for the purposes of this chapter; IC 4-4-2‡; or IC 15-7-5; the affected statutes.

(22) Take assignments of accounts receivable, loans, guarantees, insurance, notes, mortgages, security agreements securing notes, and other forms of security, attach, seize, or take title by foreclosure or conveyance to any industrial development project when a guaranteed loan thereon is clearly in default and when in the opinion of the authority such acquisition is necessary to safeguard the industrial development project guaranty fund, and sell, or on a temporary basis, lease, or rent such industrial development project for any use.

(23) Expend money, as the authority considers appropriate, from the industrial development project guaranty fund created by section 16 of this chapter.

(24) Purchase, lease as lessee, construct, remodel, rebuild, enlarge, or substantially improve industrial development projects, including land, machinery, equipment, or any combination thereof.

(25) Lease industrial development projects to users or developers, with or without an option to purchase.

(26) Sell industrial development projects to users or developers, for consideration to be paid in installments or otherwise.

(27) Make direct loans from the proceeds of the bonds to users or developers for:

*(A)* the cost of acquisition, construction, or installation of industrial development projects, including land, machinery, equipment, or any combination thereof; or

*(B)* eligible expenditures for an educational facility project described in IC 4-4-10.9-6.2(a)(2);

with the loans to be secured by the pledge of one (1) or more bonds, notes, warrants, or other secured or unsecured debt obligations of the users or developers.

(28) Lend or deposit the proceeds of bonds to or with a lender for the purpose of furnishing funds to such lender to be used for making a loan to a developer or user for the financing of industrial development projects under this chapter.

(29) Enter into agreements with users or developers to allow the users or developers, directly or as agents for the authority, to
wholly or partially construct industrial development projects to be leased from or to be acquired by the authority.

(30) Establish reserves from the proceeds of the sale of bonds, other funds, or both, in the amount determined to be necessary by the authority to secure the payment of the principal and interest on the bonds.

(31) Adopt rules and guidelines governing its activities authorized under this chapter, IC 4-4-21, and IC 15-7-5, the affected statutes.

(32) Use the proceeds of bonds to make guaranteed participating loans.

(33) Purchase, discount, sell, and negotiate, with or without guaranty, notes and other evidences of indebtedness.

(34) Sell and guarantee securities.

(35) Make guaranteed participating loans under IC 4-4-21-26.

(36) Procure insurance to guarantee, insure, coinsure, and reinsure against political and commercial risk of loss, and any other insurance the authority considers necessary, including insurance to secure the payment of principal and interest on notes or other obligations of the authority.

(37) Provide performance bond guarantees to support eligible export loan transactions, subject to the terms of this chapter or IC 4-4-21, the affected statutes.

(38) Provide financial counseling services to Indiana exporters.

(39) Accept gifts, grants, or loans from, and enter into contracts or other transactions with, any federal or state agency, municipality, private organization, or other source.

(40) Sell, convey, lease, exchange, transfer, or otherwise dispose of property or any interest in property, wherever the property is located.

(41) Cooperate with other public and private organizations to promote export trade activities in Indiana.

(42) Make guarantees and administer the agricultural loan and rural development project guarantee fund established by IC 15-7-5.

(43) Take assignments of notes and mortgages and security agreements securing notes and other forms of security, and attach, seize, or take title by foreclosure or conveyance to any
agricultural enterprise or rural development project when a
guaranteed loan to the enterprise or rural development project is
clearly in default and when in the opinion of the authority the
acquisition is necessary to safeguard the agricultural loan and
rural development project guarantee fund, and sell, or on a
temporary basis, lease or rent the agricultural enterprise or rural
development project for any use.
(44) Expend money, as the authority considers appropriate, from
the agricultural loan and rural development project guarantee
fund created by IC 15-7-5-19.5.
(45) Reimburse from bond proceeds expenditures for industrial
development projects under this chapter.
(46) Acquire, hold, use, and dispose of the authority's income,
revenues, funds, and money.
(47) Purchase, acquire, or hold debt securities or other
investments for the authority's own account at prices and in
a manner the authority considers advisable, and sell or
otherwise dispose of those securities or investments at prices
without relation to cost and in a manner the authority
considers advisable.
(48) Fix and establish terms and provisions with respect to:
(A) a purchase of securities by the authority, including
dates and maturities of the securities;
(B) redemption or payment before maturity; and
(C) any other matters that in connection with the purchase
are necessary, desirable, or advisable in the judgment of
the authority.
(49) To the extent permitted under the authority's contracts
with the holders of bonds or notes, amend, modify, and
supplement any provision or term of:
(A) a bond, a note, or any other obligation of the authority;
or
(B) any agreement or contract of any kind to which the
authority is a party.
(50) Subject to the authority's investment policy, do any act
and enter into any agreement pertaining to a swap agreement
(as defined in IC 8-9.5-9-4) related to the purposes of the
affected statutes in accordance with IC 8-9.5-9-5 and
IC 8-9.5-9-7, whether the action is incidental to the issuance, carrying, or securing of bonds or otherwise.

(46) (51) Do any act necessary or convenient to the exercise of the powers granted by this chapter, IC 4-4-21, or IC 15-7-5, the affected statutes, or reasonably implied from those statutes, including but not limited to compliance with requirements of federal law imposed from time to time for the issuance of bonds.

(b) The authority's powers under this chapter shall be interpreted broadly to effectuate the purposes of this chapter and may not be construed as a limitation of powers. The omission of a power from the list in subsection (a) does not imply that the authority lacks that power. The authority may exercise any power that is not listed in subsection (a) but is consistent with the powers listed in subsection (a) to the extent that the power is not expressly denied by the Constitution of the State of Indiana or by another statute.

(c) This chapter does not authorize the financing of industrial development projects for a developer unless any written agreement that may exist between the developer and the user at the time of the bond resolution is fully disclosed to and approved by the authority.

(d) The authority shall work with and assist the Indiana health and educational facility financing authority established by IC 5-1-16-2, the Indiana housing finance authority established by IC 5-20-1-3, the Indiana port commission established under IC 8-10-1, and the state fair commission established by IC 15-1.5-2-1 in the issuance of bonds, notes, or other indebtedness. The Indiana health and educational facility financing authority, the Indiana housing finance authority, the Indiana port commission, and the state fair commission shall work with and cooperate with the authority in connection with the issuance of bonds, notes, or other indebtedness.

SECTION 20. IC 4-4-11-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15.1. (a) The authority shall:

(1) without complying with IC 4-22-2, adopt
(A) rules under IC 4-22-2; or
(B) a policy
establishing a code of ethics for its employees; or
(2) decide it wishes to be under the jurisdiction and rules adopted
by the state ethics commission.

(b) A code of ethics adopted by rule or policy under this section must be consistent with state law and approved by the governor.

SECTION 21. IC 4-4-11-15.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15.3. The authority may not:

(1) deal in securities within the meaning of or subject to any securities law, securities exchange law, or securities dealers law of the United States of America or of the state or of any other state or jurisdiction, domestic or foreign, except as authorized in the affected statutes;
(2) emit bills of credit, or accept deposits of money for time or demand deposit, or administer trusts, or engage in any form or manner, or in the conduct of, any private or commercial banking business, or act as a savings bank or savings association, or any other kind of financial institution; or
(3) engage in any form of private or commercial banking business.

SECTION 22. IC 4-4-11-15.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15.4. (a) The authority may issue bonds or notes and invest or loan the proceeds of those bonds or notes to a participant (as defined in IC 13-11-2-151.1) for the purposes of:

(1) the wastewater revolving loan program established by IC 13-18-13-1; and
(2) the drinking water revolving loan program established by IC 13-18-21-1.

(b) If the authority loans money to or purchases debt securities of a political subdivision (as defined in IC 13-11-2-164(a) and IC 13-11-2-164(b)), the authority may, by the resolution approving the bonds or notes, provide that subsection (c) is applicable to the political subdivision.

(c) Notwithstanding any other law, to the extent that any department or agency of the state, including the treasurer of state, is the custodian of money payable to the political subdivision (other than for goods or services provided by the political subdivision), at any time after written notice to the department or agency head
from the authority that the political subdivision is in default on the payment of principal or interest on the obligations then held or owned by or arising from an agreement with the authority, the department or agency shall withhold the payment of that money from that political subdivision and pay over the money to the authority for the purpose of paying principal of and interest on bonds or notes of the authority. However, the withholding of payment from the political subdivision and payment to the authority under this section must not adversely affect the validity of the obligation in default.

SECTION 23. IC 4-4-11-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16.5. (a) There is created the business development loan fund that shall be used by the authority as a nonlapsing, revolving fund. The business development loan fund consists of the following:

1. Money appropriated by the general assembly.
2. The repayment proceeds of loans made to businesses from the fund.
3. Money received from any other source.

(b) Subject to subsection (c), the authority may make a loan from the business development loan fund to a business located in Indiana if the authority makes a written finding that the loan would accomplish the purposes of this chapter by enabling the business to carry out an industrial development project or projects that will do any of the following:

1. Improve the technological capacity or productivity of the business.
2. Enhance the protection of Indiana's environment.
3. Permit the business to expand facilities, establish new facilities, or make site improvements or infrastructure improvements.

(c) With respect to any loan made under this section, a loan agreement with the authority must contain the following terms:

1. A requirement that the loan proceeds be used for specified purposes consistent with and in furtherance of the purposes of the authority under this chapter.
2. The term of the loan, which must not be later than fifteen (15) years from the date of the loan.
(3) The repayment schedule.
(4) The interest rate or rates of the loan, which may include variations in the rate, but that may not be less than the amount necessary to cover all expenses of the authority in making the loan.
(5) Any other terms and provisions that the authority requires.

SECTION 24. IC 4-4-11-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 19. (a) The authority shall have the power to borrow money and to issue its bonds from time to time in such principal amounts as the authority determines shall be necessary to provide sufficient funds to carry out its purposes, including:

1. carrying out the powers stated in this chapter, except the powers pertaining to the guaranty program; and in IC 15-7-5-16 through IC 15-7-5-20;
2. the payment of interest on bonds of the authority;
3. the establishment of reserves to secure the bonds; and
4. all other expenditures of the authority incident to, necessary, and convenient to carry out its purposes and powers.

(b) The authority may also issue bonds in the manner and for the purposes provided by IC 4-4-21 and IC 15-7-5, the affected statutes.

SECTION 25. IC 4-4-11-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 30. The members of the authority, the officers and employees of the authority, the public finance director, any agents of the authority, and any other persons executing bonds issued under this chapter the affected statutes are not subject to personal liability or accountability by reason of any act authorized by this chapter the affected statutes, including without limitation the issuance of bonds, the failure to issue bonds, the execution of bonds, and the making of guarantees.

SECTION 26. IC 4-4-11-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 32. All money received by the authority, except as provided in this chapter; IC 4-4-21; or IC 15-7-5, the affected statutes, shall be deposited as soon as practical in a separate account or accounts in banks or trust companies organized under the laws of this state or in national banking associations. The money in these accounts shall be paid out on checks signed by the chairman or other officers or employees of the authority.
as the authority shall authorize or by wire transfer or other electronic means authorized by the authority. All deposits of money shall, if required by the authority, be secured in a manner that the authority determines to be prudent, and all banks or trust companies are authorized to give security for the deposits. Notwithstanding any other provisions of law to the contrary, all money received pursuant to the authority of this chapter, IC 4-4-21, or IC 15-7-5; the affected statutes are trust funds to be held and applied solely as provided in this chapter, IC 4-4-21, or IC 15-7-5; the affected statutes. The resolution authorizing any obligations, or trust agreement or indenture securing the same, may provide that any of the money may be temporarily invested pending the disbursement thereof, and shall provide that any officer with whom or any bank or trust company with which the money shall be deposited shall act as trustee of the money and shall hold and apply the same for the authorized purposes of the authority, subject to regulations as this chapter, IC 4-4-21, or IC 15-7-5; the affected statutes, the authority’s investment policy, and the resolution or trust agreement or indenture may provide.

SECTION 27. IC 4-4-11-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 35. (a) All expenses incurred by the authority in carrying out this chapter, IC 4-4-21, or IC 15-7-5; the affected statutes shall be payable solely from funds provided under this chapter, IC 4-4-21, or IC 15-7-5; the affected statutes, and nothing in this chapter the affected statutes shall be construed to authorize the authority to incur indebtedness or liability on behalf of or payable by of the state or any political subdivision of it.

(b) The authority shall annually prepare a budget that allocates the expenses incurred by the authority in an equitable manner among the various financing programs administered by the authority.

SECTION 28. IC 4-4-11-36.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 36.1. (a) Except as provided in subsections (b) through (c), all property, both tangible and intangible, acquired or held by the authority under this chapter, IC 4-4-21, or IC 15-7-5; the affected statutes is declared to be public property used for public and governmental purposes, and all such property and income therefrom shall at all times be exempt from all taxes imposed by this state, any county, any city, or any other political
subdivision of this state, except for the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

(b) Property owned by the authority and leased to a person for an industrial development project is not public property. The property and the industrial development project are subject to all taxes of the state or any county, city, or other political subdivision of the state in the same manner and subject to the same exemptions as are applicable to all persons.

(c) Any industrial development project financed by a loan under the authority of this chapter shall not be considered public property and shall not be exempt from any taxes of this state, or any county, city, or other political subdivision thereof, except for pollution control equipment.

(d) An agricultural enterprise or rural development project financed by a loan under the authority of this chapter or IC 15-7-5 shall not be considered public property and shall not be exempt from Indiana taxes or any county, city, or other political subdivision of the state.

(e) This section does not provide a tax exemption for a financial institution that receives a guaranteed participating loan or an exporter that receives an eligible export loan or performance bond guarantee under this chapter or IC 4-4-21.

SECTION 29. IC 4-4-11-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 38. The authority shall, following the close of each fiscal year, submit an annual report of its activities under the affected statutes for the preceding year to the governor, each member of the general assembly shall receive a copy of such report by making a request for it to the chairman of the authority, the budget committee, and the general assembly. A report submitted to the general assembly must be in an electronic format under IC 5-14-6. Each report shall set forth a complete operating and financial statement for the authority during the fiscal year it covers.

SECTION 30. IC 4-4-11-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 39. The issuance of bonds and the promulgation of rules under this chapter, IC 4-4-21, or IC 15-7-5, the affected statutes need not comply with the requirements of any other state laws applicable thereto. No proceedings, notice, or approval shall be required for the issuance of
any bonds or any instrument or the security therefor, except as provided in this chapter; the affected statutes. All agricultural enterprises, rural development projects, and industrial development projects for which funds are advanced, loaned, or otherwise provided by the authority under this chapter or IC 15-7-5 must be in compliance with any land use, zoning, subdivision, and other laws of this state applicable to the land upon which the agricultural enterprise, rural development project, or industrial development project is located or is to be constructed, but a failure to comply with these laws does not invalidate any bonds issued to finance an agricultural enterprise, rural development project, or industrial development project.

SECTION 31. IC 4-4-11-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 40. Except as provided in IC 13-18-13 or IC 13-18-21, all income and assets of the authority are for its own use without appropriation, but shall revert to the state general fund if the authority by resolution transfers money to the state general fund or if the authority is dissolved.

SECTION 32. IC 4-4-11-44.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 44.6. (a) For purposes of this section, "program" refers to:
(1) a program defined in IC 13-11-2-172(a) through IC 13-11-2-172(b); and
(2) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21.
(b) Notwithstanding any statute applicable to or constituting any limitation on the investment or reinvestment of funds by or on behalf of political subdivisions:
(1) a participant receiving financial assistance in connection with a program may invest and reinvest funds that constitute, replace, or substitute for the proceeds of bonds or other evidence of indebtedness sold to the authority under the program, together with any account or reserves of a participant not funded with the proceeds of the bonds or other evidence of indebtedness purchased by the authority but which secure or provide payment for those bonds or other evidence of indebtedness, in any instrument or other investment authorized under a resolution of the authority;
and
(2) a participant that is obligated to make payments on bonds or other evidence of indebtedness purchased in connection with the operation of a program may invest and reinvest funds that constitute, replace, or substitute for the proceeds of those bonds or other evidence of indebtedness, together with any account or reserves of a participant not funded with the proceeds of the bonds or other evidence of indebtedness purchased under the program but which secure or provide payment for those bonds or other evidence of indebtedness, in any instrument or other investment authorized under a resolution of the authority.

SECTION 33. IC 4-4-11.2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter, "authority" refers to the Indiana development finance authority.

SECTION 34. IC 4-4-11.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. As used in this chapter, "IDFA" "IFA" refers to the Indiana development finance authority established by IC 4-4-11.

SECTION 35. IC 4-4-11.5-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7.5. As used in this chapter, "issuer" means IDFA, IFA, IHFA, ISMEL, a local unit, or any other issuer of bonds that must procure volume under the volume cap.

SECTION 36. IC 4-4-11.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. (a) The volume cap shall be allocated annually among categories of bonds in accordance with section 19 of this chapter. Those categories are as follows:

(1) Bonds issued by the IDFA, IFA.
(2) Bonds issued by the IHFA.
(3) Bonds issued by the ISMEL.
(4) Bonds issued by local units or any other issuers not specifically referred to in this section whose bonds are or may become subject to the volume cap for projects described in:
   (A) Division A - Agricultural, Forestry, and Fishing;
   (B) Division B - Mining;
   (C) Division C - Construction;
(D) Division D - Manufacturing;
(E) Division E - Transportation; and
(F) Division F - Wholesale Trade;
of the SIC Manual (or corresponding sector in the NAICS Manual), and any projects described in Section 142(a)(3), 142(a)(4), 142(a)(5), 142(a)(6), 142(a)(8), 142(a)(9), or 142(a)(10) of the Internal Revenue Code.

(5) Bonds issued by local units or any other issuers not specifically referred to in this section whose bonds are or may become subject to the volume cap for projects described in:
   (A) Division G - Retail Trade;
   (B) Division H - Finance, Insurance, and Real Estate;
   (C) Division I - Services;
   (D) Division J - Public Administration; and
   (E) Division K - Miscellaneous;
of the SIC Manual (or corresponding sector in the NAICS Manual), and any projects described in Section 142(a)(7) or 144(c) of the Internal Revenue Code.

(b) For purposes of determining the SIC category of a facility, the determination shall be based upon the type of activity engaged in by the user of the facility within the facility in question, rather than upon the ultimate enterprise in which the developer or user of the facility is engaged.

SECTION 37. IC 4-4-11.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 19. (a) On or before January 1 of each year, the IDFA shall determine the dollar amount of the volume cap for that year.

(b) Each year the volume cap shall be allocated among the categories specified in section 18 of this chapter as follows:

<p>| Percentage of |</p>
<table>
<thead>
<tr>
<th>Type of Bonds</th>
<th>Volume Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds issued by the IDFA</td>
<td>9%</td>
</tr>
<tr>
<td>Bonds issued by the IHFA</td>
<td>28%</td>
</tr>
<tr>
<td>Bonds issued by the ISMEL</td>
<td>1%</td>
</tr>
<tr>
<td>Bonds issued by local units or other issuers under section 18(a)(3) of this chapter</td>
<td>42%</td>
</tr>
<tr>
<td>Bonds issued by local units or other</td>
<td></td>
</tr>
</tbody>
</table>
issuers under section 18(a)(4) of this chapter ......................... 20%

(c) Except as provided in subsection (d), the amount allocated to a category represents the maximum amount of the volume cap that will be reserved for bonds included within that category.

(d) The IDFA IFA may adopt a resolution to alter the allocations made by subsection (b) for a year if it determines that the change is necessary to allow maximum usage of the volume cap and to promote the health and well-being of the residents of Indiana by promoting the public purposes served by the bond categories then subject to the volume cap.

(e) The governor may, by executive order, establish for a year a different dollar amount for the volume cap, different bond categories, and different allocations among the bond categories than those set forth in or established under this section and section 18 of this chapter if it becomes necessary to adopt a different volume cap and bond category allocation system in order to allow maximum usage of the volume cap among the bond categories then subject to the volume cap and to promote the health, welfare, and well-being of the residents of Indiana by promoting the public purposes served by the bond categories then subject to the volume cap.

SECTION 38. IC 4-4-11.5-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 35. The secretary-manager of IDFA public finance director appointed under IC 4-4-11-9 may delegate any of the duties prescribed by this chapter to any employees of the IDFA IFA.

SECTION 39. IC 4-4-11.5-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 39. (a) Notwithstanding IC 5-15-5.1, the IDFA IFA has the sole authority to prescribe and furnish forms used in the administration of this chapter. (b) The IDFA IFA may adopt guidelines, without complying with IC 4-22-2, to govern the administration of this chapter. The guidelines may establish procedures, criteria, and conditions for each category of bonds identified in sections 18 and 19 of this chapter. However, the guidelines may not be inconsistent with the requirements of Section 146 of the Internal Revenue Code.

SECTION 40. IC 4-4-11.5-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 40. To qualify for a
grant of volume cap, an applicant must do the following:

1. Apply for the grant in conformity with the procedures established by the IDFA.
2. Provide the information reasonably requested by the IDFA to carry out this chapter.
3. Meet the criteria established by the IDFA for the category of bond for which the application is filed.
4. Pay the fees established by the IDFA.

SECTION 41. IC 4-4-11.5-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 41. The IDFA shall establish a written:

1. application procedure for the granting of a portion of the volume cap to an applicant; and
2. procedure for filing carryforward elections.

SECTION 42. IC 4-4-11.5-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 42. The IDFA shall establish written criteria for the selection of grant applications from among the applicants that qualify for the grant under section 40 of this chapter. The criteria must promote the health and well-being of the residents of Indiana by promoting the public purposes served by each of the bond categories subject to the volume cap.

SECTION 43. IC 4-4-11.5-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 43. The IDFA may establish conditions for the termination of a grant of volume cap. The conditions may include requirements such as the following:

1. That the amount of volume cap granted may not be substantially higher than the amount of actual bonds issued.
2. That the issuer issue bonds within the time specified by the IDFA.

SECTION 44. IC 4-4-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter, "authority" refers to the Indiana development finance authority established by IC 4-4-11.

SECTION 45. IC 4-4-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. As used in this chapter, "authority" refers to the Indiana development finance authority.

SECTION 46. IC 4-4-28-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. (a) Each community development corporation shall annually provide the department of commerce Indiana housing finance authority with information needed to determine:

(1) the number of accounts administered by the community development corporation;
(2) the length of time each account under subdivision (1) has been established; and
(3) the amount of money an individual has deposited into each account under subdivision (1) during the preceding twelve (12) months.

(b) The department of commerce Indiana housing finance authority shall use the information provided under subsection (a) to deposit the correct amount of money into each account as provided in section 12 of this chapter.

SECTION 47. IC 4-4-28-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 12. (a) The department of commerce Indiana housing finance authority shall allocate, for each account that has been established after June 30, 2001, for not more than four (4) years, including any time in which an individual held an individual development account under this chapter before July 1, 2001, three dollars ($3) for each one dollar ($1) an individual deposited into the individual's account during the preceding twelve (12) months. However, the department's authority's allocation under this subsection may not exceed nine hundred dollars ($900) for each account described in this subsection.

(b) Not later than June 30 of each year, the department of commerce Indiana housing finance authority shall deposit into each account established under this chapter the appropriate amount of money determined under this section. However, if the individual deposits the maximum amount allowed under this chapter on or before December 31 of each year, the individual may request in writing that the department of commerce authority allocate and deposit the matched funds under subsection (a) into the individual's account not later than forty-five (45) days after the department of commerce authority receives the written request.

(c) Money from a federal block grant program under Title IV-A of the federal Social Security Act may be used by the state to provide
money under this section for deposit into an account held by an individual who receives assistance under IC 12-14-2.

SECTION 48. IC 4-4-28-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) An individual must request and receive authorization from the community development corporation that administers the individual’s account before withdrawing money from the account for any purpose.

(b) An individual who is denied authorization to withdraw money under subsection (a) may appeal the community development corporation's decision to the department of commerce Indiana housing finance authority under rules adopted by the department of commerce authority under IC 4-22-2.

SECTION 49. IC 4-4-28-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. (a) Each community development corporation shall annually:

(1) evaluate the individual development accounts administered by the community development corporation; and

(2) submit a report containing the evaluation information to the department of commerce Indiana housing finance authority.

(b) Two (2) or more community development corporations may work together in carrying out the purposes of this chapter.

SECTION 50. IC 4-4-28-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 21. The department of commerce Indiana housing finance authority may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 51. IC 4-6-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. The unit shall cooperate with the department of commerce Indiana housing authority in the development and implementation of the home ownership education programs established under IC 4-4-3-8(b)(15); IC 5-20-1-4(g).

SECTION 52. IC 4-8.1-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. (a) As used in this section, "private entity" means a corporation or other business entity that uses facilities that were financed, in whole or in part, with the proceeds of bonds issued by the Indiana transportation finance authority under IC 8-9.5, IC 8-14.5, or IC 8-21-12.

(b) If a private entity makes a payment to the state under an
agreement requiring the recipient to make such a payment upon failure to achieve prescribed levels of investment, employment, or wages at the facilities described in subsection (a), the payment shall be deposited in the state general fund.

SECTION 53. IC 4-12-8.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) The regional health care construction account is established for the purpose of providing funding for state psychiatric hospitals and developmental centers, regional health centers, or other health facilities designed to provide crisis treatment, rehabilitation, or intervention for adults or children with mental illness, developmental disabilities, addictions, or other medical or rehabilitative needs. The account consists of:

(i) amounts, if any, that any statute requires to be distributed to the account from the Indiana tobacco master settlement agreement fund;
(ii) appropriations to the account from other sources; and
(iii) grants, gifts, and donations intended for deposit in the account.

(b) The budget agency shall administer the account. Money in the account at the end of a state fiscal year does not revert to the state general fund but remains available for expenditure.

(c) Money in the account may be used for:

(i) the construction, equipping, renovation, demolition, refurbishing, or alteration of existing or new state hospitals, regional health centers, or other health facilities; or
(ii) lease rentals to the state office building commission Indiana finance authority under IC 4-13.5 or other public or private providers of such facilities.

(d) Money in the account shall be used to pay any outstanding lease rentals before making any other payments from the account.

(e) Money in the account is annually appropriated for the purposes described in this chapter.

SECTION 54. IC 4-13-12.1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. (a) The department shall provide, at no cost to the society, a site acceptable to the society for the construction of the building by the society.

(b) The department may, alone, with the state office building commission Indiana finance authority, the Indiana White River state
park development commission, or any other entity do the following in relation to the construction of the building by the society:

1. Acquire a site by purchase, lease, or other appropriate method.
2. Provide related exterior improvements for the building.
3. Notwithstanding the term limitation for a lease under IC 4-20.5-5-7, the department may enter into a lease under subsection (b) for a term of not more than ninety-nine (99) years.

SECTION 55. IC 4-13.5-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this article:

"Commission" refers to the state office building commission means the Indiana finance authority established by IC 4-4-11-4.

"Communications system infrastructure" has the meaning set forth in IC 5-26-5-1.

"Construction" means the erection, renovation, refurbishing, or alteration of all or any part of buildings, improvements, or other structures, including installation of fixtures or equipment, landscaping of grounds, site work, and providing for other ancillary facilities pertinent to the buildings or structures.

"Correctional facility" means a building, a structure, or an improvement for the custody, care, confinement, or treatment of committed persons under IC 11.

"Department" refers to:
1. the integrated public safety commission, for purposes of a facility consisting of communications system infrastructure; and
2. the Indiana department of administration, for purposes of all other facilities.

"Mental health facility" means a building, a structure, or an improvement for the care, maintenance, or treatment of persons with mental or addictive disorders.

"Facility" means all or any part of one (1) or more buildings, structures, or improvements (whether new or existing), or parking areas (whether surface or an above or below ground parking garage or garages), owned or leased by the commission under this article or the state for the purpose of:

1. housing the personnel or activities of state agencies or branches of state government;
2. providing transportation or parking for state employees or
persons having business with state government;
(3) providing a correctional facility;
(4) providing a mental health facility;
(5) providing a regional health facility; or
(6) providing communications system infrastructure.

"Person" means an individual, a partnership, a corporation, a limited liability company, an unincorporated association, or a governmental entity.

"Regional health facility" means a building, a structure, or an improvement for the care, maintenance, or treatment of adults or children with mental illness, developmental disabilities, addictions, or other medical or rehabilitative needs.

"State agency" means an authority, a board, a commission, a committee, a department, a division, or other instrumentality of state government, but does not include a state educational institution (as defined in IC 20-12-0.5-1).

SECTION 56. IC 4-13.5-1-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.5. This article:

(1) applies to the Indiana finance authority only when acting as the commission under this article for the purposes set forth in this article; and
(2) does not apply to the Indiana finance authority when acting under any other statute for any other purpose.

SECTION 57. IC 4-13.5-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) The commission may:

(1) adopt and alter an official seal;
(2) adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business and prescribe rules and policies in connection with the performance of its functions and duties;
(3) (1) accept gifts, devises, bequests, grants, loans, appropriations, revenue sharing, other financing and assistance, and any other aid from any source and agree to and comply with any attached conditions;
(4) (2) acquire real property, or any interest in real property, by lease, conveyance (including purchase) in lieu of foreclosure, or
foreclosure, own, manage, operate, hold, clear, improve, and construct facilities on real property, and sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber real property, or interests in real property or facilities on real property, if the use is necessary or appropriate to the purposes of the commission;

(5) procure insurance against any loss in connection with its operations in amounts, and from insurers, as it considers necessary or desirable;

(6) borrow funds as set forth in IC 4-13.5-4 and issue revenue bonds of the commission, payable solely from revenues, as set forth in IC 4-13.5-4, or from the proceeds of bonds issued under this article and earnings on bonds, or both, for the purpose of carrying out its purposes under this article, including paying all or any part of the cost of acquisition or construction of any one (1) or more facilities, or for the purpose of refunding any other bonds or loan contracts of the commission;

(7) establish reserves or sinking funds from the proceeds of the sale of bonds or from other funds, or both, to secure the payment of the bonds;

(8) invest any funds held in reserve or in sinking fund accounts or any money not required for immediate disbursement, in obligations of the state, the United States, or their agencies or instrumentalities, and other obligors as may be permitted under the terms of any resolution authorizing the issuance of the commission's bonds or other obligations;

(9) include in any borrowing or issue amounts considered necessary by the commission to pay financing charges, interest on the obligations (for a period not exceeding the period of construction and a reasonable time after the period of construction or, if the facility is completed, two (2) years from the date of issue of the obligations), consultant, advisory, and legal fees, and other expenses necessary or incident to the borrowing or issue;

(10) employ fiscal consultants; engineers; bond counsel; other special counsel (with the approval of the attorney general); real estate counselors; appraisers; architectural historians; and other consultants; employees; and agents as required in the judgment of the commission; and fix and pay their compensation from funds
available to the commission for the payment of compensation;

(11) make, execute, and effectuate contracts, agreements, or other documents with any governmental agency or any person, corporation, limited liability company, association, partnership, or other organization or entity necessary or convenient to accomplish the purposes of this article;

(12) acquire in the name of the commission by the exercise of the right of condemnation, in the manner provided in this section, public or private lands, or rights in lands, rights-of-way, property, rights, easements, and interests, as it considers necessary for carrying out this article; and

(13) do any and all acts and things necessary, proper, or convenient to carry out this article.

(b) The commission may provide for facilities for state agencies or branches of state government if the general assembly, by statute:

(1) finds that the state needs renovation, refurbishing, or alteration of existing facilities or construction of additional facilities; and

(2) authorizes the commission to provide for the facilities.

In providing for the facilities, the commission shall proceed under this article.

(c) If the commission is unable to agree with the owners, lessees, or occupants of any real property selected for the purposes of this article, it may proceed to procure the condemnation of the property under IC 32-24-1. The commission may not institute a proceeding until it has adopted a resolution that:

(1) describes the real property sought to be acquired and the purpose for which the real property is to be used;

(2) declares that the public interest and necessity require the acquisition by the commission of the property involved; and

(3) sets out any other facts that the commission considers necessary or pertinent.

The resolution is conclusive evidence of the public necessity of the proposed acquisition and shall be referred to the attorney general for action, in the name of the commission, in the circuit or superior court of the county in which the real property is located.

(d) The title to all property acquired in any manner by the commission shall be held in the name of the commission.

SECTION 58. IC 4-13.6-8-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter, "commission" refers to the state office building commission means the Indiana finance authority established by IC 4-13.5-1-1.5.

IC 4-4-11-4.

SECTION 59. IC 4-13.6-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. The department may recommend to the governor that an energy cost savings contract be entered into by the state office building commission under IC 4-13.5-1.5.

SECTION 60. IC 4-21.5-2-5, AS AMENDED BY P.L.4-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. This article does not apply to the following agency actions:

1. The issuance of a warrant or jeopardy warrant for the collection of taxes.
2. A determination of probable cause or no probable cause by the civil rights commission.
3. A determination in a factfinding conference of the civil rights commission.
4. A personnel action, except review of a personnel action by the state employees appeals commission under IC 4-15-2 or a personnel action that is not covered by IC 4-15-2 but may be taken only for cause.
5. A resolution, directive, or other action of any agency that relates solely to the internal policy, organization, or procedure of that agency or another agency and is not a licensing or enforcement action. Actions to which this exemption applies include the statutory obligations of an agency to approve or ratify an action of another agency.
6. An agency action related to an offender within the jurisdiction of the department of correction.
7. A decision of the Indiana economic development corporation, the office of tourism development, the department of environmental management, the tourist information and grant fund review committee, the Indiana development finance authority, the corporation for innovation development, or the lieutenant governor that concerns a grant, loan, bond, tax incentive, or financial guarantee.
(8) A decision to issue or not issue a complaint, summons, or similar accusation.
(9) A decision to initiate or not initiate an inspection, investigation, or other similar inquiry that will be conducted by the agency, another agency, a political subdivision, including a prosecuting attorney, a court, or another person.
(10) A decision concerning the conduct of an inspection, investigation, or other similar inquiry by an agency.
(11) The acquisition, leasing, or disposition of property or procurement of goods or services by contract.
(12) Determinations of the department of workforce development under IC 22-4-18-1(g)(1), IC 22-4-40, or IC 22-4-41.
(13) A decision under IC 9-30-12 of the bureau of motor vehicles to suspend or revoke a driver's license, a driver's permit, a vehicle title, or a vehicle registration of an individual who presents a dishonored check.
(14) An action of the department of financial institutions under IC 28-1-3.1 or a decision of the department of financial institutions to act under IC 28-1-3.1.
(15) A determination by the NVRA official under IC 3-7-11 concerning an alleged violation of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg) or IC 3-7.
(16) Imposition of a civil penalty under IC 4-20.5-6-8 if the rules of the Indiana department of administration provide an administrative appeals process.

SECTION 61. IC 4-22-2-37.1, AS AMENDED BY HEA 1262-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

(1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.
(2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.
(3) An emergency temporary standard adopted by the occupational safety standards commission under IC 22-8-1.1-16.1.
(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.
(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.
(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.
(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.
(9) A rule adopted by the state lottery commission under IC 4-30-3-9.
(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.
(11) An emergency rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.
(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.
(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.
(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:
   (A) the variance procedures are included in the rules; and
   (B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.
(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4-1-14.
(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.
(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.
commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.


(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.

(22) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.


(25) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-34.

(26) An emergency rule adopted by the department of local government finance under IC 6-1.1-4-33.

(27) An emergency rule adopted by the boiler and pressure vessel rules board under IC 22-13-2-8(e).

(28) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-37(l) or an emergency rule adopted by the department of local government finance under IC 6-1.1-4-36(j) or IC 6-1.1-22.5-20.


(30) A rule adopted by the department of financial institutions under IC 34-55-10-2.5.

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.
(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:
   1) accept the rule for filing; and  
   2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:
   1) The effective date of the statute delegating authority to the agency to adopt the rule.
   2) The date and time that the rule is accepted for filing under subsection (e).
   3) The effective date stated by the adopting agency in the rule.
   4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in subsections (j) and (k), a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), (a)(13), (a)(24), (a)(25), (a)(26), or (a)(28), (a)(27), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. The extension period for a rule adopted under subsection (a)(29) (a)(28) may not exceed the period for which the original rule was in effect. A rule adopted under subsection (a)(14) (a)(13) may be extended for two (2) extension periods. Subject to subsection (j), a rule adopted under subsection (a)(24), (a)(25), (a)(26); or (a)(28) (a)(27) may be extended for an unlimited number of extension periods. Except for a rule adopted under subsection (a)(14), (a)(13), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:
   1) sections 24 through 36 of this chapter; or  
   2) IC 13-14-9;  
as applicable.
(h) A rule described in subsection (a)(6), (a)(9), (a)(13), (a)(8), (a)(12), or (a)(28) expires on the earlier of the following dates:

1. The expiration date stated by the adopting agency in the rule.
2. The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

(j) A rule described in subsection (a)(24) or (a)(25) expires not later than January 1, 2006.

(k) A rule described in subsection (a)(29) expires on the expiration date stated by the board of the Indiana economic development corporation in the rule.

SECTION 62. IC 5-1-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter:

"Authority" refers to the Indiana health and educational facility financing authority.

"Bonds" includes bonds, refunding bonds, notes, interim certificates, bond anticipation notes, and other evidences of indebtedness of the authority, issued under this chapter.

"Building" or "buildings" or similar words mean any building or part of a building or addition to a building for health care purposes. The term includes the site for the building (if a site is to be acquired), equipment, heating facilities, sewage disposal facilities, landscaping, walks, drives, parking facilities, and other structures, facilities, appurtenances, materials, and supplies that may be considered necessary to render a building suitable for use and occupancy for health care purposes.

"Cost" includes the following:

1. The cost and the incidental and related costs of the acquisition, repair, restoration, reconditioning, refinancing, or installation of health facility property.
2. The cost of any property interest in health facility property, including an option to purchase a leasehold interest.
3. The cost of constructing health facility property, or an addition to health facility property, acquiring health facility property, or remodeling health facility property.
4. The cost of architectural, engineering, legal, trustee,
underwriting, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the need for or the feasibility and practicability of health facility property.

(5) The cost of financing charges, including premiums or prepayment penalties and interest accrued during the construction of health facility property or before the acquisition and installation or refinancing of such health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing and startup costs related to health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing.

(6) The costs paid or incurred in connection with the financing of health facility property, including out-of-pocket expenses, the cost of any policy of insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent.

(7) The costs of the authority, incurred in connection with providing health facility property, including reasonable sums to reimburse the authority for time spent by its agents or employees in providing and financing health facility property.

(8) The cost paid or incurred for the administration of any program for the purchase or lease of or the making of loans for health facility property, by the authority and any program for the sale or lease of or making of loans for health facility property to any participating provider.

"County" means any county in the state that owns and operates a county hospital.

"Health facility property" means any tangible or intangible property or asset owned or used by a participating provider and which:

(1) is determined by the authority to be necessary or helpful, directly or indirectly, to provide:

(A) health care;
(B) medical research;
(C) training or teaching of health care personnel;
(D) habilitation, rehabilitation, or therapeutic services; or
(E) any related supporting services;
regardless of whether such property is in existence at the time of, or is to be provided after the making of, such finding;
(2) is a residential facility for:
   (A) the physically, mentally, or emotionally disabled;
   (B) the physically or mentally ill; or
   (C) the elderly; or
(3) is a licensed child caring institution providing residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the property is located.

"Health facility" means any facility or building that is:
(1) owned or used by a participating provider;
(2) located:
   (A) in Indiana; or
   (B) outside Indiana, if the participating provider that operates the facility or building, or an affiliate of the participating provider, also operates a substantial health facility or facilities, as determined by the authority, in Indiana; and
(3) utilized, directly or indirectly:
   (A) in:
      (i) health care;
      (ii) habilitation, rehabilitation, or therapeutic services;
      (iii) medical research;
      (iv) the training or teaching of health care personnel; or
      (v) any related supporting services;
   (B) to provide a residential facility for:
      (i) the physically, mentally, or emotionally disabled;
      (ii) the physically or mentally ill; or
      (iii) the elderly; or
   (C) as a child caring institution and provides residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the facility or building is located.

"Net revenues" means the revenues of a hospital remaining after provision for proper and reasonable expenses of operation, repair, replacement, and maintenance of the hospital.

"Participating provider" means a person, corporation, municipal corporation, political subdivision, or other entity, public or private, which:
(1) is located in Indiana or outside Indiana;
(2) contracts with the authority for the financing or refinancing of, or the lease or other acquisition of, health facility property that is located:
   (A) in Indiana; or
   (B) outside Indiana, if the financing, refinancing, lease, or other acquisition also includes a substantial component, as determined by the authority, for the benefit of a health facility or facilities located in Indiana;
(3) is:
   (A) licensed under IC 12-25, IC 16-21, IC 16-28, or corresponding laws of the state in which the property is located;
   (B) a regional blood center;
   (C) a community mental health center or community mental retardation and other developmental disabilities center (as defined in IC 12-7-2-38 and IC 12-7-2-39 or corresponding provisions of laws of the state in which the property is located);
   (D) an entity that:
      (i) contracts with the division of disability, aging, and rehabilitative services or the division of mental health and addiction to provide the program described in IC 12-11-1.1-1(e) or IC 12-22-2; or
      (ii) provides a similar program under the laws of the state in which the entity is located;
   (E) a vocational rehabilitation center established under IC 12-12-1-4.1(a)(1) or corresponding provisions of the laws of the state in which the property is located;
   (F) the owner or operator of a facility that is utilized, directly or indirectly, to provide health care, habilitation, rehabilitation, therapeutic services, medical research, the training or teaching of health care personnel, or any related supporting services, or of a residential facility for the physically, mentally, or emotionally disabled, physically or mentally ill, or the elderly;
   (G) a licensed child caring institution providing residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the property is located;
   (H) an integrated health care system between or among
providers, a health care purchasing alliance, a health insurer
or third party administrator that is a participant in an integrated
health care system, a health maintenance or preferred provider
organization, or a foundation that supports a health care
provider; or
(I) an individual, a business entity, or a governmental entity
that owns an equity or membership interest in any of the
organizations described in clauses (A) through (H); and
(4) in the case of a person, corporation, municipal corporation,
political subdivision, or other entity located outside Indiana, is
owned or controlled by, under common control with, affiliated
with, or part of an obligated group that includes an entity that
provides one (1) or more of the following services or facilities in
Indiana:
(A) A facility that provides:
   (i) health care;
   (ii) habilitation, rehabilitation, or therapeutic services;
   (iii) medical research;
   (iv) training or teaching of health care personnel; or
   (v) any related supporting services.
(B) A residential facility for:
   (i) the physically, mentally, or emotionally disabled;
   (ii) the physically or mentally ill; or
   (iii) the elderly.
(C) A child caring institution providing residential care
described in IC 12-7-2-29(1).
"Regional blood center" means a nonprofit corporation or
corporation created under 36 U.S.C. 1 that:
(1) is:
   (A) accredited by the American Association of Blood Banks;
or
   (B) registered or licensed by the Food and Drug
       Administration of the Department of Health and Human
       Services; and
(2) owns and operates a health facility that is primarily engaged
in:
   (A) drawing, testing, processing, and storing human blood and
       providing blood units or components to hospitals; or
(B) harvesting, testing, typing, processing, and storing human body tissue and providing this tissue to hospitals.

SECTION 63. IC 5-1-16-1.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1.1. Sections 19 through 35 of this chapter:

1) apply to the authority only when acting for the purposes set forth in this chapter; and
2) do not apply to the authority when acting under any other statute for any other purpose.

SECTION 64. IC 5-1-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) There is created, with such duties and powers as are set forth in this chapter, a public body politic and corporate, not a state agency, but an independent public instrumentality exercising essential public functions, to be known as the Indiana health and educational facility financing authority.

(b) The authority shall be governed by the following seven (7) members: appointed by the governor, including:

1) at least one (1) trustee, director, officer, or employee of a health care provider or an association of health care providers;
2) at least one (1) person who has experience in the field of state and municipal finance, either as a partner, officer, or employee of an investment banking firm which originates and purchases state and municipal securities; or as an officer or employee of an insurance company or bank whose duties relate to the purchase of state and municipal securities as an investment and to the management and control of a state and municipal securities portfolio; and
3) at least one (1) person who has experience in the hospital building construction field or the hospital equipment field:

1) The governor or the governor's designee, who shall serve as chairman of the authority.
2) The public finance director appointed under IC 4-4-11-9, or the public finance director's designee.
3) The state health commissioner, or the state health commissioner's designee.
4) Four (4) members appointed by the governor, two (2) of whom must be knowledgeable in health care or public finance.
and investment matters related to health care, and two (2) of whom must be knowledgeable in higher education or public finance and investment matters related to higher education.

(c) All members must be Indiana residents. Not more than four (4) three (3) of the members of the authority appointed under subsection (b)(4) may be members of the same political party.

SECTION 65. IC 5-1-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. The terms of members appointed by the governor begin upon appointment. All subsequent appointments are for terms of The term of office of a member of the authority appointed by the governor is four (4) years. However, these members serve at the pleasure of the governor. Vacancies in the membership of the authority shall be filled for the unexpired term by appointment by the governor. Vacancies in the membership of the authority shall be filled for the unexpired term by appointment by the governor. Each member shall hold office for the term of his the member's appointment and until his the member's successor shall have been appointed and qualified. Members may be reappointed. Any member may be removed from office by the governor for incompetency, neglect of duty, or malfeasance in office.

SECTION 66. IC 5-1-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. The members shall elect a chairman, a vice chairman and other officers. The members may not be compensated for their services but they shall be reimbursed for their actual and necessary expenses as determined by the authority.

SECTION 67. IC 5-1-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. The members of the authority may governor shall appoint an executive director for the authority who shall serve at the pleasure of the members governor and receive compensation as fixed by the members. The executive director, who shall serve as the ex officio secretary of the authority, shall administer, manage, and direct the employees of the authority under the direction of the members. The executive director shall approve all accounts for salaries, allowable expenses of the authority or of any employee or consultant of the authority, and expenses incidental to the operation of the authority. He and shall perform other duties directed by the members in carrying out this chapter.

SECTION 68. IC 5-1-16-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. The executive
director shall attend the meetings of the members of the authority, shall
keep a record of the proceedings of the authority, and shall maintain all
books, documents, and papers filed with the authority, the minutes of
the authority, and its official seal. The executive director may
cause copies to be made of all minutes and other records and
documents of the authority and may give certificates under seal of the
authority to the effect that such copies are true copies, and all persons
dealing with the authority may rely upon such certificates. If an
executive director is not appointed, the members of the authority shall
designate a member or an employee of the authority as the person
responsible for carrying out the duties set out in sections 7 and 8 of this
chapter.

SECTION 69. IC 5-1-16-9 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 9. The authority may
employ employees necessary to carry out the operation of the authority,
and shall determine their qualifications, duties, compensation, and
terms of office without the approval of or consent by any other state
official. The members may delegate to one (1) or more agents or
employees of the authority such administrative duties as they consider
proper. The authority may also contract with any entity, including the
Indiana finance authority, to provide administrative staff or clerical
services, including the functions of the executive director, under such
terms as the authority determines.

SECTION 70. IC 5-1-16-10.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE MAY 15, 2005]: Sec. 10.5. Any member or employee
of the authority who has, will have, or later acquires an interest,
direct or indirect, in any transaction with the authority shall
immediately disclose the nature and extent of the interest in
writing to the authority as soon as the member or employee has
knowledge of the actual or prospective interest. Disclosure shall be
announced in open meeting and entered upon the minutes of the
authority. Upon disclosure, the member or employee shall not
participate in any action by the authority authorizing the
transaction. However, such an interest shall not invalidate actions
by the authority with the participation of the disclosing member or
employee prior to the time when the member or employee became
aware of the interest or should reasonably have become aware of the interest.

SECTION 71. IC 5-1-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 12. Before the issuance of any bonds under this chapter:

(1) the executive director of the authority;
(2) each member of the authority; and
(3) any other employee or agent of the authority authorized by resolution of the authority to handle funds or sign checks;

shall execute a surety bond in the penal sum of fifty thousand dollars ($50,000). If the executive director of the authority an individual described in subdivisions (1) through (3) is already covered by a bond required by state law, the executive director individual need not obtain another bond if the bond required by state law is in at least the penal sum specified in this section and covers the executive director's individual's activities for the authority. In lieu of this bond, the chairman of the authority may execute a blanket surety bond covering each member, the executive director, and the employees or other officers of the authority. Each surety bond must be conditioned upon the faithful performance of the individual's duties, of the office of the member, executive director, employee, or officer, and shall be issued by a surety company authorized to transact business in Indiana as surety. At all times after the issuance of any surety bonds, these surety bonds shall be maintained in full force and effect. All costs of the surety bonds shall be borne by the authority.

SECTION 72. IC 5-1-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. (a) The authority has all powers necessary to carry out and effectuate its public and corporate purposes, including but not limited to the following:

(1) To have perpetual succession as a public body politic and corporate and an independent public instrumentality exercising essential public functions.
(2) To adopt, amend, and repeal bylaws and rules consistent with this chapter, to regulate its affairs, to carry into effect the powers and purposes of the authority and conduct its business, which rules and bylaws may be adopted by the authority without complying with IC 4-22-2.
(3) To sue and be sued in its own name.
(4) To have an official seal.
(5) To maintain an office in Indiana.
(6) To make and execute contracts and all other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under this chapter.
(7) To employ architects, engineers, independent legal counsel, inspectors, accountants, and health care and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment without the approval of or consent by any other state official, and to fix their compensation.
(8) To procure insurance against any loss in connection with its property and other assets, in such amounts and from such insurers as it considers advisable, including the power to pay premiums on any such insurance.
(9) To procure insurance or guarantees from any public or private entities, including any department, agency, or instrumentality of the United States of America, to secure payment:
   (A) on a loan, lease, or purchase payment owed by a participating provider to the authority; and
   (B) of any bonds issued by the authority, including the power to pay premiums on any such insurance or guarantee.
(10) To procure letters of credit or other credit facilities or agreements from any national or state banking association or other entity authorized to issue a letter of credit or other credit facilities or agreements to secure the payment of any bonds issued by the authority or to secure the payment of any loan, lease, or purchase payment owed by a participating provider to the authority, including the power to pay the cost of obtaining such letter of credit or other credit facilities or agreements.
(11) To receive and accept from any source any money, property, or thing of value to be held, used, and applied to carry out the purposes of this chapter subject to the conditions upon which the grants or contributions are made, including gifts or grants from any department, agency, or instrumentality of the United States of America for any purpose consistent with this chapter.
(12) To provide, or cause to be provided by a participating provider, by acquisition, lease, construction, fabrication, repair, restoration, reconditioning, refinancing, or installation, health
facility property to be located within a health facility.

(13) To lease as lessor any item of health facility property for such rentals and upon such terms and conditions as the authority considers advisable and are not in conflict with this chapter.

(14) To sell by installment or otherwise to sell by option or contract for sale, and to convey all or any part of any item of health facility property for such price and upon such terms and conditions as the authority considers advisable and as are not in conflict with this chapter.

(15) To make contracts and incur liabilities, borrow money at such rates of interest as the authority determines, issue its bonds in accordance with this chapter, and secure any of its bonds or obligations by a mortgage or pledge of all or any of its property, franchises, and income or as otherwise provided in this chapter.

(16) To make secured or unsecured loans for the purpose of providing temporary or permanent financing or refinancing for the cost of any item of health facility property, including the retiring of any outstanding obligations issued by a participating provider, and the reimbursement to a participating provider of advances, for the cost of any health facility property purchased in anticipation of procuring such financing or refinancing from the authority or other sources, and to charge and collect interest on such loans for such loan payments and upon such terms and conditions as the authority considers advisable and as are not in conflict with this chapter.

(17) To invest and reinvest its funds and to take and hold property as security for the investment of such funds as provided in this chapter.

(18) To purchase, receive, lease (as lessee or lessor), or otherwise acquire, own, hold, improve, use, or otherwise deal in and with, health facility property, or any interest therein, wherever situated.

(19) To sell, convey, mortgage, pledge, assign, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets.

(20) To the extent permitted under its contract with the holders of bonds of the authority, consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any contract, loan, loan
note, loan note commitment, contract, lease, or agreement of any kind to which the authority is a party.

(21) To charge to and apportion among participating providers its administrative costs and expenses incurred in the exercise of the powers and duties conferred by this chapter.

(22) Except as otherwise provided in a trust agreement or bond resolution securing bonds of the authority, and notwithstanding IC 5-13, to invest: any funds not needed for immediate disbursement; including any funds held in reserve; in such indebtedness or obligations designated by the authority for investments of its funds held under this chapter:

(A) the authority's money, funds, and accounts;

(B) any money, funds, and accounts in the authority's custody; and

(C) proceeds of bonds or notes;

in the manner provided by an investment policy established by resolution of the authority.

(23) To collect fees and charges, as the authority determines to be reasonable, in connection with its loans, leases, sales, advances, insurance, commitments, and servicing.

(24) To cooperate with and exchange services, personnel, and information with any federal, state, or local governmental agency.

(25) To sell, at public or private sale, with or without public bidding, any loan or other obligation held by the authority.

(26) To assist, coordinate, and participate with other issuers of tax exempt bonds and public officials in other states in connection with financings or refinancings on behalf of multiple state health facilities. Assistance, coordination, and participation provided under this subdivision may include conducting any hearings required by state or federal law in order for bonds to be issued by public officials in other states if part of the proceeds of the bonds will be used by participating providers in Indiana. Neither the state of Indiana nor the authority, nor any officers, agents, or employees of the state or the authority, are subject to any liability resulting from assistance to or coordination or participation with other issuers of tax exempt bonds under this subsection. Any assistance, coordination, or participation provided under this subsection is given with the understanding that the issuers of tax
exempt bonds or borrowers will agree to indemnify and hold
harmless the state of Indiana and the authority and their officers,
agents, and employees from all claims and liability arising from
any action against the state of Indiana or the authority relating to
the bonds.

(27) Subject to the authority's investment policy, to enter into
swap agreements (as defined in IC 8-9.5-9-4) in accordance
with IC 8-9.5-9-5 and IC 8-9.5-9-7.

The omission of a power from the list in this subsection does not
imply that the authority lacks that power. The authority may
exercise any power that is not listed in this subsection but is
consistent with the powers listed in this subsection to the extent
that the power is not expressly denied by the Constitution of the
State of Indiana or by another statute.

(b) No part of the revenues or assets of the authority may inure to
the benefit of or be distributable to its members or officers or other
private persons. Any net earnings of the authority beyond that
necessary for retirement of authority indebtedness or to implement the
public purposes of this chapter inure to the benefit of the state. Upon
termination or dissolution, all rights and properties of the authority pass
to and are vested in the state, subject to the rights of lienholders and
other creditors.

(c) The authority shall cooperate with and use the assistance of
the Indiana finance authority established under IC 4-4-11 in the
issuance of the bonds or notes.

SECTION 73. IC 5-1-16-13.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13.1. (a) The authority
shall:

(1) adopt
   (A) rules under IC 4-22-2; or
   (B) a policy
   establishing a code of ethics for its employees; or
(2) decide it wishes to be under the jurisdiction and rules adopted
   by the state ethics commission.

(b) A code of ethics adopted by rule or policy under this section
must be consistent with state law and approved by the governor.

SECTION 74. IC 5-1-16-35 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 35. The authority shall
submit an annual report of its activities for the preceding fiscal year to the governor, the budget committee, and the general assembly. An annual report submitted under this section to the general assembly must be in an electronic format under IC 5-14-6. Each member of the general assembly who requests a written copy of the report from the chairman of the authority shall be sent a written copy. Each report shall set forth a complete operating and financial statement for the authority during the fiscal year it covers.

SECTION 75. IC 5-1.5-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) There is established a board of directors to govern the bank. The powers of the bank are vested in this board.

(b) The board is composed of:
   (1) the treasurer of state, who shall be the chairman ex officio;
   (2) the director of the department of financial institutions, public finance director appointed under IC 4-4-11-9, who shall be the director ex officio; and
   (3) five (5) directors appointed by the governor.

(c) Each of the five (5) directors appointed by the governor:
   (1) must be a resident of Indiana;
   (2) must have substantial expertise in the buying, selling, and trading of municipal securities, in municipal administration or in public facilities management;
   (3) serves for a term of three (3) years and until his successor is appointed and qualified;
   (4) is eligible for reappointment;
   (5) is entitled to receive the same minimum salary per diem as is provided in IC 4-10-11-2.1(b) while performing his the director's duties. Such a director is also entitled to the same reimbursement for traveling expenses and other expenses, actually incurred in connection with his the director's duties as is provided in the state travel policies and procedures, established by the department of administration and approved by the state budget agency; and
   (6) may be removed by the governor for cause.

(d) Any vacancy on the board, other than by expiration of term, shall be filled by appointment of the governor for the unexpired term only.

SECTION 76. IC 5-1.5-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. (a) Bonds or notes
of the bank must be authorized by resolution of the board, may be
issued in one (1) or more series, and must:

(1) bear the date;
(2) mature at the time or times;
(3) be in the denomination;
(4) be in the form;
(5) carry the conversion or registration privileges;
(6) have the rank or priority;
(7) be executed in the manner;
(8) be payable from the sources in the medium of payment at the
place inside or outside the state; and
(9) be subject to the terms of redemption;
as the resolution of the board or the trust agreement securing the bonds
or notes provides.

(b) Except as provided in subsection (e), bonds or notes may be
issued under this article without obtaining the consent of any agency of
the state and without any other proceeding or condition other than the
proceedings or conditions specified in this article.

(c) The rate or rates of interest on the bonds or notes may be fixed
or variable. Variable rates shall be determined in the manner and in
accordance with the procedures set forth in the resolution authorizing
the issuance of the bonds or notes. Bonds or notes bearing a variable
rate of interest may be converted to bonds or notes bearing a fixed rate
or rates of interest, and bonds or notes bearing a fixed rate or rates of
interest may be converted to bonds or notes bearing a variable rate of
interest, to the extent and in the manner set forth in the resolution
pursuant to which the bonds or notes are issued. The interest on bonds
or notes may be payable semiannually or annually or at any other
interval or intervals as may be provided in the resolution, or the interest
may be compounded and paid at maturity or at any other times as may
be specified in the resolution.

(d) The bonds or notes may be made subject, at the option of the
holders, to mandatory redemption by the bank at the times and under
the circumstances set forth in the authorizing resolution.

(e) The bank may not issue bonds for qualified entities described in
IC 5-1.5-1-8(5) through IC 5-1.5-1-8(7) or IC 5-1.5-1-8(11) that are
subject to the volume cap (as defined in IC 4-4-11.5-14) without
obtaining the prior approval of the Indiana development finance
authority.

SECTION 77. IC 5-1.5-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. (a) **Except as provided in subsection (c), and** in order to assure the maintenance of the required debt service reserve in any reserve fund, **a resolution authorizing the bank to issue bonds or notes may include a provision stating that:**

1. the general assembly may annually appropriate to the bank for deposit in one (1) or more of the funds the sum, certified by the chairman of the board to the general assembly, that is necessary to restore one (1) or more of the funds to an amount equal to the required debt service reserve; and
2. the chairman annually, before December 1, shall make and deliver to the general assembly his a certificate stating the sum required to restore the funds to that amount.

Nothing in this subsection creates a debt or liability of the state to make any appropriation.

(b) All amounts received on account of money appropriated by the state to any reserve fund shall be held and applied in accordance with section 1(b) of this chapter. However, at the end of each fiscal year, if the amount in any reserve fund exceeds the required debt service reserve, any amount representing earnings or income received on account of any money appropriated to the reserve fund that exceeds the expenses of the bank for that fiscal year may be transferred to the general fund of the state.

(c) **Notwithstanding any other law, and except as provided by subsection (d), after June 30, 2005, the:**

1. issuance by the bank of any indebtedness that incorporates the provisions set forth in subsection (a) or otherwise establishes a procedure for the bank or a person acting on behalf of the bank to certify to the general assembly the amount needed to restore a reserve fund or another fund to required levels; or
2. execution by the bank of any other agreement that creates a moral obligation of the state to pay all or part of any indebtedness issued by the bank;

is subject to review by the budget committee and approval by the budget director.
(d) If the budget committee does not conduct a review of a proposed transaction under subsection (c) within twenty-one (21) days after a request by the bank, the review is considered to have been conducted. If the budget director does not approve or disapprove a proposed transaction under subsection (c) within twenty-one (21) days after a request by the bank, the transaction is considered to have been approved.

SECTION 78. IC 5-1.5-6.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. (a) Except as provided in subsection (d), whenever a reserve fund for an issue of bonds or notes issued to purchase securities specified in section 1(b) of this chapter does not contain the required debt service reserve (as defined in IC 5-1.5-5-1(b)), the chairman of the board shall immediately:

(1) transfer to the reserve fund the amount needed to restore the required debt service reserve first from the capital interest fund and, to the extent necessary, from the capital principal fund; and

(2) certify the amounts transferred to the general assembly.

(b) The general assembly may appropriate to the bank for deposit in the capital principal fund the amount transferred from the fund to restore required debt service reserves. Nothing in this subsection creates a debt or a liability of the state to make any appropriation.

(c) Appropriations made to the capital principal fund do not revert to the state general fund at the end of any fiscal year.

(d) Notwithstanding any other law, and except as provided by subsection (e), after June 30, 2005, the:

(1) issuance by the bank of any indebtedness that incorporates the provisions set forth in subsection (a) or otherwise establishes a procedure for the bank or a person acting on behalf of the bank to certify to the general assembly the amount needed to restore a reserve fund or another fund to required levels; or

(2) execution by the bank of any other agreement that creates a moral obligation of the state to pay all or part of any indebtedness issued by the bank; is subject to review by the budget committee and approval by the budget director.

(e) If the budget committee does not conduct a review of a
proposed transaction under subsection (d) within twenty-one (21) days after a request by the bank, the review is considered to have been conducted. If the budget director does not approve or disapprove a proposed transaction under subsection (d) within twenty-one (21) days after a request by the bank, the transaction is considered to have been approved.

SECTION 79. IC 5-13-4-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. "Industrial development project" has the meaning set forth in IC 4-4-10.9-11 and includes mining operations, agricultural operations that involve the processing of agricultural products, and any other type of business project for which the Indiana development finance authority may make a loan or lease guarantee.

SECTION 80. IC 5-13-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) The board for depositories exercises essential public functions, and has a perpetual existence. The board has all powers necessary, convenient, or appropriate to carry out and effectuate its public and corporate purposes, including but not limited to the powers to do the following:

1. Adopt, amend, and repeal bylaws and rules consistent with this chapter to regulate its affairs and to effect the powers and purposes of the board, all without the necessity of adopting a rule under IC 4-22-2.
2. Adopt its budget on a calendar year or fiscal year as it shall determine.
3. Sue and be sued in its own name.
4. Have an official seal and alter it at will.
5. Maintain an office or offices at a place or places within Indiana as it may designate.
6. Make and execute contracts and all other instruments with either public or private entities.
7. Communicate with the employees of the Indiana development finance authority to the extent reasonably desirable in working on a guarantee of an industrial development obligation or credit enhancement obligation.
8. Deposit all uninvested funds of the public deposit insurance fund in a separate account or accounts in financial institutions that are designated as depositories to receive state funds under
IC 5-13-9.5. The money in these accounts shall be paid out on checks signed by the chairman or other officers or employees of the board as it shall authorize.

(9) Take any other act necessary or convenient for the performance of its duties and the exercise of its powers and functions under this chapter.

(b) In enforcing any obligation of the borrower or any other person under the documents evidencing a guarantee, the board may renegotiate the guarantee, modify the rate of interest, term of the industrial development obligation or credit enhancement obligation, payment of any installment of principal or interest, or any other term of any documents, settle any obligation on the security or receipt of property or the other terms as in its discretion it deems advantageous to the public deposit insurance fund, and take any other action necessary or convenient to such enforcement.

(c) The records of the board for depositories relating to negotiations between it and prospects for industrial development obligation or credit enhancement obligation guarantees are excepted from the provisions of IC 5-14-3-3.

SECTION 81. IC 5-13-12-7, AS AMENDED BY P.L.4-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. (a) The board for depositories shall manage and operate the insurance fund. All expenses incident to the administration of the fund shall be paid out of the money accumulated in it subject to the direction of the board for depositories.

(b) Effective January 1 and July 1 in each year, the board shall before those dates redetermine the amount of the reserve to be maintained by the insurance fund. The establishment or any change in the reserve for losses shall be determined by the board based on a study to be made or updated by actuaries, economists, or other consultants based on the history of losses, earnings on the funds, conditions of the depositories, economic conditions affecting particular depositories or depositories in general, and any other factors that the board considers relevant in making its determination. The reserve determined by the board must be sufficient to ensure the safekeeping and prompt payment of public funds to the extent they are not covered by insurance of any federal deposit insurance agency.

(c) At the end of each biennial period during which depositories
have had public funds on deposit under this chapter and paid the
assessments levied by the board, the board shall compute its receipts
from assessments and all other sources and its expenses and losses and
determine the profit derived from the operation of the fund for the
period. Until the amount of the reserve for losses has been
accumulated, all assessments levied for a biennial period shall be
retained by the fund. The amount of the assessments, if any, levied by
the board shall, to the extent the fund exceeds the reserve for losses at
the end of a biennial period commencing July 1 of each odd-numbered
year, be distributed to the depositories that had public funds on deposit
during the biennial period in which the assessments were paid. The
distribution shall be made to the respective depositories in the
proportion that the total assessments paid by each depository during
that period bears to the total assessments then paid by all depositories.
A distribution to which any closed depository would otherwise be
entitled shall be set off against any claim that the insurance fund may
have against the closed depository.

(d) The board may invest, reinvest, and exchange investments of the
insurance fund in excess of the cash working balance in any of the
following:

(1) In bonds, notes, certificates, and other valid obligations of the
United States, either directly or, subject to the limitations in
subsection (e), in the form of securities of or other interests in an
open-end no-load management-type investment company or
investment trust registered under the provisions of the Investment
Company Act of 1940, as amended (15 U.S.C. 80a et seq.).
(2) In bonds, notes, debentures, and other securities issued by a
federal agency or a federal instrumentality and fully guaranteed
by the United States either directly or, subject to the limitations
in subsection (e), in the form of securities of or other interests in
an open-end no-load management-type investment company or
investment trust registered under the provisions of the Investment
Company Act of 1940, as amended (15 U.S.C. 80a et seq.).
(3) In bonds, notes, certificates, and other valid obligations of a
state, or of an Indiana political subdivision that are issued under
law, the issuers of which, for five (5) years before the date of the
investment, have promptly paid the principal and interest on their
bonds and other legal obligations.
(4) In bonds or other obligations of the state office building commission: Indiana finance authority issued under IC 4-13.5.

(5) In investments permitted the state under IC 5-13-10.5.

(6) In guarantees of industrial development obligations or credit enhancement obligations, or both, for the purposes of retaining and increasing employment in enterprises in Indiana, subject to the limitations and conditions set out in this subdivision, subsection (e), and section 8 of this chapter. An individual guarantee of the board under this subdivision must not exceed eight million dollars ($8,000,000).

(7) In guarantees of bonds or notes issued under IC 5-1.5-4-1, subject to the limitations and conditions set out in subsection (e) and section 8 of this chapter.

(8) In bonds, notes, or other valid obligations of the Indiana development finance authority that have been issued in conjunction with the authority's acquisition, development, or improvement of property or other interests for an industrial development project (as defined in IC 4-4-10.9-11) that the authority has undertaken for the purposes of retaining or increasing employment in existing or new enterprises in Indiana, subject to the limitations in subsection (e).

(9) In notes or other debt obligations of counties, cities, and towns that have been issued under IC 6-1.1-39 for borrowings from the industrial development fund under IC 5-28-9 for purposes of retaining or increasing employment in existing or new enterprises in Indiana, subject to the limitations in subsection (e).

(10) In bonds or other obligations of the Indiana housing finance authority.

(e) The investment authority of the board under subsection (d) is subject to the following limitations:

1. For investments under subsection (d)(1) and (d)(2), the portfolio of an open-end no-load management-type investment company or investment trust must be limited to:

   A. direct obligations of the United States and obligations of a federal agency or a federal instrumentality that are fully guaranteed by the United States; and
   B. repurchase agreements fully collateralized by obligations described in clause (A), of which the company or trust takes
delivery either directly or through an authorized custodian.

(2) Total outstanding investments in guarantees of industrial development obligations and credit enhancement obligations under subsection (d)(6) must not exceed the greater of:

(A) ten percent (10%) of the available balance of the insurance fund; or
(B) fourteen million dollars ($14,000,000).

(3) Total outstanding investments in guarantees of bond bank obligations under subsection (d)(7) must not exceed the greater of:

(A) twenty percent (20%) of the available balance of the insurance fund; or
(B) twenty-four million dollars ($24,000,000).

(4) Total outstanding investments in bonds, notes, or other obligations of the Indiana development finance authority under subsection (d)(8) may not exceed the greater of:

(A) fifteen percent (15%) of the available balance of the insurance fund; or
(B) twenty million dollars ($20,000,000).

However, after June 30, 1988, the board may not make any additional investment in bonds, notes, or other obligations of the Indiana development finance authority issued under IC 4-4-11, and the board may invest an amount equal to the remainder, if any, of:

(i) fifteen percent (15%) of the available balance of the insurance fund; minus
(ii) the board's total outstanding investments in bonds, notes, or other obligations of the Indiana development finance authority issued under IC 4-4-11;

in guarantees of industrial development obligations or credit enhancement obligations, or both, as authorized by subsection (d)(6). In such a case, the outstanding investments, as authorized by subsection (d)(6) and (d)(8), may not exceed in total the greater of twenty-five percent (25%) of the available balance of the insurance fund or thirty-four million dollars ($34,000,000).

(5) Total outstanding investments in notes or other debt obligations of counties, cities, and towns under subsection (d)(9) may not exceed the greater of:
(A) ten percent (10%) of the available balance of the insurance fund; or
(B) twelve million dollars ($12,000,000).

(f) For purposes of subsection (e), the available balance of the insurance fund does not include the outstanding principal amount of any fund investment in a corporate note or obligation or the part of the fund that has been established as a reserve for losses.

(g) Except as provided in section 4 of this chapter, all interest and other income earned on investments of the insurance fund and all amounts collected by the board accrue to the fund.

(h) Members of the board and any officers or employees of the board are not subject to personal liability or accountability by reason of any investment in any of the obligations listed in subsection (d).

(i) The board shall, when directed by the state board of finance constituted by IC 4-9.1-1-1, purchase the loan made by the state board of finance under IC 4-10-18-10(i). The loan shall be purchased by the board at a purchase price equal to the total of:
1) the principal amount of the loan;
2) the deferred interest payable on the loan; and
3) accrued interest to the date of purchase by the board.

Members of the board and any officers or employees of the board are not subject to personal liability or accountability by reason of the purchase of the loan under this subsection.

SECTION 82. IC 5-13-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. (a) The board for depositories, in making the industrial development obligation or credit enhancement obligation guarantees authorized under section 7(d)(6) of this chapter, shall comply with the following limitations:

1) A guarantee shall be made only of industrial development obligations or credit enhancement obligations for the purpose of retaining, retaining and expanding, or bringing significant employment into Indiana, as determined by the board under subdivision (3)(A).

2) Each industrial development obligation or credit enhancement obligation must be guaranteed not only by the board but also by the Indiana development finance authority created by IC 4-4-11. Each guarantee must provide that in the event of a valid claim of loss by the lender, the lessor, or the issuer of the credit
enhancement arising under the industrial development obligation or credit enhancement documents, the amount of the loss, up to two million dollars ($2,000,000), shall first be paid by the industrial development project guaranty fund created by IC 4-4-11-16, and only the remainder of the loss, if any, shall to the extent guaranteed be paid by the public deposit insurance fund. Neither fund is responsible for the amount due from the other under its guarantee.

(3) The guarantee of the industrial development obligation or credit enhancement obligation by the board for depositories must be recommended by the Indiana development finance authority. Subject to that recommendation, the board for depositories may make the guarantee if it determines:
  
  (A) that the guarantee creates a reasonable probability that loss in Indiana employment that would occur will be significantly reduced or that Indiana's employment will be significantly expanded;
  (B) that the consequent reduction in employment loss or the expansion in employment will enhance the economic stability of the community or communities in the state where the borrower or lessee conducts its business;
  (C) that there is reasonable probability that the industrial development obligation will be repaid or satisfied or that the credit enhancement will be satisfied; and
  (D) that the industrial development obligation or credit enhancement obligation and guarantee are protected against loss and the borrower or lessee has agreed to pay the insurance fund a guarantee premium annually as provided in subdivision (6).

(4) Protection against loss on the industrial development obligation or credit enhancement obligation guaranteed will be provided:
  
  (A) in loan transactions by:
    (i) a valid security agreement;
    (ii) mortgage;
    (iii) combination of (i) and (ii); or
    (iv) other document; and
  (B) in lease transactions by the guaranteed party's rights as
(5) The term of the guarantee must not exceed twenty (20) years. The amount of the guarantee provided by the board, together with the corresponding guarantee to be provided by the industrial development project guaranty fund under subdivision (2), must not exceed:

(A) the lesser of:
   (i) ninety percent (90%) of the unpaid balance of the obligation; or
   (ii) ninety percent (90%) of the appraised fair market value of the real estate;
if the obligation is backed by real estate;

(B) the lesser of:
   (i) seventy-five percent (75%) of the unpaid balance of the obligation; or
   (ii) seventy-five percent (75%) of the appraised fair market value of the equipment;
if the obligation is backed by equipment; or

(C) a weighted average of the figures derived under clauses (A)(ii) and (B)(ii) if the obligation is backed by real estate and equipment.

(6) The guarantee premium to be received by the public deposit insurance fund for the guarantee must be at an annual percentage rate on the outstanding principal amount of the industrial development obligation or the credit enhancement obligation of not less, in the discretion of the board, than the market rate for guarantees, mortgage insurance rates, or letters of credit used for similar purposes at the time the guarantee is made. However, the annual percentage rate must not exceed two percent (2%) of the outstanding principal obligation.

(b) The following conditions apply to the making of bond bank obligation guarantees under section 7(d)(7) of this chapter:

(1) Each bond bank obligation guaranteed must be secured by a pledge of securities of a qualified entity (as defined in IC 5-1.5-1-8) under an indenture of trust requiring an adequate debt reserve fund.

(2) The board for depositories shall fix the one (1) time or annual charge to be paid by the bond bank for each guarantee in an
amount considered by the board to be appropriate and consistent with the market rate for that guarantee, taking into consideration the terms of the indenture applicable to the bond bank obligation.

(3) The board for depositories may agree to other terms for each guarantee that the secretary-investment manager certifies as being commercially reasonable and that the board, in its judgment, determines to be proper.

(c) Any claim, loss, or debt arising out of any guarantee authorized by section 7(d)(6) or 7(d)(7) of this chapter is the obligation of the board for depositories payable out of the public deposit insurance fund only and does not constitute a debt, liability, or obligation of the state or a pledge of the faith and credit of the state. The document evidencing any guarantee must have on its face the words, "The obligations created by this guarantee (or other document as appropriate) do not constitute a debt, liability, or obligation of the state or a pledge of the faith and credit of the state but are obligations of the board for public depositories and are payable solely out of the public deposit insurance fund, and neither the faith and credit nor the taxing power of the state is pledged to the payment of any obligation hereunder."

(d) Any claim of loss by a lender or lessor under a guarantee authorized by section 7(d)(6) or 7(d)(7) of this chapter, at the time it is made in writing to the board, has priority against the fund on all claims made after that time.

SECTION 83. IC 5-13-12-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. With regard to direct obligations of the Indiana development finance authority that have been issued in conjunction with an industrial development project undertaken by the authority, including those obligations that are guaranteed by the board under this chapter or purchased by the board under section 7(d)(8) of this chapter, the board may upon the request of the authority permit a subordination of any valid security agreement, mortgage, combinations thereof, or other appropriate document securing the direct obligations, if the board in its discretion determines that the subordination is reasonably necessary to accomplish the objectives of the industrial development project.

SECTION 84. IC 5-14-1.5-6.1, AS AMENDED BY SEA 335-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005: Sec. 6.1. (a) As used in this section, "public official" means a person:
   (1) who is a member of a governing body of a public agency; or
   (2) whose tenure and compensation are fixed by law and who executes an oath.
(b) Executive sessions may be held only in the following instances:
   (1) Where authorized by federal or state statute.
   (2) For discussion of strategy with respect to any of the following:
       (A) Collective bargaining.
       (B) Initiation of litigation or litigation that is either pending or has been threatened specifically in writing.
       (C) The implementation of security systems.
       (D) The purchase or lease of real property by the governing body up to the time a contract or option to purchase or lease is executed by the parties.
   However, all such strategy discussions must be necessary for competitive or bargaining reasons and may not include competitive or bargaining adversaries.
   (3) For discussion of the assessment, design, and implementation of school safety and security measures, plans, and systems.
   (4) Interviews with industrial or commercial prospects or agents of industrial or commercial prospects by the Indiana economic development corporation, the office of tourism development, the Indiana development finance authority, or economic development commissions.
   (5) To receive information about and interview prospective employees.
   (6) With respect to any individual over whom the governing body has jurisdiction:
       (A) to receive information concerning the individual's alleged misconduct; and
       (B) to discuss, before a determination, the individual's status as an employee, a student, or an independent contractor who is:
           (i) a physician; or
           (ii) a school bus driver.
   (7) For discussion of records classified as confidential by state or federal statute.
(8) To discuss before a placement decision an individual student’s abilities, past performance, behavior, and needs.

(9) To discuss a job performance evaluation of individual employees. This subdivision does not apply to a discussion of the salary, compensation, or benefits of employees during a budget process.

(10) When considering the appointment of a public official, to do the following:

   (A) Develop a list of prospective appointees.
   (B) Consider applications.
   (C) Make one (1) initial exclusion of prospective appointees from further consideration.

Notwithstanding IC 5-14-3-4(b)(12), a governing body may release and shall make available for inspection and copying in accordance with IC 5-14-3-3 identifying information concerning prospective appointees not initially excluded from further consideration. An initial exclusion of prospective appointees from further consideration may not reduce the number of prospective appointees to fewer than three (3) unless there are fewer than three (3) prospective appointees. Interviews of prospective appointees must be conducted at a meeting that is open to the public.

(11) To train school board members with an outside consultant about the performance of the role of the members as public officials.

(12) To prepare or score examinations used in issuing licenses, certificates, permits, or registrations under IC 15-5-1.1 or IC 25.

   (c) A final action must be taken at a meeting open to the public.
   (d) Public notice of executive sessions must state the subject matter by specific reference to the enumerated instance or instances for which executive sessions may be held under subsection (b). The requirements stated in section 4 of this chapter for memoranda and minutes being made available to the public is modified as to executive sessions in that the memoranda and minutes must identify the subject matter considered by specific reference to the enumerated instance or instances for which public notice was given. The governing body shall certify by a statement in the memoranda and minutes of the governing body that no subject matter was discussed in the executive session.
other than the subject matter specified in the public notice.

c) A governing body may not conduct an executive session during a meeting, except as otherwise permitted by applicable statute. A meeting may not be recessed and reconvened with the intent of circumventing this subsection.

SECTION 85. IC 5-14-3-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4.7. (a) Records relating to negotiations between the Indiana finance authority and industrial, research, or commercial prospects are excepted from section 3 of this chapter at the discretion of the authority if the records are created while negotiations are in progress.

(b) Notwithstanding subsection (a), the terms of the final offer of public financial resources communicated by the authority to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

c) When disclosing a final offer under subsection (b), the authority shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

SECTION 86. IC 5-20-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. Authority Creation; Membership; Terms; Expenses. (a) There is created a public body corporate and politic of the state of Indiana to be known as the "Indiana housing finance and community development authority". The authority shall consist of the director of the department of financial institutions; the director of the department of commerce; the state treasurer and four (4) persons appointed by the governor, no more than two (2) of whom following seven (7) members:

1) The lieutenant governor or the lieutenant governor's designee.
2) The treasurer of state, or the treasurer of state's designee.
3) The public finance director of the Indiana finance authority, or the public finance director's designee.
4) Four (4) members appointed by the governor.

Not more than three (3) of the members of the authority appointed under subdivision (4) shall be members of the same political party. Of the members first appointed by the governor, two (2) shall be
designated to serve for a term of three (3) years and two (2) for a term of four (4) years from the dates of their appointments; but thereafter Members of the authority shall be appointed by the governor shall serve for a term of four (4) years, except that all vacancies shall be filled for the unexpired term. However, any appointed member of the authority shall be removable at will by the pleasure of the governor, with or without cause. A member of the authority shall receive no compensation for his the member's services but shall be entitled to reimbursement for the necessary expenses, including traveling expenses, incurred in the discharge of his the member's duties. Each member shall hold office until his the member's successor has been appointed and has qualified. A certificate of appointment or reappointment of any members shall be filed with the authority and this certificate shall be conclusive evidence of the due and proper appointments of the member.

(b) The powers of the authority shall be vested in the members thereof in office from time to time. A majority of the members of the authority shall constitute a quorum for the purposes of conducting its business and exercising its powers and for all other purposes, notwithstanding the existence of any vacancies. Action may be taken by the authority upon a vote of a majority of the members present, unless the bylaws of the authority require a larger number. Meetings of the members of the authority may be held anywhere within or outside the state.

(c) The governor shall appoint a chairman and vice-chairman from the members of the authority. The authority shall employ governor shall appoint an executive director for the authority, who shall serve at the pleasure of the governor and receive compensation as fixed by the authority. The authority shall employ legal and technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation. The authority may also engage independent legal counsel to assist it. The authority may delegate to one (1) or more of its agents or employees such powers or duties as it may deem proper.

(d) The authority may also contract with any entity, including the Indiana finance authority, to provide staff or services, including the functions of the executive director and employees of the authority, under such terms as the authority determines.
SECTION 87. IC 5-20-1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3.5. Before the issuance of any bonds under this chapter:

(1) the executive director of the authority;
(2) each member of the authority; and
(3) any other employee or agent of the authority authorized by resolution of the authority to handle funds or sign checks; shall execute a surety bond in the penal sum of fifty thousand dollars ($50,000). If an individual described in subdivisions (1) through (3) is already covered by a bond required by state law, the individual need not obtain another bond if the bond required by state law is in at least the penal sum specified in this section and covers the individual's activities for the authority. In lieu of this bond, the chairman of the authority may execute a blanket surety bond covering each member, the executive director, and the employees or other officers of the authority. Each surety bond must be conditioned upon the faithful performance of the individual's duties, and shall be issued by a surety company authorized to transact business in Indiana as surety. At all times after the issuance of any surety bonds, these surety bonds shall be maintained in full force and effect. All costs of the surety bonds shall be borne by the authority.

SECTION 88. IC 5-20-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. (a) The authority has all of the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the power:

(1) to make or participate in the making of construction loans to sponsors of multiple family residential housing that is federally assisted or assisted by a government sponsored enterprise, such as the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal Agricultural Mortgage Corporation, the Federal Home Loan Bank, and other similar entities approved by the authority;
(2) to make or participate in the making of mortgage loans to sponsors of multiple family residential housing that is federally assisted or assisted by a government sponsored enterprise, such
as the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal Agricultural Mortgage Corporation, the Federal Home Loan Bank, and other similar entities approved by the authority;

(3) to purchase or participate in the purchase from mortgage lenders of mortgage loans made to persons of low and moderate income for residential housing;

(4) to make loans to mortgage lenders for the purpose of furnishing funds to such mortgage lenders to be used for making mortgage loans for persons and families of low and moderate income. However, the obligation to repay loans to mortgage lenders shall be general obligations of the respective mortgage lenders and shall bear such date or dates, shall mature at such time or times, shall be evidenced by such note, bond, or other certificate of indebtedness, shall be subject to prepayment, and shall contain such other provisions consistent with the purposes of this chapter as the authority shall by rule or resolution determine;

(5) to collect and pay reasonable fees and charges in connection with making, purchasing, and servicing of its loans, notes, bonds, commitments, and other evidences of indebtedness;

(6) to acquire real property, or any interest in real property, by conveyance, including purchase in lieu of foreclosure, or foreclosure, to own, manage, operate, hold, clear, improve, and rehabilitate such real property and sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber such real property where such use of real property is necessary or appropriate to the purposes of the authority;

(7) to sell, at public or private sale, all or any part of any mortgage or other instrument or document securing a construction loan, a land development loan, a mortgage loan, or a loan of any type permitted by this chapter;

(8) to procure insurance against any loss in connection with its operations in such amounts and from such insurers as it may deem necessary or desirable;

(9) to consent, subject to the provisions of any contract with noteholders or bondholders which may then exist, whenever it deems it necessary or desirable in the fulfillment of its purposes.
to the modification of the rate of interest, time of payment of any installment of principal or interest, or any other terms of any mortgage loan, mortgage loan commitment, construction loan, loan to lender, or contract or agreement of any kind to which the authority is a party;

(10) to enter into agreements or other transactions with any federal, state, or local governmental agency for the purpose of providing adequate living quarters for such persons and families in cities and counties where a need has been found for such housing;

(11) to include in any borrowing such amounts as may be deemed necessary by the authority to pay financing charges, interest on the obligations (for a period not exceeding the period of construction and a reasonable time thereafter or if the housing is completed, two (2) years from the date of issue of the obligations), consultant, advisory, and legal fees and such other expenses as are necessary or incident to such borrowing;

(12) to make and publish rules respecting its lending programs and such other rules as are necessary to effectuate the purposes of this chapter;

(13) to provide technical and advisory services to sponsors, builders, and developers of residential housing and to residents and potential residents, including housing selection and purchase procedures, family budgeting, property use and maintenance, household management, and utilization of community resources;

(14) to promote research and development in scientific methods of constructing low cost residential housing of high durability;

(15) to encourage community organizations to participate in residential housing development;

(16) to make, execute, and effectuate any and all agreements or other documents with any governmental agency or any person, corporation, association, partnership, limited liability company, or other organization or entity necessary or convenient to accomplish the purposes of this chapter;

(17) to accept gifts, devises, bequests, grants, loans, appropriations, revenue sharing, other financing and assistance and any other aid from any source whatsoever and to agree to, and to comply with, conditions attached thereto;
(18) to sue and be sued in its own name, plead and be impleaded;
(19) to maintain an office in the city of Indianapolis and at such
other place or places as it may determine;
(20) to adopt an official seal and alter the same at pleasure;
(21) to adopt and from time to time amend and repeal bylaws for
the regulation of its affairs and the conduct of its business and to
prescribe rules and policies in connection with the performance
of its functions and duties;
(22) to employ fiscal consultants, engineers, attorneys, real estate
counselors, appraisers, and such other consultants and employees
as may be required in the judgment of the authority and to fix and
pay their compensation from funds available to the authority
therefor;
(23) notwithstanding IC 5-13, but subject to the requirements
of any trust agreement entered into by the authority, to invest:
any
funds
held
in
reserve
or
in
sinking
fund
accounts
or
any
money
not
required
for
immediate
disbursement
in
obligations
of
the
state;
the
United
States;
or
their
agencies
or
instrumentalities
and
such
other
obligors
as
may
be
permitted
under
the
terms
of
any
resolution
authorizing
the
issuance
of
the
authority's
obligations:
(A) the authority's money, funds, and accounts;
(B) any money, funds, and accounts in the authority's
custody; and
(C) proceeds of bonds or notes;
in the manner provided by an investment policy established
by resolution of the authority;
(24) to make or participate in the making of construction loans,
mortgage loans, or both, to individuals, partnerships, limited
liability companies, corporations, and organizations for the
construction of residential facilities for the developmentally
disabled or for the mentally ill or for the acquisition or renovation,
or both, of a facility to make it suitable for use as a new
residential facility for the developmentally disabled or for the
mentally ill;
(25) to make or participate in the making of construction and
mortgage loans to individuals, partnerships, corporations, limited
liability companies, and organizations for the construction,
rehabilitation, or acquisition of residential facilities for children;
(26) to purchase or participate in the purchase of mortgage loans from:
   (A) public utilities (as defined in IC 8-1-2-1); or
   (B) municipally owned gas utility systems organized under IC 8-1.5;
if those mortgage loans were made for the purpose of insulating and otherwise weatherizing single family residences in order to conserve energy used to heat and cool those residences;
(27) to provide financial assistance to mutual housing associations (IC 5-20-3) in the form of grants, loans, or a combination of grants and loans for the development of housing for low and moderate income families; and
(28) to service mortgage loans made or acquired by the authority and to impose and collect reasonable fees and charges in connection with such servicing; and
(29) subject to the authority’s investment policy, to enter into swap agreements (as defined in IC 8-9.5-9-4) in accordance with IC 8-9.5-9-5 and IC 8-9.5-9-7.
The omission of a power from the list in this subsection does not imply that the authority lacks that power. The authority may exercise any power that is not listed in this subsection but is consistent with the powers listed in this subsection to the extent that the power is not expressly denied by the Constitution of the State of Indiana or by another statute.

(b) The authority shall structure and administer any program conducted under subsection (a)(3) or (a)(4) in order to assure that no mortgage loan shall knowingly be made to a person whose adjusted family income shall exceed one hundred twenty-five percent (125%) of the median income for the geographic area within which the person resides and at least forty percent (40%) of the mortgage loans so financed shall be for persons whose adjusted family income shall be below eighty percent (80%) of the median income for such area.

(c) In addition to the powers set forth in subsection (a), the authority may, with the proceeds of bonds and notes sold to retirement plans covered by IC 5-10-1.7, structure and administer a program of purchasing or participating in the purchasing from mortgage lenders of mortgage loans made to qualified members of retirement plans and
other individuals. The authority shall structure and administer any program conducted under this subsection to assure that:

(1) each mortgage loan is made as a first mortgage loan for real property:
   (A) that is a single family dwelling, including a condominium or townhouse, located in Indiana;
   (B) for a purchase price of not more than ninety-five thousand dollars ($95,000);
   (C) to be used as the purchaser's principal residence; and
   (D) for which the purchaser has made a down payment in an amount determined by the authority;
(2) no mortgage loan exceeds seventy-five thousand dollars ($75,000);
(3) any bonds or notes issued which are backed by mortgage loans purchased by the authority under this subsection shall be offered for sale to the retirement plans covered by IC 5-10-1.7; and
(4) qualified members of a retirement plan shall be given preference with respect to the mortgage loans that in the aggregate do not exceed the amount invested by their retirement plan in bonds and notes issued by the authority that are backed by mortgage loans purchased by the authority under this subsection.

(d) As used in this section, "a qualified member of a retirement plan" means an active or retired member:
   (1) of a retirement plan covered by IC 5-10-1.7 that has invested in bonds and notes issued by the authority that are backed by mortgage loans purchased by the authority under subsection (c); and
   (2) who for a minimum of two (2) years preceding the member's application for a mortgage loan has:
      (A) been a full-time state employee, teacher, judge, police officer, or firefighter;
      (B) been a full-time employee of a political subdivision participating in the public employees' retirement fund;
      (C) been receiving retirement benefits from the retirement plan; or
      (D) a combination of employment and receipt of retirement benefits equaling at least two (2) years.

(c) Beginning with the 1991 program year, the authority, when
directed by the governor, shall administer:

(1) the rental rehabilitation program established by the Housing Assistance Act of 1937 (42 U.S.C. 1437o); and

(2) federal funds allocated to the rental rehabilitation program under the Housing Assistance Act of 1937 (42 U.S.C. 1437o).

(f) The authority may contract with the division of family and children and the department of commerce so that the authority may administer the program and funds described under subsection (e) for program years before 1991.

(g) Beginning May 15, 2005, the authority shall identify, promote, assist, and fund home ownership education programs conducted throughout Indiana by nonprofit counseling agencies certified by the authority using funds appropriated under section 27 of this chapter. The attorney general and the entities listed in IC 4-6-12-4(a)(1) through IC 4-6-12-4(a)(10) shall cooperate with the authority in implementing this subsection.

SECTION 89. IC 5-20-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. Authority Authorization and Operation of Revenue Bond Financing. (a) Subject to the approval of the governor, the authority is hereby authorized to issue bonds or notes, or a combination thereof, to carry out and effectuate its purposes and powers. The principal of, and the interest on, such bonds or notes shall be payable solely from the funds provided for such payment in this chapter. The authority may secure the repayment of such bonds and notes by the pledge of mortgages and notes of others, revenues derived from operations and loan repayments, the proceeds of its bonds, and any available revenues or assets of the authority. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the authority, at such price or prices and under such terms and conditions as may be determined by the authority. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the authority. Notes shall mature at such time or times not exceeding ten (10) years from their date or dates, and bonds shall mature at such time or times not exceeding forty-five (45) years from their date or dates, as may be determined by the authority. The authority shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or
denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or outside the state. In case any officer whose signature, or a facsimile of whose signature, shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The authority may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the authority authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as the authority shall determine to be for the best interest of the authority and to best effectuate the purposes of this chapter.

(b) The proceeds of any bonds or notes shall be used solely for the purposes for which they are issued. The proceeds shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement securing the same.

(c) Prior to the preparation of definitive bonds, the authority may, under like restrictions and subject to the approval of the governor, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds or notes which shall become mutilated or shall be destroyed or lost.

(d) The authority shall cooperate with and use the assistance of the Indiana finance authority established under IC 4-4-11 in the issuance of the bonds or notes.

SECTION 90. IC 5-20-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. The authority shall, promptly following the close of each fiscal year, submit an
annual report of its activities for the preceding year to the governor, the budget committee, and the general assembly. An annual report submitted under this section to the general assembly must be in an electronic format under IC 5-14-6. The report shall set forth a complete operating and financial statement of the authority during such year, and a copy of such report shall be available to inspection by the public at the Indianapolis office of the authority. The authority shall cause an audit of its books and accounts to be made at least once in each year by an independent certified public accountant and the cost thereof may be paid from any available money of the authority.

SECTION 91. IC 5-20-1-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 27. (a) The home ownership education account within the state general fund is established to support the home ownership education programs established under section 4(g) of this chapter. The account is administered by the authority.

(b) The home ownership education account consists of fees collected under IC 24-9-9.

(c) The expenses of administering the home ownership education account shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the home ownership education account not currently needed to meet the obligations of the account in the same manner as other public money may be invested.

SECTION 92. IC 5-26-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. The commission shall pay its obligations under any use and occupancy agreement or any other contract or lease with the state office building commission Indiana finance authority from money deposited in the infrastructure fund before making any other disbursement or expenditure of the money.

SECTION 93. IC 5-28-8-4, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. As used in this chapter, "qualified entity" means the state, a political subdivision of the state, an agency of the state or a political subdivision of the state, a nonprofit corporation, or the Indiana development finance authority established under IC 4-4-10.9 and IC 4-4-11.
SECTION 94. IC 5-28-25-1, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter, "eligible entity" means:

(1) a city;
(2) a town;
(3) a county;
(4) a special taxing district;
(5) an economic development commission established under IC 36-7-12;
(6) a nonprofit corporation;
(7) a corporation established under IC 23-7-1.1 (before its repeal on August 1, 1991) or IC 23-17 to distribute water for domestic and industrial use;
(8) a regional water, sewage, or solid waste district;
(9) a conservancy district that includes in its purpose the distribution of domestic water or the collection and treatment of waste; or
(10) the Indiana **development** finance authority established under IC 4-4-11.

SECTION 95. IC 6-3.1-9-1, AS AMENDED BY P.L.4-2005, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter:

"Business firm" means any business entity authorized to do business in the state of Indiana that has state tax liability.

"Community services" means any type of counseling and advice, emergency assistance, medical care, recreational facilities, housing facilities, or economic development assistance to individuals, groups, or neighborhood organizations in an economically disadvantaged area.

"Crime prevention" means any activity which aids in the reduction of crime in an economically disadvantaged area.

"Economically disadvantaged area" means an enterprise zone, or any area in Indiana that is certified as an economically disadvantaged area by the Indiana **economic development corporation housing finance authority** after consultation with the community services agency. The certification shall be made on the basis of current indices of social and economic conditions, which shall include but not be limited to the median per capita income of the area in relation to the
median per capita income of the state or standard metropolitan statistical area in which the area is located.

"Education" means any type of scholastic instruction or scholarship assistance to an individual who resides in an economically disadvantaged area that enables the individual to prepare for better life opportunities.

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Job training" means any type of instruction to an individual who resides in an economically disadvantaged area that enables the individual to acquire vocational skills so that the individual can become employable or be able to seek a higher grade of employment.

"Neighborhood assistance" means either:

1. furnishing financial assistance, labor, material, and technical advice to aid in the physical or economic improvement of any part or all of an economically disadvantaged area; or
2. furnishing technical advice to promote higher employment in any neighborhood in Indiana.

"Neighborhood organization" means any organization, including but not limited to a nonprofit development corporation:

1. performing community services in an economically disadvantaged area; and
2. holding a ruling:
   A. from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; and
   B. from the department of state revenue that the organization is exempt from income taxation under IC 6-2.5-5-21.

"Person" means any individual subject to Indiana gross or adjusted gross income tax.

"State fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

"State tax liability" means the taxpayer's total tax liability that is incurred under:

1. IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and
2. IC 6-5.5 (the financial institutions tax); as computed after the application of the credits that, under
IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

"Tax credit" means a deduction from any tax otherwise due and payable under IC 6-3 or IC 6-5.5.

SECTION 96. IC 6-3.1-9-2, AS AMENDED BY P.L.4-2005, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) A business firm or a person who contributes to a neighborhood organization or who engages in the activities of providing neighborhood assistance, job training or education for individuals not employed by the business firm or person, or for community services or crime prevention in an economically disadvantaged area shall receive a tax credit as provided in section 3 of this chapter if the board of the Indiana economic development corporation housing finance authority approves the proposal of the business firm or person, setting forth the program to be conducted, the area selected, the estimated amount to be invested in the program, and the plans for implementing the program.

(b) The board of the Indiana economic development corporation housing finance authority, after consultation with the community services agency and the commissioner of revenue, may adopt rules for the approval or disapproval of these proposals.

SECTION 97. IC 6-3.1-9-4, AS AMENDED BY P.L.4-2005, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. (a) Any business firm or person which desires to claim a tax credit as provided in this chapter shall file with the department, in the form that the department may prescribe, an application stating the amount of the contribution or investment which it proposes to make which would qualify for a tax credit, and the amount sought to be claimed as a credit. The application shall include a certificate evidencing approval of the contribution or program by the board of the Indiana economic development corporation housing finance authority.

(b) The board of the Indiana economic development corporation housing finance authority shall give priority in issuing certificates to applicants whose contributions or programs directly benefit enterprise zones.

(c) The department shall promptly notify an applicant whether, or the extent to which, the tax credit is allowable in the state fiscal year in
which the application is filed, as provided in section 5 of this chapter. If the credit is allowable in that state fiscal year, the applicant shall within thirty (30) days after receipt of the notice file with the department of state revenue a statement, in the form and accompanied by the proof of payment as the department may prescribe, setting forth that the amount to be claimed as a credit under this chapter has been paid to an organization for an approved program or purpose, or permanently set aside in a special account to be used solely for an approved program or purpose.

(d) The department may disallow any credit claimed under this chapter for which the statement or proof of payment is not filed within the thirty (30) day period.

SECTION 98. IC 6-3.1-23-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. As used in this chapter, "qualified investment" means costs that:

(1) result from work performed in Indiana to conduct a voluntary remediation, whether or not under IC 13-25-5, that involves the remediation of a brownfield;

(2) are not recovered by a taxpayer from another person after the taxpayer has made a good faith effort to recover the costs;

(3) are not paid from state financial assistance;

(4) result in taxable income to any other Indiana taxpayer; and

(5) are approved by the department of environmental management and the Indiana development finance authority under section 12 of this chapter.

SECTION 99. IC 6-3.1-23-5, AS AMENDED BY HEA 1033-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 5. (a) A taxpayer is entitled to a credit equal to the amount determined under section 6 of this chapter against the taxpayer's state tax liability for a taxable year if the following requirements are satisfied:

(1) The taxpayer does the following:

   (A) Makes a qualified investment in that taxable year.

   (B) Submits the following to the Indiana development finance authority:

      (i) A description of the taxpayer's proposed redevelopment of the property.

      (ii) The sources and amounts of money to be used for the
remediation and proposed redevelopment of the property.
(iii) An estimate of the value of the remediation and
proposed redevelopment.
(iv) A description documenting any good faith attempts to
recover the costs of the environmental damages from liable
parties.
(v) Proof of appropriate zoning for the intended reuse.
(vi) A letter supporting the proposed project and
redevelopment from the legislative body.
(vii) The documentation described in subsection (b).

(2) The department determines under section 15 of this chapter
that the taxpayer's return claiming the credit is filed with the
department before the maximum amount of credits allowed under
this chapter is met.

(b) The documentation referred to in subsection (a)(1)(B)(vii)
consists of information reflecting that the taxpayer:
(1) has never had an ownership interest in an entity that caused or
contributed to; and
(2) has not caused or contributed to;

the release or threatened release of a hazardous substance, a
contaminant, petroleum, or a petroleum product that is the subject of
the remediation.

(c) The Indiana development finance authority shall:
(1) determine whether the taxpayer meets the requirements of
subsection (a)(1); and
(2) if the taxpayer meets the requirements of subsection (a)(1),
certify to the taxpayer that the taxpayer is eligible for the credit
allowed under this chapter.
of environmental management and the Indiana development finance authority shall:

(1) examine the costs; and
(2) certify any costs that the department and the authority determine to be a qualified investment.

(d) Upon completion of a voluntary remediation for which costs have been certified as a qualified investment under subsection (c), the taxpayer:

(1) shall notify the department of environmental management; and

(2) shall request from the department of environmental management:

(A) with respect to voluntary remediation conducted under IC 13-25-5, the certificate of completion issued by the commissioner under IC 13-25-5-16 for the voluntary remediation work plan under which the costs certified under subsection (c)(2) were incurred; or

(B) with respect to voluntary remediation not conducted under IC 13-25-5, a certification of the costs incurred for the voluntary remediation that are consistent with the costs certified under subsection (c)(2).

SECTION 101. IC 6-3.1-23-13, AS AMENDED BY HEA 1033-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. (a) To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department of state revenue.

(b) The taxpayer shall submit the following to the department of state revenue:

(1) The certification of the qualified investment by the department of environmental management and the Indiana development finance authority under section 12(c) of this chapter.

(2) Either:

(A) an official copy of the certification referred to in section 12(d)(2)(A) of this chapter; or

(B) the certification issued by the department of environmental management in response to a request under section 12(d)(2)(B) of this chapter.
(3) Proof of payment of the certified qualified investment.
(4) The certification received by the taxpayer under section 5(c) of this chapter.
(5) Information that the department determines is necessary for the calculation of the credit provided by this chapter.

SECTION 102. IC 6-3.1-23-15, AS AMENDED BY HEA 1033-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) The amount of tax credits allowed under this chapter may not exceed two million dollars ($2,000,000) in a state fiscal year unless the Indiana [development] finance authority determines under subsection (e) that money is available for additional tax credits in a particular state fiscal year. However, if the maximum amount of tax credits allowed under this subsection exceeds the amount available in the subaccount of the environmental remediation revolving loan fund (IC 13-19-5), the maximum amount of tax credits allowed under this subsection is reduced to the amount available.

(b) The department shall record the time of filing of each return claiming a credit under section 13 of this chapter and shall, except as provided in subsection (c), grant the credit to the taxpayer, if the taxpayer otherwise qualifies for a tax credit under this chapter, in the chronological order in which the return is filed in the state fiscal year.

(c) If the total credits approved under this section equal the maximum amount allowable in a state fiscal year, a return claiming the credit filed later in that same fiscal year may not be approved. However, if an applicant for whom a credit has been approved fails to file the information required by section 13 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to the next eligible applicant or applicants until the total amount has been allowed. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

(d) The department of state revenue shall report the total credits granted under this chapter for each state fiscal year to the Indiana [development] finance authority. The Indiana [development] finance authority shall transfer to the state general fund an amount equal to the total credits granted from the subaccount of the environmental remediation revolving loan fund (IC 13-19-5).
(e) At the end of each state fiscal year, the Indiana development finance authority may determine whether money is available in the environmental remediation revolving loan fund (IC 13-19-5) to provide tax credits in excess of the amount set forth in subsection (a) in the subsequent state fiscal year.

(f) Before June 30 of each year, the Indiana development finance authority may assess the demand for tax credits under this chapter and determine whether the need for other brownfield activities is greater than the need for tax credits. If the Indiana development finance authority determines that the need for other brownfield activities is greater than the need for tax credits, the authority may set aside up to three-fourths (3/4) of the amount of allowable tax credits for the subsequent state fiscal year and use it for other brownfield projects.

(g) Except as provided in subsection (h), the Indiana development finance authority may use money set aside under subsection (f) for any permissible purpose.

(h) Money specifically appropriated for tax credits may not be set aside for another use.

SECTION 103. IC 6-3.1-23-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 17. The Indiana development finance authority, after consulting with the department of environmental management and the budget agency and without complying with IC 4-22-2, may adopt guidelines to govern the administration of this chapter.

SECTION 104. IC 8-1-8.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. The fund may be used only to defray a portion of the cost of additional capacity (related to a steel facility's consumption of electricity in Public Service of Indiana's system) added to the Public Service of Indiana system and in any rate proceeding before the utility regulatory commission involving the cost of this new capacity, the fund will be allocated to the ratepayers of Public Service of Indiana. The utility regulatory commission shall determine the specific ratemaking methodology for allocation and distribution of the ratepayer protection fund to Public Service of Indiana's ratepayers in an order and present the order to the Indiana development finance authority. The Indiana development finance authority shall disburse the fund based on the order of the utility regulatory commission.
SECTION 105. IC 8-1-33 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Chapter 33. Indiana Broadband Development Program

Sec. 1. (a) The general assembly finds that certain areas of Indiana are not being adequately served with broadband services.

(b) The general assembly declares that it is a valid public purpose for the Indiana finance authority to issue bonds and notes, and loan the proceeds of those bonds and notes to the program, so that the authority may provide for financing or refinancing to broadband developers and broadband operators serving underserved areas.

Sec 2. As used in this chapter, "affordable broadband services" means broadband services that are available at a price reasonably comparable to the price charged for broadband services in an area that is not an underserved area.

Sec. 3. As used in this chapter, "authority" refers to the Indiana finance authority established by IC 4-4-11-4.

Sec. 4. As used in this chapter, "broadband developer" means a person selected by the authority to acquire, construct, develop, and create any part of the broadband infrastructure.

Sec. 5. As used in this chapter, "broadband development program" or "program" refers to the Indiana broadband development program established by section 15 of this chapter.

Sec. 6. As used in this chapter, "broadband infrastructure" includes all facilities, hardware, and software and other intellectual property used for and necessary to provide broadband services in underserved areas of Indiana, including voice, video, and data.

Sec. 7. As used in this chapter, "broadband operator" means a person selected by the authority to operate any part of the broadband infrastructure.

Sec. 8. As used in this chapter, "broadband services" includes services, including voice, video, and data, that provide capacity for transmission of more than two hundred (200) kilobits per second in at least one (1) direction regardless of the technology or medium used, including wireless, copper wire, fiber optic cable, or coaxial cable. If voice transmission capacity is offered in conjunction with other services using transmission of more than two hundred (200) kilobits per second, the voice transmission capacity may be less
than two hundred (200) kilobits per second. The authority shall
annually reconsider the two hundred (200) kilobits threshold under
this section with a bias toward raising the threshold in a manner
consistent with technological advances.

Sec. 9. As used in this chapter, "development costs" means the
costs associated with the broadband infrastructure that have been
approved by the authority and includes all the following:

1. The costs for the planning, acquiring, leasing, constructing
and maintaining of the broadband infrastructure.
2. Payments for options to purchase, deposits on contracts of
purchase, and payments for the purchases of properties for
the broadband infrastructure.
3. Financing, refinancing, acquisition, demolition, construction, rehabilitation, and site development of new and
existing buildings.
5. Purchases of hardware, software, facilities, or other
expenses related to the broadband infrastructure.
6. Legal, organizational, and marketing expenses, project
manager and clerical staff salaries, office rent, and other
incidental expenses.
7. Payment of fees for preliminary feasibility studies and
advances for planning, engineering, and architectural work.
8. Any other costs and expenses necessary for the acquisition,
construction, maintenance, and operation of all or part of the
broadband infrastructure.

Sec. 10. As used in this chapter, "person" means an individual,
a corporation, a rural electric membership corporation, a limited
or general partnership, a joint venture, a limited liability company,
or a governmental entity, including a body corporate and politic,
political subdivision, municipal corporation, school, college,
university, hospital, health care facility, library, or nonprofit
organization. The term does not include the state.

Sec. 11. (a) As used in this chapter, "relevant services" refers to:
1. Cable service (as defined in 47 U.S.C. 522(6));
2. Telecommunications service (as defined in 47 U.S.C. 153(46)); and
3. Information service (as defined in 47 U.S.C. 153(20)).
(b) The term includes:
(1) advanced services (as defined in 47 CFR 51.5);
(2) broadband service; and
(3) Internet Protocol enabled services;
however classified by the Federal Communications Commission.

Sec. 12. As used in this chapter, "political subdivision" has the
meaning set forth in IC 36-1-2-13. The term includes any entity:
(1) owned, operated, or controlled by a political subdivision;
or
(2) in which a political subdivision otherwise has an interest,
whether direct or indirect.

Sec. 13. As used in this chapter, "underserved area" means an
area within Indiana that the authority determines does not have a
person that:
(1) provides broadband service in the area at the time of the
authority's inquiry under section 14 of this chapter; or
(2) intends to provide broadband service not later than three
months after the date of the authority's inquiry under
section 14 of this chapter.

Sec. 14. (a) The authority shall conduct an inquiry to determine
underserved areas within Indiana. The authority shall send a
request to each person that provides a relevant service within one
hundred (100) miles of the proposed broadband service area. A
request under this subsection must inquire as to whether the
person:
(1) provides broadband service; or
(2) intends to provide broadband service not later than three
months after the date of the authority’s request under this
subsection;
in the proposed broadband service area. This section does not
empower the authority to require providers of broadband service
to disclose confidential and proprietary business plans and other
confidential information without adequate protection of the
information.

(b) The authority may determine that there is not a person that
provides or intends to provide broadband service in the proposed
broadband service area if the authority’s inquiry under subsection
(a) results in any of the following:
(1) The authority does not receive a response to any of the
requests sent under subsection (a) within twenty (20) days
after the date the requests were sent.

(2) The authority:
   (A) receives one (1) or more responses to a request under subsection (a) that indicate that the persons responding provide broadband service in the proposed broadband service area at the time of the request; and
   (B) determines that no person responding actually provides broadband service in the designated area.

(3) The authority:
   (A) receives one (1) or more responses to a request under subsection (a) that indicate that the persons responding intend to provide broadband service in the proposed broadband service area not later than three (3) months after the date of the authority's request under subsection (a); and
   (B) determines, after the appropriate amount of time, that no person responding actually provided broadband service in the proposed broadband service area not later than three (3) months after the date of the authority's written request under subsection (a).

Sec. 15. (a) The Indiana broadband development program is established in order to encourage the provision of affordable broadband services and networks that will:
   (1) ensure the long term growth of and the enhancement and delivery of services by the business, educational, medical, commercial, nonprofit, and governmental entities in underserved areas in Indiana; and
   (2) benefit residential, commercial, public, governmental, and nonprofit entities in underserved areas in Indiana.

(b) The authority shall administer the broadband development program.

Sec. 16. (a) The powers of the authority under this chapter include all those necessary to carry out and effectuate the purposes of this chapter, including the following:
   (1) To invest any money of the authority at the authority's discretion, in any obligations determined proper by the authority, and name and use depositaries for the authority's money.
   (2) To receive and distribute state or local funding, including
grants, loans, and appropriations.
(3) To make loans or grants to broadband developers and broadband operators that will acquire, construct, maintain, and operate all or part of the broadband infrastructure serving underserved areas.
(4) To provide operating assistance to make broadband services more affordable to broadband developers, broadband operators, and broadband customers in underserved areas, in conjunction with broadband infrastructure financed by the authority.
(5) To set construction, operation, and financing standards for the broadband infrastructure in connection with authority financing and to provide for inspections to determine compliance with those standards.
(6) To investigate, evaluate, and assess the current broadband infrastructure and the future broadband infrastructure needs of Indiana and to encourage and participate in aggregation strategies for the broadband services of all public entities and nonprofit corporations in Indiana to maximize the interconnectivity and efficiencies of the broadband infrastructure.
(7) To make expenditures necessary to carry out the authority's duties under this chapter, including paying the authority's operating expenses.

(b) As part of an application for financing under this chapter, a broadband developer or broadband operator must file with the authority a participation plan for small and minority owned businesses and a communitywide outreach plan to educate the public with respect to the availability of broadband services. The authority may not approve an application unless a plan is submitted under this subsection.

SECTION 106. IC 8-9.5-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. As used in this chapter:
"Authority" refers to the Indiana transportation finance authority established under section 2 of this chapter. IC 4-4-11.
"Department" refers to the Indiana department of transportation established under IC 8-23-2.
"Toll bridge" means a bridge with approaches, avenues of access,
fills, causeways, and connecting bridges or ferries under IC 8-16-1. "Toll road project" has the meaning specified in IC 8-15-2-4(4).

SECTION 107. IC 8-9.5-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. (a) The rural transportation road fund is established as a special revenue fund to be administered by the transportation Indiana finance authority.

(b) The money in the rural transportation road fund at the end of any state fiscal year does not revert to any other fund.

(c) The treasurer of state may invest the money in the rural transportation road fund in the manner provided by law for investing money in the state general fund.

(d) The rural transportation road fund is to be used only for the purpose of supplementing the revenues received by the transportation Indiana finance authority as tolls imposed for the use of any toll road or toll bridge project.

SECTION 108. IC 8-9.5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. As used in this chapter, "authority" means:

(1) an authority or agency established under IC 8-1-2.2 or IC 8-9.5 through IC 8-23;

(2) when acting under an affected statute (as defined in IC 4-4-10.9-1.2), the commission Indiana finance authority established under IC 4-13.5, by IC 4-4-11;

(3) only in connection with a program established under IC 13-18-13 or IC 13-18-21, the bank established under IC 5-1.5; or

(4) a fund or program established under IC 13-18-13 or IC 13-18-21;

(5) the Indiana health and educational facility financing authority established by IC 5-1-16; and

(6) the Indiana housing finance authority established by IC 5-20-1.

SECTION 109. IC 8-10-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) There is hereby created a commission to be known as the "Indiana port commission" and by that name the commission may sue and be sued, and plead and be impleaded. The commission hereby created is a body both corporate and politic in the state of Indiana, and the exercise by the commission
of the powers conferred by this article in the construction, operation, and maintenance of a port or project shall be deemed and held to be essential governmental functions of the state, but the commission shall not however be immune from liability by reason thereof.

(b) The commission shall consist of seven (7) members, appointed by the governor, no more than four (4) of whom shall be members of the same political party. The members shall be residents of the state, and shall have been qualified electors therein for a period of at least five (5) years next preceding their appointment. The members of the commission first appointed shall continue in office for terms expiring, in the case of two (2) members, on July 1, 1962, and in the case of three (3) members, on July 1, 1963, July 1, 1964, and July 1, 1965, and the first two (2) members appointed after January 1, 1975, shall continue in office for terms expiring July 1, 1977, for one (1) member and July 1, 1979, for the other member, respectively, and until their respective successors shall be duly appointed and qualified. The term of any member of the commission first appointed shall be designated by the governor. The successor of each such member shall be appointed for a term of four (4) years, except that any person appointed to fill a vacancy shall be appointed to serve only for the unexpired term, and a member of the commission shall be eligible for reappointment. The governor may at any time remove any member of the commission for misfeasance, nonfeasance, or malfeasance in office. The members of the commission shall, within ten (10) days after their appointment, meet and qualify by subscribing an oath to discharge honestly and faithfully the duties of their office as members of such commission. The commission shall thereafter elect one (1) of the members as chairman and another as vice-chairman, and shall appoint a secretary-treasurer who need not be a member of the commission. Four (4) members of the commission shall constitute a quorum and the affirmative vote of four (4) members shall be necessary for any official action taken by the commission. No vacancy in the membership of the commission shall impair the rights of a quorum to exercise all the rights and perform all the duties of the commission.

(c) Before the issuance of any revenue bonds under the provisions of this article:

(1) each appointed member of the commission; shall give a surety bond to the state in the penal sum of twenty-five thousand dollars
shall give a surety bond to the state in the penal sum of fifty thousand dollars ($50,000). Each such surety bond must be conditioned upon the faithful performance of the individual's duties, of the office; to be executed by a surety company authorized to transact business in the state as surety and to be approved by the governor and filed in the office of the secretary of state.

(d) Each appointed member of the commission shall receive an annual salary of seven thousand five hundred dollars ($7,500), payable in monthly instalments. However, no members of such commission as appointed hereunder shall receive any salary except a per diem as fixed and approved by the budget director until said commission is able to carry on the full operations as intended by this chapter, and the budget director, subject to the approval of the governor of the state of Indiana, shall determine when said salaries for said commission members shall commence.

(e) Each member shall be reimbursed for his the member's actual expenses necessarily incurred in the performance of his the member's duties.

(f) All expenses incurred in carrying out the provisions of this article shall be payable solely from funds provided under the authority of this article and no liability or obligation shall be incurred by the commission hereunder beyond the extent to which moneys shall have been provided under the authority of this article.

SECTION 110. IC 8-10-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. (a) Subject to the approval of the governor, the commission is hereby authorized to provide by resolution, at one (1) time or from time to time, for the issuance of revenue bonds of the state for the purpose of paying all or any part of the cost of a port or project under this chapter or IC 8-10-4. The principal of and the interest on such bonds shall be payable solely from the revenues specifically pledged to the payment thereof. The bonds of each issue shall be dated, shall bear interest at any rate, shall mature at such time or times not exceeding fifty (50) thirty-five (35)
years from the date thereof, as may be determined by the commission, and may be made redeemable before maturity, at the option of the commission, at such price or prices and under such terms and conditions as may be fixed by the commission in the authorizing resolution.

(b) The commission shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest which may be at any bank or trust company within or without the state.

(c) The bonds shall be signed in the name of the commission, by its chairman or vice chairman or by the facsimile signature of such chairman or vice chairman, and the official seal of the commission, or facsimile thereof, shall be affixed thereto and attested by the secretary-treasurer of the commission, and any coupons attached thereto shall bear the facsimile signature of the chairman of the commission. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery.

(d) All bonds issued under this article shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state of Indiana.

(e) The bonds may be issued in coupon or in registered form, or both, as the commission may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest.

(f) The bonds shall be sold at public sale in accordance with IC 4-1-5, except as provided in IC 8-10-4.

(g) No action to contest the validity of any bonds issued by the commission under this article shall be commenced more than thirty (30) days following the adoption of the resolution approving the bonds as provided in this article.

(h) The commission shall cooperate with and use the assistance of the Indiana finance authority established under IC 4-4-11 in the
issuance of the bonds under this chapter or IC 8-10-4.

SECTION 111. IC 8-10-1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 22. (a) The commission shall cause an audit of its books and accounts to be made at least once each year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or of operations of the commission's ports and projects. The accounts, books, and records of the Indiana port commission shall be audited annually by the state board of accounts, and the cost of such audit may be treated as a part of the cost of construction or of operations of the commission's ports and projects.

(b) The commission shall, following the close of each fiscal year, submit an annual report of its activities for the preceding year to the governor. Each member of the general assembly shall receive a copy of the report by making a request for it to the chairman of the commission, the budget committee, and the general assembly. An annual report submitted under this section to the general assembly must be in an electronic format under IC 5-14-6. Each report shall set forth a complete operating and financial statement for the commission during the fiscal year it covers.

SECTION 112. IC 8-10-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) In addition to the powers conferred upon the Indiana port commission by other provisions of this article, and subject to subsection (b), the commission, in connection with any self-liquidating project, shall have the following powers notwithstanding any other provision of this article to the contrary:

(α) (1) The revenue bonds issued by the commission to finance the cost of such self-liquidating project may be issued without regard to any maximum interest rate limitation in this article or any other law.

(β) (2) The revenue bonds issued by the commission to finance the cost of such self-liquidating project may be sold in such manner, either at public or private sale, as the commission may determine, and the provisions of IC 4-1-5 shall not be applicable to such sale.

(ε) (3) IC 4-13.6, IC 5-16-1, IC 5-16-2, IC 5-16-3, IC 5-16-5, IC 5-16-5.5, IC 5-16-6, IC 5-16-6.5, IC 5-16-8, IC 5-16-9,
IC 5-16-10, IC 5-16-11, IC 5-16-11.1, IC 8-10-1-7(12),
IC 8-10-1-29, and IC 36-1-12 do not apply to a project to be
leased to a private party whose payments are expected to be
sufficient to pay all debt service on bonds issued by the
commission to finance the project.

(b) The issuance of revenue bonds by the commission under this
chapter is subject to the approval of the governor.

SECTION 113. IC 8-14.5-1-4 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE MAY 15, 2005]: Sec. 4. This article:

(1) applies to the authority only when acting for the purposes
set forth in this article; and
(2) does not apply to the authority when acting under any
other statute for any other purpose.

SECTION 114. IC 8-14.5-2-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. "Authority" refers
to the Indiana transportation finance authority established under
IC 8-9.5-8-2, IC 4-4-11.

SECTION 115. IC 8-15-2-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. (a) In order to
remove the handicaps and hazards on the congested highways in
Indiana, to facilitate vehicular traffic throughout the state, to promote
the agricultural and industrial development of the state, and to provide
for the general welfare by the construction of modern express highways
embodying safety devices, including center division, ample shoulder
widths, long sight distances, multiple lanes in each direction, and grade
separations at intersections with other highways and railroads, the
authority may:

(1) construct, reconstruct, maintain, repair, and operate toll road
projects at such locations as shall be approved by the governor;
(2) in accordance with such alignment and design standards as
shall be approved by the authority and subject to IC 8-9.5-8-10,
issue toll road revenue bonds of the state payable solely from
funds pledged for their payment, as authorized by this chapter, to
pay the cost of such projects;
(3) finance, develop, construct, reconstruct, improve, or maintain
public improvements, such as roads and streets, sewerlines,
waterlines, and sidewalks for manufacturing or commercial
activities within a county through which a toll road passes if these improvements are within the county and are within an area that is located:

(A) ten (10) miles on either side of the center line of a toll road project; or
(B) two (2) miles on either side of the center line of any limited access highway that interchanges with a toll road project;

(4) in cooperation with the Indiana department of transportation or a political subdivision, construct, reconstruct, or finance the construction or reconstruction of an arterial highway or an arterial street that is located within ten (10) miles of the center line of a toll road project and that:

(A) interchanges with a toll road project; or
(B) intersects with a road or a street that interchanges with a toll road project;

(5) assist in developing existing transportation corridors in northwestern Indiana; and

(6) exercise these powers in participation with any governmental entity or with any individual, partnership, limited liability company, or corporation.

(b) Notwithstanding subsection (a), the authority shall not construct, maintain, operate, nor contract for the construction, maintenance, or operation of transient lodging facilities on, or adjacent to, such toll road projects.

(c) This chapter:

(1) applies to the authority only when acting for the purposes set forth in this chapter; and

(2) does not apply to the authority when acting under any other statute for any other purpose.

SECTION 116. IC 8-15-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4. As used in this chapter, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

(1) "Authority" refers to the Indiana transportation finance authority established under IC 8-9.5-8-2.

(2) "Capitalized interest" means:
(A) interest costs on toll road revenue bonds before and during the period of construction of the project for the payment of the cost of which the bonds were issued, and for one (1) year after completion of construction; and

(B) interest costs on succeeding lien bonds authorized by this chapter for the period from the date of such bonds until the date when the prior outstanding toll road revenue bonds, for which revenues are pledged, are retired, but not later than ten (10) years from the date of issue of the succeeding lien bonds.

(3) "Department" refers to the Indiana department of transportation.

(4) "Project" or "toll road project" means any express highway, superhighway, or motorway constructed under the provisions of this chapter or accepted as a toll road under IC 8-23-7, including all bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, tollhouses, service stations, and administration, storage, and other buildings and facilities which the authority may deem necessary or desirable for the operation of the project, together with all property, rights, easements, and interests which may be acquired by the authority for the construction or the operation of the project. "Project" or "toll road project" includes any subsequent improvement, betterment, enlargement, extension, or reconstruction of an existing project. Each project or toll road project may be constructed or extended in such sections as the authority may from time to time determine, and shall be separately designated by name or number, which designation shall also apply to any project which is a subsequent improvement, betterment, enlargement, extension, or reconstruction of such project. The construction, maintenance, or operation, of transient lodging facilities on, or adjacent to any such project, or the contracting therefor, shall not be considered as within the definition of "project" or "toll road project".

(5) "Cost" as applied to a toll road project or any part of a toll road project includes:

(A) the cost of construction, including bridges over or under existing highways and railroads;

(B) the cost of acquisition of all land, rights-of-way, property, rights, easements, and interests acquired by the authority for
such construction;
(C) the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved;
(D) the cost of diverting highways, interchange of highways, and access roads to private property, including the cost of land or easements therefor;
(E) the cost of all machinery and equipment;
(F) financing charges and capitalized interest;
(G) the cost of funding any reserves to secure the payment of toll road revenue bonds;
(H) the cost of traffic estimates and of engineering and legal expenses, plans, specifications, surveys, estimates of cost and revenues;
(I) other expenses necessary or incident to determining the feasibility or practicability of constructing any such project;
(J) administrative expense;
(K) such other expenses as may be necessary or incident to the construction of the project, the financing of such construction, and the placing of the project in operation; and
(L) the cost of conversion to a toll road project of a state highway or part of a highway accepted as a toll road project under IC 8-23-7.

Any obligation or expense incurred by the department for surveys, borings, preparation of plans and specifications, and other engineering services in connection with the construction of a project under this chapter or for the repayment of a grant from a federal agency which the authority itself would be authorized to repay under section 5(9) of this chapter in connection with such project or with the issuance of bonds for the payment of the cost of such project, shall be regarded as a part of the cost of such project and shall be reimbursed to the state out of the proceeds of toll road revenue bonds as authorized.

(6) "Owner" includes all individuals, copartnerships, associations, limited liability companies, or corporations having any title or interest in any property, rights, easements, and interests authorized to be acquired by this chapter.

(7) "Revenues" means all tolls, rentals, gifts, grants, money, and
all other funds and property coming into the possession or under the control of the authority by virtue of the terms and provisions of this chapter, except the proceeds from the sale of bonds issued under the provisions of this chapter and earnings thereon.

(8) "Public roads" includes all public highways, roads, and streets in the state, whether maintained by the state, county, city, township, or other political subdivision.

(9) "Transient lodging facility" means accommodations for overnight or temporary habitation, including, but not limited to, hotels, motels, motor courts, lodges, and inns, for persons using any toll road project.

(10) "Toll road bonds" means all bonds issued under the provisions of this chapter, including refunding bonds and succeeding lien bonds.

(11) "State highway" means a public road for which the department is responsible under IC 8-23-2.

SECTION 117. IC 8-16-1-0.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 0.1. As used in this chapter:

"Authority" refers to the Indiana transportation finance authority established under IC 8-9.5-8.2. IC 4-4-11.

"Department" refers to the Indiana department of transportation.

SECTION 118. IC 8-16-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. (a) The authority shall have the power:

(1) to establish bylaws and, under IC 4-22-2, rules and regulations for its own government;

(2) (1) to make and enter into all contracts or agreements; and

(3) (2) to do all things necessary or incidental to the performance of its duties and the execution of its powers under this chapter.

(b) The authority may employ engineering, architectural, and construction experts, inspectors, and such other employees as may be necessary in its opinion to implement this chapter and fix their compensation, all of whom shall do such work as the authority may direct. All expenses so incurred by the authority shall be paid solely from funds provided under the authority of this chapter.

(c) This chapter:

(1) applies to the authority only when acting for the purposes
SECTION 119. IC 8-21-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. As used in this chapter, "authority" means refers to the transportation Indiana finance authority established under IC 8-9.5-8-2. IC 4-4-11.

SECTION 120. IC 8-21-12-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10.5. This chapter:

(1) applies to the authority only when acting for the purposes set forth in this chapter; and

(2) does not apply to the authority when acting under any other statute for any other purpose.

SECTION 121. IC 8-23-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. "Authority" refers to the Indiana transportation finance authority established under IC 8-9.5-8-2. IC 4-4-11.

SECTION 122. IC 8-23-2-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 4.1. The department is responsible for the following activities:

(1) The identification, development, coordination, and implementation of the state's transportation policies.

(2) The approval of applications for federal transportation grants from funds allocated to the state:
   (A) from the Highway Trust Fund (23 U.S.C.);
   (B) from the Aviation Trust Fund (49 U.S.C.);
   (C) through the Federal Transit Administration (49 U.S.C. 5301 et seq.); or
   (D) from any other federal grant that has a transportation component.

(3) The review, revision, adoption, and submission of budget proposals.

(4) The construction, reconstruction, improvement, maintenance, and repair of:
   (A) state highways; and
   (B) a toll road project or toll bridge in accordance with a contract or lease entered into with the Indiana transportation.
P.L.235—2005 4133

finance authority under IC 8-9.5-8-7 or IC 8-9.5-8-8.

(5) The administration of programs as required by law, including
the following:
   (A) IC 8-3-1 (railroads).
   (B) IC 8-3-1.5 (rail preservation).
   (C) IC 8-21-1 (aeronautics).
   (D) IC 8-21-9 (airports).
   (E) IC 8-21-11 (aviation development program).

SECTION 123. IC 8-23-2-6 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. (a) The department,
through the commissioner or the commissioner's designee, may do the
following:
   (1) Acquire by purchase, gift, or condemnation, sell, abandon,
own in fee or a lesser interest, hold, or lease property in the name
of the state, or otherwise dispose of or encumber property to carry
out its responsibilities.
   (2) Contract with persons outside the department to do those
things that in the commissioner's opinion cannot be adequately or
efficiently performed by the department.
   (3) Enter into:
      (A) a contract with the Indiana transportation
finance authority
      under IC 8-9.5-8-7; or
      (B) a lease with the Indiana transportation
finance authority
      under IC 8-9.5-8-8;
for the construction, reconstruction, improvement, maintenance,
repair, or operation of toll road projects under IC 8-15-2 and toll
bridges under IC 8-16-1.
   (4) Sue and be sued, including, with the approval of the attorney
general, the compromise of any claims of the department.
   (5) Hire attorneys.
   (6) Perform all functions pertaining to the acquisition of property
for transportation purposes, including the compromise of any
claims for compensation.
   (7) Hold investigations and hearings concerning matters covered
by orders and rules of the department.
   (8) Execute all documents and instruments necessary to carry out
its responsibilities.
   (9) Make contracts and expenditures, perform acts, enter into
agreements, and make rules, orders, and findings that are necessary to comply with all laws, rules, orders, findings, interpretations, and regulations promulgated by the federal government in order to:

(A) qualify the department for; and
(B) receive;

federal government funding on a full or participating basis.

(10) Adopt rules under IC 4-22-2 to carry out its responsibilities.

(11) Establish regional offices.

(12) Adopt a seal.

(13) Perform all actions necessary to carry out the department's responsibilities.

(14) Order a utility to relocate the utility's facilities and coordinate the relocation of customer service facilities if:

(A) the facilities are located in a highway, street, or road; and
(B) the department determines that the facilities will interfere with a planned highway or bridge construction or improvement project funded by the department.

(15) Reimburse a utility:

(A) in whole or in part for extraordinary costs of relocation of facilities;
(B) in whole for unnecessary relocations;
(C) in accordance with IC 8-23-26-12 and IC 8-23-26-13;
(D) in whole for relocations covered by IC 8-1-9; and
(E) to the extent that a relocation is a taking of property without just compensation.

(16) Provide state matching funds and undertake any surface transportation project eligible for funding under federal law. However, money from the state highway fund and the state highway road construction and improvement fund may not be used to provide operating subsidies to support a public transportation system or a commuter transportation system.

(b) In the performance of contracts and leases with the Indiana transportation finance authority, the department has authority under IC 8-15-2, in the case of toll road projects and IC 8-16-1, in the case of toll bridges necessary to carry out the terms and conditions of those contracts and leases.

(c) The department shall:
(1) classify as confidential any estimate of cost prepared in conjunction with analyzing competitive bids for projects until a bid below the estimate of cost is read at the bid opening;
(2) classify as confidential that part of the parcel files that contain appraisal and relocation documents prepared by the department's land acquisition division; and
(3) classify as confidential records that are the product of systems designed to detect collusion in state procurement and contracting that, if made public, could impede detection of collusive behavior in securing state contracts.

This subsection does not apply to parcel files of public agencies or affect IC 8-23-7-10.

SECTION 124. IC 9-21-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. The maximum speed limits set forth in section 2 of this chapter may be altered as follows:

(1) By local jurisdictions under section 6 of this chapter.
(2) By the Indiana department of transportation under section 12 of this chapter.
(3) By the transportation Indiana finance authority under IC 8-15-2-17.2.
(4) For the purposes of speed limits on a highway on the national system of interstate and defense highways, by order of the commissioner of the Indiana department of transportation to conform to any federal regulation concerning state speed limit laws.
(5) In worksites, by all jurisdictions under section 11 of this chapter.

SECTION 125. IC 9-21-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. (a) Subject to subsection (b), the Indiana department of transportation, the transportation Indiana finance authority, or a local authority may establish temporary maximum speed limits in their respective jurisdictions and in the vicinity of a worksite without conducting an engineering study and investigation required under this article. The establishing authority shall post signs notifying the traveling public of the temporary maximum speed limits established under this section.

(b) Worksite speed limits set under this section must be ten (10)
miles below the maximum established speed limit. A worksite speed limit may not exceed forty-five (45) miles per hour in any location.

SECTION 126. IC 13-11-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. (a) "Authority", for purposes of IC 13-22-10, refers to the Indiana hazardous waste facility site approval authority.

(b) "Authority", for purposes of IC 13-18-13, IC 13-18-21, and IC 13-19-5, refers to the Indiana development finance authority created under IC 4-4-11.

SECTION 127. IC 13-11-2-83 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 83. (a) "Financial assistance agreement", for purposes of IC 13-18-13, refers to an agreement between:

1. the budget agency; Indiana finance authority; and
2. a political subdivision; participant under IC 13-18-13;

establishing the terms and conditions of a loan or other financial assistance, including forgiveness of principal if allowed under federal law, by the state to the political subdivision; participant under that chapter.

(b) "Financial assistance agreement", for purposes of IC 13-19-5, means an agreement between the authority and a political subdivision that:

1. is approved by the budget agency; and
2. establishes the terms and conditions of a loan or other financial assistance by the state to the political subdivision.

(c) "Financial assistance agreement", for purposes of IC 13-18-21, refers to an agreement between:

1. the budget agency; Indiana finance authority; and
2. a participant under IC 13-18-21;

establishing the terms and conditions of a loan or other financial assistance, including forgiveness of principal if allowed under federal law, by the state to the participant under IC 13-18-21.

SECTION 128. IC 13-11-2-151.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 151.1. "Participant" means the following:

1. For purposes of IC 13-18-13:
   (A) a political subdivision; or
   (B) any person, entity, association, trust, or other manner
of participant permitted by law to enter contractual arrangements for a purpose eligible for assistance under the Clean Water Act.

(2) For purposes of this chapter and the drinking water revolving loan program under IC 13-18-21: means:

†† (A) a political subdivision; or
(2) (B) any other owner or operator of a public water system: person, entity, association, trust, or other manner of participant permitted by law to enter contractual arrangements for a purpose eligible for assistance under the Safe Drinking Water Act.

(3) For purposes of the supplemental drinking water and wastewater assistance program under IC 13-18-21-21 through IC 13-18-21-29:

(A) a political subdivision; or
(B) any person, entity, association, trust, or other manner of participant permitted by law to enter contractual arrangements for a purpose eligible for assistance under IC 13-18-21-21 through IC 13-18-21-29.

SECTION 129. IC 13-11-2-195.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 195.5. "Safe Drinking Water Act", for purposes of this chapter and IC 13-18-21, refers to:

(1) 42 U.S.C. 300f et seq.; and
(2) regulations adopted under 42 U.S.C. 300f et seq.

SECTION 130. IC 13-15-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. The commissioner may suspend the processing of an application, and the period described under sections 1 through 6 of this chapter is suspended, if one (1) of the following occurs:

(1) The department determines that the application is incomplete and has mailed a notice of deficiency to the applicant that specifies the parts of the application that:

(A) do not contain adequate information for the department to process the application; or
(B) are not consistent with applicable law.

The period described under sections 1 through 6 of this chapter shall be suspended during the first two (2) notices of deficiency.
sent to an applicant under this subdivision. If more than two (2) notices of deficiency are issued on an application, the period may not be suspended unless the applicant agrees in writing to defer processing of the application pending the applicant's response to the notice of deficiency. A notice of deficiency may include a request for the applicant to conduct tests or sampling to provide information necessary for the department to process the application. If an applicant's response does not contain complete information to satisfy all deficiencies described in a notice of deficiency, the department shall notify the applicant not later than thirty (30) working days after receiving the response. The commissioner shall resume processing the application, and the period described under sections 1 through 6 of this chapter resumes on the earlier of the date the department receives and stamps as received the applicant's complete information or the date marked by the department on a certified mail return receipt accompanying the applicant's complete information.

(2) The commissioner receives a written request from an applicant to:
   (A) withdraw; or
   (B) defer processing of;
the application for the purposes of resolving an issue related to a permit or to provide additional information concerning the application.

(3) The department is required by federal law or by an agreement with the United States Environmental Protection Agency for a federal permit program to transmit a copy of the proposed permit to the administrator of the United States Environmental Protection Agency for review and possible objections before the permit may be issued. The period described under sections 1 through 6 of this chapter shall be suspended from the time the department submits the proposed permit to the administrator for review until:
   (A) the department receives the administrator's concurrence or objection to the issuance of the proposed permit; or
   (B) the period established in federal law by which the administrator is required to make objections expires without the administrator having filed an objection.

(4) A board initiates emergency rulemaking under
IC 4-22-2-37.1(a)(13) to revise the period described under sections 1 through 6 of this chapter.

SECTION 131. IC 13-18-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Sec. 2. (a) The wastewater revolving loan fund is established to provide money for loans and other financial assistance to or for the benefit of political subdivisions participants under this chapter. The authority shall administer, hold, and manage the fund.

(b) The general assembly may appropriate money to the fund. Grants or gifts of money to the fund from the federal government or other sources and the proceeds of the sale of:

- (1) gifts to the fund; and
- (2) loans and other financial assistance, as provided in sections 10 through 14 of this chapter;
shall be deposited in the fund.

(c) Repayments of loans and other financial assistance, including interest, premiums, and penalties, shall be deposited in the fund.

(d) The treasurer of state authority shall invest the money in the fund that is:

- (1) not currently needed to meet the obligations of the fund; and
- (2) not invested under subsection (e);
in the same manner as other public money may be invested. Earnings that accrue from these investments shall be deposited in the fund.

(e) As an alternative to subsection (d), the budget agency authority may invest or cause to be invested all or a part of the fund in a fiduciary account or accounts with a trustee that is a financial institution. Notwithstanding any other law, any investment may be made by the trustee in accordance with at least one (1) trust agreement or indenture. A trust agreement or indenture may permit disbursements by the trustee to:

- (1) the department;
- (2) the budget agency;
- (3) a political subdivision participant;
- (4) the Indiana bond bank; or
- (5) the authority; or
- (6) any person to which the department, the budget agency authority or a political subdivision participant is obligated, as provided in the trust agreement or indenture.
The state board of finance must approve any trust agreement or indenture before execution:

(f) Except as provided in the federal Clean Water Act, the cost of administering the fund may be paid from the fund.

(g) All money accruing to the fund is appropriated continuously for the purposes specified in this chapter.

(h) Money in the fund does not revert to the state general fund at the end of a state fiscal year.

SECTION 132. IC 13-18-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) Money in the fund may be used to do the following:

1. Provide loans or other financial assistance to political subdivisions participants for the planning, designing, construction, renovation, improvement, or expansion of wastewater collection and treatment systems and other activities necessary or convenient to complete these tasks.

2. Pay the cost of administering the fund and the program.

3. Conduct all other activities that are permitted by the federal Clean Water Act.

(b) The authority may contract with the department, the budget agency, or any other entity or person for assistance in administering the program and the fund or in carrying out the purposes of this chapter.

SECTION 133. IC 13-18-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 5. The department authority shall do the following:

1. Administer, hold, and manage all aspects of the fund, the program, the supplemental fund, and the supplemental program except as provided under section 6 of in accordance with this chapter.

2. Be the point of contact in relations with the United States Environmental Protection Agency. except as provided under section 6 of this chapter.

3. Cooperate with the budget agency in the administration and management of the program and supplemental program.

4. Cooperate with the budget agency in preparing program information.

5. Review and ensure that each proposed financial assistance
agreement to determine whether the agreement meets the environmental and technical aspects of the program or supplemental program.

(6) (5) Periodically inspect project design and construction to determine compliance with the following:
   (A) This chapter.
   (B) The federal Clean Water Act.
   (C) Construction plans and specifications.

(7) (6) Negotiate jointly with the budget agency; the negotiable aspects of each financial assistance agreement.

(8) If not accepted and held by the budget agency; accept and hold any letter of credit from the federal government (7) Manage any payment systems through which the state receives grant payments from the federal government for the program and disbursements to the fund.

(9) Prepare jointly with the budget agency; annual reports concerning the following:
   (A) The fund:
   (B) The program:
   (C) The supplemental fund:
   (D) The supplemental program:

(10) Submit the reports prepared under subdivision (9) to the governor and the general assembly. A report submitted under this subdivision to the general assembly must be in an electronic format under IC 5-14-6.

(11) Enter into memoranda of understanding with the budget agency concerning the administration and management of the following:
   (A) The fund:
   (B) The program:
   (C) The supplemental fund:
   (D) The supplemental program:

(8) Be the point of contact with participants and other interested persons in preparing and providing program information.

(9) Prepare or cause to be prepared each financial assistance agreement.

(10) Sign each financial assistance agreement.
(11) Conduct or cause to be conducted an evaluation as to the financial ability of each participant to pay the loan or other financial assistance and other obligations evidencing the loans or other financial assistance, if required to be paid, and comply with the financial assistance agreement in accordance with the terms of the agreement.

SECTION 134. IC 13-18-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. (a) The budget agency authority may do the following:

1. Employ:
   (A) fiscal consultants;
   (B) engineers;
   (C) bond counsel;
   (D) other special counsel;
   (E) accountants; and
   (F) any other consultants, employees, and agents;

2. Fix and pay the compensation of those persons employed in subdivision (1) from money:
   (A) available in the fund or supplemental fund; or
   (B) otherwise made available for the program or the supplemental program.

3. Enter into memoranda of understanding with the department and the budget agency concerning the administration and management of the following:
   (A) The fund.
   (B) The program.
   (C) The supplemental fund.
   (D) The supplemental program.

4. Provide services to a participant in connection with a loan or other financial assistance, including advisory and other services.

(b) Notwithstanding any other law, the authority, program, or fund, or any person or agent acting on behalf of the authority or program, is not liable in damages or otherwise to any participant or party seeking to be a participant for any act or omission in connection with a loan or other financial assistance, or any
application, service, or other undertaking, allowed by or taken under this chapter.

(c) No direction given by or service or other undertaking allowed or taken under this chapter by the authority is a defense for or otherwise excuses any act or omission of a participant otherwise required or imposed by law upon a participant.

SECTION 135. IC 13-18-13-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. (a) The department and the budget agency authority may:

1. provide services to a political subdivision in connection with a loan or other financial assistance, including advisory and other services; and
2. charge a fee for services provided; and

(b) The department and the budget agency may

2. charge a fee for costs and services incurred in the review or consideration of an application for a proposed loan or other financial assistance to or for the benefit of a political subdivision participant under this chapter, regardless of whether the application is approved or rejected.

(c) A political subdivision participant may pay fees charged under this section.

SECTION 136. IC 13-18-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 9. (a) The department authority shall use a priority ranking system to recommend in making loans or other financial assistance from the fund. The department authority, in consultation with the department, shall develop the priority ranking system to achieve optimum water quality consistent with the water quality goals of the state and the federal Clean Water Act.

(b) Based on the recommendations made under subsection (a), the budget agency may make loans and provide other financial assistance from the fund to or for the benefit of political subdivisions.

SECTION 137. IC 13-18-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. The budget agency authority may make loans or provide other financial assistance from the fund to or for the benefit of a political subdivision participant under the following conditions:

1. The loan or other financial assistance must be used:
(A) for:
   (i) planning, designing, constructing, renovating, improving, or expanding wastewater collection and treatment systems; and
   (ii) any purpose eligible for assistance under the Clean Water Act; and
   (iii) other activities necessary or convenient to complete these tasks;
(B) to:
   (i) establish guaranties, reserves, or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial assistance made from sources other than the fund (including financial institutions) for a purpose permitted by clause (A); or
   (ii) provide interest subsidies;
(C) to pay financing charges, including interest on the loan or other financial assistance during construction and for a reasonable period after the completion of construction; or
(D) to pay the following:
   (i) Consultant, advisory, and legal fees.
   (ii) Any other costs or expenses necessary or incident to the loan, other financial assistance, or the administration of the fund and the program.
(2) Subject to section 15 of this chapter, upon recommendation of the budget agency, the state board of finance shall establish the interest rate or parameters for establishing the interest rate on each loan; including parameters for establishing the amount of interest subsidies:
(2)(2) The budget agency authority shall establish the terms and conditions that the budget agency authority considers necessary or convenient to:
   (A) make loans; or
   (B) provide other financial assistance under this chapter.
(3) Notwithstanding any other law, the authority may establish and implement requirements that:
   (A) apply to loans and other financial assistance to be made to participants that are not political subdivisions;
and
(B) are different from, or in addition to, requirements that apply to loans and financial assistance made to political subdivisions.

SECTION 138. IC 13-18-13-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. A loan or other financial assistance from the fund must be accompanied by the following:

(1) All papers and opinions required by the budget agency: authority.

(2) Unless otherwise provided by rule: the guidelines of the authority, the following:

(A) An approving opinion of nationally recognized bond counsel.

(B) A certification and guarantee of signatures.

(C) A certification that, as of the date of the loan or other financial assistance:

(i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or

(ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.

(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance.

SECTION 139. IC 13-18-13-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 12. A political subdivision participant receiving a loan or other financial assistance from the fund shall enter into a financial assistance agreement. A financial assistance agreement is a valid, binding, and enforceable agreement of the political subdivision participant.

SECTION 140. IC 13-18-13-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. The budget agency: authority may sell loans or evidences of other financial assistance and other obligations of political subdivisions participants evidencing the
loans or other financial assistance from the fund periodically at any price and on terms acceptable to the budget agency; authority. Proceeds of sales under this section shall be deposited in the fund.

SECTION 141. IC 13-18-13-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. (a) The budget agency authority may pledge loans or evidences of other financial assistance and other obligations of political subdivisions participants evidencing the loans or other financial assistance from the fund to secure:

1. other loans or financial assistance from the fund to or for the benefit of political subdivisions; participants; or
2. other loans or financial assistance from the supplemental fund to or for the benefit of political subdivisions; participants; to the extent permitted by the federal Clean Water Act.

(b) The budget agency authority must approve the terms of a pledge under this section.

(c) Notwithstanding any other law, a pledge of property made by the department and the budget agency under this section or IC 4-23-21-8(e) (before its repeal) or a pledge of property made by the authority under this section is binding from the time the pledge is made. Any pledge of property made by the department and the budget agency under this section or IC 4-23-21-8(e) (before its repeal) is binding on the authority. Revenues, other money, or other property pledged and thereafter received are immediately subject to the lien of the pledge without any further act. The lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against:

1. the department;
2. the budget agency; or
3. the fund; or
4. the authority;
regardless of whether the parties have notice of any lien.

(d) A resolution, an indenture, or other instrument by which a pledge is created does not have to be filed or recorded, except in the records of the budget agency; authority.

(e) Action taken to:

1. enforce a pledge under this section or IC 4-23-21-8(e) (before its repeal); and
2. realize the benefits of the pledge;
is limited to the property pledged.

(f) A pledge under this section or IC 4-23-21-8(e) (before its repeal) does not create a liability or indebtedness of the state.

SECTION 142. IC 13-18-13-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) In recommending to the state board of finance the interest rate or parameters for establishing the interest rate on each loan, as provided in section 10 of this chapter, the budget agency shall recommend and the state board of finance shall establish the following:

(1) A base or subsidized interest rate that:
   (A) would be payable by political subdivisions other than political subdivisions described in subdivision (2) or (3); and
   (B) may provide for the payment of no interest during all or a part of the estimated construction period for the wastewater treatment system;

(2) A base reduced or more heavily subsidized interest rate, that:
   (A) would be payable by political subdivisions whose median household incomes are:
      (i) not more than the state nonmetropolitan median household income; as determined and reported by the federal government periodically; and
      (ii) not less than eighty-one percent (81%) of the state nonmetropolitan median household income; and
   (B) may provide for the payment of no interest during all or a part of the estimated construction period for the wastewater collection and treatment system;

(3) A base zero (0) or most heavily subsidized interest rate that:
   (A) would be payable on loans made to political subdivisions whose median household incomes are not more than eighty percent (80%) of the state nonmetropolitan household income; and
   (B) may provide for the payment of no interest during all or a part of the estimated construction period of the wastewater collection and treatment system.

The authority shall establish the interest rate or parameters for establishing the interest rate on each loan made under this chapter, including parameters for establishing the amount of interest subsidies.
(b) The budget agency; authority, in recommending to the state board of finance setting the interest rate or parameters for establishing the interest rate on each loan, under section 10 of this chapter, shall may take into account the following:

1. Credit risk.
2. Environmental enforcement and protection.
3. Affordability.
4. Other fiscal factors the budget agency authority considers relevant, including the program’s cost of funds and whether the financial assistance provided to a particular participant is taxable or tax exempt under federal law.

Based on the factors set forth in subdivisions (1) through (4), more than one (1) interest rate may be established and used for loans or other financial assistance to different participants or for different loans or other financial assistance to the same participants.

(c) In enacting this section; the general assembly understands that, in financing the program; the Indiana bond bank issued at the budget agency’s request; and will continue to issue at the budget agency’s request:

1. revenue bonds payable from and secured by political subdivisions; and
2. loan payments made by and loan payments made to political subdivisions.

It is not the intent of the general assembly to cause the budget agency or the state board of finance to establish interest rates on loans or parameters for establishing interest rates that would cause the bond bank’s revenue bonds to be insecure or otherwise negatively affect the ability of the state to continue to finance the program.

SECTION 143. IC 13-18-13-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. The budget agency authority shall require that a political subdivision participant receiving a loan or other financial assistance under this chapter establish under applicable statute and maintain sufficient user charges or other charges, fees, taxes, special assessments, or revenues available to the political subdivision participant to:

1. operate and maintain the wastewater collection and treatment system; and
2. pay the obligations of the system.
SECTION 144. IC 13-18-13-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 17. (a) Notwithstanding any other law and if provided in a financial assistance agreement, any state department or state agency, including the treasurer of state:

(1) that is the custodian of money payable to a political subdivision participant, other than money in payment for goods or services provided by the political subdivision participant; and

(2) after written notice from the budget director that the political subdivision participant is in default on the payment of principal or interest on a loan or evidence of other financial assistance;

may withhold payment of money from that political subdivision participant and pay over the money to the budget agency authority or the Indiana bond bank as directed by the budget director, chairman of the authority, for the purpose of curing the default.

(b) The withholding of payment from the political subdivision participant and payment to:

(1) the budget agency authority; or

(2) the Indiana bond bank;

as applicable, may not adversely affect the validity of the defaulted loan or other financial assistance.

SECTION 145. IC 13-18-13-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. The water pollution control board and the budget agency authority may jointly adopt rules under guidelines, without complying with IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement govern the administration of this chapter.

SECTION 146. IC 13-18-13-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 19. (a) Notwithstanding any other law, a political subdivision may borrow money from the budget agency authority by negotiating a loan or other financial assistance directly and without complying with requirements for the competitive sale of bonds, notes, or other obligations or evidences of indebtedness. A political subdivision shall observe any existing contractual commitments to bondholders or other persons when entering into a financial assistance agreement.

(b) Notwithstanding any other law, a political subdivision may issue and sell its notes, the principal and accrued interest on which shall be
paid with proceeds from the issuance of its bonds or other available money at the time the notes are due. The notes must be issued pursuant to a resolution or ordinance and the proceeds must be used to carry out the purposes specified in this chapter.

(c) A political subdivision that issues notes under subsection (b) or IC 4-23-21-13 (before its repeal) may renew or extend the notes periodically on terms agreed to with the budget agency, authority, and the budget agency authority may purchase and sell the renewed or extended notes. Accrued interest on the date of renewal or extension may be paid or added to the principal amount of the note being renewed or extended.

(d) The notes issued by a political subdivision under subsection (b), including any renewals or extensions, must mature:

1. in the amounts; and
2. at the times not exceeding four (4) years from the date of original issuance;

that are agreed to by the political subdivision and the budget agency.

(e) Compliance with subsection (b) constitutes full authority for a political subdivision to issue its notes and sell the notes to the department and the budget agency, authority, and the political subdivision is not required to comply with any other law applicable to the authorization, approval, issuance, and sale of its notes. These notes are:

1. valid and binding obligations of the political subdivision;
2. enforceable in accordance with the terms of the notes; and
3. payable solely from the sources specified in the resolution or ordinance authorizing the issuance of the notes.

(f) If the political subdivision issues bonds, all or part of the proceeds of which will be used to pay the notes issued under subsection (b), neither:

1. the provisions of this section; nor
2. the actual issuance by a political subdivision of notes under subsection (b);

relieves the political subdivision of the obligation to comply with the statutory requirements for the issuance of bonds.

SECTION 147. IC 13-18-13-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 20. (a) As an
alternative to making loans or providing other financial assistance to political subdivisions, participants, the budget agency authority may use the money in the fund or the supplemental fund to provide a leveraged loan program and other financial assistance programs permitted by the federal Clean Water Act to or for the benefit of political subdivisions, participants, including using money in the fund or the supplemental fund to enhance the obligations of political subdivisions participants issued for the purposes of this chapter by:

1. granting money to:
   (A) be deposited in:
      (i) a capital or reserve fund established under IC 5-1.5 IC 4-4-11 or another statute or a trust agreement or indenture as contemplated by IC 13-18-13-2(e); section 2(e) of this chapter; or
      (ii) an account established within such a fund; or
   (B) provide interest subsidies;
2. paying bond insurance premiums, reserve insurance premiums, or credit enhancement, liquidity support, remarketing, or conversion fees, or other similar fees or costs for obligations of a political subdivision participant or for bonds issued by the authority or the Indiana bond bank, if credit market access is improved or interest rates are reduced; or
3. guaranteeing all or a part of obligations issued by political subdivisions participants or of bonds issued by the authority or the Indiana bond bank.

(b) The budget agency authority may enter into any agreements with the Indiana bond bank or political subdivisions participants to carry out the purposes specified in this chapter.

(c) A guarantee of obligations or bonds under subsection (a)(3) must be limited to money in the fund and the supplemental fund. A guarantee under subsection (a)(3) does not create a liability or indebtedness of the state.

SECTION 148. IC 13-18-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) The drinking water revolving loan fund is established to provide money for loans and other financial assistance under this chapter to or for the benefit of participants, including forgiveness of principal if allowed under federal law. The authority shall administer, hold, and manage the fund.
(b) The general assembly may appropriate money to the fund. Grants or gifts of money to the fund from the federal government or other sources and the proceeds of the sale of:

(1) gifts to the fund; and
(2) loans and other financial assistance, as provided in sections 10 through 14 of this chapter;
shall be deposited in the fund.

(c) Repayments of loans and other financial assistance, including interest, premiums, and penalties, shall be deposited in the fund.

(d) The treasurer of state authority shall invest the money in the fund that is:

(1) not currently needed to meet the obligations of the fund; and
(2) not invested under subsection (e);
in the same manner as other public money may be invested. Earnings that accrue from these investments shall be deposited in the fund.

(e) As an alternative to subsection (d), the budget agency authority may invest or cause to be invested all or part of the fund in a fiduciary account or accounts with a trustee that is a financial institution. Notwithstanding any other law, an investment may be made by the trustee in accordance with at least one (1) trust agreement or indenture. A trust agreement or indenture may allow disbursements by the trustee to:

(1) the department;
(2) the budget agency;
(3) a participant;
(4) the Indiana bond bank; or
(5) the authority; or
(5) (6) any person to which the department, the budget agency authority or a participant is obligated, as provided in the trust agreement or indenture.

The state board of finance must approve any trust agreement or indenture before execution.

(f) Except as provided in the federal Safe Drinking Water Act, (42 U.S.C. 300f et seq.), the cost of administering the fund and the program may be paid from the fund or from four percent (4%) of the other money allotted to the state under 42 U.S.C. 300j-12.

(g) All money accruing to the fund and money allotted to the state under 42 U.S.C. 300j-12 is appropriated continuously for the purposes
specified in this chapter.

(h) Money in the fund does not revert to the state general fund at the end of a state fiscal year.

SECTION 149. IC 13-18-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. (a) Money in the fund may be used to do the following:

(1) Provide loans or other financial assistance to participants for the:

(A) planning;
(B) designing;
(C) construction;
(D) renovation;
(E) improvement;
(F) expansion; or
(G) any combination of clauses (A) through (F);

for public water systems that will facilitate compliance with national primary drinking water regulations applicable to public water systems under the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.) or otherwise significantly further the health protection objectives of the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.) and other activities necessary or convenient to complete these tasks.

(2) Except as provided in the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.), pay the cost of administering the fund and the program.

(3) Conduct all other activities that are allowed by the federal Safe Drinking Water Act. (42 U.S.C. 300f et seq.).

(b) Notwithstanding section 2(g) of this chapter, if an adequate state match is available, the department and the budget agency may use not more than two percent (2%) of the funds allotted to the state under 42 U.S.C. 300j-12 to provide technical assistance to participants for public water systems serving not more than ten thousand (10,000) persons in Indiana. The department and the budget agency may jointly contract with a person or persons to provide the technical assistance; Funds used under this subsection may not be used for enforcement actions.

(c) To the extent permitted by this chapter, fifteen percent (15%) of the amount credited to the fund in a state fiscal year shall be available solely for providing loan assistance to participants for public water
systems regularly serving less than ten thousand (10,000) persons in Indiana to the extent that the money can be obligated for eligible projects under the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.).

(d) To avoid the loss of money allotted to the state under 42 U.S.C. 300j-12 et seq.; (b) the budget agency and the department authority shall develop and implement a strategy to assist participants in acquiring and maintaining technical, managerial, and financial capacity as contemplated by 42 U.S.C. 300g-9. This is all the legal authority required by the state for the budget agency and the department to The authority shall ensure that all new community water systems and new nontransient, noncommunity water systems, as contemplated by the federal Safe Drinking Water Act, (42 U.S.C. 300f et seq.); commencing operations after October 1, 1999, demonstrate technical, managerial, and financial capacity with respect to each federal primary drinking water regulation in effect on the date operations commence. The department has primary responsibility to carry out this subsection.

(e) (c) This chapter does not require the budget agency authority to provide a loan or other financial assistance to any participant that would cause any bonds or other obligations issued to finance the program to lose their exemption from federal income taxation.

(d) The authority may contract with the department, the budget agency, or any other entity or person for assistance in administering the program and the fund and in carrying out the purposes of this chapter.

SECTION 150. IC 13-18-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 5. The department authority shall do the following:

(1) Administer, hold, and manage all aspects of the fund, the program, except as provided by section 6 of this chapter; the supplemental fund, and the supplemental program in accordance with this chapter.

(2) Be the point of contact in relations with the United States Environmental Protection Agency. except as provided in section 6 of this chapter.

(3) Cooperate with the budget agency in the administration and management of the program.

(4) Cooperate with the budget agency in preparing and providing
(3) **Prepare and provide** program and supplemental program information.

(5) **Review** (4) **Ensure that** each proposed financial assistance agreement to determine whether the agreement meets the environmental and technical aspects of the program or the supplemental program.

(6) (5) Periodically inspect project design and construction to determine compliance with the following:
   
   (A) This chapter.
   
   (B) The federal Safe Drinking Water Act. (42 U.S.C. 300f et seq.).
   
   (C) Construction plans and specifications.

(7) (6) Negotiate jointly with the budget agency; the negotiable aspects of each financial assistance agreement.

(8) If not accepted and held by the budget agency; accept and hold any letter of credit from the federal government.

(7) Manage any payment system through which the state receives grant payments from the federal government for the program and disbursements to the fund.

(9) (8) Prepare jointly with the budget agency; annual reports concerning the following:
   
   (A) The fund.
   
   (B) The program.
   
   (C) The supplemental fund.
   
   (D) The supplemental program.

(10) Submit the reports prepared under subdivision (9) to the governor and the general assembly. A report submitted under this subdivision to the general assembly must be in an electronic format under IC 5-14-6.

(11) Enter into memoranda of understanding with the budget agency concerning the administration and management of the following:
   
   (A) The fund;
   
   (B) The program;
   
   (C) The supplemental fund;
   
   (D) The supplemental program;

(9) Be the point of contact with participants and other interested persons in preparing and providing program
information.
(10) Prepare or cause to be prepared each financial assistance agreement.
(11) Sign each financial assistance agreement.
(12) Conduct or cause to be conducted an evaluation as to the financial ability of each participant to pay the loan or other financial assistance and other obligations evidencing the loans or other financial assistance, if required to be paid, and comply with the financial assistance agreement.

SECTION 151. IC 13-18-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. The budget agency authority may do the following:
(1)Employ:
(A) fiscal consultants;
(B) engineers;
(C) bond counsel;
(D) special counsel;
(E) accountants; and
(F) any other consultants, employees, and agents; that the budget agency authority considers necessary to carry out the purposes of this chapter.
(2) Fix and pay the compensation of persons employed in subdivision (1) from money:
(A) available in the fund and the supplemental fund; or
(B) otherwise made available for the program and the supplemental program.
(3) Enter into memoranda of understanding with the department and the budget agency concerning the administration and management of the fund, the program, the supplemental fund, and the supplemental program.
(4) Provide services to a participant in connection with a loan or other financial assistance, including advisory and other services.

SECTION 152. IC 13-18-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. (a) The department and the budget agency authority may:
(1) provide services to a participant in connection with a loan or other financial assistance; including advisory and other services;
and

(2) (1) charge a fee for services provided; (b) The department and the budget agency may and

(2) charge a fee for costs and services incurred in the review or consideration of an application for a proposed loan or other financial assistance under this chapter to or for the benefit of a participant, regardless of whether the application is approved or rejected.

(c) (b) A political subdivision participant may pay fees charged under this section.

SECTION 153. IC 13-18-21-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 9. (a) The department authority shall use a priority ranking system to recommend in making loans or other financial assistance from the fund. The department authority shall develop the priority ranking system consistent with federal primary drinking water regulations and health protection objectives of the federal Safe Drinking Water Act. (42 U.S.C. 300f et seq.):

(b) Based on the recommendations made under subsection (a), the budget agency may make loans and provide other financial assistance from the fund to or for the benefit of participants.

SECTION 154. IC 13-18-21-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. The budget agency authority may make loans or provide other financial assistance from the fund to or for the benefit of a participant under the following conditions:

(1) The loan or other financial assistance must be used:

(A) for:

(i) planning, designing, constructing, renovating, improving, and expanding public water systems; and

(ii) any purpose eligible for assistance under the Safe Drinking Water Act; and

(iii) for other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish guaranties, reserves or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial
assistance made from sources other than the fund (including financial institutions) for a purpose permitted by clause (A); or
(ii) provide interest subsidies;
(C) to pay financing charges, including interest on the loan or other financial assistance during construction and for a reasonable period after the completion of construction; or
(D) to pay the following:
   (i) Consultant, advisory, and legal fees.
   (ii) Other costs or expenses necessary or incident to the loan, other financial assistance, or the administration of the fund and the program.
(2) Subject to section 15 of this chapter, upon recommendation of the budget agency, the state board of finance shall establish the interest rate or parameters for establishing the interest rate on each loan, including parameters for establishing the amount of interest subsidies.
(2) (2) The budget agency authority shall establish the terms and conditions that the budget agency authority considers necessary or convenient to:
   (A) make loans; or
   (B) provide other financial assistance under this chapter.
(4) (3) Notwithstanding any other law, the budget agency authority may establish and implement requirements that:
   (A) apply to loans and other financial assistance to be made to participants that are not political subdivisions; and
   (B) are different from, or in addition to, requirements that apply to loans and financial assistance made to political subdivisions.

SECTION 155. IC 13-18-21-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. A loan or other financial assistance from the fund must be accompanied by the following:
(1) All papers and opinions required by the budget agency authority.
(2) Unless otherwise provided by rule, the guidelines of the authority, the following:
   (A) An approving opinion of nationally recognized bond
counsel.
(B) A certification and guarantee of signatures.
(C) A certification that, as of the date of the loan or other financial assistance:
   (i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or
   (ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.
(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance.

SECTION 156. IC 13-18-21-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. The budget agency may sell loans or evidence of other financial assistance and other obligations of participants evidencing the loans or other financial assistance from the fund periodically at any price and on terms acceptable to the budget agency. Proceeds of sales under this section shall be deposited in the fund.

SECTION 157. IC 13-18-21-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. (a) The budget agency may pledge loans or evidence of other financial assistance and other obligations of participants evidencing the loans or other financial assistance from the fund to secure:
   (1) other loans or financial assistance from the fund to or for the benefit of participants; or
   (2) other loans or financial assistance from the supplemental fund to or for the benefit of participants;
to the extent allowed by the federal Safe Drinking Water Act. (42 U.S.C. 300f et seq.):
   (b) The budget agency must approve the terms of a pledge under this section.
   (c) Notwithstanding any other law, a pledge of property made by the department and the budget agency under this section, or a pledge of property made by the authority under this section, is
binding from the time the pledge is made. Any pledge of property made by the department and the budget agency under this section is binding on the authority. Revenues, other money, or other property pledged and received are immediately subject to the lien of the pledge without any other act. The lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against:

(1) the department;
(2) the budget agency; or
(3) the fund; or
(4) the authority;

regardless of whether the parties have notice of any lien.

(d) A resolution, an indenture, or other instrument by which a pledge is created does not have to be filed or recorded, except in the records of the budget agency: authority.

(e) Action taken to:
(1) enforce a pledge under this section; and
(2) realize the benefits of the pledge;

is limited to the property pledged.

(f) A pledge under this section does not create a liability or indebtedness of the state.

SECTION 158. IC 13-18-21-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) In recommending to the state board of finance the interest rate or parameters for establishing the interest rate on each loan (other than a loan to a qualified entity described in IC 13-11-2-164(b)(4)); as provided in section 10 of this chapter; the budget agency shall recommend and the state board of finance shall establish the following:

1. A base or subsidized interest rate that:
   (A) would be payable by participants other than participants described in subdivision (2) or (3); and
   (B) may provide that payment of interest is not required during all or part of the estimated construction period for the public water system:

2. A base reduced or more heavily subsidized interest rate that:
   (A) is payable by a participant with median household incomes that are:
   (i) not more than the state median household income for an area that is not a metropolitan area; as determined and
reported periodically by the federal government; and
(ii) not less than eighty-one percent (81%) of the state
median household income for an area that is not a
metropolitan area; and
(B) may provide that payment of interest is not required during
all or part of the estimated construction period for the public
water system;
(3) A base of zero (0) or the most heavily subsidized interest rate
that:
(A) would be payable on loans made to participants with
median household incomes that are not more than eighty
percent (80%) of the state household income for an area that
is not a metropolitan area; and
(B) may provide that payment of interest is not required during
all or part of the estimated construction period of the public
water system:
The authority shall establish the interest rate or parameters for
establishing the interest rate on each loan made under this chapter,
including parameters for establishing the amount of interest
subsidies.
(b) The budget agency; authority, in recommending to the state
board of finance setting the interest rate or parameters for establishing
the interest rate on each loan, (including all loans to participants that
are not political subdivisions) under section 10 of this chapter, may
take into account the following:
(1) Credit risk.
(2) Environmental, water quality, and health protection.
(3) Affordability.
(4) Other fiscal factors the budget agency authority considers
relevant, including the program’s cost of funds and whether the
financial assistance provided to a particular participant is taxable
or tax exempt under federal law.
Based on the factors set forth in subdivisions (1) through (4), more than
one (1) interest rate may be established and used for loans made or
other financial assistance to different participants in the same interest
rate category:
(c) In financing the program, the Indiana bond bank and the Indiana
development finance authority shall issue at the budget agency's
request:

(1) revenue bonds payable from and secured by participants; and

(2) loan payments made by and to participants.

The budget agency or the state board of finance is not required by this chapter to establish interest rates on loans or parameters for establishing interest rates that would cause any revenue bonds to be insecure or otherwise negatively affect the ability of the state to continue to finance the program or for different loans or other financial assistance to the same participants.

SECTION 159. IC 13-18-21-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. The budget agency authority shall require a participant receiving a loan or other financial assistance under this chapter to establish under applicable law and maintain sufficient user charges or other charges, fees, taxes, special assessments, or revenues available to the participant to:

(1) operate and maintain the public water system; and

(2) pay the obligations of the public water system.

SECTION 160. IC 13-18-21-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 17. (a) Notwithstanding any other law and if provided in a financial assistance agreement, a state department or state agency, including the treasurer of state, that is the custodian of money payable to a participant, other than money in payment for goods or services provided by the participant, may withhold payment of money from that participant and pay over the money to the budget agency authority or the Indiana bond bank, as directed by the budget director: chairman of the authority, for the purpose of curing a default. Withholding payment under this subsection may not occur until after written notice from the budget director that the participant is in default on the payment of principal or interest on a loan or evidence of other financial assistance.

(b) The withholding of payment from the participant and payment to:

(1) the budget agency: authority; or

(2) the Indiana bond bank;

as applicable, may not adversely affect the validity of the defaulted loan or other financial assistance.

SECTION 161. IC 13-18-21-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. The water
polllution control board and the budget agency authority may jointly adopt rules under guidelines, without complying with IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement govern the administration of this chapter.

SECTION 162. IC 13-18-21-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 19. (a) Notwithstanding any other law, a political subdivision may borrow money under this chapter by negotiating a loan or other financial assistance directly and without complying with requirements for the competitive sale of bonds, notes, or other obligations or evidences of indebtedness. A political subdivision shall observe any existing contractual commitments to bondholders or other persons when entering into a financial assistance agreement.

(b) Notwithstanding any other law, a political subdivision may issue and sell notes, the principal and accrued interest on which shall be paid with proceeds from the issuance of bonds or other available money at the time the notes are due. The notes must be issued under a resolution or ordinance and the proceeds must be used to carry out the purposes specified in this chapter.

(c) A political subdivision that issues notes under subsection (b) may renew or extend the notes periodically on terms agreed to with the budget agency. authority, and the budget agency authority may purchase and sell the renewed or extended notes. Accrued interest on the date of renewal or extension may be paid or added to the principal amount of the note being renewed or extended.

(d) The notes issued by a political subdivision under subsection (b), including any renewals or extensions, must mature:

(1) in the amounts; and
(2) at the times not exceeding four (4) years from the date of original issuance;

that are agreed to by the political subdivision and the budget agency. authority.

(e) Compliance with subsection (b) constitutes full authority for a political subdivision to issue notes and sell the notes to the department and the budget agency. authority, and the political subdivision is not required to comply with any other law applicable to the authorization, approval, issuance, and sale of the notes. The notes are:

(1) valid and binding obligations of the political subdivision;
(2) enforceable in accordance with the terms of the notes; and
(3) payable solely from the sources specified in the resolution or ordinance authorizing the issuance of the notes.

(f) If the political subdivision issues bonds, all or part of the proceeds of which will be used to pay notes issued under subsection (b), the:

(1) provisions of this section; or
(2) actual issuance by a political subdivision of notes under subsection (b);

do not relieve the political subdivision of the obligation to comply with the statutory requirements for the issuance of bonds.

SECTION 163. IC 13-18-21-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 20. (a) As an alternative to making loans or providing other financial assistance to participants, the budget agency authority may use the money in the fund to provide a leveraged loan program and other financial assistance programs allowed by the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.) to or for the benefit of participants, including using money in the fund or a supplemental fund, including the supplemental fund established by section 22 of this chapter, to enhance the obligations of participants issued for the purposes of this chapter by:

(1) granting money to:
   (A) be deposited in:
      (i) a capital or reserve fund established under IC 5-1.5 IC 4-4-11 or another statute or a trust agreement or indenture as contemplated by IC 13-18-21-2(e); or
      (ii) an account established within a fund described in item (i); or
   (B) provide interest subsidies;
(2) paying bond insurance premiums, reserve insurance premiums, or credit enhancement, liquidity support, remarketing, or conversion fees, or other similar fees or costs for obligations of a participant or for bonds issued by the Indiana bond bank or the Indiana development finance authority if credit market access is improved or interest rates are reduced; or
(3) guaranteeing all or part of:
   (A) obligations issued by participants; or
   (B) bonds issued by the Indiana bond bank or the Indiana
development finance authority.

(b) The budget agency authority may enter into any agreements with the Indiana bond bank, the Indiana development finance authority, or participants to carry out the purposes specified in this chapter.

(c) A guarantee of obligations or bonds under subsection (a)(3) must be limited to money in the fund. A guarantee under subsection (a)(3) does not create a liability or indebtedness of the state.

SECTION 164. IC 13-18-21-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 22. (a) The supplemental drinking water and wastewater assistance fund is established to provide money for grants, loans, and other financial assistance to or for the benefit of

(1) participants for the purposes described in section 23(1) of this chapter; and

(2) political subdivisions for the purposes described in section 23(2) of this chapter.

(b) The general assembly may appropriate money to the supplemental fund. Grants or gifts of money to the supplemental fund and proceeds of the sale of:

(1) gifts to the supplemental fund; and

(2) loans and other financial assistance, as provided in sections 25 through 29 of this chapter;

shall be deposited in the supplemental fund.

(c) Repayments of loans and other financial assistance from the supplemental fund, including interest, premiums, and penalties, shall be deposited in the supplemental fund.

(d) The treasurer of state authority shall invest the money in the supplemental fund that is:

(1) not currently needed to meet the obligations of the supplemental fund; and

(2) not invested under subsection (c);

in the same manner as other public money may be invested. Earnings that accrue from the investments shall be deposited in the supplemental fund.

(e) As an alternative to the investment provided for in subsection (d), the budget agency authority may invest or cause to be invested all or a part of the supplemental fund in a fiduciary account or accounts with a trustee that is a financial institution. Notwithstanding any other
law, any investment may be made by the trustee in accordance with one
(1) or more trust agreements or indentures. A trust agreement or
indenture may permit disbursements by the trustee to the authority,
the department, the budget agency, a participant, the Indiana bond
bank, or any other person as provided in the trust agreement or
indenture. The state board of finance must approve the form of any
trust agreement or indenture before execution:

(f) The cost of administering the supplemental fund may be paid
from money in the supplemental fund.

(g) All money accruing to the supplemental fund is appropriated
continuously for the purposes specified in this chapter.

(h) Money in the supplemental fund does not revert to the state
general fund at the end of a state fiscal year.

(i) The authority shall administer, hold, and manage the
supplemental fund.

SECTION 165. IC 13-18-21-23 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 23. Money in the
supplemental fund may be used to do the following:

(1) Provide grants, loans, or other financial assistance to or for the
benefit of participants for the planning, designing, acquisition,
construction, renovation, improvement, or expansion of public
water systems and other activities necessary or convenient to
complete these tasks, whether or not those other activities are
permitted by the federal Clean Water Act or the federal Safe
Drinking Water Act.

(2) Provide grants, loans, or other financial assistance to or for the
benefit of political subdivisions participants for the planning,
designing, acquisition, construction, renovation, improvement, or
expansion of wastewater or storm water collection and treatment
systems and other activities necessary or convenient to complete
these tasks, whether or not those other activities are permitted by
the federal Clean Water Act or the federal Safe Drinking Water
Act.

(3) Provide grants to political subdivisions for tasks associated
with the development and preparation of:

(A) long term control plans;
(B) use attainability analyses; and
(C) storm water management programs.
(4) Pay the cost of administering the supplemental fund and the supplemental program.

(5) Conduct all other activities that are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

SECTION 166. IC 13-18-21-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 24. The budget agency authority shall develop criteria to recommend make or provide grants, loans, or other financial assistance from the supplemental fund.

SECTION 167. IC 13-18-21-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 25. (a) The budget agency authority may make grants or loans or provide other financial assistance from the supplemental fund for the benefit of a participant under the following conditions:

(1) A grant, loan, or other financial assistance may be used:
   (A) for planning, designing, acquiring, constructing, renovating, improving, or expanding public water systems, and other activities necessary or convenient to complete these tasks;
   (B) to:
      (i) establish guaranties, reserves, or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial assistance made from sources other than the fund (including financial institutions) for a purpose permitted by clause (A); or
      (ii) provide interest subsidies;
   (C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or
   (D) to pay the following:
      (i) Consultant, advisory, and legal fees.
      (ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) The budget agency authority must establish the terms and conditions that the budget agency authority considers necessary or convenient to make grants or loans or provide other financial
(b) In addition to its powers under subsection (a), the budget agency authority may also make grants or loans or provide other financial assistance from the supplemental fund to or for the benefit of a political subdivision participant under the following conditions:

(1) A grant, loan, or other financial assistance may be used:
   (A) for planning, designing, acquiring, constructing, renovating, improving, or expanding wastewater or storm water collection and treatment systems, and other activities necessary or convenient to complete these tasks;
   (B) to:
      (i) establish guaranties, reserves, or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial assistance made from sources other than the fund (including financial institutions) for a purpose permitted by clause (A); or
      (ii) provide interest subsidies;
   (C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or
   (D) to pay the following:
      (i) Consultant, advisory, and legal fees.
      (ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) A grant may be used for tasks associated with the development and preparation of:
   (A) long term control plans;
   (B) use attainability analyses; and
   (C) storm water management programs.

(3) The budget agency authority must establish the terms and conditions that the budget agency authority considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

SECTION 168. IC 13-18-21-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 26. (a) A grant, loan,
or other financial assistance from the supplemental fund must be accompanied by all papers and opinions required by the budget agency.

(b) Unless otherwise provided by rule, The authority may require that a loan or other financial assistance must be accompanied by the following:

(1) A certification and guarantee of signatures.
(2) A certification that, as of the date of the loan or other financial assistance, no litigation is pending challenging the validity of or entry into:
   (A) the grant, loan, or other financial assistance; or
   (B) any security for the loan or other financial assistance.

(c) The budget agency may require

(3) Any other certifications, agreements, security, or requirements that the authority requests.

(4) An approving opinion of nationally recognized bond counsel.

SECTION 169. IC 13-18-21-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Sec. 28. (a) The budget agency may sell loans or evidences of other financial assistance and other obligations evidencing the loans or other financial assistance from the supplemental fund:

(1) periodically;
(2) at any price; and
(3) on terms acceptable to the authority.

(b) Proceeds of sales under this section shall be deposited in the supplemental fund, the wastewater revolving loan fund, or the fund at the direction of the budget director.

SECTION 170. IC 13-18-21-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Sec. 29. (a) The budget agency may pledge:

(1) loans or evidences of other financial assistance; and
(2) other obligations evidencing the loans or other financial assistance;

from the supplemental fund to secure other loans or financial assistance from the fund, the wastewater revolving loan fund, or the supplemental fund for the benefit of participants.

(b) The terms of a pledge under this section must be acceptable to the budget agency.
(c) Notwithstanding any other law, a pledge of property made by the budget agency authority under this section is binding from the time the pledge is made. Revenues, other money, or other property pledged and thereafter received are immediately subject to the lien of the pledge without any further act. The lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against:

(1) the department; authority;
(2) the budget agency; or
(3) the supplemental fund;
regardless of whether the parties have notice of any lien.

(d) A resolution, an indenture, or other instrument by which a pledge is created does not have to be filed or recorded, except in the records of the budget agency; authority.

(e) Action taken to:

(1) enforce a pledge under this section; and
(2) realize the benefits of the pledge;
is limited to the property pledged.

(f) A pledge under this section does not create a liability or indebtedness of the state.

SECTION 171. IC 13-19-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1. The environmental remediation revolving loan program is established to assist in the remediation of brownfields to encourage the rehabilitation, redevelopment, and reuse of real property by political subdivisions by providing grants, loans, forgivable loans, or other financial assistance to political subdivisions to conduct any of the following activities:

(1) Identification and acquisition of brownfields within a political subdivision as suitable candidates for redevelopment following the completion of remediation activities.
(2) Environmental assessment of identified brownfields and other activities necessary or convenient to complete the environmental assessments.
(3) Remediation activities conducted on brownfields, including remediation of petroleum contamination.
(4) The clearance of real property under IC 36-7-14-12.2 or IC 36-7-15.1-7 in connection with remediation activities.
(5) Other activities necessary or convenient to complete remediation activities on brownfields.
SECTION 172. IC 13-19-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) The environmental remediation revolving loan fund is established for the purpose of providing money for loans and other financial assistance, including grants, to or for the benefit of political subdivisions under this chapter. The fund shall be administered by The authority shall administer, hold, and manage the fund.

(b) Expenses of administering the fund shall be paid from money in the fund.

(c) The fund consists of the following:
   (1) Appropriations made by the general assembly.
   (2) Grants and gifts intended for deposit in the fund.
   (3) Repayments of loans and other financial assistance, including premiums, interest, and penalties.
   (4) Proceeds from the sale of loans and other financial assistance under section 9 of this chapter.
   (5) Interest, premiums, gains, or other earnings on the fund.
   (6) Money transferred from the hazardous substances response trust fund under IC 13-25-4-1(a)(9).

(d) The authority shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested: accordance with an investment policy adopted by the authority. Interest, premiums, gains, or other earnings from these investments shall be credited to the fund.

(e) As an alternative to subsection (d), the authority may invest or cause to be invested all or a part of the fund in a fiduciary account with a trustee that is a financial institution. Notwithstanding any other law, any investment may be made by the trustee in accordance with at least one (1) trust agreement or indenture. A trust agreement or indenture may allow disbursements by the trustee to:

(1) the authority;

(2) a political subdivision;
(3) the Indiana bond bank; or
(4) any person to which the authority, the Indiana bond bank, or a political subdivision is obligated, including a trustee that is a financial institution for a grantor trust;
as provided in the trust agreement or indenture. The budget agency and the state board of finance must approve any trust agreement or
indenture before its execution.

SECTION 173. IC 13-19-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. The authority shall do the following under this chapter:

(1) Be responsible for the management of all aspects of the program.
(2) Prepare and provide program information.
(3) Negotiate the negotiable aspects of each financial assistance agreement and submit the agreement to the budget agency for approval.
(4) Sign each financial assistance agreement.
(5) Review each proposed project and financial assistance agreement to determine if the project meets the credit, economic, or fiscal criteria established by rule or guidance document guidelines of the authority.
(6) Periodically inspect or cause to be inspected projects to determine compliance with this chapter.
(7) Prepare annual reports concerning the fund and the program and submit the reports to the governor and the general assembly. A report submitted under this subdivision to the general assembly must be in an electronic format under IC 5-14-6.
(7) Conduct or cause to be conducted an evaluation concerning the financial ability of a political subdivision to:
   (A) pay a loan or other financial assistance and other obligations evidencing loans or other financial assistance, if required to be paid; and
   (B) otherwise comply with terms of the financial assistance agreement.
(8) Evaluate or cause to be evaluated the technical aspects of the political subdivision’s:
   (A) environmental assessment of potential brownfield properties;
   (B) proposed remediation; and
   (C) remediation activities conducted on brownfield properties.
(9) Inspect or cause to be inspected remediation activities conducted under this chapter.
(10) Act as a liaison with the department to the United States
Environmental Protection Agency regarding the program.

(11) Be a point of contact for political subdivisions concerning questions about the program.

(12) Enter into memoranda of understanding, as necessary, with the department and the budget agency concerning the administration and management of the fund and the program.

SECTION 174. IC 13-19-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. (a) The authority may do the following:

(1) Employ:
   (A) fiscal consultants;
   (B) engineers;
   (C) bond counsel;
   (D) other special counsel;
   (E) accountants; and
   (F) any other consultants, employees, and agents;
that the authority considers necessary to carry out the purposes of this chapter.

(2) Fix and pay the compensation of persons employed under subdivision (1) from money available in the fund or otherwise made available for the program.

(3) Provide services to a political subdivision in connection with a loan or other financial assistance, including advisory and other services.

(b) Notwithstanding any other law, the authority, program, or fund, or any person or agent acting on behalf of the authority or program, is not liable in damages or otherwise to any political subdivision for any act or omission in connection with a loan or other financial assistance, or any application, service, or other undertaking, allowed by or taken under this chapter.

(c) No direction given by or service or other undertaking allowed or taken under this chapter by the authority is a defense for or otherwise excuses any act or omission of a political subdivision otherwise required or imposed by law upon a political subdivision.

SECTION 175. IC 13-19-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. (a) The authority may provide services to a political subdivision in connection with a
loan or other financial assistance, including advisory and other services, and may charge a fee for:

(1) services provided; and
(2) costs and services incurred in the review or consideration of an application for a proposed loan or other financial assistance to or for the benefit of a political subdivision under this chapter, regardless of whether the application is approved or rejected.

(b) A political subdivision may pay fees charged under this section.

SECTION 176. IC 13-19-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. The authority shall develop a priority ranking system for making loans and providing other financial assistance under this chapter based on the following:

(1) Socioeconomic distress in an area, as determined by the poverty level and unemployment rate in the area.
(2) The technical evaluation by the department under section 5(1)(A) and section 5(1)(B) of this chapter.
(3) Other factors determined by the authority, including the following:

(A) The number and quality of jobs that would be generated by a project.
(B) Housing, recreational, and educational needs of communities.
(C) Any other factors the authority determines will assist in the implementation of this chapter.

SECTION 177. IC 13-19-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 9. (a) Based on the priority ranking system established under section 8 of this chapter, the authority may make loans or provide other financial assistance from the fund to or for the benefit of a political subdivision under this section.

(b) (a) A loan or other financial assistance must be used for at least one (1) of the purposes under section 1 of this chapter and may be used for any of the following purposes:

(1) To:

(A) establish guaranties, reserves, or sinking funds, or provide interest subsidies. Including guaranties, reserves, or
sinking funds to secure and pay, in whole or in part, loans
or other financial assistance made from sources other than
the fund (including financial institutions) for a purpose
permitted by this chapter; or
(B) provide interest subsidies.

(2) To pay financing charges, including interest on the loan or
other financial assistance during remediation and for a reasonable
period after the completion of remediation.

(3) To pay consultant, advisory, and legal fees, and any other
costs or expenses resulting from:
(A) the assessment, planning, or remediation of a brownfield;
or
(B) the loan or other financial assistance.

(c) Upon the recommendation of the authority and the approval of
the budget agency, the interest rate or parameters for establishing the
interest rate on each loan; including parameters for establishing the
amount of interest subsidies, shall be established by the state board of
finance:

(b) The authority shall establish the interest rate or parameters
for establishing the interest rate on each loan made under this
chapter, including parameters for establishing the amount of
interest subsidies.

(c) The authority, in setting the interest rate or parameters for
establishing the interest rate on each loan, may take into account
the following:
(1) Credit risk.
(2) Environmental enforcement and protection.
(3) Affordability.
(4) Other fiscal factors the authority considers relevant, including the program's cost of funds and whether the
financial assistance provided to a particular political subdivision is taxable or tax exempt under federal law.

Based on the factors set forth in subdivisions (1) through (4), more
than one (1) interest rate may be established and used for loans or
other financial assistance to different political subdivisions or for
different loans or other financial assistance to the same political
subdivision.

(d) Not more than ten percent (10%) of the money available in the
fund during a year may be loaned or otherwise provided to any one (1) political subdivision.

(e) Before a political subdivision may receive a loan or other financial assistance, including grants, from the fund, a political subdivision must submit the following:

1. Documentation of community and neighborhood comment concerning the use of a brownfield on which remediation activities will be undertaken after remediation activities are completed.
2. A plan for repayment of the loan or other financial assistance, if applicable.
3. An approving opinion of a nationally recognized bond counsel if required by the authority.
4. A summary of the environmental objectives of the proposed project.

(f) A political subdivision that receives a loan or other financial assistance from the fund shall enter into a financial assistance agreement. A financial assistance agreement is a valid, binding, and enforceable agreement of the political subdivision.

(g) With the approval of the budget agency, the authority may sell or assign:

1. Loans or evidence of other financial assistance; and
2. Other obligations of political subdivisions evidencing the loans or other financial assistance from the fund;

at any price and on terms acceptable to the authority. Proceeds of sales or assignments under this subsection shall be deposited in the fund. A sale or an assignment under this subsection does not create a liability or an indebtedness of the state or the authority except, in the case of the authority, strictly in accordance with the sale or assignment terms.

(h) The authority may pledge loans or evidences of other financial assistance and other obligations of political subdivisions evidencing the loans or other financial assistance from the fund to secure other loans or financial assistance from the fund to or for the benefit of political subdivisions. The terms of a pledge under this subsection must be approved by the budget agency. Notwithstanding any other law, a pledge of property made by the authority and approved by the budget agency under this subsection is binding from the time the pledge is made. Revenues, other money, or other property pledged and then
received are immediately subject to the lien of the pledge without any further act. The lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against the authority, the department, the budget agency, a trustee, or the fund, regardless of whether the parties have notice of a lien. A resolution, an indenture, or other instrument by which a pledge is created is not required to be filed or recorded, except in the records of the authority, or the budget agency. An action taken to enforce a pledge under this subsection and to realize the benefits of the pledge is limited to the property pledged. A pledge under this subsection does not create a liability or an indebtedness of the state or the authority except, in the case of the authority, strictly in accordance with the pledge terms.

SECTION 178. IC 13-19-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. Notwithstanding any other law and if provided in a financial assistance agreement, any state department or state agency, including the treasurer of state, that is the custodian of money payable to a political subdivision, other than money in payment for goods or services provided by the political subdivision, after written notice from the budget director that the political subdivision is in default on the payment of principal or interest on a loan or evidence of other financial assistance, may:

1. Withhold payment of money from that political subdivision; and
2. Pay over the money to the authority, a trustee that is a financial institution for a grantor trust, or the Indiana bond bank, as directed by the budget director, chairman of the authority, for the purpose of curing the default.

However, the withholding of payment from the political subdivision and payment to the authority, a trustee, or the Indiana bond bank may not adversely affect the validity of the defaulted loan or other financial assistance.

SECTION 179. IC 13-19-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. The authority may adopt guidelines or guidance documents without complying with IC 4-22-2 to implement govern the administration of this chapter.

SECTION 180. IC 13-19-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 12. (a) Notwithstanding any other law, a political subdivision may borrow
money from the authority by negotiating a loan or other financial assistance directly and without complying with requirements for the competitive sale of bonds, notes, or other obligations or evidences of indebtedness. A political subdivision must observe any existing contractual commitments to bondholders or other persons when entering into a financial assistance agreement.

(b) Notwithstanding any other law, a political subdivision may issue and sell its notes, the principal and accrued interest on which shall be paid with proceeds from the issuance of its bonds or other available money at the time the notes are due. The:

(1) notes must be issued in accordance with a resolution or an ordinance; and
(2) proceeds must be used to carry out this chapter.

(c) A political subdivision that issues notes under subsection (b) may renew or extend the notes on terms agreed to with the authority. The authority may purchase and sell the renewed or extended notes. Accrued interest on the date of renewal or extension may be paid or added to the principal amount of the note being renewed or extended.

(d) The notes issued by a political subdivision under subsection (b), including renewals or extensions, mature in the amounts and at the times, not exceeding four (4) years from the date of original issuance, that are agreed to by the political subdivision and the authority.

(e) Compliance with subsection (b) constitutes full authority for a political subdivision to issue notes and sell the notes to the authority. The political subdivision is not required to comply with any other law applicable to the authorization, approval, issuance, and sale of its notes. The notes are valid and binding obligations of the political subdivision and are enforceable in accordance with the terms of the notes and payable solely from the sources specified in the resolution or ordinance authorizing the issuance of the notes. However, if the political subdivision issues bonds, all or part of the proceeds of which will be used to pay the notes issued under subsection (b), neither this section nor the actual issuance by a political subdivision of its notes under subsection (b) relieves the political subdivision of its obligation to comply with the statutory requirements for the issuance of its bonds.

SECTION 181. IC 13-19-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 13. (a) As an alternative to making loans or providing other financial assistance to
political subdivisions, the authority after obtaining the approval of the budget agency, may use the money in the fund or to provide a leveraged loan program and other financial assistance programs to or for the benefit of political subdivisions, including using money in the fund to enhance a political subdivision’s obligations under this chapter by:

(1) granting money to:
   (A) be deposited in:
      (i) a capital or reserve fund established under IC 5-1.5 IC 4-4-11 or another law, including this chapter; or
      (ii) any account established within the fund; or
   (B) provide interest subsidies;
(2) paying bond insurance premiums, reserve insurance premiums, or credit enhancement, liquidity support, remarketing, or conversion fees, or other similar fees or costs for obligations of a political subdivision or for bonds or other obligations issued by a trustee that is a financial institution for a grantor trust, the authority, or by the Indiana bond bank if credit market access is improved or interest rates are reduced; or
(3) guaranteeing all or a part of obligations issued by political subdivisions or of bonds or other obligations issued by a trustee that is a financial institution for a grantor trust, the authority, or by the Indiana bond bank.

(b) The authority and the budget agency may enter into any agreements with:
   (1) a trustee that is a financial institution for a grantor trust;
   (2) the Indiana bond bank; or
   (3) political subdivisions;

to carry out this chapter.

(c) A guarantee of obligations or bonds under subsection (a)(3) must be limited to money in the fund. A guarantee under subsection (a)(3) does not create a liability or an indebtedness of the state or of the authority except, in the case of the authority, strictly in accordance with the guarantee terms.

(d) Notwithstanding any other law, the authority is considered a qualified entity for purposes of IC 5-1.5.

SECTION 182. IC 13-19-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. (a) The authority
may deposit appropriations or other money received under this chapter after June 30, 1999, into an account of the fund. The authority **may** use money deposited in the account to award forgivable loans to political subdivisions for remediation or other brownfield redevelopment activities. The authority **shall**, in the manner provided by section 11 of this chapter, adopt guidelines to establish a political subdivision's eligibility for a forgivable loan. The guidelines **must** provide priority for projects that:

1. involve abandoned gas stations or underground storage tank issues; or
2. are located within one-half (0.5) mile of any of the following:
   (A) A child care center (as defined by IC 12-7-2-28.4).
   (B) A child care home (as defined by IC 12-7-2-28.6).
   (C) A child caring institution (as defined by IC 12-7-2-29).
   (D) A school age child care program (as defined by IC 12-17-12-5).
   (E) An elementary or a secondary school attended by students in kindergarten or grades 1 through 12.

(b) Not more than twenty percent (20%) of the total amount of loans provided for a project under this chapter may be in the form of a forgivable loan.

(c) The financial assistance agreement for a project to be financed with a forgivable loan must specify economic development or redevelopment goals for the project that must be achieved before the political subdivision will be released from its obligation to repay the forgivable loan.

**SECTION 183. IC 14-13-1-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:**

Sec. 30. (a) The acquisition, construction, or improvement of real property, a facility, a betterment, or an improvement constituting part of a project of the commission, including acquisition of the site for a project, may be financed in whole or in part by the issuance **before July 1, 2005**, of bonds payable solely out of the net income received from the operation of the real property, facility, betterment, or improvement.

(b) If the commission desires to finance an acquisition, a construction, or an improvement in whole or in part as provided in this section or sections 31 through 36 of this chapter, the commission must adopt a resolution authorizing the issuance of bonds. The resolution...
must set forth the following:

(1) The date on which the principal of the bonds matures, not exceeding forty (40) years from the date of issuance.
(2) The maximum interest rate to be paid on the bonds.
(3) Other terms and conditions upon which the bonds are issued.

c) The commission shall take all actions necessary to issue the bonds in accordance with the resolution. The commission may enter into a trust agreement with a trust company as trustee for the bondholders. An action to contest the validity of any bonds to be issued under this chapter may not be brought after the fifteenth day following the receipt of bids for the bonds.

SECTION 184. IC 14-13-1-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 36. (a) The commission may issue refunding bonds before July 1, 2005, in the name of the commission for the following purposes:

(1) Refunding any bonds then outstanding and issued under this chapter or under IC 14-6-29 (before its repeal), including payment of redemption premium and interest accrued or to accrue to the date of redemption of the outstanding bonds.
(2) If considered advisable by the commission, constructing improvements, extensions, or enlargements of a facility, a betterment, or an improvement in connection with which the bonds to be refunded have been issued.

(b) The issuance of the refunding bonds, the maturity dates and other details, and all rights, duties, and obligations of the holders of the refunding bonds and of the commission with respect to the refunding bonds are subject to this chapter.

SECTION 185. IC 14-14-1-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.5. This article:

(1) applies to the Indiana finance authority only when acting as the commission under this article for the purposes set forth in this article; and
(2) does not apply to the Indiana finance authority when acting under any other statute for any other purpose.

SECTION 186. IC 14-14-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. As used in this chapter, "commission" refers to the recreational development
commission created by this chapter: means the Indiana finance authority established by IC 4-4-11-4.

SECTION 187. IC 14-14-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. The recreational development commission is created. The commission is a body both corporate and politic; and The exercise by the commission of the powers conferred by this chapter in the acquisition, construction, improvement, operation, and maintenance of a park project is an essential governmental function of the state. For purposes of this chapter, the commission is a tax supported institution within the meaning of "agency" for the purposes of IC 34-30-9.

SECTION 188. IC 14-14-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 18. The commission may do the following:

(1) Adopt bylaws for the regulation of the commission's affairs and the conduct of the commission's business.
(2) Adopt an official seal that may not be the seal of the state.
(3) Maintain a principal office at the place within Indiana the commission designates.
(4) Sue and be sued and plead and be imploed in the commission's own name. All process shall be served on the commission by delivering a copy:
   (A) to the principal office of the commission with the person in charge or with the secretary of the commission; and
   (B) to the office of the attorney general;
(5) (1) Make and enter into all contracts, undertakings, and agreements necessary or incidental to the performance of the commission's duties and the execution of the commission's powers under this chapter. If the cost of a contract for construction or for the purchase of equipment, materials, or supplies involves an expenditure of more than twenty thousand dollars ($20,000), the commission shall make a written contract with the lowest and best bidder after advertisement for not less than two (2) consecutive weeks in a newspaper of general circulation in Marion County, Indiana, and in other publications if the commission determines. The notice must state the general character of the work and the general character of the materials to be furnished, the place where the plans and specifications may be
examined, and the time and place of receiving bids. Each bid
must contain the full name of every person or company interested
in the bid and must be accompanied by a sufficient bond or
certified check on a solvent bank that if the bid is accepted a
contract will be entered into and the performance of the bidder's
proposal secured. The commission may reject any and all bids. A
bond with good and sufficient surety approved by the commission
is required of all contractors in an amount equal to at least fifty
percent (50%) of the contract price conditioned upon the faithful
performance of the contract.

(6) (2) Employ employees, fix their compensation, and define
their duties.

(7) (3) Contract for the following:
(A) Services, including services of engineers, architects,
accountants, attorneys, financial advisers, project or
construction managers, consultants, and experts as well as
other contract services.
(B) Construction.
(C) Materials.
(D) Supplies.

(8) (4) Conduct studies of the financial feasibility of proposed
park projects.

(9) (5) Use the services of professional and other personnel
employed by a department or an agency of the state for purposes
of studying the feasibility of or designing, constructing, or
maintaining a park project.

(10) (6) Receive and accept:
(A) from a federal agency grants for or in aid of the
acquisition, construction, improvement, or development of a
park project; and
(B) aid or contributions from any source of money, property,
labor, or other things of value;
to be held, used, and applied only for the purposes, consistent
with the purposes of this chapter, for which the grants and
contributions may be made.

(11) (7) Provide coverage for the commission's employees under
IC 27-7-2 and IC 22-4.

(12) (8) Do all acts and things necessary or proper to carry out the
powers expressly granted in this chapter.

(13) (9) Hold, use, administer, and expend the money appropriated or transferred to the commission, administer a general operating fund, the revolving fund created by this chapter, create and administer any other fund considered desirable, and enter into a covenant or pledge with respect to a fund created.

(14) (10) Accept advances or grants from a state agency or fund authorized to make advances or grants and, for advances, enter into agreements concerning the repayment of the advance and repay the advances.

SECTION 189. IC 15-1.5-2-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 14. Before the issuance of any bonds under this chapter:

(1) the executive director of the commission;
(2) each member of the commission; and
(3) any other employee or agent of the commission authorized by resolution of the commission to handle funds or sign checks;

shall execute a surety bond in the penal sum of fifty thousand dollars ($50,000). If an individual described in subdivisions (1) through (3) is already covered by a bond required by state law, the individual need not obtain another bond if the bond required by state law is in at least the penal sum specified in this section and covers the individual’s activities for the authority. In lieu of this bond, the chairman of the commission may execute a blanket surety bond covering each member, the executive director, and the employees or other officers of the commission. Each surety bond must be conditioned upon the faithful performance of the individual’s duties, and shall be issued by a surety company authorized to transact business in Indiana as surety. At all times after the issuance of any surety bonds, these surety bonds shall be maintained in full force and effect. All costs of the surety bonds shall be borne by the commission.

SECTION 190. IC 15-1.5-3-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 10. The commission shall, promptly following the close of each fiscal year, submit an annual
report of its activities for the preceding year to the governor, the budget committee, and the general assembly. An annual report submitted under this section to the general assembly must be in an electronic format under IC 5-14-6. The report shall set forth a complete operating and financial statement of the commission during that year.

SECTION 191. IC 15-1.5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. (a) Subject to the approval of the governor, the commission may, by resolution, authorize and issue revenue bonds to:

(1) pay all or part of the cost of a project; or

(2) refund outstanding revenue bonds.

(b) The principal of and the interest on bonds must be payable solely from the revenues specifically pledged to the payment of the principal and the interest on the bonds.

(c) The bonds of each issue shall be dated and must mature at a time not exceeding thirty (30) years from the date of the bonds.

(d) The bonds may be made redeemable before maturity, at the option of the commission, at a price and under terms and conditions fixed by the commission.

(e) The commission shall determine the form of the bonds and shall fix the denomination of the bonds and the place of payment of principal and interest, which may be at any bank or trust company in the United States.

(f) The bonds shall be signed in the name of the commission by the commission chairman or by the facsimile signature of the commission chairman.

(g) The official seal of the commission, or a facsimile of the seal, must be affixed to the bonds and attested by the executive director of the commission.

(h) If an officer whose signature or a facsimile of whose signature appears on a bond ceases to be an officer before the delivery of the bonds, the signature or facsimile is nevertheless valid and sufficient for all purposes the same as if the officer had remained in office until the delivery.

(i) Bonds issued under this chapter have all the qualities and incidents of negotiable instruments under the laws of Indiana.

(j) Bonds may be issued in registered form.
(k) Bonds shall be sold in accordance with the requirements of IC 4-1-5.

(l) The commission shall cooperate with and use the assistance of the Indiana finance authority established under IC 4-4-11 in the issuance of the bonds.

SECTION 192. IC 15-7-4.9-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2.5. "Authority" refers to the Indiana development finance authority created by IC 4-4-11.

SECTION 193. IC 15-7-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1.5. This chapter:

1. applies to the authority only when acting for the purposes set forth in this chapter; and
2. does not apply to the authority when acting under any other statute for any other purpose.

SECTION 194. IC 16-22-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. As the tax is collected, the levies become a part of the hospital funds without further appropriation by the county fiscal body and may be invested in accordance with IC 16-22-3-20. The levies shall be separately accounted for as a hospital cumulative building fund and may not be used for any purposes other than that for which the cumulative building fund was established, except for the following:

1. A lease entered into with an authority or the Indiana health and educational facility financing authority established under IC 5-1-16-2 may provide that the lease agreement to pay lease rentals be paid in whole or in part from the hospital cumulative building fund.
2. If a loan has been obtained for the same purposes for which the cumulative building fund was established, the fund may be used to pay principal and interest on the bonds, notes, or other evidences of indebtedness of the hospital.

SECTION 195. IC 20-12-6-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. No bonds shall be issued by said the corporations under the provisions of this chapter without the specific approval of the state budget committee, budget agency, and the governor of the state of Indiana. The budget agency may request and consider the recommendation of the staff of the
Indiana finance authority with respect to the approval of a bond issue under this section.

SECTION 196. IC 20-12-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. No bonds shall be issued by the respective trustees under the provisions of this chapter without the specific approval of the state budget committee, budget agency, and the governor. The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

SECTION 197. IC 20-12-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 7. No bonds shall be issued by the corporations under the provisions of this chapter without the specific approval of the state budget committee, budget agency, and the governor. The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

SECTION 198. IC 20-12-63-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 1.5. This chapter:

1) applies to the authority only when acting for the purposes set forth in this chapter; and

2) does not apply to the authority when acting under any other statute for any other purpose.

SECTION 199. IC 20-12-63-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. For the purposes of this chapter, unless the context clearly requires otherwise, the following words are defined as follows:

1) "Authority" means refers to the Indiana health and educational facilities facility finance authority established by IC 5-1-16-2.

2) "Project" means:

(A) the acquisition, construction, enlarging, remodeling, renovation, improvement, furnishing, or equipping of an educational facility by the authority for a private institution of higher education; or

(B) the funding of any liability, other loss, or insurance
reserves or the funding and contribution of such insurance reserves or other capital to a risk retention group for the purpose of providing insurance coverage against liability claims or other losses.

(3) "Cost" means all costs necessary or incident to the acquisition, construction, or funding of a project, including the costs of refunding or refinancing outstanding indebtedness incurred for the financing of such project, reserves for principal and interest, engineering, legal, architectural and all other necessary and incidental expenses, together with interest on bonds issued to finance the project to a date six (6) months subsequent to the estimated date of completion.

(4) "Bonds" means revenue bonds, notes, bond anticipation notes, or other obligations of the authority issued under this chapter, including refunding bonds, notes, bond anticipation notes, or other obligations.

(5) "Bond resolution" means the resolution or resolutions and the trust agreement, if any, authorizing or providing for the terms and conditions applicable to bonds issued pursuant to this chapter.

(6) "Educational facility" means any property located within the state which:

(A) is suitable for:

(i) the instruction, feeding, recreation, or housing of students;
(ii) the conduct of research or other work of a private institution of higher education; or
(iii) use, by a private institution of higher education, in connection with any educational, research, or related or incidental activity conducted by the private institution of higher education;

(B) is suitable for use as or in connection with the following: an academic facility, administrative facility, agricultural facility, assembly hall, athletic facility, auditorium, boating facility, campus, communication facility, computer facility, continuing education facility, classroom, dining hall, dormitory, exhibition hall, firefighting facility, fire prevention facility, food service and preparation facility, gymnasium, greenhouse, health care facility, hospital, housing,
instructional facility, laboratory, library, maintenance facility, medical facility, museum, offices, parking area, physical education facility, recreational facility, research facility, stadium, storage facility, student union, study facility, theater, or utility;
(C) is not used or to be used for sectarian instruction or study or as a place for devotional activities or workshop; and
(D) is not used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination.

(7) "Eligible member" means a corporation defined under IC 20-12-6-1 or any private institution of higher education.
(8) "Liability or loss insurance reserves" means a fund or funds set aside as a reserve to cover risk retained by an eligible member in connection with liability claims or other losses.
(9) "Liability" means legal liability for damages (including costs of defense, legal costs and fees, and other claims expenses) because of injuries to other persons or entities, damage to the property or business of other persons or entities, or other damage or loss to such other persons or entities resulting from or arising out of any activity of an eligible member.
(10) "Private institution of higher education" means a nonprofit educational institution with a principal office in Indiana that:
(A) is not owned or controlled by the state of Indiana or any political subdivision, agency, instrumentality, district, or municipality of the state of Indiana;
(B) is authorized by law to provide a program of education beyond the high school level;
(C) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;
(D) provides an educational program:
   (i) for which the institution awards an associate degree;
   (ii) for which the institution awards a bachelors degree;
   (iii) admission into which is conditioned upon the prior attainment of a bachelor's degree or equivalent, for which the institution awards either a post graduate degree or provides not less than a two (2) year program which is
acceptable for full credit toward a post graduate degree; or
(iv) of two (2) years duration in engineering, mathematics,
or the physical or biological sciences which is designed to
prepare the student to work as a technician and at a
semiprofessional level in engineering, scientific, or other
technological fields which require the understanding and
application of basic engineering, scientific, or mathematical
principles or knowledge;
(E) is accredited by a nationally recognized accrediting agency
or association or, if not so accredited, is an institution whose
credits are accepted on transfer by not less than three (3)
institutions which are so accredited for credit on the same
basis as if transferred from an institution so accredited; and
(F) does not discriminate in the admission of students on the
basis of race, color, or creed.
(11) "Property" means any real, personal, or mixed property, or
any interest therein, including, without limitation, any real estate,
appurtenances, buildings, easements, equipment, furnishings,
furniture, improvements, machinery, rights-of-way and structures,
or any interest therein.
(12) "Revenues" means with respect to any project the rents, fees,
charges, and other income or profit derived therefrom.
(13) "Risk retention group" means a trust, pool, corporation,
limited liability company, partnership, or joint venture funded by
and owned and operated for the benefit of more than one (1)
eligible member.

SECTION 200. IC 20-12-63-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 11. The authority shall
have the following functions and powers: set forth in this section:
(1) The authority may adopt rules and bylaws for the regulation
of the authority's business:
(2) The authority may adopt an official seal and alter the official
seal:
(3) The authority may maintain an office at a place or places
designated by the authority:
(4) The authority may sue and be sued; plead and be impleaded in
the authority's own name:
(5) (1) The authority may determine the location and character of
any project to be financed under this chapter. The authority may construct, reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease as lessee or lessor, regulate any project, or enter into contracts for any purpose stated in this subdivision. The authority may designate a private institution of higher education as the authority's agent to carry out the authority of this subsection.

(6) (2) The authority may issue bonds or fund and refund bonds as provided in this chapter.

(7) (3) The authority may require that the rates, rents, fees, or charges established by a private institution of higher education are sufficient to discharge the institution's obligations to the authority but shall have no other jurisdiction over such rates, rents, fees, or charges.

(8) (4) The authority may establish rules for the use of a project or any portion thereof and designate a private institution of higher education as the authority's agent to establish rules for the use of a project undertaken for that institution.

(9) (5) The authority may employ consulting engineers, architects, attorneys, accountants, trustees, construction and financial experts, superintendents, managers, and such other employees and agents as may be necessary in the authority's judgment, and fix their compensation.

(10) (6) The authority may receive and accept from any source loans, contributions, or grants for or in aid of the construction or funding of a project or any portion thereof in either money, property, labor, or other things of value and, when required, use such funds, property, or labor only for the purposes for which the money, property, or labor was loaned, contributed, or granted.

(11) (7) The authority may make loans to any private institution of higher education for the cost of a project, including the establishment of liability or other loss insurance reserves or the contribution of those reserves to a risk retention group for the purpose of providing insurance coverage against liability claims or other losses in accordance with an agreement between the authority and the private institution of higher education. No such loan may exceed the total cost of the project as determined by such institution and approved by the authority.
The authority may make loans to a private institution of higher education to refund outstanding obligations or advances issued, made, or given by such institution for the cost of a project, including the establishment of liability or other loss insurance reserves or the contribution of those reserves to a risk retention group for the purpose of providing insurance coverage against liability claims or other losses. In addition, the authority may issue bonds and make loans to a private institution of higher education to refinance indebtedness incurred or to reimburse advances made for projects undertaken prior to the date of the bond issue whenever the authority finds that such financing is in the public interest and either:

(A) alleviates a financial hardship upon the private institution of higher education;
(B) results in a lesser cost of education; or
(C) enables the private institution of higher education to offer greater security for a loan or loans to finance a new project or projects or to effect savings in interest costs or more favorable amortization terms.

The authority may charge to and apportion among private institutions of higher education the authority’s administrative costs and expenses incurred in the exercise of the powers and duties conferred by this chapter.

The authority may, for financing purposes, combine a project or projects and some or all future projects of any private institution or institutions of higher education provided that:

(A) the authority obtains the consent of all of the private institutions of higher education which are involved, or when financing loans for the funding of liability or other loss insurance reserves or for the providing of those reserves or other capital to be contributed to a risk retention group, the authority obtains the consent of all of the eligible members that are involved; and
(B) the money set aside in any fund or funds pledged for any series of bonds or issue of bonds are held for the sole benefit of such series or issue separate and apart from the money pledged for any other series or issue of bonds of the authority.

To facilitate the combining of projects, bonds may be issued in
series under one (1) or more resolutions or trust agreements and be fully open end, thus providing for unlimited issuance of additional series, or partially open end, limited as to additional series, all in the discretion of the authority. Notwithstanding any provision of this chapter to the contrary, the authority may permit a private institution of higher education to substitute one (1) or more educational facilities of similar value (as determined by an independent appraiser satisfactory to the authority) as security for any educational facility financed under this chapter on such terms and conditions as the authority may prescribe.

(15) The authority may mortgage all or any portion of any project and any other educational facilities conveyed to the authority for such purpose and the site or sites thereof, whether presently owned or subsequently acquired, for the benefit of the holders of the bonds of the authority issued to finance such project or any portion thereof or issued to refund or refinance outstanding indebtedness of a private institution of higher education as permitted by this chapter.

(16) The authority may join in a risk retention group with corporations (as defined in IC 20-12-6-1) or any private institution of higher education.

(17) The authority may do all things necessary to carry out the purposes of this chapter.

SECTION 201. IC 20-12-63-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]:

Sec. 22. Except as otherwise provided in section 21(c) of this chapter or in any trust indenture providing for the issuance of bonds, the authority may invest:

any funds in:

(1) direct obligations of the United States of America;

(2) obligations on which the timely payment of principal and interest is fully guaranteed by the United States of America;

(3) obligations of the federal banks for cooperatives; farm credit banks; federal home loan banks; Federal National Mortgage Association and Government National Mortgage Association; and

(4) certificates of deposit or time deposits constituting direct obligations of any bank as defined in IC 28-1-1 through IC 28-1-23; but only in those certificates of deposit or time deposits in banks which are insured by the Bank Insurance Fund.
of the Federal Deposit Insurance Corporation; if then in existence: Any such securities may be purchased at their offering or market price at the time of the purchase. All such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of the authority; the funds so invested will be required for expenditure. The express judgment of the authority as to the time when any funds will be required for expenditure or be redeemable is final and conclusive:

(1) the authority’s money, funds, and accounts;
(2) any money, funds, and accounts in the authority’s custody; and
(3) proceeds of bonds or notes;

in the manner provided by an investment policy established by resolution of the authority.

SECTION 202. IC 20-12-63-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 26. (a) Notwithstanding any other provision of this chapter to the contrary, the authority may:

(1) finance the cost of an educational facility or refund outstanding indebtedness of a private institution of higher education, as authorized under section 11(12) of this chapter; or
(2) finance the establishment of liability or other loss insurance reserves or the contribution of such reserves or other capital to a risk retention group for the purpose of providing insurance coverage against liability claims or other losses;

by issuing its bonds for the purpose of loaning the proceeds to a private institution of higher education for the cost of a project or to refund or refinance outstanding indebtedness or reimburse advances made in connection with a project in accordance with an agreement between the authority and the institution and in exchange for the institution’s promissory note or notes. Any such promissory notes shall have the same principal amounts, maturities, and interest rates as the bonds so being issued, may be secured by a first mortgage lien on the educational facility so being financed or by a first mortgage lien or security interest in other real or personal property or funds acceptable to the authority subject to such exceptions as the authority may approve and created by a mortgage instrument or security agreement
satisfactory to the authority, and may be insured or guaranteed by others. Any such bonds shall be payable solely out of the payments to be made on such promissory notes and under such agreement and shall not exceed in principal amount the cost of such educational facility, as determined by the private institution of higher education, or the necessary amount of these liability or other loss insurance reserves, and approved by the authority. In other respects any such bonds shall be subject to the provisions of section 15(c) of this chapter and the trust agreement or indenture creating such bonds may contain such of the provisions set forth in section 15(d) of this chapter as the authority may deem appropriate.

(b) In the event that an educational facility is financed and mortgaged pursuant to this section, the title to such facility shall remain in the private institution of higher education owning the same, subject to the lien of the mortgage securing the promissory notes then being purchased, and there shall be no lease of such facility between the authority and such institution.

(c) The provisions of section 14 of this chapter shall not apply to any educational facility or any liability or other loss insurance reserves financed pursuant to this section, but the authority shall return the promissory notes purchased through the issuance of bonds under this chapter to the private institution of higher education issuing such promissory notes when:

   (1) such bonds have been fully paid and retired or adequate provision has been made to pay and retire the same fully;
   (2) all other conditions of the trust agreement or indenture creating such bonds have been satisfied; and
   (3) the lien thereof has been released in accordance with the provisions thereof.

SECTION 203. IC 27-1-29-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 17. (a) As used in this section:

   (1) "basic fund" refers to the political subdivision risk management fund established by this chapter; and
   (2) "catastrophic fund" refers to the political subdivision catastrophic liability fund established by IC 27-1-29.1.

(b) Before July 1, 2005, the commission may issue its bonds or notes in amounts that it considers necessary to provide funds to:
(1) establish or maintain the reserve account in the catastrophic fund provided for in IC 27-1-29.1-8;
(2) provide for the payment of liabilities payable out of the basic fund to the extent such liabilities exceed the money in the basic fund; and
(3) pay, fund, or refund, regardless of when due, the principal of or interest or redemption premiums on bonds or notes issued under subdivision (1) or (2).

Bonds or notes issued under subdivision (2) must mature within three (3) years after their date of issuance.

(c) The bonds or notes of the commission may be issued and sold by the commission to the Indiana bond bank under IC 5-1.5.

(d) Every issue of bonds or notes is an obligation of the commission. An issue of bonds or notes under subsection (b)(1) is payable solely from assessments imposed by the commission under IC 27-1-29.1 on political subdivisions that are members of the catastrophic fund, and the commission may secure such bonds or notes by a pledge of assessments imposed under IC 27-1-29.1. An issue of bonds or notes under subsection (b)(2) is payable solely from assessments imposed by the commission under section 12 of this chapter on political subdivisions that are members of the basic fund, and the commission may secure such bonds or notes by a pledge of assessments imposed under section 12 of this chapter.

(e) A bond or note of the commission:
(1) is not a debt, liability, loan of credit, or pledge of the faith and credit of the state; and
(2) must contain on its face a statement that the commission is obligated to pay principal and interest, and the redemption premium, if any, and that the faith, credit, and taxing power of the state are not pledged to the payment of the bond or note.

(f) The state pledges to and agrees with the holders of the bonds or notes issued under this chapter that the state will not:
(1) limit or restrict the rights vested in the commission to fulfill the terms of any agreement made with the holders of its bonds or notes; or
(2) in any way impair the rights or remedies of the holders of the bonds or notes;

until the bonds or notes, together with the interest on the bonds or
notes, and interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the holders, are fully met, paid, and discharged.

(g) The bonds or notes of the commission are negotiable instruments for all purposes of IC 26-1, subject only to the provisions of the bonds and notes for registration.

(h) Bonds or notes of the commission must be authorized by resolution of the commission, may be issued in one (1) or more series, and must:

1. bear the date;
2. mature at the time or times;
3. be in the denomination;
4. be in the form;
5. carry the conversion or registration privileges;
6. have the rank or priority;
7. be executed in the manner;
8. be payable from the sources in the medium of payment at the place inside or outside the state; and
9. be subject to the terms of redemption;

as the resolution of the commission or the trust agreement securing the bonds or notes provides.

(i) Bonds or notes may be issued under this chapter without obtaining the consent of any agency of the state and without any other proceeding or condition other than the proceedings or conditions specified in this chapter.

(j) The rate or rates of interest on the bonds or notes may be fixed or variable. Variable rates shall be determined in the manner and in accordance with the procedures set forth in the resolution authorizing the issuance of the bonds or notes. Bonds or notes bearing a variable rate of interest may be converted to bonds or notes bearing a fixed rate or rates of interest, and bonds or notes bearing a fixed rate or rates of interest may be converted to bonds or notes bearing a variable rate of interest, to the extent and in the manner set forth in the resolution pursuant to which the bonds or notes are issued. The interest on bonds or notes may be payable semiannually or annually or at any other interval or intervals as may be provided in the resolution, or the interest may be compounded and paid at maturity or at any other times as may be specified in the resolution.
(k) The bonds or notes may be made subject, at the option of the holders, to mandatory redemption by the commission at the times and under the circumstances set forth in the authorizing resolution.

(l) Bonds or notes of the commission may be sold at public or private sale at such price, either above or below the principal amount, as the commission fixes. If bonds or notes of the commission are to be sold at public sale, the commission shall comply with IC 5-1-11 and shall publish notice of the sale in accordance with IC 5-3-1-2 in two (2) newspapers published and of general circulation in Indianapolis.

(m) The commission may periodically issue its notes under this chapter and pay and retire the principal of the notes, pay the interest due on the notes, or fund or refund the notes from proceeds of bonds or of other notes or from other funds or money of the commission available for that purpose in accordance with a contract between the commission and the holders of the notes.

(n) The commission may secure any bonds or notes issued under this chapter by a trust agreement by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside Indiana.

(o) The trust agreement or the resolution providing for the issuance of the bonds or notes may contain provisions for protecting and enforcing the rights and remedies of the holders of any such bonds or notes as are reasonable and proper and not in violation of law.

(p) The trust agreement or resolution may set forth the rights and remedies of the holders of any bonds or notes and of the trustee and may restrict the individual right of action by the holders.

(q) In addition to the provisions of subsections (n) through (p), any trust agreement or resolution may contain other provisions the commission considers reasonable and proper for the security of the holders of any bonds or notes.

(r) All expenses incurred in carrying out the provisions of the trust agreement or resolution may be paid from assessments, revenues, or assets pledged or assigned to the payment of the principal of and the interest on bonds and notes or from any other funds available to the commission.

(s) Notwithstanding the restrictions of any other law, all financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees, and other
fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds or notes issued under this chapter.

(i) All bonds or notes issued under this chapter are issued by a body corporate and politic of this state, but not a state agency, and for an essential public and government purpose and the bonds and notes, the interest thereon, the proceeds received by a holder from the sale of the bonds or notes to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, and proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 204. IC 28-5-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 6. (a) Every company may exercise all the powers conferred upon domestic corporations by IC 23-1 but only to the extent that those powers may be necessary, convenient, or expedient to accomplish the purposes for which it is organized. Subject to the restrictions and limitations contained in this chapter, every company may exercise the following powers:

(1) To issue, negotiate, and sell its secured or unsecured certificates of investment or indebtedness, subject to subdivision (17), upon terms and conditions, in any form, and payable at times that are not inconsistent with this chapter and, subject to subsection (c), bearing a rate of interest approved by the department.

(2) To make, purchase, discount, or otherwise acquire extensions of credit under IC 24-4.5.

(3) To lend money without security or upon the security of comakers, personal endorsement, or the mortgage of real or personal property or the mortgage or pledge of bailment leases or rentals due and to become due thereunder and other choses in action, and to contract for interest, discount, fees, charges, or other consideration fixed or permitted by any laws of Indiana concerning interest, discount, or usury.

(4) To discount, purchase, or otherwise acquire notes, bills of exchange, acceptances, bailment leases, and the property covered thereby or the rentals due or to become due thereunder or other
chooses in action and, subject to such restrictions the department imposes, to become owner or lessor of personal or real property acquired upon the request and for the use of a customer, and to incur additional obligations incident to becoming an owner or lessor of the property. The liability of a lessee under the lease does not constitute an obligation (as defined in section 8 of this chapter).

(5) To purchase or construct buildings and hold legal title to them, to be leased for public purposes to municipal corporations or other public authorities having resources sufficient to make payment of all rentals as they become due. Each lease agreement shall provide that upon expiration, the lessee shall become owner of the building.

(6) To invest in bonds, notes, or certificates which are:
   (A) the direct or indirect obligations of the United States or of the state;
   (B) obligations of mutual funds or financial institutions if the obligations represent a participation in a fund invested in, or are secured by, direct or indirect obligations of the United States owned by the mutual fund or financial institution;
   (C) the direct obligations of a civil or school county, township, city, town, other taxing district, municipality of Indiana;
   (D) a special taxing district in Indiana;
   (E) issued by or in the name of:
       (i) the trustees of Indiana University;
       (ii) the trustees of Purdue University;
       (iii) the trustees of Ball State University;
       (iv) the trustees of Indiana State University; or
       (v) the Indiana health and educational facilities facility finance authority under IC 20-12-63;
   (F) issued by or in the name of any municipality of Indiana and payable from the revenues to be derived from the operation of facilities for the production or distribution of water, electricity, gas, or from the operation of sewage works; or
   (G) the obligations of any Indiana toll road commission, public library, or schoolhouse holding corporation first mortgage bonds;
which district, municipality, taxing unit, or corporation is not then
in default in the payment of either principal or interest on any of its funded obligations and has not so defaulted for a period of more than six (6) months within the five (5) year period immediately preceding the purchase of the securities.

(7) To invest in bonds, notes, or debentures rated in one (1) of the first four (4) classifications established by one (1) or more standard rating services specified by the department that satisfy requirements of marketability prescribed periodically by the department that are the obligations of a person, a firm, a limited liability company, a corporation, a state, a territory, an insular possession of the United States, or a county, township, town, city, taxing district, or municipality thereof which is not then in default in the payment of either principal or interest on any of its funded obligations and has not so defaulted within the five (5) year period immediately preceding the purchase of the securities and other investment securities prescribed by the department by rule.

As used in this section, the term "investment securities" means marketable obligations evidencing indebtedness of a person, firm, limited liability company, or corporation in the form of bonds, notes, or debentures commonly known as "investment securities" and the definition of the term "investment securities" prescribed by the department by rule. Except as is otherwise provided in this chapter or otherwise permitted by law, nothing contained in this subdivision authorizes the purchase by an industrial loan and investment company of shares of stock or other securities, unless the purchase is necessary to prevent loss under a debt previously contracted in good faith and stocks or other securities so purchased or acquired shall, within six (6) months from the time of its purchase, be sold or disposed of at public or private sale, unless otherwise ordered by the department.

(8) To invest in bonds or debentures issued under and by the authority of the Federal Home Loan Bank Act (12 U.S.C. 1421 through 1429), or of the Home Owners' Loan Act (12 U.S.C. 1461 through 1468), or obligations issued by or for farm credit banks, and banks for cooperatives under the Farm Credit Act of 1971 (12 U.S.C. 2001 through 2279aa-14).

(9) To invest in insured shares of an insured savings association organized under the laws of Indiana, and in insured shares of an
insured federal savings association whose principal place of business is located in Indiana; and in certificates of indebtedness or investment of an industrial loan and investment company organized under the laws of Indiana. However, not more than twenty percent (20%) of the resources of the company may be invested in the insured shares of any such association nor more than ten percent (10%) of sound capital in such certificates of industrial loan and investment companies.

(10) To make loans and advances of credit and purchases of obligations representing loans and advances of credit as are eligible for insurance by the federal housing administrator, and to obtain insurance from the administrator.

(11) To make loans secured by mortgage on real property or leasehold, insured by the federal housing administrator, or makes a commitment to insure and to obtain insurance from the administrator.

(12) To purchase, invest in, and dispose of notes or bonds secured by mortgage or trust deed insured by the federal housing administrator or debentures issued by the federal housing administrator, or bonds or other securities insured by national mortgage associations.

(13) To discount, purchase, or otherwise acquire charge accounts, and drafts and bills of exchange evidencing charge accounts and to impose and collect monthly service charges and maintenance charges on charge accounts, drafts, or bills of exchange which are owned or acquired in amounts agreed upon between the company and the obligor, or obligors, on charge accounts, drafts, and bills of exchange.

(14) To purchase or otherwise acquire property, real or personal, tangible or intangible, in which the company has a security interest to secure a debt owing to the company contracted in good faith or the purchase or acquisition of which property is considered expedient to prevent loss from a debt owing to the company contracted in good faith, and for such purpose to engage in any lawful business considered necessary or expedient by the company to preserve, protect, or make saleable the property. Property thus purchased or acquired shall be sold and disposed of within two (2) years, or a longer period permitted by the
department, after the purchase or acquisition.

(15) To act as trustee of a trust created in the United States and forming part of a stock bonus, pension, or profit sharing plan that is qualified for tax treatment under Section 401(d) of the Internal Revenue Code, and to act as trustee or custodian of an individual retirement account within the meaning of Section 408 of the Internal Revenue Code, if the funds of that trust or account are only invested in certificates of investment or indebtedness of the company or in obligations or securities issued by that company. All funds held under this subdivision in a fiduciary capacity may be commingled by the company for appropriate investment purposes. However, individual records shall be kept by the fiduciary for each participant and shall show in proper detail all transactions engaged in under the authority of this subdivision.

(16) To do anything necessary and appropriate to obtain or maintain federal deposit insurance under the Federal Deposit Insurance Corporation Act (12 U.S.C. 1811 through 1833e) or insurance under any other federal or Indiana law providing insurance for certificates of investment or indebtedness issued by a company. A company that obtains and maintains federal deposit insurance is not required to obtain approval from the department concerning the rate of interest payable on, or the form, the terms, or the conditions of the certificates of investment or indebtedness issued by a company. A company that obtains and maintains federal deposit insurance may exercise all of the powers that are conferred upon institutions maintaining federal deposit insurance that are not in conflict with Indiana law.

(17) To become a member of a federal home loan bank and acquire, own, pledge, sell, assign, or otherwise dispose of shares of the capital stock of a federal home loan bank.

(18) To borrow money and procure advances from a federal home loan bank and to transfer, assign to, and pledge with the federal home loan bank any of the bonds, notes, contracts, mortgages, securities, or other property of the company held or acquired as security for the payment of the loans and advances.

(19) To possess and exercise all rights, powers, and privileges conferred upon and do and perform all acts and things required of members or shareholders of a federal home loan bank, or by the provisions of 12 U.S.C. 1421 through 1449.
(20) Subject to section 6.3 of this chapter, to exercise the rights and privileges (as defined in section 6.3(a) of this chapter) that are or may be granted to national banks domiciled in Indiana.

(b) No law of this state prescribing the nature, amount, or form of security or requiring security upon which loans or advances of credit may be made, or prescribing or limiting interest rates upon loans or advances of credit, or prescribing or limiting the period for which loans or advances of credit may be made, applies to loans, advances of credit, or purchases made pursuant to subsection (a)(10), (a)(11), or (a)(12).

(c) If any national or state chartered bank or savings association is not limited by law with regard to the rate of interest payable on any type or category of checking account, savings account, or deposit, certificate of deposit, membership share, or other account, then industrial loan and investment companies are similarly not limited with regard to the interest payable on certificates of investment or indebtedness.

SECTION 205. IC 34-30-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 2. IC 4-4-11-30 and IC 4-4-21-23 (Concerning members, officers, employees, and agents of the Indiana development finance authority for acts authorized by law).

SECTION 206. IC 34-30-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 3. IC 4-13.5-4-4(g) (Concerning the state for monetary damages for obligations of or violation by the state office building commission: Indiana finance authority).

SECTION 207. IC 34-30-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 8. IC 5-1-16-28 (Concerning bonds issued for an by the Indiana health and educational facility financing authority under IC 5-1-16).

SECTION 208. IC 34-30-2-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 25. IC 8-14.5-6-11 (Concerning the state for violations of IC 8-14.5 or for payments of bonds or notes of the Indiana transportation finance authority).

SECTION 209. IC 34-30-2-87 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 87. IC 20-12-63-15 (Concerning members of, and persons executing bonds for, the Indiana health and educational facilities facility finance authority under IC 20-12-63).
SECTION 210. IC 36-7-15.2-15 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 15. The determination
of the commission to create a district under this chapter must be
approved by ordinance of the legislative body of the unit before the
commission transmits its resolution to the Indiana development finance
authority and the department of state revenue under section 16 of this
chapter.

SECTION 211. IC 36-7-15.2-16 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE MAY 15, 2005]: Sec. 16. Within thirty (30)
days after the approval of the creation of the district by the unit under
section 15 of this chapter, the commission shall transmit to the
department of state revenue and the Indiana development finance
authority the following:

(1) A certified copy of the resolution designating the district.
(2) A complete list of street names and the range of street
numbers of each street located within the district.
(3) Information concerning the proposed redevelopment and
economic development of the district, which information may be
modified from time to time after the initial filing.
(4) A certificate by the presiding officer of the commission stating
that the commission will pursue the implementation of the plan
for the redevelopment and economic development of the district
in an expeditious manner.

SECTION 212. THE FOLLOWING ARE REPEALED
[EFFECTIVE MAY 15, 2005]: IC 4-13.5-1-1.5; IC 4-13.5-1-2;
IC 4-13.5-1-3.1; IC 4-13.5-1-4; IC 4-13.5-5; IC 5-1-16-10;
IC 8-9.5-8-2; IC 8-9.5-8-3; IC 8-9.5-8-4.1; IC 8-14.5-3-8;
IC 13-19-5-4; IC 13-19-5-5; IC 13-19-5-16; IC 14-14-1-8;
IC 14-14-1-9; IC 14-14-1-10; IC 14-14-1-11; IC 14-14-1-12;
IC 14-14-1-13; IC 14-14-1-14; IC 14-14-1-15; IC 14-14-1-15.5;
IC 20-12-63-4; IC 20-12-63-5; IC 20-12-63-6; IC 20-12-63-7;
IC 20-12-63-8; IC 20-12-63-9; IC 20-12-63-10; IC 20-12-63-11.5;
IC 20-12-63-27.5.

SECTION 213. [EFFECTIVE MAY 15, 2005] (a) As used in this
SECTION, "entity" means the following:

(1) The Indiana development finance authority.
(2) The state office building commission.
(3) The Indiana transportation finance authority.

(4) The recreational development commission.

(b) As used in this SECTION, "IFA" means the Indiana finance authority established by IC 4-4-11-4, as amended by this act.

(c) On May 15, 2005, all powers, duties, and liabilities of each entity are transferred to the IFA, as the successor agency.

(d) On May 15, 2005, all records and property of each entity, including appropriations and other funds under the control or supervision of the entity, are transferred to the IFA, as the successor agency.

(e) After May 14, 2005, any amounts owed to an entity before May 15, 2005, are considered to be owed to the IFA, as the successor agency.

(f) After May 14, 2005, a reference to an entity in a statute, rule, or other document is considered a reference to the IFA, as the successor agency.

(g) All powers, duties, and liabilities of an entity with respect to bonds issued by that entity in connection with any trust agreement or indenture securing those bonds are transferred to the IFA, as the successor agency. The rights of the trustee under any trust agreement or indenture and the rights of the bondholders of an entity remain unchanged, although the powers, duties, and liabilities of the entity have been transferred to the IFA, as the successor agency.

SECTION 214. [EFFECTIVE MAY 15, 2005] (a) On May 15, 2005, all powers, duties, and liabilities of:

1) the Indiana health facility financing authority; and

2) the Indiana educational facilities authority;

are transferred to the Indiana health and educational facility financing authority established by IC 5-1-16-2, as amended by this act, as the successor agency.

(b) On May 15, 2005, all records and property of:

1) the Indiana health facility financing authority; and

2) the Indiana educational facilities authority;

including appropriations and other funds under their control or supervision, are transferred to the Indiana health and educational facility financing authority established by IC 5-1-16-2, as amended by this act, as the successor agency.

(c) After May 14, 2005, any amounts owed to:
(1) the Indiana health facility financing authority; and
(2) the Indiana educational facilities authority;
before May 15, 2005, are considered to be owed to the Indiana
health and educational facility financing authority established by
IC 5-1-16-2, as amended by this act, as the successor agency.
(d) After May 14, 2005, a reference to:
(1) the Indiana health facility financing authority; and
(2) the Indiana educational facilities authority;
in a statute, rule, or other document is considered a reference to
the Indiana health and educational facility financing authority
established by IC 5-1-16-2, as amended by this act, as the successor
agency.
(e) All powers, duties, and liabilities of:
(1) the Indiana health facility financing authority; and
(2) the Indiana educational facilities authority;
with respect to bonds issued in connection with any trust
agreement or indenture securing those bonds are transferred to the
Indiana health and educational facility financing authority
established by IC 5-1-16-2, as amended by this act, as the successor
agency. The rights of the trustee under any trust agreement or
indenture described in this subsection and the rights of the holders
of any bonds described in this subsection remain unchanged,
although the powers, duties, and liabilities of the issuer have been
transferred to the Indiana health and educational facility financing
authority established by IC 5-1-16-2, as amended by this act, as the
successor agency.
SECTION 215. [EFFECTIVE MAY 15, 2005] (a) On May 15,
2005, all powers, duties, agreements, and liabilities of the treasurer
of state, the auditor of state, the department of environmental
management, and the budget agency with respect to:
(1) the wastewater revolving loan program established by
IC 13-18-13-1;
(2) the drinking water revolving loan program established by
IC 13-18-21-1; and
(3) the supplemental drinking water and wastewater
assistance program established by IC 13-18-21-21;
are transferred to the Indiana finance authority, as the successor
agency, for the limited purposes described in subdivisions (1)
through (3).
(b) On May 15, 2005, all records, money, and other property of the treasurer of state, the auditor of state, the department of environmental management, and the budget agency with respect to:

1. the wastewater revolving loan program established by IC 13-18-13-1;
2. the drinking water revolving loan program established by IC 13-18-21-1; and
3. the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21;

are transferred to the Indiana finance authority as the successor agency for the limited purposes described in subdivisions (1) through (3).

(c) After May 14, 2005, 85 IAC 1, 85 IAC 2, 327 IAC 13, and 327 IAC 14 are void. The publisher of the Indiana Administrative Code and the Indiana Register shall remove these articles from the Indiana Administrative Code.

(d) After May 14, 2005, any proposed rules amending 85 IAC 1, 85 IAC 2, 327 IAC 13, or 327 IAC 14 that were officially proposed and published in the Indiana Register before May 15, 2005, shall be treated as if they were withdrawn under IC 4-22-2-41.

(e) On May 15, 2005, all powers, duties, agreements, and liabilities of the Indiana bond bank, the Indiana department of environmental management, and the budget agency with respect to:

1. the outstanding bonds issued for:
   (A) the wastewater revolving loan program established by IC 13-18-13-1; or
   (B) the drinking water revolving loan program established by IC 13-18-21-1; and
2. any trust agreement or indenture, security agreement, purchase agreement, or other undertaking entered into in connection with the bonds described in subdivision (1);

are transferred to the Indiana finance authority, as the successor agency, for the limited purposes described in subdivisions (1) and (2). The rights of the trustee and the bondholders with respect to any bonds or any trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in this subsection remain the same, although the powers, duties,
agreements, and liabilities of the Indiana bond bank have been transferred to the Indiana finance authority and the Indiana finance authority shall be considered to have assumed all those powers, duties, agreements, and liabilities as if the Indiana finance authority were the Indiana bond bank for those limited purposes.

SECTION 216. [EFFECTIVE MAY 15, 2005] (a) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by:
   (1) the establishment of the Indiana finance authority; and
   (2) changing the name of the Indiana housing finance authority to the Indiana housing and community development authority, as provided by IC 5-20-1-3, as amended by this act.
(b) This SECTION expires July 1, 2006.

SECTION 217. [EFFECTIVE MAY 15, 2005] After May 14, 2005, a reference to the Indiana housing finance authority in a statute, rule, or other document is considered a reference to the Indiana housing and community development authority established by IC 5-20-1-3, as amended by this act, as the successor agency.

SECTION 218. [EFFECTIVE MAY 15, 2005] (a) A representative of the Indiana finance authority shall, at a meeting of the budget committee before January 1, 2006, present a report concerning the implementation of this act.
(b) This SECTION expires July 1, 2006.

SECTION 219. [EFFECTIVE MAY 15, 2005] (a) The terms of office of the members of:
   (1) the Indiana development finance authority;
   (2) the state office building commission;
   (3) the Indiana transportation finance authority; and
   (4) the recreational development commission;

(b) Notwithstanding IC 4-4-11-5, as amended by this act, the initial terms of office of the three (3) members appointed by the governor to the Indiana finance authority are as follows:
   (1) One (1) member for a term of one (1) year.
   (2) Two (2) members for a term of two (2) years.
(c) The initial terms begin May 15, 2005.
(d) This SECTION expires July 1, 2006.

SECTION 220. [EFFECTIVE MAY 15, 2005] (a) The terms of
office of the members of:
   (1) the Indiana health facility financing authority; and
   (2) the Indiana educational facilities authority;

(b) Notwithstanding IC 5-1-16-3, as amended by this act, the
initial terms of office of the four (4) members appointed by the
governor to the Indiana health and educational facility financing
authority under IC 5-1-16-3, as amended by this act, are as follows:
   (1) Two (2) members for a term of two (2) years.
   (2) Two (2) members for a term of four (4) years.
(c) The initial terms begin May 15, 2005.
(d) This SECTION expires July 1, 2006.

SECTION 221. [EFFECTIVE MAY 15, 2005] (a) The terms of
office of the members of the Indiana housing finance authority

(b) Notwithstanding IC 5-20-1-3, as amended by this act, the
initial terms of office of the four (4) members appointed by the
governor to the Indiana housing and community development
authority established by IC 5-20-1-3, as amended by this act, are
as follows:
   (1) Two (2) members for a term of two (2) years.
   (2) Two (2) members for a term of four (4) years.
(c) The initial terms begin May 15, 2005.
(d) This SECTION expires July 1, 2006.

SECTION 222. [EFFECTIVE MAY 15, 2005] IC 6-3.1-9-1,
IC 6-3.1-9-2, and IC 6-3.1-9-4, all as amended by this act, apply to
applications for tax credits filed under IC 6-3.1-9 after May 14,
2005.

SECTION 223. [EFFECTIVE MAY 15, 2005] (a) Notwithstanding
the transfer of responsibility for administration of the individual
development accounts program to the lieutenant governor by
P.L.4-2005, SECTION 151, beginning May 15, 2005:
   (1) the Indiana housing finance authority is responsible for
   the administration of the program;
   (2) any rules, policies, or guidelines adopted by the
department of commerce or the lieutenant governor
concerning the program are considered rules, policies, and
guidelines of the Indiana housing finance authority until the
authority adopts replacement rules, policies, or guidelines;
(3) the Indiana housing finance authority becomes the owner of all property and obligations relating to the program; and
(4) any appropriations relating to the program are transferred to the Indiana housing finance authority.
(b) This SECTION expires July 1, 2007.
SECTION 224. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-8.1-3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Before an original tax appeal is filed with the tax court under IC 33-26, the commissioner may settle any tax liability dispute if a substantial doubt exists as to:

1. the constitutionality of the tax under the Constitution of the State of Indiana;
2. the right to impose the tax;
3. the correct amount of tax due;
4. the collectibility of the tax; or
5. whether the taxpayer is a resident or nonresident of Indiana.

(b) After an original tax appeal is filed with the tax court under IC 33-26, and notwithstanding IC 4-6-2-11, the commissioner may settle a tax liability dispute with an amount in contention of twenty-five thousand dollars ($25,000) or less. (c) Notwithstanding IC 6-8.1-7-1(a), the terms of a settlement under this subsection (b) are available for public inspection.

(c) The department shall establish an amnesty program for taxpayers having an unpaid tax liability for a listed tax that was due and payable for a tax period ending before July 1, 2004. A taxpayer is not eligible for the amnesty program for any tax liability resulting from the taxpayer's failure to comply with IC 6-3-1-3.5(b)(3) with regard to the tax imposed by IC 4-33-13. The time in which a voluntary payment of tax liability may be made (or the taxpayer may enter into a payment program acceptable to the department for the payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the
taxpayer) under the amnesty program is limited to the period
determined by the department, not to exceed eight (8) regular
business weeks ending before the earlier of the date set by the
department or July 1, 2006. The amnesty program must provide
that, upon payment by a taxpayer to the department of all listed
taxes due from the taxpayer for a tax period (or payment of the
unpaid listed taxes in full in the manner and time established in a
written payment program agreement between the department and
the taxpayer), entry into an agreement that the taxpayer is not
eligible for any other amnesty program that may be established
and waives any part of interest and penalties on the same type of
listed tax that is being granted amnesty in the current amnesty
program, and compliance with all other amnesty conditions
adopted under a rule of the department in effect on the date the
voluntary payment is made, the department:

(1) shall abate and not seek to collect any interest, penalties,
collection fees, or costs that would otherwise be applicable;
(2) shall release any liens imposed;
(3) shall not seek civil or criminal prosecution against any
individual or entity; and
(4) shall not issue, or, if issued, shall withdraw, an assessment,
a demand notice, or a warrant for payment under
IC 6-8.1-5-3, IC 6-8.1-8-2, or another law against any
individual or entity;

for listed taxes due from the taxpayer for the tax period for which
amnesty has been granted to the taxpayer. Amnesty granted under
this subsection is binding on the state and its agents. However,
failure to pay to the department all listed taxes due for a tax period
invalidates any amnesty granted under this subsection for that tax
period. The department shall conduct an assessment of the impact
of the tax amnesty program on tax collections and an analysis of
the costs of administering the tax amnesty program. As soon as
practicable after the end of the tax amnesty period, the department
shall submit a copy of the assessment and analysis to the legislative
council in an electronic format under IC 5-14-6. The department
shall enforce an agreement with a taxpayer that prohibits the
taxpayer from receiving amnesty in another amnesty program.

(d) For purposes of subsection (c), a liability for a listed tax is
due and payable if:
(1) the department has issued:
   (A) an assessment of the listed tax and demand for payment under IC 6-8.1-5-3; or
   (B) a demand notice for payment of the listed tax under IC 6-8.1-8-2;
(2) the taxpayer has filed a return or an amended return in which the taxpayer has reported a liability for the listed tax; or
(3) the taxpayer has filed a written statement of liability for the listed tax in a form that is satisfactory to the department.

SECTION 2. IC 6-8.1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on the person's return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:
   (1) the full amount of the unpaid tax due if the person failed to file the return;
   (2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or
   (3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. The adjusted rates of
interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(c) Except as provided by IC 6-8.1-5-2(c)(2), IC 6-8.1-3-17(c) and IC 6-8.1-5-2, the department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.

SECTION 3. IC 6-8.1-10-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies to a penalty related to a tax liability to the extent that the:

1. tax liability is for a listed tax;
2. tax liability was due and payable, as determined under IC 6-8.1-3-17(d), for a tax period ending before July 1, 2004;
3. department establishes an amnesty program for the tax liability under IC 6-8.1-3-17(e);
4. individual or entity from which the tax liability is due was eligible to participate in the amnesty program described in subdivision (3); and
5. tax liability is not paid:
   (A) in conformity with a payment program acceptable to the department that provides for payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement entered into between the department and the taxpayer under IC 6-8.1-3-17(e); or
   (B) if clause (A) does not apply, before the end of the amnesty period established by the department.

(b) Subject to subsection (c), if a penalty is imposed or otherwise calculated under any combination of:
1. IC 6-8.1-1-8;
2. section 2.1 of this chapter;
3. section 3 of this chapter;
4. section 4 of this chapter;
5. section 5 of this chapter;
6. section 6 of this chapter;
(7) section 7 of this chapter;
(8) section 9 of this chapter; or
(9) IC 6-6;

an additional penalty is imposed under this section. The amount of
the additional penalty imposed under this section is equal to the
sum of the penalties imposed or otherwise calculated under the
provisions listed in subdivisions (1) through (9).

(c) The additional penalty provided by subsection (b) does not
apply if all of the following apply:

(1) The department imposes a penalty on a taxpayer or
otherwise calculates the penalty under the provisions
described in subsection (b)(1) through (b)(9).
(2) The taxpayer against whom the penalty is imposed:
   (A) timely files an original tax appeal in the tax court
       under IC 6-8.1-5-1; and
   (B) contests the department's imposition of the penalty or
       the tax on which the penalty is based.
(3) The taxpayer meets all other jurisdictional requirements
to initiate the original tax appeal.
(4) Either the:
   (A) tax court enjoins collection of the penalty or the tax on
       which the penalty is based under IC 33-26-6-2; or
   (B) department consents to an injunction against collection
       of the penalty or tax without entry of an order by the tax
       court.

(d) The additional penalty provided by subsection (b) does not
apply if the taxpayer:

(1) has a legitimate hold on making the payment as a result of
    an audit, bankruptcy, protest, taxpayer advocate action, or
    another reason permitted by the department;
(2) had established a payment plan with the department
    before the effective date of this section; or
(3) verifies with reasonable particularity that is satisfactory
    to the commissioner that the taxpayer did not ever receive
    notice of the outstanding tax liability.

SECTION 4. [EFFECTIVE UPON PASSAGE] The department of
state revenue may adopt temporary rules in the manner provided
by IC 4-22-2-37.1 for the adoption of emergency rules to carry out
the amnesty program provided by IC 6-8.1-3-17(c), as amended by
this act. A temporary rule adopted under this SECTION expires on the latest of the following:
   (1) The date the temporary rule is superseded by another temporary rule adopted under this SECTION.
   (2) The date the temporary rule is superseded by a rule adopted under IC 4-22-2.
   (3) December 31, 2006.
SECTION 5. An emergency is declared for this act.

P.L.237-2005
[H.1141. Approved May 12, 2005.]

AN ACT to amend the Indiana Code concerning courts and court officers.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 33-30-2-1, AS AMENDED BY HEA 1398-2005, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) A county court is established in the following counties:
   (1) Floyd County.
   (2) Madison County.
   (3) Montgomery County.
   (b) However, a county court listed in subsection (a) is abolished if:
      (1) IC 33-33 provides a small claims docket of the circuit court;
      (2) IC 33-33 provides a small claims docket of the superior court;
      or
      (3) IC 33-34 provides a small claims court;
for the county in which the county court was established.
   SECTION 2. IC 33-33-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) There is are established a court two (2) courts of record to be known as the:
   (1) Dearborn superior court No. 1; and
   (2) Dearborn superior court No. 2.
(b) The **Dearborn** superior court is a standard superior court as described in IC 33-29-1.

(c) Dearborn County comprises the judicial district of the **each** superior court.

**SECTION 3.** IC 33-33-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. **The Each** Dearborn superior court has one (1) judge who shall hold sessions in:

1. the Dearborn County courthouse in Lawrenceburg; or **in**
2. other places in the county as the Dearborn County executive may provide.

**SECTION 4.** IC 33-33-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. In addition to a bailiff and an official court reporter for the court appointed under IC 33-29-1-5, the **each** judge may appoint a referee, a commissioner, or other personnel as the judge considers necessary to facilitate and transact the business of the court. The salary of a referee, a commissioner, or other person:

1. shall be fixed in the same manner as the salaries of the personnel for the Dearborn circuit court; and
2. shall be paid monthly out of the treasury of Dearborn County as provided by law.

Personnel appointed under this section or IC 33-29-1-5 continue in office until removed by the judge of the court **for which the personnel were appointed**.

**SECTION 5.** IC 33-33-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as provided in subsection (b), the **each** Dearborn superior court has the same jurisdiction as the Dearborn circuit court.

(b) The Dearborn circuit court has exclusive juvenile jurisdiction.

**SECTION 6.** IC 33-33-15-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. **The Each** Dearborn superior court has a standard small claims and misdemeanor division.

**SECTION 7.** IC 33-33-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) There **is are** established a court **two (2) courts** of record to be known as the DeKalb superior court No. 1 and the DeKalb superior court No. 2.

(b) **The Each** DeKalb superior court is a standard superior court as described in IC 33-29-1.
(c) DeKalb County comprises the judicial district of the each superior court.

SECTION 8. IC 33-33-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The Each DeKalb superior court has one (1) judge who shall hold sessions in:
1. the DeKalb County courthouse in Auburn; or
2. other places in the county as the board of county commissioners of DeKalb County may provide.

SECTION 9. IC 33-33-17-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If:
1. the clerk of the circuit court of DeKalb County receives the transcript of the original papers in a civil action or proceeding received by the clerk of the circuit and superior courts of DeKalb County on a change of venue from another county; contains and
2. the papers described in subdivision (1) contain an order of the court from which venue was changed designating the circuit court or one (1) of the superior court courts as the court to which the case is to be transferred;
the clerk shall file the action or proceeding on the docket of the designated court.

(b) If:
1. the clerk of the circuit court of DeKalb County receives the transcript of the original papers in a civil action or proceeding does on a change of venue from another county; and
2. the papers described in subdivision (1) do not contain an order designating the court to which the case is to be transferred;
the clerk shall alternately file each action or proceeding on the docket of the circuit court and or the docket of one (1) of the superior court courts, depending on the order and sequence in which the papers of the cases reach the clerk, so that if the first case is assigned to the circuit court, the next must be assigned to the superior court No. 1, and the next must be assigned to the superior court No. 2.

SECTION 10. IC 33-33-17-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The Each DeKalb superior court has the same jurisdiction as the DeKalb circuit court.

SECTION 11. IC 33-33-17-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The Each DeKalb superior court has a standard small claims and misdemeanor division.
SECTION 12. IC 33-33-29-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) There are established five (5) six (6) superior courts of record to be known as the:

(1) Hamilton superior court No. 1; the
(2) Hamilton superior court No. 2; the
(3) Hamilton superior court No. 3; the
(4) Hamilton superior court No. 4; and the
(5) Hamilton superior court No. 5; and
(6) Hamilton superior court No. 6.

(b) Except as otherwise provided in this chapter, each Hamilton superior court is a standard superior court as described in IC 33-29-1.

c) Hamilton County constitutes the judicial district of each court.

SECTION 13. IC 33-33-29-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The:

(1) Hamilton superior court No. 4; and the
(2) Hamilton superior court No. 5; and
(3) Hamilton superior court No. 6; each have a standard small claims and misdemeanor division.

SECTION 14. IC 33-33-32-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) There are established three (3) five (5) superior courts of record to be known as:

(1) Hendricks superior court No. 1;
(2) Hendricks superior court No. 2; and
(3) Hendricks superior court No. 3;
(4) Hendricks superior court No. 4; and
(5) Hendricks superior court No. 5.

(b) Except as otherwise provided in this chapter, each Hendricks superior court is a standard superior court as described in IC 33-29-1.

c) Hendricks County comprises the judicial district of each court.

SECTION 15. IC 33-33-32-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Change of venue from the judge or from the county may be had under the same terms, conditions, and procedure applicable to changes of venue from the judge or the county in circuit courts.

(b) If a cause is received by the clerk of the Hendricks circuit court on change of venue from another county, the cause shall be docketed on a rotating basis and assigned alternately to the:

(1) Hendricks circuit court;
(2) Hendricks superior court No. 1;
(3) Hendricks superior court No. 2; and
(4) Hendricks superior court No. 3;
(5) Hendricks superior court No. 4; and
(6) Hendricks superior court No. 5;
unless otherwise provided in the order or entry made in such the cause in the county from which such the change of venue was taken, in which case it shall be docketed as provided in the entry or order.

SECTION 16. IC 33-33-34-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is are established a court four (4) superior courts of record to be known as the Howard superior court The court consists of two (2) judges each of whom holds office for six (6) years and until the judge’s successor is elected and qualified: No. 1, the Howard superior court No. 2, the Howard superior court No. 3, and the Howard superior court No. 4.

(b) Except as otherwise provided in this chapter, each Howard superior court is a standard superior court, as described in IC 33-29-1.

(c) Howard county comprises the judicial circuit of each court.

SECTION 17. IC 33-33-34-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The Each Howard superior court has one (1) judge, who shall hold its sessions in:

(1) the Howard County courthouse in Kokomo; or
(2) another convenient and suitable place as the board of county commissioners of Howard County provides.

(b) The board of county commissioners shall provide and maintain a suitable and convenient courtroom for the holding of the court; with a suitable and convenient jury room and offices for the judge and the official court reporter; and the county council shall meet and appropriate all necessary funds:

SECTION 18. IC 33-33-34-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The judges of the superior court

(1) may make and adopt rules and regulations for conducting the business of the court.

(2) has all the powers in relation to the attendance of witnesses;
the punishment of contempts; and the enforcement of its orders; and
(3) may administer oaths; solemnize marriages; take and certify acknowledgement of deeds; and give all necessary certificates for the authentication of the records and proceedings in the court.

SECTION 19. IC 33-33-34-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. The Howard superior court No. 3 has a standard small claims and misdemeanor division.

SECTION 20. IC 33-33-53-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Monroe County constitutes the tenth judicial circuit.
(b) There are seven (7) nine (9) judges of the Monroe circuit court.

SECTION 21. IC 33-33-54-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) There is are established a court two (2) courts of record to be known as the:
(1) Montgomery superior court No. 1; and
(2) Montgomery superior court No. 2.
(b) The Each Montgomery superior court is a standard superior court as described in IC 33-29-1.
(c) Montgomery County comprises the judicial district of the each court.

SECTION 22. IC 33-33-54-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The Each court has one (1) judge who shall hold sessions in:
(1) the Montgomery County courthouse in Crawfordsville; or
(2) other places in the county as the Montgomery County executive may provide.

SECTION 23. IC 33-33-54-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The Each Montgomery superior court has the same jurisdiction as the Montgomery circuit court.

SECTION 24. IC 33-33-54-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Beginning January 1, 2006, each Montgomery superior court has a standard small claims and misdemeanor division.

SECTION 25. THE FOLLOWING ARE REPEALED [EFFECTIVE
SECTION 26. IC 33-33-54-5 IS REPEALED [EFFECTIVE JANUARY 1, 2006].

SECTION 27. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding the amendment of IC 33-33-15 by this act, the Dearborn superior court No. 2 is not established until January 1, 2006.

(b) The governor shall appoint a person under IC 3-13-6-1(c) to serve as the initial judge of the Dearborn superior court No. 2 established by IC 33-33-15-2, as amended by this act, before January 1, 2006.

(c) The term of the initial judge appointed under subsection (b) begins January 1, 2006, and ends December 31, 2006.

(d) The initial election of the judge of the Dearborn superior court No. 2 is the general election on November 7, 2006. The term of the initially elected judge begins January 1, 2007.

(e) This SECTION expires January 2, 2007.

SECTION 28. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding the amendment of IC 33-33-17 by this act, the DeKalb superior court No. 2 is not established until January 1, 2006.

(b) The governor shall appoint a person under IC 3-13-6-1(c) to serve as the initial judge of the DeKalb superior court No. 2 added by IC 33-33-17-2, as amended by this act.

(c) The term of the initial judge appointed under subsection (b) begins January 1, 2006, and ends December 31, 2006.

(d) The initial election of the judge of the DeKalb superior court No. 2 is the general election on November 7, 2006. The term of the initially elected judge begins January 1, 2007.

(e) Notwithstanding the repeal of IC 33-33-17-5 by this act, the part-time small claims referee appointed under IC 33-33-17-5 shall continue to assist the DeKalb superior court in the exercise of its small claims jurisdiction until December 31, 2005.

(f) This SECTION expires January 2, 2008.

SECTION 29. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 33-33-29-2, as amended by this act, the Hamilton superior court No. 6 is not established until January 1, 2007.
(b) Notwithstanding IC 33-33-29-8, as amended by this act, the Hamilton superior court No. 6 does not have a standard small claims and misdemeanor division until January 1, 2007.

(c) The initial election of the judge of the Hamilton superior court No. 6 established in IC 33-33-29-2, as amended by this act, is the general election on November 7, 2006. The term of the initially elected judge begins January 1, 2007.

(d) This SECTION expires January 2, 2007.

SECTION 30. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 33-33-32-2 and IC 33-33-32-5, both as amended by this act, the:

(1) Hendricks superior court No. 4; and
(2) Hendricks superior court No. 5;
as added by this act, are not established until January 1, 2007.

(b) The initial election of the judges of the:

(1) Hendricks superior court No. 4; and
(2) Hendricks superior court No. 5;added by IC 33-33-32-2, as amended by this act, is the general election on November 7, 2006. The terms of the two (2) judges initially elected under this subsection begin January 1, 2007.

(c) This SECTION expires January 2, 2007.

SECTION 31. [EFFECTIVE JULY 1, 2005] (a) The judges of the:

(1) Hendricks superior court No. 1;
(2) Hendricks superior court No. 2;
(3) Hendricks superior court No. 3; and
(4) Hendricks circuit court;
may jointly appoint one (1) full-time magistrate under IC 33-23-5 to serve the courts.

(b) A magistrate appointed under this SECTION continues in office until:

(1) removed by the judges of the courts; or
(2) January 1, 2007;
whichever occurs first.

(c) This SECTION expires January 2, 2007.

SECTION 32. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 33-33-34-3, as amended by this act, the Howard superior court is not expanded to four (4) courts until January 6, 2006.

(b) The governor shall appoint a person under IC 3-13-6-1(c) to serve as the initial judge of the Howard superior court No. 4 established by IC 33-33-34-3, as amended by this act.
(c) The term of the initial judge appointed under subsection (b) begins January 6, 2006, and ends December 31, 2006.

(d) The initial election of the judge of the Howard superior court No. 4, established by IC 33-33-34-3, as amended by this act, is the general election on November 7, 2006. The term of the initially elected judge begins January 1, 2007.

(e) The terms of the judges of Howard superior court No. 1, Howard superior court No. 2, and Howard superior court No. 3 are not affected by the amendment of IC 33-33-34-3 or IC 33-33-34-6 by this act, or by the repeal of IC 33-33-34-4 or 33-33-34.3 by this act.

(f) This SECTION expires January 2, 2007.

SECTION 33. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding the amendment of IC 33-33-54 by this act, the Montgomery superior court No. 2 is not established until January 1, 2006.

(b) As of January 1, 2006, the Montgomery county court is abolished.

(c) Any case pending in the Montgomery county court after the close of business on December 31, 2005, is transferred on January 1, 2006, to the Montgomery superior court No. 2 established by IC 33-33-54-2, as amended by this act. All cases transferred under this SECTION that are eligible to be heard by the standard small claims and misdemeanor division, established by IC 33-33-54-6, as added by this act, shall be transferred to the standard small claims and misdemeanor division of the Montgomery superior court No. 2 in accordance with the venue requirements prescribed in Rule 75 of the Indiana Rules of Trial Procedure. A case transferred under this SECTION shall be treated as if the case were filed in the Montgomery superior court No. 2.

(d) On January 1, 2006, all property and obligations of the Montgomery county court become the property and obligations of the Montgomery superior court No. 2.

(e) The initial judge of the Montgomery superior court No. 2 established by IC 33-33-54-2, as amended by this act, shall be the person who is the Montgomery county court judge on December 31, 2005. The term of the initial judge of the Montgomery superior court No. 2 begins January 1, 2006, and ends December 31, 2008. The initial election of a judge for the Montgomery superior court No. 2, established by IC 33-33-54-2, as amended by this act, is the
general election on November 4, 2008. The term of the initial elected judge of the Montgomery superior court No. 2 begins January 1, 2009.

(f) This SECTION expires January 2, 2009.

SECTION 34. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 33-33-53-1, as amended by this act, the Monroe circuit court is not expanded to:

(1) eight (8) judges until January 1, 2006, as described in subsection (b); and

(2) nine (9) judges until January 1, 2008, as described in subsection (c).

(b) The governor shall appoint a person under IC 3-13-6-1(c) to serve as the eighth judge of the Monroe circuit court added by IC 33-33-53-1, as amended by this act. The term of the initial judge appointed under this subsection begins January 1, 2006, and ends December 31, 2006. The initial election of the eighth judge of the Monroe circuit court added by IC 33-33-53-1, as amended by this act, is the general election on November 7, 2006. The term of the judge initially elected under this subsection begins January 1, 2007.

(c) The governor shall appoint a person under IC 3-13-6-1(c) to serve as the ninth judge of the Monroe circuit court added by IC 33-33-53-1, as amended by this act. The term of the initial judge appointed under this subsection begins January 1, 2008, and ends December 31, 2008. The initial election of the ninth judge of the Monroe circuit court added by IC 33-33-53-1, as amended by this act, is the general election on November 4, 2008. The term of the judge initially elected under this subsection begins January 1, 2009.

(d) This SECTION expires January 2, 2009.
AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-4.1-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 3. (a) "Class A transferee" means a transferee who is:

1. a lineal ancestor of the transferor;
2. a lineal descendant of the transferor; or
3. a stepchild of the transferor, whether or not the stepchild is adopted by the transferor; or
4. lineal descendant of a stepchild of the transferor, whether or not the stepchild is adopted by the transferor.

(b) "Class B transferee" means a transferee who is a:

1. brother or sister of the transferor;
2. descendant of a brother or sister of the transferor; or
3. spouse, widow, or widower of a child of the transferor.

(c) "Class C transferee" means a transferee, except a surviving spouse, who is neither a Class A nor a Class B transferee.

(d) For purposes of this section, a legally adopted child is to be treated as if the child were the natural child of the child's adopting parent if the adoption occurred before the individual was totally emancipated. However, an individual adopted after being totally emancipated shall be treated as the natural child of the adopting parent if the adoption was finalized before July 1, 2004.

(e) For purposes of this section, if a relationship of loco parentis has existed for at least ten (10) years and if the relationship began before the child's fifteenth birthday, the child is to be considered the natural child of the loco parentis parent.

(f) As used in this section, "stepchild" means a child of the transferor's surviving, deceased, or former spouse who is not a child of the transferor.

SECTION 2. IC 6-4.1-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) If the Internal
Revenue Service allows an extension on a federal estate tax return, the corresponding due date for the Indiana inheritance tax return is automatically extended for the same period as the federal extension.

(b) If the appropriate probate court finds that because of an unavoidable delay an inheritance tax return cannot be filed within nine (9) months after the date of decedent's death, the court may extend the period for filing the return. After the expiration of the first extension period, the court may grant a subsequent extension if the person seeking the extension files a written motion which states the reason for the delay in filing the return.

(c) For purposes of sections 3 and 6 of this chapter, an inheritance tax return is not due until the last day of any extension period or periods granted by the court under this section.

SECTION 3. IC 29-1-1-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 1. (a) The estate of a person dying intestate shall descend and be distributed as provided in this section.

(b) Except as otherwise provided in subsection (c), the surviving spouse shall receive the following share:

(1) One-half (1/2) of the net estate if the intestate is survived by at least one (1) child or by the issue of at least one (1) deceased child.

(2) Three-fourths (3/4) of the net estate, if there is no surviving issue, but the intestate is survived by one (1) or both of the intestate's parents.

(3) All of the net estate, if there is no surviving issue or parent.

(c) If the surviving spouse is a second or other subsequent spouse who did not at any time have children by the decedent, and the decedent left surviving him the decedent a child or children or the descendants of a child or children by a previous spouse, such surviving second or subsequent childless spouse shall take only an amount equal to twenty-five percent (25%) of the fair market value as of the date of death of the lands real property of the deceased spouse, less liens and encumbrances on the real property of the deceased spouse, and the fee shall, at the decedent's death, vest at once in such child or children, or the descendants of such as may be dead. Such second or subsequent childless spouse shall, however, receive the same share of the personal
property of the decedent as is provided in subsection (b) with respect to surviving spouses generally.

(d) The share of the net estate not distributable to the surviving spouse, or the entire net estate if there is no surviving spouse, shall descend and be distributed as follows:

(1) To the issue of the intestate, if they are all of the same degree of kinship to the intestate, they shall take equally, or if of unequal degree, then those of more remote degrees shall take by representation.

(2) If there is a surviving spouse but no surviving issue of the intestate, then to the surviving parents of the intestate.

(3) If there is no surviving spouse or issue of the intestate, then to the surviving parents, brothers, and sisters, and the issue of deceased brothers and sisters of the intestate. Each living parent of the intestate shall be treated as of the same degree as a brother or sister and shall be entitled to the same share as a brother or sister. However, the share of each parent shall be not less than one-fourth (1/4) of such net estate. Issue of deceased brothers and sisters shall take by representation.

(4) If there is no surviving parent or brother or sister of the intestate, then to the issue of brothers and sisters. If such distributees are all in the same degree of kinship to the intestate, they shall take equally or, if of unequal degree, then those of more remote degrees shall take by representation.

(5) If there is no surviving issue or parent of the intestate or issue of a parent, then to the surviving grandparents of the intestate equally.

(6) If there is no surviving issue or parent or issue of a parent, or grandparent of the intestate, then the estate of the decedent shall be divided into that number of shares equal to the sum of:

(A) the number of brothers and sisters of the decedent's parents surviving the decedent; plus
(B) the number of deceased brothers and sisters of the decedent's parents leaving issue surviving both them and the decedent;
and one (1) of the shares shall pass to each of the brothers and sisters of the decedent's parents or their respective issue per stirpes.
(7) If interests in real estate go to a husband and wife under this subsection, the aggregate interests so descending shall be owned by them as tenants by the entireties. Interests in personal property so descending shall be owned as tenants in common.

(8) If there is no person mentioned in subdivisions (1) through (7), then to the state.

SECTION 4. IC 29-1-2-12.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.1. (a) A person is a constructive trustee of any property that is acquired by him or that he is otherwise entitled to receive as a result of a decedent's death, including property from a trust, if that person has been found guilty, or guilty but mentally ill, of murder, causing suicide, or voluntary manslaughter, because of the decedent's death. A judgment of conviction is conclusive in a subsequent civil action to have the person declared a constructive trustee.

(b) A civil action may be initiated to have a person declared a constructive trustee of property that is acquired by him or that he is otherwise entitled to receive, including property from a trust, as a result of a decedent's death, if:

(1) the person has been charged with murder, causing suicide, or voluntary manslaughter, because of the decedent's death; and

(2) the person has been found not responsible by reason of insanity at the time of the crime.

If a civil action is initiated under this subsection, the court shall declare that the person is a constructive trustee of the property if by a preponderance of the evidence it is determined that the person killed or caused the suicide of the decedent.

(c) If a constructive trust is established under this section, the property that is subject to the trust may be used only to benefit those persons, other than the constructive trustee, legally entitled to the property, determined as if the constructive trustee had died immediately before the decedent. However, if any property that the constructive trustee acquired as a result of the decedent's death has been sold to an innocent purchaser for value who acted in good faith, that property is no longer subject to the constructive trust, but the property received from the purchaser under the transaction becomes
subject to the constructive trust.

SECTION 5. IC 29-1-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. If either a husband or wife shall have left the other and shall be living at the time of his or her death in adultery, he or she as the case may be shall take no part of the estate or trust of the deceased husband or wife.

SECTION 6. IC 29-1-2-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. If a person shall abandon his or her spouse without just cause, he or she shall take no part of his or her estate or trust.

SECTION 7. IC 29-1-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in subsection (b), the election by a surviving spouse to take the share hereinbefore provided must be made not later than ten (10) days three (3) months after the expiration of the time limited for the filing of claims; provided that date of the order admitting to probate the will against which the election is made.

(b) If, at the expiration of such period for making the election, litigation is pending to test the validity or determine the effect or construction of the will or to determine the existence of issue surviving the deceased, or to determine any other matter of law or fact which would affect the amount of the share to be received by the surviving spouse, the right of such surviving spouse to make an election shall not be barred until the expiration of thirty (30) days after the final determination of the litigation.

SECTION 8. IC 29-1-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. In the absence of a contrary intent appearing in the will, wills shall be construed as to real and personal estate in accordance with the rules in this section.

(a) Any estate, right, or interest in land or other things acquired by the testator after the making of the testator's will shall pass as if title was vested in the testator at the time of making of the will.

(b) All devises of real estate shall pass the whole estate of the testator in the premises devised, although there are no words of inheritance or of perpetuity, whether or not at the time of the execution of the will the decedent was the owner of that particular interest in the real estate devised. Such devise shall also pass any interest which the testator may have at the time of the testator's death as vendor under a
(c) A devise of real or personal estate, whether directly or in trust, to the testator's or another designated person's "heirs", "next of kin", "relatives", or "family", or to "the persons thereunto entitled under the intestate laws" or to persons described by words of similar import, shall mean those persons (including the spouse) who would take under the intestate laws if the testator or other designated person were to die intestate at the time when such class is to be ascertained, domiciled in this state, and owning the estate so devised. With respect to a devise which does not take effect at the testator's death, the time when such class is to be ascertained shall be the time when the devise is to take effect in enjoyment.

(d) In construing a will making a devise to a person or persons described by relationship to the testator or to another, any person adopted prior to the person's twenty-first birthday before the death of the testator shall be considered the child of the adopting parent or parents and not the child of the natural or previous adopting parents. However, if a natural parent or previous adopting parent marries the adopting parent before the testator's death, the adopted person shall also be considered the child of such natural or previous adopting parent. Any person adopted after the person's twenty-first birthday by the testator shall be considered the child of the testator, but no other person shall be entitled to establish relationship to the testator through such child.

(e) In construing a will making a devise to a person described by relationship to the testator or to another, a person born out of wedlock shall be considered the child of the child's mother, and also of the child's father, if, but only if, the child's right to inherit from the child's father is, or has been, established in the manner provided in IC 29-1-2-7.

(f) A will shall not operate as the exercise of a power of appointment which the testator may have with respect to any real or personal estate, unless by its terms the will specifically indicates that the testator intended to exercise the power.

(g) If a devise of real or personal property, not included in the residuary clause of the will, is void, is revoked, or lapses, it shall become a part of the residue, and shall pass to the residuary devisee. Whenever any estate, real or personal, shall be devised to any
descendant of the testator, and such devisee shall die during the lifetime of the testator, whether before or after the execution of the will, leaving a descendant who shall survive such testator, such devise shall not lapse, but the property so devised shall vest in the surviving descendant of the devisee as if such devisee had survived the testator and died intestate. The word "descendant", as used in this section, includes children adopted during minority by the testator and by the testator's descendants and includes descendants of such adopted children. "Descendant" also includes children of the mother who are born out of wedlock, and children of the father who are born out of wedlock, if, but only if, such child's right to inherit from such father is, or has been, established in the manner provided in IC 29-1-2-7. This rule applies where the parent is a descendant of the testator as well as where the parent is the testator. Descendants of such children shall also be included.

(h) Except as provided in subsection (m), if a testator in the testator's will refers to a writing of any kind, such writing, whether subsequently amended or revoked, as it existed at the time of execution of the will, shall be given the same effect as if set forth at length in the will, if such writing is clearly identified in the will and is in existence both at the time of the execution of the will and at the testator's death.

(i) If a testator devises real or personal property upon such terms that the testator's intentions with respect to such devise can be determined at the testator's death only by reference to a fact or an event independent of the will, such devise shall be valid and effective if the testator's intention can be clearly ascertained by taking into consideration such fact or event even though occurring after the execution of the will.

(j) If a testator devises or bequeaths property to be added to a trust or trust fund which is clearly identified in the testator's will and which trust is in existence at the time of the death of the testator, such devise or bequest shall be valid and effective. Unless the will provides otherwise, the property so devised or bequeathed shall be subject to the terms and provisions of the instrument or instruments creating or governing the trust or trust fund, including any amendments or modifications in writing made at any time before or after the execution of the will and before or after the death of the testator.

(k) If a testator devises securities in a will and the testator then
owned securities that meet the description in the will, the devise includes additional securities owned by the testator at death to the extent the additional securities were acquired by the testator after the will was executed as a result of the testator's ownership of the described securities and are securities of any of the following types:

1. Securities of the same organization acquired because of an action initiated by the organization or any successor, related, or acquiring organization, excluding any security acquired by exercise of purchase options.
2. Securities of another organization acquired as a result of a merger, consolidation, reorganization, or other distribution by the organization or any successor, related, or acquiring organization.
3. Securities of the same organization acquired as a result of a plan of reinvestment.

Distributions in cash before death with respect to a described security are not part of the devise.

For purposes of this subsection, "incapacitated principal" means a principal who is an incapacitated person. An adjudication of incapacity before death is not necessary. The acts of an agent within the authority of a durable power of attorney are presumed to be for an incapacitated principal. If:

1. specifically devised property is sold or mortgaged by; or
2. a condemnation award, insurance proceeds, or recovery for injury to specifically devised property are paid to;

a guardian or an agent acting within the authority of a durable power of attorney for an incapacitated principal, the specific devisee has the right to a general pecuniary devise equal to the net sale price, the amount of the unpaid loan, the condemnation award, the insurance proceeds, or the recovery.

A written statement or list that:
1. complies with this subsection; and
2. is referred to in a will;
may be used to dispose of items of tangible personal property, other than property used in a trade or business, not otherwise specifically disposed of by the will. To be admissible under this subsection as evidence of the intended disposition, the writing must be signed by the testator and must describe the items and the beneficiaries with reasonable certainty. The writing may be
prepared before or after the execution of the will. The writing may be altered by the testator after the writing is prepared. The writing may have no significance apart from the writing’s effect on the dispositions made by the will. If more than one (1) otherwise effective writing exists, then, to the extent of a conflict among the writings, the provisions of the most recent writing revoke the inconsistent provisions of each earlier writing.

SECTION 9. IC 29-1-7-3.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) This section applies whether it is:

1) known; or
2) unknown;
whether a testator is living.

(b) As used in this section, "depositor" refers to a person who deposits a will with the circuit court clerk under this section.

(c) As used in this section, "will" refers to an original:

1) will;
2) codicil; or
3) will and codicil.

(d) A person may deposit a will with the circuit court clerk of the county in which the testator resided when the testator executed the will. The circuit court clerk may assume, without inquiring into the facts, that the depositor's representation is accurate as to the county where the testator resided when the testator executed the will. Except as provided in subsection (e), the circuit court clerk shall collect a fee of twenty-five dollars ($25) for the deposit of the will. The circuit court clerk shall deposit the fee in the clerk's record perpetuation fund under IC 33-37-5-2.

(e) The circuit court:

1) shall waive the fee under subsection (d) if:
   (A) a court with probate jurisdiction of the county where the will is deposited certifies that the depositor deposits the will:
   (i) as a participant; or
   (ii) for a participant;
   in a program of the supreme court, including the Judges and Lawyers Assistance Program established under Rule 31 of the supreme court Rules for Admission to the Bar and the Discipline of Attorneys; and
(B) the certification described in clause (A) accompanies the will when the will is deposited; and
(2) may waive the fee under subsection (d) if the depositor is no longer practicing law.
(f) Upon receipt of a will under this section, the circuit court clerk shall:
   (1) provide the depositor with a receipt for the will;
   (2) place the will in an envelope and seal the envelope securely in the presence of the depositor;
   (3) designate on the envelope the:
      (A) date of deposit;
      (B) name of the testator; and
      (C) name and address of the depositor; and
   (4) index the will alphabetically by the name of the testator.
An envelope and will deposited under this section is not a public record under IC 5-14-3.
(g) During the testator’s lifetime, the circuit court clerk shall:
   (1) keep the envelope containing the will sealed; and
   (2) deliver the envelope to:
      (A) the testator; or
      (B) a person authorized, in a writing signed by the testator, to receive the envelope.
(h) If the circuit court clerk has custody of the will after the death of the testator, the circuit court clerk may deliver the will to the court that has jurisdiction of the administration of the decedent’s estate as set forth in section 3 of this chapter.
(i) A circuit court clerk may destroy a will deposited under this section if:
   (1) the circuit court clerk has not received notice of the death of the testator; and
   (2) at least one hundred (100) years have passed since the date the will was deposited.
(j) A depositor that complies with this section is immune from civil liability for depositing the will.

SECTION 10. IC 29-1-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A petition for the probate of a will and for the issuance of letters testamentary or for the appointment of an administrator with the will annexed, or for the appointment of an administrator, shall state:
(1) the name, age, domicile, and date of the death of the decedent, and whether the decedent is an adult or a minor;
(2) the name, age, and place of residence of each heir, and whether the heir is an adult or a minor, in the event the decedent left no will; and the name, age, and place of residence of each legatee and devisee, and whether each legatee and devisee is an adult or a minor, in the event the decedent left a will, so far as such are known or can with reasonable diligence be ascertained by the personal representative;
(3) whether the person named in subdivision (1) died testate or intestate;
(4) if the decedent was not domiciled in the state at the time of his death, a description of the property to be administered which is within the county in which the petition is filed;
(5) if the will sought to be probated is unwritten, lost, or was improperly destroyed or suppressed, a detailed statement of the provisions of said will so far as known;
(6) the name and place of residence or business address of the person, if any, designated as executor of the will;
(7) if the petition be for the appointment of an administrator with the will annexed, or of an administrator, the name and place of residence or business address of the person to be so appointed, together with a statement of his relationship to the decedent, and such other facts, if any, which entitle such person to be so appointed;
(8) the name and business address of the attorney who is to represent the personal representative; and
(9) if the person named in subdivision (1) died intestate, whether a petition to dissolve the marriage of the decedent and the decedent's spouse is pending in an Indiana court or the court of another state at the time of the decedent's death.

SECTION 11. IC 29-1-7-15.1 IS AMENDED TO READ AS Follows [EFFECTIVE JULY 1, 2005]: Sec. 15.1. (a) When it has been determined that a decedent died intestate and letters of administration have been issued upon the decedent's estate, no will shall be probated unless it is presented for probate before the court decrees final distribution of the estate.
(b) No real estate situate in Indiana of which any person may die
seized shall be sold by the executor or administrator of the deceased person's estate to pay any debt or obligation of the deceased person, which is not a lien of record in the county in which the real estate is situate, or to pay any costs of administration of any decedent's estate, unless letters testamentary or of administration upon the decedent's estate are taken out within five (5) months after the decedent's death.

(c) The title of any real estate or interest therein purchased in good faith and for a valuable consideration from the heirs of any person who died seized of the real estate shall not be affected or impaired by any devise made by the person of the real estate so purchased, unless:

1. the will containing the devise has been probated and recorded in the office of the clerk of the court having jurisdiction within five (5) months after the death of the testator; or
2. an action to contest the will's validity is commenced within the time provided by law and, as a result, the will is ultimately probated.

(d) If letters testamentary or of administration are not taken out upon a decedent's estate within three (3) years after the decedent's death, the will of the decedent shall not be probated unless the will is presented for probate not more than three (3) years after the individual's death. However, in the case of an individual presumed dead under IC 29-2-5-1, the three (3) year period commences with the date the individual's death has been established by appropriate legal action.

SECTION 12. IC 29-1-7.5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) As soon as letters testamentary or letters of administration have been issued, the clerk of the court shall serve by mail notice of the petition on each of the decedent's heirs at law, if the decedent died intestate, or the devisees and legatees under the decedent's will. The mailing of notice under this subsection may not be waived.

(b) The notice required under subsection (a) shall read substantially as follows:

NOTICE OF UNSUPERVISED ADMINISTRATION TO BE MAILED TO A DISTRIBUTEE

In the _________ Court of _________ County, Indiana.
Notice is hereby given that ____________, on the _____ day of ________, ______, was appointed as the personal representative of
the estate of __________, who died on the ___ day of __________, 19__, [leaving a will] [not leaving a will]. The estate will be administered without court supervision.

As an heir, a devisee, or a legatee of the estate (a "distributee"), you are advised of the following information:

1. The personal representative has the authority to take actions concerning the estate without first consulting you.
2. The personal representative may be serving without posting a bond with the court. You have the right to petition the court to set a bond for your protection.
3. The personal representative will not obtain court approval of any action, including the amount of attorney's or personal representative's fees.
4. Within two (2) months after the appointment of the personal representative, the personal representative must prepare an inventory of the estate's assets. You have the right to request and receive a copy of this inventory from the personal representative. However, if you do not participate in the residue of the estate and receive only a specific bequest in money or personal property that will be paid, you are entitled only to the information concerning your specific bequest and not to the assets of the estate as a whole.
5. The personal representative is required to furnish you with a copy of the closing statement that will be filed with the court, and, if your interests are affected, with a full account in writing of the administration of the estate.
6. You must file an objection to the closing statement within three (3) months after the closing statement is filed with the court if you want the court to consider your objection.
7. If an objection to the closing statement is not filed with the court within three (3) months after the filing of the closing statement, the estate is closed and the court does not have a duty to audit or make an inquiry.

IF, AT ANY TIME BEFORE THE ESTATE IS CLOSED, YOU HAVE REASON TO BELIEVE THAT THE ADMINISTRATION OF THE ESTATE SHOULD BE SUPERVISED BY THE COURT, YOU HAVE THE RIGHT TO PETITION THE COURT FOR SUPERVISED ADMINISTRATION.
IF YOU DO NOT UNDERSTAND THIS NOTICE, YOU SHOULD ASK YOUR ATTORNEY TO EXPLAIN IT TO YOU.

The personal representative's address is ____________, and telephone number is ___________. The attorney for the personal representative is ________________, whose address is ____________ and telephone number is ____________.

Dated at _____________, Indiana, this _____ day of _____________, 19__. 20__.

CLERK OF THE _______________ COURT

SECTION 13. IC 29-1-15-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16.5. (a) This section applies to a supervised or an unsupervised estate.

(b) Unless authorized by:

(1) a will;
(2) a trust;
(3) the consent of all heirs, legatees, or beneficiaries; or
(4) an adjudicated compromise agreement approved by the court under IC 29-1-9;

any sale (including an auction sale), encumbrance, lease, or rental of real property that is an asset of the estate is void if the sale, encumbrance, lease, or rental of the real property causes the personal representative to directly or indirectly acquire a beneficial interest in the real property.

(c) This section does not prohibit a personal representative from enforcing or fulfilling any enforceable contract or agreement:

(1) executed during the decedent's lifetime; and
(2) between the decedent and the personal representative in the personal representative's individual capacity.

SECTION 14. IC 29-1-15-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Upon the confirmation of any sale, mortgage or lease in accordance with section 16 of this chapter, the personal representative shall execute a conveyance to the grantee or mortgagee or a lease with the lessee according to the order of confirmation. A certified copy of the order of confirmation may be recorded with the deed or other instrument in the office of the recorder of the county where the land lies; and shall be prima facie evidence of the due appointment and qualification of the
personal representative; the correctness of the proceedings and the authority of the personal representative to execute the instrument:

(b) Whenever a personal representative executes a deed, mortgage, lease or other conveyance under a power given him the personal representative in any will, a certified copy of the will giving such power and a certified copy of the personal representative's letters may be recorded with the deed, mortgage, lease, or other instrument executed by the personal representative pursuant to and in accordance with such power, and such certified copies shall be prima facie evidence of the due appointment and qualification of the personal representative and his the personal representative's authority to execute said deed, mortgage, lease, or other instrument.

SECTION 15. IC 29-3-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Any:

(1) sale or encumbrance of any part of the property of a protected person to a guardian or guardian's spouse, agent, attorney, or any corporation, trust, or other organization in which the guardian has a substantial beneficial interest; or
(2) other transaction involving the property that is affected by a substantial conflict between the interest of the protected person and the guardian's personal interest;

is void unless approved by the court.

(b) Every contract, sale, or conveyance executed by a protected person is void unless the protected person is a minor, in which event the contract, sale, or conveyance is voidable.

SECTION 16. IC 30-1-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Any:

(1) Indiana bank or trust company; or
(2) national bank qualified to act as fiduciary and whose principal place of business is in Indiana;

may establish and maintain one (1) or more common trust funds in accordance with section 2 of this chapter for the funds held by the bank or trust company or any other bank or trust company, including an affiliate, in its capacity as administrator, executor, guardian, or trustee under will or trust agreement.

(b) The bank investing under subsection (a) in:

(1) another qualified bank or trust company's common trust fund; or
(2) a common trust fund established and maintained by any bank or trust company, including an affiliate, organized or reorganized under the laws of the United States or a state listed in IC 28-2-15-14; shall not be deemed to be in derogation of IC 30-4-3-6(b)(11); relating to a fiduciary's delegation of authority to another person.

SECTION 17. IC 30-2-8.5-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) A custodian may deliver or pay to the minor or expend for the minor's benefit so much of the custodial property as the custodian considers advisable for the use and benefit of the minor, without court order and without regard to:

(1) the duty or ability of the custodian personally or of any other person to support the minor; or
(2) any other income or property of the minor that may be applicable or available for the support of the minor.

(b) At any time and without a court order, a custodian may transfer part or all of the custodial property to a trust, including a trust created by the custodian, in which:

(1) the minor is the sole beneficiary of the trust; and
(2) the terms of the trust satisfy the requirements of Section 2503 of the Internal Revenue Code and the regulations under that section.

The transfer terminates the custodianship of the property to the extent of the transfer.

(c) On petition of an interested person or the minor if the minor is at least fourteen (14) years of age, the court may order the custodian to deliver or pay to the minor or expend for the minor's benefit as much of the custodial property as the court considers advisable for the use and benefit of the minor.

(d) A delivery, payment, or expenditure under this section is in addition to, not in substitution for, and does not affect an obligation of a person to support the minor.

SECTION 18. IC 30-3-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Notwithstanding IC 30-4-2-2 and IC 30-4-3-33, this chapter applies whenever a county that has been given, devised, or bequeathed money or property in trust for the purpose of establishing and maintaining a home for indigent
women, worthy poor, or orphan children, and the board of commissioners of the county has been named as trustee by the donor of the property or money.

SECTION 19. IC 30-4-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this article:

(1) "Adult" means any person eighteen (18) years of age or older.
(2) "Affiliate" means a parent, descendant, spouse, spouse of a descendant, brother, sister, spouse of a brother or sister, employee, director, officer, partner, joint venturer, a corporation subject to common control with the trustee, a shareholder, or corporation who controls the trustee or a corporation controlled by the trustee other than as a fiduciary, an attorney, or an agent.
(3) "Beneficiary" has the meaning set forth in IC 30-2-14-2.
(4) "Breach of trust" means a violation by the trustee of any duty which is owed to the settlor or beneficiary.
(5) "Charitable trust" means a trust in which all the beneficiaries are the general public or organizations, including trusts, corporations, and associations, and that is organized and operated wholly for religious, charitable, scientific, public safety testing, literary, or educational purposes. The term does not include charitable remainder trusts, charitable lead trusts, pooled income funds, or any other form of split-interest charitable trust that has at least one (1) noncharitable beneficiary.
(6) "Court" means a court having jurisdiction over trust matters.
(7) "Income", except as otherwise stated in a trust agreement, has the meaning set forth in IC 30-2-14-4.
(8) "Income beneficiary" has the meaning set forth in IC 30-2-14-5.
(9) "Inventory value" means the cost of property to the settlor or the trustee at the time of acquisition or the market value of the property at the time it is delivered to the trustee, or the value of the property as finally determined for purposes of an estate or inheritance tax.
(10) "Minor" means any person under the age of eighteen (18) years.
(11) "Person" has the meaning set forth in IC 30-2-14-9.
(12) "Personal representative" means an executor or administrator
of a decedent's or absentee's estate, guardian of the person or estate, guardian ad litem or other court appointed representative, next friend, parent or custodian of a minor, attorney in fact, or custodian of an incapacitated person (as defined in IC 29-3-1-7.5).

(13) "Principal" has the meaning set forth in IC 30-2-14-10.

(14) "Qualified beneficiary" means:
   (A) a beneficiary who, on the date the beneficiary's qualification is determined:
      (i) is a distributee or permissible distributee of trust income or principal;
      (ii) would be a distributee or permissible distributee of trust income or principal if the interest of the distributee described in item (i) terminated on that date;
      (iii) would be a distributee or permissible distributee of trust income or principal if the trust terminated on that date;
      (iv) has sent the trustee a request for notice;
      (v) is a charitable organization expressly designated to receive distributions under the terms of a charitable trust;
      (vi) is a person appointed to enforce a trust for the care of an animal under IC 30-4-2-18; or
      (vii) is a person appointed to enforce a trust for a noncharitable purpose under IC 30-4-2-19; or
   (B) the attorney general, if the trust is a charitable trust having its principal place of administration in Indiana.

(15) "Remainderman" means a beneficiary entitled to principal, including income which has been accumulated and added to the principal.

(16) "Settlor" means a person who establishes a trust including the testator of a will under which a trust is created.

(17) "Trust estate" means the trust property and the income derived from its use.

(18) "Trust for a benevolent public purpose" means a charitable trust (as defined in subdivision (5)), a split-interest trust (as defined in Section 4947 of the Internal Revenue Code), and any other form of split-interest charitable trust that has both
charitable and noncharitable beneficiaries, including but not limited to charitable remainder trusts, charitable lead trusts, and charitable pooled income funds.

(18) (19) "Trust property" means property either placed in trust or purchased or otherwise acquired by the trustee for the trust regardless of whether the trust property is titled in the name of the trustee or the name of the trust.

(19) (20) "Trustee" has the meaning set forth in IC 30-2-14-13.

SECTION 20. IC 30-4-1-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. IC 29-1-2-12.1 applies to a trust.

SECTION 21. IC 30-4-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) A trust in either real or personal property is enforceable only if there is written evidence of its terms bearing the signature of the settlor or his the settlor's authorized agent.

(b) Except as required in the applicable probate law for the execution of wills, no formal language is required to create a trust, but its terms must be sufficiently definite so that the trust property, the identity of the trustee, the nature of the trustee's interest, the identity of the beneficiary, the nature of the beneficiary's interest and the purpose of the trust may be ascertained with reasonable certainty.

(c) It is not necessary to the validity of an inter vivos trust that the inter vivos trust be funded with or have a corpus that includes property other than the present or future, vested or contingent right of the trustee to receive proceeds or property, including:

(1) as beneficiary of an estate under IC 29-1-6-1;
(2) life insurance benefits under section 5 of this chapter;
(3) retirement plan benefits; or
(4) the proceeds of an individual retirement account.

(d) A trust created under:

(1) section 18 of this chapter for the care of an animal; or
(2) section 19 of this chapter for a noncharitable purpose;
has a beneficiary.

(e) A trust has a beneficiary if the beneficiary can be presently ascertained or ascertained in the future, subject to any applicable rule against perpetuities.

(f) A power of a trustee to select a beneficiary from an indefinite
class is valid. If the power is not exercised within a reasonable time, the power fails and the property subject to the power passes to the persons who would have taken the property had the power not been conferred.

(g) A trust may be created by exercise of a power of appointment in favor of a trustee.

SECTION 22. IC 30-4-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. (a) Except as provided in subsection (b), a trust that is not created by a will is validly created if the trust's creation complies with the law of the jurisdiction in which the trust instrument was executed or the law of the jurisdiction in which, at the time of creation:

1) the settlor was domiciled, had a place of abode, or was a national;
2) a trustee was domiciled or had a place of business; or
3) any trust property is located.

(b) A valid trust must be:
1) in writing; and
2) signed by:
   A) the settlor; or
   B) an agent of the settlor who is an attorney in fact.

SECTION 23. IC 30-4-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (Acceptance by Trustee) With respect (a) This section applies to the acceptance of a trust by a person named as trustee.

(a) If the named person exercises powers or performs duties under the trust, he will be presumed to have accepted the trust.

(b) The named person may reject the trust in writing and, if he does so, will incur no liability. If, after being informed that he has been named as trustee, he neither expressly accepts the trust nor exercises powers or performs duties under the trust within a reasonable time, he the
named person will be presumed to have rejected the trust.

(d) If there is an immediate risk of damage to the trust estate, the named person may act to preserve the trust estate and will not be presumed to have accepted the trust, provided he the named person delivers a written rejection to the settlor at or within a reasonable time after he the named person acts, or, if the settlor is dead, to the beneficiary or the court having jurisdiction over the administration of the trust estate.

(e) If the person named as the original trustee does not accept the trust, or if he is dead or does not have capacity to act as trustee, the person named as the alternate trustee under the terms of the trust; or selected as alternate trustee according to a method prescribed in the terms of the trust; may accept the trust; if no person is named as trustee or if there is no alternate trustee designated or selected in the manner prescribed in the terms of the trust; the court shall appoint a trustee.

SECTION 24. IC 30-4-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. (Capacity of Settlor) (a) If a trust is created by a declaration by the owner of property that he holds it in trust, his capacity must be the same as if the trust were created by a transfer to a third person:

(b) If the trust is created by a transfer of property in trust; the transferor must have the same capacity as if he had made a non-trust transfer of the property:

(c) (a) If the trust is created by a will, the settlor's capacity that is required to create the trust is determined by the applicable probate law.

(b) The capacity of a settlor that is required to create, amend, revoke, or add property to a revocable trust is the same as the capacity of a testator that is required to make a will.

(c) To create or add property to an irrevocable trust, the settlor or transferor must be of sound mind and have a reasonable understanding of the nature and effect of the act and the terms of the trust.

(d) To direct the actions of the trustee of a trust, the settlor or other person must:

(1) have the capacity to hold and deal with property for the settlor's or person's own benefit;
(2) be at least eighteen (18) years of age; and
(3) be of sound mind.

SECTION 25. IC 30-4-2-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) A charitable trust may be created for the following purposes:
   (1) The relief of poverty.
   (2) The advancement of education or religion.
   (3) The promotion of health.
   (4) Governmental and municipal purposes.
   (5) A purpose that is beneficial to the community.
   (b) If the terms of a charitable trust do not indicate a particular charitable purpose or beneficiary, the court may select at least one charitable purpose or beneficiary. The selection must be consistent with the settlor's intention to the extent the intention can be ascertained.
   (c) The settlor of a charitable trust, among other persons, may maintain a proceeding to enforce the charitable trust.

SECTION 26. IC 30-4-2-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) A trust may be created to provide for the care of an animal alive during the settlor's lifetime.
   (b) A trust authorized by this section terminates as follows:
      (1) If the trust is created to provide for the care of one (1) animal alive during the settlor's lifetime, the trust terminates on the death of the animal.
      (2) If the trust is created to provide for the care of more than one (1) animal alive during the settlor's lifetime, the trust terminates on the death of the last surviving animal.
   (c) A trust authorized by this section may be enforced by the following:
      (1) A person appointed in the terms of the trust.
      (2) A person appointed by the court, if the terms of the trust do not appoint a person.
   (d) A person having an interest in the welfare of an animal for whose care a trust is established may request the court to:
      (1) appoint a person to enforce the trust; or
      (2) remove a person appointed to enforce the trust.
   (e) Property of a trust authorized by this section may be applied only to the trust's intended use, except to the extent the court
determines that the value of the trust property exceeds the amount required for the trust's intended use.

(f) Except as provided in the terms of the trust, property not required for the trust's intended use must be distributed to the following:

(1) The settlor, if the settlor is living.
(2) The settlor's successors in interest, if the settlor is deceased.

SECTION 27. IC 30-4-2-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) Except as provided in section 18 of this chapter, a trust may be created for a:

(1) noncharitable purpose without a beneficiary; or
(2) noncharitable and valid purpose to be selected by the trustee.

(b) A trust authorized by this section may be enforced for not more than twenty-one (21) years.

(c) A trust authorized by this section may be enforced by the following:

(1) A person appointed in the terms of the trust.
(2) A person appointed by the court, if the terms of the trust do not appoint a person.

(d) Property of a trust authorized by this section may be applied only to the trust's intended use, except to the extent the court determines that the value of the trust property exceeds the amount required for the trust's intended use.

(e) Except as provided in the terms of the trust, property not required for the trust's intended use must be distributed to the following:

(1) The settlor, if the settlor is living.
(2) The settlor's successors in interest, if the settlor is deceased.

SECTION 28. IC 30-4-2.1-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A trust of a deceased spouse is subject to the following:

(1) IC 29-1-2-14.
(2) IC 29-1-2-15.

SECTION 29. IC 30-4-2.1-11 IS ADDED TO THE INDIANA
(a) A written statement or list that:

(1) complies with this section; and

(2) is referred to in a settlor's trust that was revocable during the settlor's lifetime;

may be used to dispose of items of tangible personal property, other than property used in a trade or business, not otherwise specifically disposed of by the trust.

(b) To be admissible under this section as evidence of the intended disposition, the writing must be signed by the settlor and must describe the items and the beneficiaries with reasonable certainty. The writing may be prepared before or after the execution of the trust. The writing may be altered by the settlor after the writing is prepared. The writing may have no significance apart from the writing's effect on the dispositions made by the trust.

(c) If more than one (1) otherwise effective writing exists, then, to the extent of a conflict among the writings, the provisions of the most recent writing revoke the inconsistent provisions of each earlier writing.

SECTION 30. IC 30-4-3-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 1.5. (a) This subsection applies to a trust created under an instrument executed after June 30, 2005. Unless the terms of a trust expressly provide that the trust is irrevocable, the settlor may revoke or amend the trust.

(b) This subsection applies to a revocable trust created or funded by at least two (2) settlors. Unless the terms of the trust provide otherwise:

(1) to the extent the trust consists of community property, the trust may be:

   (A) revoked by either spouse acting alone; and

   (B) amended only by the joint action of both spouses; and

(2) to the extent the trust consists of property other than community property, each settlor may revoke or amend the trust with regard to the part of the trust property attributable to that settlor's contribution.

(c) The settlor may revoke or amend a revocable trust as
follows:

(1) The settlor may comply with a method provided in the terms of the trust.

(2) If the terms of the trust do not provide a method or the terms of the trust provide a method that is not expressly made the exclusive method to revoke or amend the trust, the settlor may revoke or amend the trust by:

(A) executing a later will or codicil that:
   (i) expressly refers to the trust; or
   (ii) specifically devises property that would otherwise have passed according to the terms of the trust; or

(B) any other method that:
   (i) is in writing; and
   (ii) manifests clear and convincing evidence of the settlor's intent.

(d) If a revocable trust is revoked, the trustee shall deliver the trust property as the settlor directs.

(e) A settlor's powers with respect to revocation, amendment, and distribution of trust property may be exercised by an agent under a power of attorney only to the extent expressly authorized by the terms of the trust or the power of attorney.

(f) A guardian of a settlor may exercise the settlor's powers with respect to revocation, amendment, or distribution of trust property only with the approval of the court supervising the guardianship.

(g) A trustee who does not know that a trust has been revoked or amended is not liable to the settlor or settlor's successors in interest for distributions made and other actions taken on the assumption that the trust had not been revoked or amended.

SECTION 31. IC 30-4-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Unless the terms of the trust provide otherwise:

(a) Except as provided in the terms of the trust and subject to subsection (c), of this section, a trustee has the power to perform without court authorization, except as provided in sections 4(b) IC 30-4-3-4(b) and IC 30-4-3-5(a), 5(a) of this chapter, every act necessary or appropriate for the purposes of the trust including, by way of illustration and not of limitation, the power following powers:

(1) The power to:
(A) deal with the trust estate; to
(B) buy, sell, or exchange and convey or transfer all property (real, personal, or mixed) for cash or on credit and at public or private sale with or without notice; and
(C) to invest and reinvest the trust estate.

(2) The power to receive additions to the assets of the trust.

(3) The power to acquire an undivided interest in a trust asset in which the trustee, in any trust capacity, holds an undivided interest.

(4) The power to manage real property in every way, including:
   among other things:
   (A) the adjusting of boundaries;
   (B) erecting, altering, or demolishing buildings;
   (C) dedicating of streets, alleys, or other public uses;
   (D) subdividing;
   (E) developing;
   (F) obtaining vacation of plats;
   (G) granting of easements and rights-of-way;
   (H) partitioning;
   (I) entering into party wall agreements; and
   (J) obtaining title insurance for trust property.

(5) The power to:
   (A) grant options concerning disposition of trust property, including the sale of covered security options; and
   (B) to take options for acquisition of trust property, including the purchase back of previously sold covered security options.

(6) The power to enter into a lease as lessor or lessee, with or without option to renew.

(7) The power to enter into arrangements for exploration and removal of minerals or other natural resources and enter into a pooling or unitization agreement.

(8) The power to continue the operation or management of any business or other enterprise placed in trust.

(9) The power to:
   (A) borrow money, to be repaid from trust property or otherwise; and
   (B) to encumber, mortgage, pledge, or grant a security interest in trust property in connection with the exercise of any power.
(10) **The power** to:
   (A) advance money for the benefit of the trust estate and for all expenses or losses sustained in the administration of the trust; and
   (B) to collect any money advanced, without interest or with interest, at no more than the lowest rate prevailing when advanced.

(11) **The power** to prosecute or defend actions, claims, or proceedings for the protection of:
   (A) trust property; and
   (B) of himself the trustee in the performance of his the trustee's duties.

(12) **The power** to:
   (A) pay or contest any claim;
   (B) to settle a claim by or against the trust by compromise or arbitration; and
   (C) to abandon or release, totally or partially, any claim belonging to the trust.

(13) **The power** to insure the:
   (A) trust estate against damage or loss; and
   (B) the trustee against liability with respect to third persons.

(14) **The power** to pay taxes, assessments, and other expenses incurred in the:
   (A) acquisition, retention, and maintenance of the trust property; and
   (B) in the administration of the trust.

(15) **The power** to:
   (A) vote securities, in person or by a general or special proxy;
   (B) to hold the securities in the name of a nominee if the trustee is a corporate trustee; and
   (C) to effect or approve, and deposit securities in connection with, any change in the form of the corporation, including:
      among other things
      (i) dissolution;
      (ii) liquidation;
      (iii) reorganization;
      (iv) acquisition; and
      (v) merger.
(16) The power to employ persons, including: among others,
   (A) attorneys;
   (B) accountants;
   (C) investment advisors; and
   (D) agents;
   to advise and assist the trustee in the performance of his the
   trustee's duties.
(17) The power to effect distribution of property in cash, in kind, or
    partly in cash and partly in kind, in divided or undivided
    interests. and
(18) The power to execute and deliver all instruments necessary
    or appropriate to accomplishing or facilitating the exercise of the
    trustee's powers.
(19) With respect to an interest in a proprietorship, partnership,
    limited liability company, business trust, corporation, or another
    form of business or enterprise, the power to:
    (A) continue the business or enterprise; and
    (B) take any action that may be taken by shareholders,
        members, or property owners, including:
        (i) merging;
        (ii) dissolving; or
        (iii) changing the form of business organization or
            contributing additional capital.
(20) With respect to possible liability for violation of environmental
    law, the power to:
    (A) inspect or investigate property:
        (i) the trustee holds or has been asked to hold; or
        (ii) owned or operated by an organization in which the
            trustee holds an interest or has been asked to hold an
            interest:
        to determine the application of environmental law with
        respect to the property;
    (B) take action to prevent, abate, or remedy an actual or
        potential violation of an environmental law affecting
        property held directly or indirectly by the trustee before or
        after the assertion of a claim or the initiation of governmental enforcement;
(C) decline to accept property into the trust or disclaim any power with respect to property that is or may be burdened with liability for violation of environmental law;
(D) compromise claims against the trust that may be asserted for an alleged violation of environmental law; and
(E) pay the expense of any inspection, review, abatement, or remedial action to comply with environmental law.

(21) The power to exercise elections with respect to federal, state, and local taxes.

(22) The power to select a mode of payment under any employee benefit plan or retirement plan, annuity, or life insurance payable to the trustee and exercise rights under the plan, annuity, or insurance, including the right to:
   (A) indemnification:
       (i) for expenses; and
       (ii) against liabilities; and
   (B) take appropriate action to collect the proceeds.

(23) The power to make loans out of trust property, including loans to a beneficiary on terms and conditions the trustee determines fair and reasonable under the circumstances. The trustee has a lien on future distributions for repayment of the loans.

(24) The power to pledge trust property to guarantee loans made by others to the beneficiary on terms and conditions the trustee considers to be fair and reasonable under the circumstances. The trustee has a lien on future distributions for repayment of the loans.

(25) The power to:
   (A) appoint a trustee to act in another jurisdiction with respect to trust property located in the other jurisdiction;
   (B) confer on the appointed trustee all the appointing trustee’s powers and duties;
   (C) require the appointed trustee to furnish security; and
   (D) remove the appointed trustee.

(26) With regard to a beneficiary who is under a legal disability or whom the trustee reasonably believes is incapacitated, the power to pay an amount distributable to the beneficiary by:
   (A) paying the amount directly to the beneficiary;
(B) applying the amount for the beneficiary's benefit;
(C) paying the amount to the beneficiary's guardian;
(D) paying the amount to the beneficiary's custodian under IC 30-2-8.5 to create a custodianship or custodial trust;
(E) paying the amount to an adult relative or another person having legal or physical care or custody of the beneficiary to be expended on the beneficiary's behalf, if the trustee does not know of a guardian, custodian, or custodial trustee; or
(F) managing the amount as a separate fund on the beneficiary's behalf, subject to the beneficiary's continuing right to withdraw the distribution.

(27) The power to:

(A) combine at least two (2) trusts into one (1) trust; or
(B) divide one (1) trust into at least two (2) trusts;

after notice to the qualified beneficiaries, if the result does not impair the rights of any beneficiary or adversely affect achievement of the purposes of the trust.

(b) Any act under subdivision (4) of subsection (a) of this section, subdivision (a)(4), an option under subdivision (5), subdivision (a)(5), a lease under subdivision (6), subdivision (a)(6), an arrangement under subdivision (7), subdivision (a)(7), and an encumbrance, mortgage, pledge, or security interest under subdivision (9), subdivision (a)(9) may be for a term either within or extending beyond the term of the trust.

(c) In acquiring, investing, reinvesting, exchanging, retaining, selling, and managing property for any trust, the trustee thereof shall exercise the judgment and care required by IC 30-4-3.5. Within the limitations of the foregoing standard, the trustee is authorized to acquire and retain every kind of property, real, personal, or mixed, and every kind of investment, including specifically, but without in any way limiting the generality of the foregoing, bonds, debentures, and other corporate obligations, stocks, preferred or common, and real estate mortgages, which persons of prudence, discretion, and intelligence acquire or retain for their own account, and within the limitations of the foregoing standard, the trustee is authorized to retain property properly acquired, without limitation as to time and without regard to its suitability for original purchase. Within the limitations of the foregoing standard, the trustee is authorized to sell covered security options and
to purchase back previously sold covered security options.

d) If a distribution of particular trust assets is to be made to two (2) or more beneficiaries entitled to receive fractional shares in those assets, the trustee may distribute the particular assets without distributing to each beneficiary a pro rata share of each asset. However, the trustee shall:

(1) distribute to each beneficiary a pro rata share of the total fair market value of all of the particular assets as of the date of distribution; and

(2) cause the distribution to result in a fair and equitable division among the beneficiaries of capital gain or loss on the assets.

e) If the trust is terminated or partially terminated, the trustee may send to the beneficiaries a proposal for distribution. If the proposal for distribution informs the beneficiary that the beneficiary:

(1) has a right to object to the proposed distribution; and

(2) must object not later than thirty (30) days after the proposal for distribution was sent; the right of the beneficiary to object to the proposed distribution terminates if the beneficiary fails to notify the trustee of an objection within the time limit set forth in subdivision (2).

SECTION 32. IC 30-4-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The trustee has a duty to administer a trust according to its terms.

(b) Unless the terms of the trust provide otherwise, the trustee also has a duty to do the following:

(1) Administer the trust in a manner consistent with IC 30-4-3.5.
(2) Take possession of and maintain control over the trust property.
(3) Preserve the trust property.
(4) Make the trust property productive for both the income and remainder beneficiary. As used in this subdivision, "productive" includes the production of income or investment for potential appreciation.
(5) Keep the trust property separate from the trustee's individual property and separate from or clearly identifiable from property subject to another trust.
(6) Maintain clear and accurate accounts with respect to the trust
(7) Upon reasonable request, give the beneficiary complete and accurate information concerning any matter related to the administration of the trust and permit the beneficiary or the beneficiary's agent to inspect the trust property, the trustee's accounts, and any other documents concerning the administration of the trust.

(8) Take whatever action is reasonable to realize on claims constituting part of the trust property.

(9) Defend actions involving the trust estate.

(10) Supervise any person to whom authority has been delegated.

(11) Determine the trust beneficiaries by acting on information:

   (A) the trustee, by reasonable inquiry, considers reliable; and

   (B) with respect to heirship, relationship, survivorship, or any other issue relative to determining a trust beneficiary.

SECTION 33. IC 30-4-3-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. If the happening of an event, including:

   (1) marriage;
   (2) divorce;
   (3) performance of educational requirements; or
   (4) death;

affects the administration or distribution of a trust, a trustee who has exercised reasonable care to ascertain the happening of the event is not liable for a loss resulting from the trustee's lack of knowledge.

SECTION 34. IC 30-4-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Unless the terms of the trust provide otherwise, the trustee has a duty:

   (1) not to loan funds to himself or an affiliate;
   (2) not to purchase or participate in the purchase of trust property from the trust for the trustee's own or an affiliate's account;
   (3) not to sell or participate in the sale of the trustee's own or an affiliate's property to the trust; or
   (4) if a corporate trustee, not to purchase for or retain in the trust its own or a parent or subsidiary corporation's stock, bonds, or
other capital securities. However, the trustee may retain such
securities already held in trusts created prior to September 2,
1971.

(b) Unless the terms of the trust provide otherwise, a corporate
trustee may invest in, purchase for, or retain in the trust its own or an
affiliate's obligations, including savings accounts and certificates of
deposit, without the investment, purchase, or retention constituting a
conflict of interest under section 5 of this chapter.

(c) Unless the terms of the trust provide otherwise, a corporate
trustee does not violate subsection (a) by investing in, purchasing for,
or retaining in the trust its own or an affiliate's obligations, including
savings accounts and certificates of deposit, if the payment of each
obligation is fully insured by the Bank Insurance Fund or the Savings
Association Insurance Fund of the Federal Deposit Insurance
Corporation, the National Credit Union Share Insurance Fund, or any
insurer approved by the department of financial institutions under
IC 28-7-1-31.5.

(d) If the terms of the trust permit the trustee to deal with a
beneficiary for the trustee's own account, the trustee has a duty to deal
fairly with and to disclose to the beneficiary all material facts related
to the transaction which the trustee knows or should know.

(e) Unless the terms of the trust provide otherwise, the trustee may
sell, exchange, or participate in the sale or exchange of trust property
from one (1) trust to himself as trustee of another trust, provided the
sale or exchange is fair and reasonable with respect to the beneficiaries
of both trusts and the trustee discloses to the beneficiaries of both trusts
all material facts related to the sale or exchange which the trustee
knows or should know.

(f) This section does not prohibit a trustee from enforcing or
fulfilling any enforceable contract or agreement:

(1) executed during the settlor's lifetime; and

(2) between the settlor and the trustee in the trustee's
individual capacity.

SECTION 35. IC 30-4-3-24.4 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 24.4. (a) The court may modify
the administrative or dispositive terms of a trust if, because of
circumstances not anticipated by the settlor, modification or
termination will further the purposes of the trust. To the extent practicable, the modification must be made in accordance with the settlor's probable intention.

(b) The court may modify the administrative terms of a trust or terminate the trust if:

1) the purpose of the trust has been fulfilled; or
2) continuation of the trust on the trust's existing terms would:
   A) be illegal, impossible, impracticable, or wasteful; or
   B) impair the trust's administration.

(c) If the trust terminates under this section, the court shall direct the trustee to distribute the trust property in a manner consistent with the purposes of the trust.

(d) The court may modify the terms of a trust to give the settlor the power to revoke and modify the trust if the:

1) settlor intended to reserve the power;
2) settlor believed the power was reserved; and
3) power was omitted from the terms of the trust by mistake.

SECTION 36. IC 30-4-3-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 24.5. (a) This section does not apply to an easement for conservation or preservation.

(b) This subsection applies to a trust consisting of trust property having a total value of less than seventy-five thousand dollars ($75,000). Unless the terms of the trust provide otherwise, the trustee may terminate the trust:

1) if the trustee concludes the value of the trust property is insufficient to justify the cost of administration; and
2) after providing notice of the trust termination to qualified beneficiaries.

(c) The court may:

1) modify or terminate a trust; or
2) remove the trustee and appoint a different trustee; if the court determines that the value of the trust property is insufficient to justify the cost of administration. If a trust terminates under this subsection, the court shall direct the trustee to distribute the trust property in a manner consistent with the purposes of the trust.

(d) If a trust terminates under subsection (b), the trustee shall
distribute the trust property in a manner consistent with the purposes of the trust.

SECTION 37. IC 30-4-3-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (Cy Pres Doctrine) (a) If property is given to a trust for a benevolent public purpose and the property is to be applied to a particular charitable purpose, and it is or becomes impossible, impracticable, wasteful, or illegal to carry out the particular purpose, and if the settlor manifested a more general intention to devote the property to charitable purposes, the trust need not fail, but the court may direct the application of the property to some charitable purpose which falls within the general charitable intention of the settlor. (b) The terms of a charitable trust that would result in the distribution of the trust property to a noncharitable beneficiary prevails over the power of the court under subsection (a) to apply the cy pres doctrine to modify or terminate the trust only if, when the provision takes effect:

(1) the trust property is to revert to the settlor and the settlor is still alive; or

(2) less than twenty-one (21) years have elapsed since the trust was created.

(b) (c) A living heir of the settlor or a living beneficiary named in the original trust agreement may present evidence to the court of:

(1) the heir's or beneficiary's opinion of the settlor's intent; and

(2) the heir's or beneficiary's wishes; regarding the property given in trust.

SECTION 38. IC 30-4-3-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) A trustee may be removed as follows:

(1) By the court.

(2) By the person, if any, who by the terms of the trust is authorized to remove the trustee.

(3) Unless the terms of the trust instrument provide otherwise, by a beneficiary of the trust whose petition is granted by the court under subsection (e): (d).

(b) Upon petition by the trustee the court may, in its discretion, permit the trustee to resign if the trustee's resignation will not be detrimental to the trust.
(c) Unless a successor trustee is named in or selected according to a method prescribed in the terms of the trust; the court may appoint a trustee to replace a removed; resigned; or deceased trustee and; on petition by a party to the trust; may appoint a co-trustee if to do so would facilitate more effective administration of the trust. The court shall inquire into the qualifications of a proposed successor trustee and give due consideration to the intentions of the settlor of the trust before appointing a successor trustee:

(b) Unless the terms of the trust requires a different time, the trustee may resign:

1. if the trustee gives at least thirty (30) days notice to:
   A. the qualified beneficiaries;
   B. the settlor, if living; and
   C. all cotrustees; or
2. with the approval of the court.

In approving a resignation, the court may issue orders and impose conditions reasonably necessary for the protection of the trust property. Any liability of a resigning trustee or of any sureties on the trustee's bond for acts or omissions of the trustee is not discharged or affected by the trustee's resignation.

(d) (c) For good cause shown, the court may at any time appoint a temporary trustee for such period of time, and to perform such duties, as the court may direct.

(e) (d) This subsection applies only to a trust executed after June 30, 1996. A beneficiary of a trust may petition the court for the removal of a corporate trustee if there has been a change in control of the corporate trustee after the date of the execution of the trust. The court may remove the corporate trustee if the court determines the removal is in the best interests of all the beneficiaries of the trust. For purposes of this subsection a change in control of the corporate trustee occurs whenever a person or group of persons acting in concert acquires the beneficial ownership of an aggregate of at least twenty-five percent (25%) of the outstanding shares of voting stock of:

1. a trustee; or
2. a corporation controlling a trustee; after June 30, 1996.

(e) A trustee who has resigned or been removed shall expeditiously deliver the trust property within the trustee's
possession to the cotrustee, successor trustee, or other person entitled to the trust property. A trustee who has resigned or been removed has the duties of trustee and the powers necessary to protect the trust property:

(1) unless a cotrustee remains in the office of trustee or the court orders otherwise; and
(2) until the trust property is delivered to a successor trustee or other person entitled to the trust property.

SECTION 39. IC 30-4-3-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) In addition to the terms of a trust regarding the circumstances under which a trustee vacancy occurs, a trustee vacancy occurs if:

(1) a person designated as trustee does not accept being trustee;
(2) a person designated as trustee cannot be identified or does not exist;
(3) a trustee resigns;
(4) a trustee is disqualified or removed;
(5) a trustee dies; or
(6) the person designated as trustee lacks capacity.

(b) Except as provided in the terms of a trust, if a trust has at least two (2) cotrustees and at least one (1) cotrustee remains in office, a cotrustee vacancy is not required to be filled. A cotrustee vacancy must be filled if the trust has no remaining cotrustee.

(c) Except as provided in the terms of a trust, a trustee vacancy of a noncharitable trust that is required to be filled must be filled according to the following priority:

(1) A person designated in the terms of the trust to act as successor trustee.
(2) A person appointed by a majority of the qualified beneficiaries.
(3) A person appointed by the court.

(d) Except as provided in the terms of a trust, a trustee vacancy of a charitable trust that is required to be filled must be filled according to the following priority:

(1) A person designated in the terms of the trust to be successor trustee.
(2) A person:
(A) selected by the charitable organizations expressly
designated to receive distributions under the terms of the
trust; and
(B) whose selection is approved by the attorney general.

(3) A person appointed by the court.

(e) Regardless of whether a trustee vacancy exists or is required
to be filled, the court may appoint an additional trustee or a special
fiduciary if the court considers the appointment necessary for the
administration of the trust.

SECTION 40. IC 30-4-3-34 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2005]: Sec. 34. (a) At any time during the administration of a
trust, a trustee or any interested person may petition the court to
determine the:

(1) heirs of:
   (A) the settlor; or
   (B) any person named in the trust; and
(2) respective interests of the persons described in subdivision
   (1) in the trust estate or any part of the trust estate.

(b) If a petition is filed under this section, the court shall fix the
time for a hearing on the petition. Notice of the hearing shall be
given in the following manner:

(1) Personally or by mail to persons who are named in the
trust and:
   (A) are known to claim;
   (B) are believed to claim; or
   (C) have;
an interest in the trust estate or any part of the trust estate as
heir or through an heir of the settlor.
(2) By publication to any unknown heirs.

(c) When a hearing is held on the petition, the issues set forth in
the petition under subsection (a) may be determined by:

(1) competent evidence; or
(2) affidavit, if there are no objections.

A record shall be made of the oral evidence. The record and
affidavits must be a part of the files in the trust proceeding.

(d) If there is satisfactory proof, the court shall make a decree
that determines the issues set forth in the petition under subsection
(a). The court's decree is conclusive of the facts determined by the
court with regard to any interested person who has been notified personally or by mail in accordance with subsection (b)(1), subject to the interested person's right of appeal.

(e) An act of the trustee is valid with regard to the rights and liabilities of a purchaser, a lessee, or other person who deals with the trustee for value and in good faith, if the trustee acts in:

(1) accordance with the facts as determined by the court's decree under subsection (d);
(2) accordance with the law; and
(3) good faith.

SECTION 41. IC 30-4-4-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTIION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A trustee may furnish to a person other than a beneficiary a certification of trust instead of a copy of the trust instrument. The certification of trust must contain the following information:

(1) That the trust exists and the date the trust instrument was executed.
(2) The identity of the settlor.
(3) The identity and address of the currently acting trustee.
(4) The powers of the trustee.
(5) The revocability or irrevocability of the trust and the identity of any person holding a power to revoke the trust.
(6) The authority of cotrustees to sign or otherwise authenticate and whether all or less than all the cotrustees are required in order to exercise the powers of the trustee.
(7) The trust's taxpayer identification number.
(8) The manner of taking title to trust property.

(b) A certification of trust may be signed or authenticated by any trustee.

(c) A certification of trust must state that the trust has not been revoked, modified, or amended in any manner that would cause the representations contained in the certification of trust to be incorrect.

(d) A certification of trust may contain the dispositive terms of a trust.

(e) A recipient of a certification of trust may require the trustee to furnish copies of excerpts from the original trust instrument and later amendments that:
(1) designate the trustee; and
(2) confer on the trustee the power to act in a pending transaction in which the recipient has an interest.

(f) A person who acts in reliance on a certification of trust without knowledge that the representations contained in the certification of trust are incorrect:
   (1) is not liable to any person for acting in reliance on the certification of trust; and
   (2) may assume without inquiry the existence of the facts contained in the certification of trust.

Knowledge of the terms of the trust may not be inferred solely from the fact that a copy of all or part of the trust instrument is held by the person relying on the certification.

(g) A person who in good faith enters into a transaction in reliance on a certification of trust may enforce the transaction against the trust property as if the representations contained in the certification were correct.

(h) A person making a demand for the trust instrument in addition to a certification of trust or excerpts from the original trust instrument is liable for damages if the court determines that a person did not act in good faith in demanding the trust instrument.

(i) This section does not limit the right of a person to obtain a copy of the trust instrument in a judicial proceeding concerning the trust.

SECTION 42. IC 30-4-5-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (Right to Compensation) (a) Unless the terms of the trust provide otherwise, and except as provided in 30-4-5-17, section 17 of this chapter, the trustee is entitled to reasonable compensation from the trust estate for acting as trustee.

(b) If the terms of the trust specify the trustee's compensation, the trustee is entitled to be compensated as specified, but the court may allow more or less compensation if:
   (1) the duties of the trustee are substantially different from those contemplated when the trust was created; or
   (2) the compensation specified in the terms of the trust would be unreasonably low or high.

(c) A trustee is entitled to be reimbursed out of the trust
property, with interest as appropriate, for:
   (1) expenses that were properly incurred in the administration of the trust; and
   (2) expenses that were not properly incurred in the administration of the trust, to the extent necessary to prevent unjust enrichment of the trust.

An advance by the trustee of money for the protection of the trust gives rise to a lien against trust property to secure reimbursement with reasonable interest.

SECTION 43. IC 30-4-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (Venue) (a) Unless the terms of the trust provide otherwise, venue in this state for matters arising under this article shall be exclusively in the county in which the principal place of administration of the trust is located. The principal place of administration of a trust is that usual place at which the records pertaining to the trust are kept or, if there is no such place, the trustee's residence. If there are cotrustees, the principal place of administration is either that of the corporate trustee, if there is only one (1); that of the individual trustee who has custody of the records, if there is but one (1) such person and there is no corporate cotrustee; or, if neither of these alternatives apply, that of any of the cotrustees.

   (b) Unless the trust provides otherwise, a trustee is under a continuing duty to administer the trust at a place appropriate to the trust's purposes and administration.

   (c) Unless the trust provides otherwise, and without precluding the right of the court to order, approve, or disapprove a transfer, the trustee, in furtherance of a duty prescribed by subsection (b), may transfer the trust's principal place of administration to another state or to a jurisdiction outside the United States.

   (d) The trustee shall notify the qualified beneficiaries of a proposed transfer of a trust's principal place of administration not less than sixty (60) days before initiating the transfer. The notice of proposed transfer must include the following information:
      (1) The name of the jurisdiction to which the principal place of administration is to be transferred.
      (2) The address and telephone number of the new location at which the trustee can be contacted.
      (3) An explanation of the reasons for the proposed transfer.
(4) The date on which the proposed transfer is anticipated to occur.
(5) The date, not less than sixty (60) days after the giving of notice, by which the qualified beneficiary must notify the trustee of an objection to the proposed transfer.
(e) The authority of a trustee under this section to transfer a trust's principal place of administration terminates if a qualified beneficiary notifies the trustee of an objection to the proposed transfer on or before the date specified in the notice.
(f) In connection with a transfer of the trust's principal place of administration, the trustee may transfer some or all of the trust property to a successor trustee designated in the terms of the trust or appointed under IC 30-4-3-33.
(g) If the principal place of administration is maintained in another state, venue in this state for any matters arising under this article shall be in the county stipulated in writing by the parties to the trust or, if there is no such stipulation, in the county where the trust property, or the evidence of the trust property, which is the subject of the action is either situated or generally located.
(h) Any party to an action or proceeding shall be entitled to a change of venue or change of judge as provided in the Indiana Rules of Procedure. A change of venue in any action shall not be construed to authorize a permanent change of venue for all matters arising under this article, and, upon conclusion of the action, venue shall return to the court where the action was initiated.

SECTION 44. IC 30-4-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (Bonding)

(a) Unless the terms of the trust provide otherwise, the trustee need not provide a bond to secure his the trustee's performance as trustee.
(b) If the trust is subject to continuing supervisory jurisdiction by the court, the court may, on its own motion, direct the trustee to provide a bond to secure his the trustee's duties.
(c) Upon petition by an interested party, the court may direct the trustee to provide a bond to secure his the trustee's performance, as such, if the court deems it reasonably necessary to protect the interest of any beneficiary.
(d) Unless the terms of the trust provide otherwise, the court may, in its discretion, direct a trustee appointed by the court under 30-4-3-29
IC 30-4-3-33 to file a bond to secure the performance of his the 
trustee's duties.

(c) In any case in which bond is required, unless otherwise 
specified, the court shall determine the amount, term and surety of the 
bond to be provided. The court may also excuse a requirement of bond, 
reduce or increase the amount of the bond, release the surety, or permit 
substitution of another bond with the same or different sureties.

SECTION 45. IC 30-4-6-10.5 IS ADDED TO THE INDIANA 
CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) Except as provided in the 
terms of a trust, and to the extent there is not a conflict of interest 
between the representative and the person represented or among 
those being represented:

(1) a guardian may represent and bind the protected person 
who is subject to the guardianship;
(2) an attorney in fact who has authority to act with respect to 
the particular question or dispute may represent and bind the 
principal;
(3) a trustee may represent and bind the beneficiaries of the 
trust;
(4) a personal representative of a decedent's estate may 
represent and bind persons interested in the estate; and
(5) a parent may represent and bind the parent's minor, 
unborn, or not yet adopted child if a guardian for the child 
has not been appointed;

with regard to a particular question or dispute.

(b) The holder of a general power of appointment, including a 
general testamentary power of appointment, may represent and 
bind persons whose interests are subject to the power of 
appointment, including:

(1) permissible appointees; and
(2) takers in default.

(c) Unless otherwise represented:

(1) a minor;
(2) an incapacitated person;
(3) an unborn or a not yet adopted child; or
(4) a person whose identity or location is unknown and not 
reasonably ascertainable;
may be represented by and bound by another person who has a substantially identical interest with respect to the particular question or dispute but only to the extent there is not a conflict of interest between the representative and the person represented.

(d) If the court determines that an interest is not represented under this section or that the otherwise available representation might be inadequate, the court may appoint a guardian ad litem to receive notice, give consent, and otherwise represent, bind, and act on behalf of:

   (1) a minor;
   (2) an incapacitated person;
   (3) an unborn child; or
   (4) a person whose identity or location is unknown.

If not precluded by conflict of interest, a guardian ad litem may be appointed to represent several persons or interests. A guardian ad litem may act on behalf of the person represented with respect to any matter arising under this title, regardless of whether a judicial proceeding concerning the trust is pending. In making decisions, a guardian ad litem may consider general benefits accruing to the living members of the family of the persons represented.

(e) Notice to a person who may represent and bind another person under this section has the same effect as if notice were given directly to the other person.

(f) The consent of a person who may represent and bind another person under this section is binding on the person represented unless the person represented objects to the representation before the consent would have become effective.

SECTION 46. IC 30-4-6-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 14. (a) A person must commence a judicial proceeding to contest the validity of a trust that was revocable at the settlor’s death within the earlier of the following:

   (1) Ninety (90) days after the person receives from the trustee a copy of the trust certification and a notice informing the person of:
      (A) the trust’s existence;
      (B) the trustee’s name and address; and
      (C) the time allowed for commencing the proceeding.
   (2) Three (3) years after the settlor’s death.
(b) More than one hundred twenty (120) days after the death of the settlor of a trust that was revocable at the settlor's death, the trustee may distribute the trust property in accordance with the terms of the trust. The trustee is not subject to liability for the distribution unless:

(1) the trustee knows of a pending judicial proceeding contesting the validity of the trust; or

(2) a potential contestant notifies the trustee of a possible judicial proceeding to contest the trust and a judicial proceeding is commenced not later than sixty (60) days after the contestant sends the trustee the notification.

(c) A beneficiary of a trust that is determined to be invalid shall return any distribution received.

SECTION 47. IC 30-5-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 5. Notwithstanding IC 1-1-4-4 and IC 6-3-1-11, "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended from time to time.

SECTION 48. IC 30-5-5-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 4.5. (a) Language conferring general authority with respect to retirement plans means the principal authorizes the attorney in fact to:

(1) make contributions, including rollover contributions, or cause contributions to be made on behalf of the principal to any retirement plan, including any:
   (A) pension;
   (B) profit sharing or stock bonus plan;
   (C) individual retirement arrangement;
   (D) individual retirement account described in Section 408(A) of the Internal Revenue Code;
   (E) deferred compensation plan;
   (F) qualified plan under Section 403(b) of the Internal Revenue Code; or
   (G) other qualified or nonqualified retirement plan, arrangement, or annuity in which the principal is a participant or a beneficiary;

(2) establish at least one (1) individual retirement account or other retirement plan in the principal's name;
(3) elect a form of payment of benefits from a retirement plan and withdraw benefits from a retirement plan;
(4) exercise investment powers available under a retirement plan;
(5) designate at least one (1) beneficiary or contingent beneficiary for any benefits payable under a retirement plan on account of the principal's death and change any earlier designation of beneficiary;
(6) borrow from, sell assets to, and purchase assets from the retirement plan if authorized by the retirement plan; and
(7) waive the right of the principal to be a beneficiary of a joint or survivor annuity.

(b) The powers described in this section are equally exercisable with respect to a retirement plan established or operated in Indiana or another jurisdiction and:
   (1) owned by the principal;
   (2) in which the principal was a participant; or
   (3) of which the principal was a beneficiary;
when the powers are given or after the powers are given.

(c) A power of attorney executed before July 1, 2005, that confers general authority with respect to all other matters under section 19 of this chapter, includes general authority with respect to retirement plans as described in this section.

SECTION 49. IC 30-5-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Language conferring general authority with respect to insurance transactions means the principal authorizes the attorney in fact to do the following:
(1) Continue, pay the premium or assessment on, modify, rescind, release, or terminate a contract of life, accident, health, or disability insurance or for the provision of health care services or any combination of these contracts procured by or on behalf of the principal before the granting of the power of attorney that insures the principal or another person, without regard to whether the principal is or is not a beneficiary under the contract.
(2) Procure new, different, or additional contracts of life, accident, health, or disability insurance for the principal or for the provision of health care services for the principal, and select the amount, type of insurance, and mode of payment under each contract, pay
the premium or assessment on, modify, release, or terminate a contract procured by the attorney in fact, and designate the beneficiary under the contract. The attorney in fact may not be named as beneficiary of a contract, unless:

(A) the attorney in fact is named as beneficiary of death benefit proceeds if permitted under section 8 of this chapter;

or

(B) the attorney in fact was named as a beneficiary under a contract that was procured by the principal before the granting of the power of attorney: The attorney in fact may continue to be named as beneficiary under the contract, or an extension or renewal of, or substitute for, the contract.

(3) Apply for and receive any available loan on the security of the contract of insurance, whether for the payment of the premium or for the procuring of cash, surrender and receive the cash surrender value, exercise an election as to beneficiary or mode of payment, change the manner of paying premiums, change or convert the type of insurance contract, with respect to a contract of life, accident, health, disability, or liability insurance in which the principal has, or claims to have, a power described in this subdivision, or change the beneficiary of the contract of insurance. The attorney in fact may not be named a new beneficiary of a contract, unless:

(A) the attorney in fact is named as beneficiary of death benefit proceeds if permitted under section 8 of this chapter;

or

(B) the attorney in fact was named as a beneficiary under a contract that was procured by the principal before the granting of the power of attorney: The attorney in fact may continue to be named as beneficiary under the contract, or an extension or renewal of, or substitute for, the contract.

(4) Demand, receive, or obtain by action or proceeding money or other things of value to which the principal is, may become, or claims to be entitled to as the proceeds of a contract of insurance or a transaction permitted under this section, conserve, invest, disburse, or use anything received for a purpose permitted under this section, and reimburse the attorney in fact for expenditures properly made in the execution of powers conferred upon the
attorney in fact.
(5) Apply for and procure available governmental aid in the
guaranteeing or paying of premiums of a contract of insurance on
the life of the principal.
(6) Sell, assign, hypothecate, borrow upon, or pledge the interest
of the principal in a contract of insurance.
(7) Pay from the proceeds or otherwise, compromise, contest, and
apply for refunds in connection with a tax or an assessment levied
by a taxing authority with respect to a contract of insurance, the
proceeds of the refunds, or liability accruing from a tax or an
assessment.
(8) Agree and contract in any manner and on any terms with any
person the attorney in fact selects to accomplish a purpose
permitted under this section and perform, rescind, reform, release,
or modify an agreement or a contract.
(9) Execute, acknowledge, seal, and deliver a consent, a demand,
a request, an application, an agreement, an indemnity, an
authorization, an assignment, a pledge, a notice, a check, a
receipt, a waiver, or other instrument the attorney in fact
considers useful to accomplish a purpose permitted under this
section.
(10) Continue, procure, pay the premium or assessment on,
modify, rescind, release, terminate, or otherwise deal with a
contract of insurance, other than those permitted under
subdivision (1) or (2), including fire, marine, burglary,
compensation, liability, hurricane, casualty, or a combination of
insurance, and do acts with respect to the contract or with respect
to the contract's proceeds or enforcement that the attorney in fact
considers necessary or desirable for the promotion or protection
of the interests of the principal.
(11) Prosecute, defend, submit to arbitration, settle, and propose
or accept a compromise with respect to a claim existing in favor
of or against the principal based on or involving an insurance
transaction or intervene in an action or proceeding relating to a
claim.
(12) Hire, discharge, and compensate an attorney, accountant,
expert witness, or other assistant when the attorney in fact
considers the action to be desirable for the proper execution by
the attorney in fact of a power described in this section and keep needed records.
(13) Perform any other acts in connection with procuring, supervising, managing, modifying, enforcing, and terminating contracts of insurance or for the provisions of health care services in which the principal is insured or is otherwise interested.
(b) The powers described in this section are exercisable equally with respect to a contract of insurance or for the provision of health care service in which the principal is interested, whether located in Indiana or in another jurisdiction.

SECTION 50. IC 30-5-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Language conferring general authority with respect to gift transactions means the principal authorizes the attorney in fact to do the following:

(1) Make gifts to organizations, charitable or otherwise, to which the principal has made gifts, and satisfy pledges made to organizations by the principal.
(2) Make gifts on behalf of the principal to the principal's spouse, children, and other descendants or the spouse of a child or other descendant, either outright or in trust, for purposes the attorney in fact considers to be in the best interest of the principal, including the minimization of income, estate, inheritance, or gift taxes. The attorney in fact or a person that the attorney in fact has a legal obligation to support may not be the recipient of gifts in one (1) year that total more than ten thousand dollars ($10,000) in aggregate value to the recipient; the amount allowed as an exclusion from gifts under Section 2503 of the Internal Revenue Code.
(3) Prepare, execute, consent to on behalf of the principal, and file a return, report, declaration, or other document required by the laws of the United States, a state, a subdivision of a state, or a foreign government that the attorney in fact considers desirable or necessary with respect to a gift made under the authority of this section.
(4) Execute, acknowledge, seal, and deliver a deed, an assignment, an agreement, an authorization, a check, or other instrument the attorney in fact considers useful to accomplish a purpose permitted under this section.
(5) Prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to a claim existing in favor of or against the principal based on or involving a gift transaction, or intervene in a related action or proceeding.

(6) Hire, discharge, and compensate an attorney, accountant, expert witness, or other assistant when the attorney in fact considers the action to be desirable for the proper execution by the attorney in fact of a power described in this section and keep needed records.

(7) Perform any other acts the attorney in fact considers desirable or necessary to complete a gift on behalf of the principal.

(b) The powers described in this section are exercisable equally with respect to a gift of property in which the principal is interested at the time of the giving of the power of attorney or becomes interested in after that time, whether conducted in Indiana or in another jurisdiction.

SECTION 51. IC 30-5-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A person who acts in good faith reliance on a power of attorney is immune from liability to the same extent as if the person had dealt directly with the named principal and the named principal had been competent and not incapacitated.

(b) The named attorney in fact may furnish an affidavit to a person that states, to the best knowledge of the attorney in fact:

(1) that the instrument relied on by the person is a true copy of the power of attorney;
(2) that the named principal is alive;
(3) that the power of attorney was validly granted and executed;
(4) that the relevant powers granted to the attorney in fact have not been altered or terminated;
(5) in the case of a successor attorney in fact, that the original attorney in fact has failed or ceased to serve and the successor attorney in fact is empowered to act on behalf of the principal; and
(6) if the effective date of the power of attorney begins upon the occurrence of a certain event, that the event has occurred and the attorney in fact is authorized to act under the power of attorney.
(c) A person who:
   (1) relies on an affidavit described in subsection (b); and
   (2) acts in good faith;

is immune from liability that might otherwise arise from the person's action in reliance on the power of attorney that is the subject of the affidavit.

SECTION 52. IC 30-5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) An attorney in fact who acts with due care for the benefit of the principal is not liable or limited only because the attorney in fact:
   (1) also benefits from the act;
   (2) has individual or conflicting interests in relation to the property, care, or affairs of the principal; or
   (3) acts in a different manner with respect to the principal's and the attorney in fact's individual interests.

(b) A gift, bequest, transfer, or transaction is not presumed to be valid or invalid if the gift, bequest, transfer, or transaction:
   (1) is:
       (A) made by the principal taking action; and
       (B) not made by an attorney in fact acting for the principal under a power of attorney; and
   (2) benefits the principal's attorney in fact.

SECTION 53. IC 30-5-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsections (b) and (c), a power of attorney terminates on the death of the principal.

(b) The death of a principal who has executed a written power of attorney does not revoke or terminate the power of attorney as to the attorney in fact or other person who, without actual knowledge of the death of the principal, acts in good faith under the power. Unless otherwise invalid or unenforceable, an action taken under this subsection binds the principal and the principal's successors in interest.

(c) The death of a principal who executes a written power of attorney does not revoke or terminate the power of attorney as to authority granted under IC 30-5-16(b)(5) through IC 30-5-16(b)(7). An action taken under this subsection binds the principal and the principal's successors in interest, unless the action is inconsistent with a written directive executed by the
principal before the principal's death.

(c) Notice from the United States Department of Defense of the death of a principal who has given a power of attorney is official notice of the death of the principal. A report or listing of the principal's being missing or missing in action does not do any of the following:

1. Constitute and may not be interpreted as actual notice of the death of the principal.
2. Terminate the power of attorney.

SECTION 54. IC 32-17.5-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except for a disclaimer under IC 32-17.5-5 or IC 32-17.5-6-1, the following rules apply to a disclaimer of an interest in property:

1. A disclaimer takes effect:
   (A) when the instrument creating the interest becomes irrevocable; or
   (B) upon the intestate's death if the interest arose under the law of intestate succession.

2. A disclaimed interest passes according to any provision in the instrument creating the interest:
   (A) that provides for the disposition of the interest should the interest be disclaimed; or
   (B) that concerns disclaimed interests in general.

3. If the instrument creating the disclaimed interest does not contain a provision described in subdivision (2), the following rules apply:
   (A) If the disclaimant is an individual, the following rules apply:
      (i) Except as provided in item (ii), the disclaimed interest passes as if the disclaimant had died immediately before the time of distribution.
      (ii) If, by law or under the instrument, the descendants of the disclaimant would share in the disclaimed interest by any method of representation had the disclaimant died before the time of distribution, the disclaimed interest passes only to the descendants of the disclaimant who survive at the time of distribution.
   (B) If the disclaimant is not an individual, the disclaimed interest passes as if the disclaimant did not exist.
(4) If the disclaimed interest arose under the law of intestate succession, the disclaimed interest passes as if the disclaimant had died immediately before the intestate's death.

(4) (5) Upon the disclaimer of a preceding interest:

(A) a future interest held by a person other than the disclaimant takes effect as if the disclaimant had died or ceased to exist immediately before the time of distribution; and

(B) a future interest held by the disclaimant is not accelerated in possession or enjoyment.

SECTION 55. IC 32-29-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) In a proceeding for the foreclosure of a mortgage executed on real estate, process may not issue for the execution of a judgment or decree of sale for a period of three (3) months after the filing of a complaint in the proceeding. However:

(1) the period shall be:

(A) twelve (12) months in a proceeding for the foreclosure of a mortgage executed before January 1, 1958; and

(B) six (6) months in a proceeding for the foreclosure of a mortgage executed after December 31, 1957, but before July 1, 1975; and

(2) if the court finds that the mortgaged real estate is residential real estate and has been abandoned, a judgment or decree of sale may be executed on the date the judgment of foreclosure or decree of sale is entered, regardless of the date the mortgage is executed.

(b) A judgment and decree in a proceeding to foreclose a mortgage that is entered by a court having jurisdiction may be filed with the clerk in any county as provided in IC 33-32-3-2. After the period set forth in subsection (a) expires, a person who may enforce the judgment and decree may file a praecipe with the clerk in any county where the judgment and decree is filed, and the clerk shall promptly issue and certify to the sheriff of that county a copy of the judgment and decree under the seal of the court.

(c) Upon receiving a certified judgment under subsection (b), the sheriff shall, subject to section 4 of this chapter, sell the mortgaged premises or as much of the mortgaged premises as necessary to satisfy
the judgment, interest, and costs at public auction at the office of the sheriff or at another location that is reasonably likely to attract higher competitive bids. The sheriff shall schedule the date and time of the sheriff's sale for a time certain between the hours of 10 a.m. and 4 p.m. on any day of the week except Sunday.

(d) Before selling mortgaged property, the sheriff must advertise the sale by publication once each week for three (3) successive weeks in a daily or weekly newspaper of general circulation. The sheriff shall publish the advertisement in at least one (1) newspaper published and circulated in each county where the real estate is situated. The first publication shall be made at least thirty (30) days before the date of sale. At the time of placing the first advertisement by publication, the sheriff shall also serve a copy of the written or printed notice of sale upon each owner of the real estate. Service of the written notice shall be made as provided in the Indiana Rules of Trial Procedure governing service of process upon a person. The sheriff shall charge a fee of ten dollars ($10) to one (1) owner and three dollars ($3) to each additional owner for service of written notice under this subsection. The fee is:

(1) a cost of the proceeding;
(2) to be collected as other costs of the proceeding are collected; and
(3) to be deposited in the county general fund for appropriation for operating expenses of the sheriff's department.

(e) The sheriff also shall post written or printed notices of the sale in at least three (3) public places in each township in which the real estate is situated and at the door of the courthouse of each county in which the real estate is located.

(f) If the sheriff is unable to procure the publication of a notice within the county, the sheriff may dispense with publication. However, the sheriff shall state that the sheriff was not able to procure the publication and explain the reason why publication was not possible.

(g) Notices under subsections (d) and (e) must contain a statement, for informational purposes only, of the location of each property by street address, if any, or other common description of the property other than legal description. A misstatement in the informational statement under this subsection does not invalidate an otherwise valid sale.

(h) The sheriff may charge an administrative fee of not more than two hundred dollars ($200) with respect to a proceeding
referred to in subsection (b) for actual costs directly attributable to the administration of the sale under subsection (c). The fee is:

(1) payable by the person seeking to enforce the judgment and decree; and

(2) due at the time of filing of the praecipe; under subsection (b).

SECTION 56. IC 33-37-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Each clerk shall establish a clerk's record perpetuation fund. The clerk shall deposit all the following in the fund:

(1) Revenue received by the clerk for transmitting documents by facsimile machine to a person under IC 5-14-3.

(2) Document storage fees required under section 20 of this chapter.

(3) The late payment fees imposed under section 22 of this chapter that are authorized for deposit in the clerk's record perpetuation fund under IC 33-37-7-1 or IC 33-37-7-2.

(4) The fees required under IC 29-1-7-3.1 for deposit of a will. (b) The clerk may use any money in the fund for the following purposes:

(1) The preservation of records.

(2) The improvement of record keeping systems and equipment.

SECTION 57. IC 34-30-2-122.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 122.5. IC 29-1-7-3.1 (Concerning a person who deposits a will with a circuit court clerk).

SECTION 58. IC 34-30-2-131 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 131. (a) IC 30-4-3-1.5 (Concerning actions of a trustee who does not know that a trust has been revoked or amended).

(b) IC 30-4-3-6.5 (Concerning actions of a trustee who does not know of the happening of an event that affects the trust).

(c) IC 30-4-3-11 (Concerning trustees and beneficiaries of a trust in certain circumstances).

SECTION 59. IC 34-30-2-132.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 132.4. IC 30-4-4-5 (Concerning a person who acts in reliance on a certification of trust).
SECTION 60. IC 34-30-2-132.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 132.6. IC 30-4-6-14 (Concerning distribution of trust property).

SECTION 61. IC 34-30-2-132.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 132.8. IC 30-5-8-7 (Concerning a person who relies on a power of attorney or an affidavit concerning a power of attorney).

SECTION 62. IC 34-54-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A judgment creditor filing a foreign judgment under this chapter must file an affidavit with the clerk of the court in which the foreign judgment is filed at the time the foreign judgment is filed. The affidavit must set forth:

(1) the name and last known address of the judgment debtor; and
(2) the name and last known address of the judgment creditor.

(b) The judgment creditor must send notice of the filing of the foreign judgment in the same process prescribed under Indiana Trial Rule 4 through Indiana Trial Rule 4.17.

(c) The notice described in subsection (b) must contain:

(1) the name and address of the judgment creditor;
(2) the name and address of the judgment creditor's attorney, if any; and
(3) the nature and amount of the judgment creditor's claim under the foreign judgment.

(d) Execution or other process for the enforcement of a foreign judgment may not be issued earlier than twenty-one (21) days after the entry of the judgment in the judgment's original jurisdiction.

(e) Not later than twenty-one (21) days after the date notice is served to the judgment debtor by the judgment creditor or the judgment creditor's attorney, the judgment debtor may file a notice with the court in which the judgment has been filed asserting any defenses that would prohibit the judgment creditor from execution or another process for enforcement of the foreign judgment.

(f) If a judgment debtor files a timely notice under subsection (e), a foreign judgment may not:

(1) constitute a lien under IC 34-55-9-2; or
(2) be enforced by execution or another process for enforcement of the foreign judgment; until the court in which the foreign judgment is filed has issued an order sustaining or overruling each defense asserted in the notice filed under subsection (e).

(g) A court in which a foreign judgment is filed may issue an order staying the time within which a notice by a judgment debtor must be filed under subsection (e) if the court determines that litigation of a postjudgment motion:

(1) is appropriate; and

(2) would be available if the judgment had been obtained in an Indiana court.

(h) If a court stays under subsection (g) the time within which a notice by a judgment debtor must be filed under subsection (e), a foreign judgment may not:

(1) constitute a lien under IC 34-55-9-2; or

(2) be enforced by execution or another process for enforcement of the foreign judgment; during the period of the stay.

(i) A creditor filing a foreign judgment is entitled to any prejudgment remedy that is available to a creditor in an Indiana court during the pendency of:

(1) the proceeding to determine the availability of a defense under subsection (e); or

(2) a stay under subsection (g).

SECTION 63. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 29-1-15-16; IC 30-4-3-1; IC 30-4-3-24; IC 30-4-3-28.

SECTION 64. [EFFECTIVE JULY 1, 2004 (RETR OACTIVE)] IC 6-4.1-1-3, as amended by this act, applies to the estate of an individual who dies after June 30, 2004.

SECTION 65. [EFFECTIVE JULY 1, 2005] IC 29-1-2-1, as amended by this act, applies to the estate of a person who dies after June 30, 2004.

SECTION 66. [EFFECTIVE JULY 1, 2005] IC 6-4.1-4-2 and IC 29-1-3-2, both as amended by this act, apply to the estate of a person who dies after June 30, 2005.

SECTION 67. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-22-2-24, AS AMENDED BY SEA 1822-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24. (a) An agency shall notify the public of its intention to adopt a rule by complying with the publication requirements in subsections (b) and (c).

(b) The agency shall cause a notice of a public hearing to be published once in one (1) newspaper of general circulation in Marion County, Indiana. To publish the newspaper notice, the agency shall directly contract with the newspaper.

(c) The agency shall cause:

1. a notice of public hearing;
2. the full text of the agency's proposed rule (excluding the full text of a matter incorporated by reference under section 21 of this chapter); and
3. after June 30, 2005, any statement required by IC 4-22-2.1-5; to be published once in the Indiana Register. To publish the notice, proposed rule, and statement by IC 4-22-2.1-5 in the Indiana Register, the agency shall submit the text to the publisher. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) The agency shall include the following in the notice required by subsections (b) and (c):

1. A statement of the date, time, and place at which the public hearing required by section 26 of this chapter will be convened.
2. A general description of the subject matter of the proposed rule.
(3) In a notice published after June 30, 2005, a statement justifying any requirement or cost that is:
   (A) imposed on a regulated entity under the rule; and
   (B) not expressly required by:
       (i) the statute authorizing the agency to adopt the rule; or
       (ii) any other state or federal law.

The statement required under this subdivision must include a reference to any data, studies, or analyses relied upon by the agency in determining that the imposition of the requirement or cost is necessary.

(4) an explanation that:
   (A) the proposed rule; and
   (B) any data, studies, or analysis referenced in a statement under subdivision (3);

may be inspected and copied at the office of the agency.

However, inadequacy or insufficiency of the subject matter description under subdivision (2) or a statement of justification under subdivision (3) in a notice does not invalidate a rulemaking action.

(e) Although the agency may comply with the publication requirements in this section on different days, the agency must comply with all of the publication requirements in this section at least twenty-one (21) days before the public hearing required by section 26 of this chapter is convened.

(f) This section does not apply to the solicitation of comments under section 23 of this chapter.

SECTION 2. IC 4-22-2-28.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 28.1. (a) This section applies to a rule for which the notice required by section 23 of this chapter is published by an agency after June 30, 2005.

(b) As used in this section, "coordinator" refers to the small business regulatory coordinator assigned to a rule by an agency under subsection (e).

(c) As used in this section, "director" refers to the director or other administrative head of an agency.

(d) As used in this section, "small business" means any person, firm, corporation, limited liability company, partnership, or
association that:

1. is actively engaged in business in Indiana and maintains its principal place of business in Indiana;
2. is independently owned and operated;
3. employs not more than one hundred (100) full-time employees; and
4. has gross annual receipts of not more than five million dollars ($5,000,000).

(e) For each:
1. rulemaking action; and
2. rule finally adopted as a result of a rulemaking action; by an agency under this chapter, the agency shall assign one (1) staff person to serve as the agency's small business regulatory coordinator with respect to the proposed or adopted rule. The agency shall assign a staff person to a rule under this subsection based on the person's knowledge of, or experience with, the subject matter of the rule. A staff person may serve as the coordinator for more than one (1) rule proposed or adopted by the agency if the person is qualified by knowledge or experience with respect to each rule. Subject to subsection (f), in the case of a proposed rule, the agency's notice of intent to adopt the rule under section 23 of this chapter must include the name, address, telephone number, and electronic mail address of the small business coordinator for the proposed rule. Subject to subsection (f), in the case of a rule finally adopted by the agency, the final rule, as published in the Indiana Register and the Indiana Administrative Code, must include the name, address, telephone number, and electronic mail address of the coordinator.

(f) This subsection applies to a rule adopted by the department of environmental management or any of the boards (as defined in IC 13-11-2-18) under IC 13-14-9. In addition to the information required under subsection (e), the department or the board shall include in the notice provided under section 23 of this chapter and in the publication of the final rule in the Indiana Register and the Indiana Administrative Code:
1. a statement of the resources available to regulated entities through the technical and compliance assistance program established under IC 13-28-3;
2. the name, address, telephone number, and electronic mail
address of the ombudsman designated under IC 13-28-3-2; and

(3) if applicable, a statement of:
   (A) the resources available to small businesses through the
       small business stationary source technical assistance
       program established under IC 13-28-5; and
   (B) the name, address, telephone number, and electronic
       mail address of the ombudsman for small business
       designated under IC 13-28-5-2(3).

The coordinator assigned to the rule under subsection (e) shall
work with the ombudsman described in subdivision (2) and the
office of voluntary compliance established by IC 13-28-1-1 to
coordinate the provision of services required under subsection (g)
and IC 13-28-3. If applicable, the coordinator assigned to the rule
under subsection (e) shall work with the ombudsman referred to in
subdivision (3)(B) to coordinate the provision of services required
under subsection (g) and IC 13-28-5.

(g) The coordinator assigned to a rule under subsection (e) shall
serve as a liaison between the agency and any small business
subject to regulation under the rule. The coordinator shall provide
guidance to small businesses affected by the rule on the following:
   (1) Any requirements imposed by the rule, including any
       reporting, record keeping, or accounting requirements.
   (2) How the agency determines or measures compliance with
       the rule, including any deadlines for action by regulated
       entities.
   (3) Any penalties, sanctions, or fines imposed for
       noncompliance with the rule.
   (4) Any other concerns of small businesses with respect to the
       rule, including the agency’s application or enforcement of the
       rule in particular situations. However, in the case of a rule
       adopted under IC 13-14-9, the coordinator assigned to the
       rule may refer a small business with concerns about the
       application or enforcement of the rule in a particular situation
       to the ombudsman designated under IC 13-28-3-2 or, if
       applicable, under IC 13-28-5-2(3).

(h) The coordinator assigned to a rule under subsection (e) shall
provide guidance under this section in response to questions and
concerns expressed by small businesses affected by the rule. The
coordinator may also issue general guidelines or informational pamphlets to assist small businesses in complying with the rule. Any guidelines or informational pamphlets issued under this subsection shall be made available:

(1) for public inspection and copying at the offices of the agency under IC 5-14-3; and

(2) electronically through electronic gateway access.

(i) The coordinator assigned to a rule under subsection (e) shall keep a record of all comments, questions, and complaints received from small businesses with respect to the rule. The coordinator shall deliver the record, along with any accompanying documents submitted by small businesses, to the director:

(1) not later than ten (10) days after the date on which the rule is file stamped by the secretary of state under section 35 of this chapter; and

(2) before July 15 of each year during which the rule remains in effect.

The coordinator and the director shall keep confidential any information concerning a small business to the extent that the information is exempt from public disclosure under IC 5-14-3-4.

(j) Not later than November 1 of each year, the director shall:

(1) compile the records received from all of the agency’s coordinators under subsection (i);

(2) prepare a report that sets forth:

(A) the number of comments, complaints, and questions received by the agency from small businesses during the most recent state fiscal year, categorized by the subject matter of the rules involved;

(B) the number of complaints or questions reported under clause (A) that were resolved to the satisfaction of the agency and the small businesses involved;

(C) the total number of staff serving as coordinators under this section during the most recent state fiscal year;

(D) the agency's costs in complying with this section during the most recent state fiscal year; and

(E) the projected budget required by the agency to comply with this section during the current state fiscal year; and

(3) deliver the report to the legislative council in an electronic format under IC 5-14-6 and to the Indiana economic
development corporation established by IC 5-28-3.

SECTION 3. IC 4-22-2-28.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.2. (a) This section applies to a violation described in subsection (c) that occurs after June 30, 2005. However, in the case of a violation of a rule adopted under IC 13-14-9 by the department of environmental management or any of the boards (as defined in IC 13-11-2-18), the procedures set forth in IC 13-30-4-3 and IC 13-30-7 apply instead of this section.

(b) As used in this section, "small business" has the meaning set forth in section 28.1(d) of this chapter.

(c) Except as provided in subsection (d), a small business that voluntarily provides notice to an agency of the small business's actual or potential violation of a rule adopted by the agency under this chapter is immune from civil or criminal liability resulting from an agency action relating to the violation if the small business does the following:

(1) Provides written notice of the violation to the agency not later than forty-five (45) days after the small business knew or should have known that the violation occurred.

(2) Corrects the violation within a time agreed to by the agency and the small business. However, the small business shall be given at least ninety (90) days after the date of the notice described in subdivision (1) to correct the violation. The small business may correct the violation at any time before the expiration of the period agreed to under this subdivision.

(3) Cooperates with any reasonable request by the agency in any investigation initiated in response to the notice.

(d) A small business is not immune from civil or criminal liability relating to a violation of which the small business provides notice under subsection (c) if any of the following apply:

(1) The violation resulted in serious harm or in imminent and substantial endangerment to the public health, safety, or welfare.

(2) The violation resulted in a substantial economic benefit that afforded the small business a clear advantage over the small business's competitors.

(3) The small business has a pattern of continuous or repeated
violations of the rule at issue or any other rules of the agency.

(e) Information that a small business provides under this section, including actions and documents that identify or describe the small business, to an agency in providing notice of the small business’s actual or potential violation of a rule adopted by the agency is confidential, unless a clear and immediate danger to the public health, safety, or welfare or to the environment exists. Information described in this subsection may not be made available for use by the agency for purposes other than the purposes of this section without the consent of the small business.

(f) Voluntary notice of an actual or a potential violation of a rule that is provided by a small business under subsection (c) is not admissible as evidence in a proceeding, other than an agency proceeding, to prove liability for the rule violation or the effects of the rule violation.

SECTION 4. IC 34-30-2-3.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.8. IC 4-22-2-28.2 (Concerning voluntary notice by a small business of an actual or a potential violation of an agency rule).

P.L.240-2005
[H.1365. Approved May 12, 2005.]

AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 32-29-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) In a proceeding for the foreclosure of a mortgage executed on real estate, process may not issue for the execution of a judgment or decree of sale for a period of three (3) months after the filing of a complaint in the proceeding. However:

(1) the period shall be:

(A) twelve (12) months in a proceeding for the foreclosure of
a mortgage executed before January 1, 1958; and
(B) six (6) months in a proceeding for the foreclosure of a
mortgage executed after December 31, 1957, but before July
1, 1975; and
(2) if the court finds that the mortgaged real estate is residential
real estate and has been abandoned, a judgment or decree of sale
may be executed on the date the judgment of foreclosure or
decree of sale is entered, regardless of the date the mortgage is
executed.

(b) A judgment and decree in a proceeding to foreclose a mortgage
that is entered by a court having jurisdiction may be filed with the clerk
in any county as provided in IC 33-32-3-2. After the period set forth in
subsection (a) expires, a person who may enforce the judgment and
decree may file a praecipe with the clerk in any county where the
judgment and decree is filed, and the clerk shall promptly issue and
certify to the sheriff of that county a copy of the judgment and decree
under the seal of the court.

(c) Upon receiving a certified judgment under subsection (b), the
sheriff shall, subject to section 4 of this chapter, sell the mortgaged
premises or as much of the mortgaged premises as necessary to satisfy
the judgment, interest, and costs at public auction at the office of the
sheriff or at another location that is reasonably likely to attract higher
competitive bids. The sheriff shall schedule the date and time of the
sheriff's sale for a time certain between the hours of 10 a.m. and 4 p.m.
on any day of the week except Sunday.

(d) Before selling mortgaged property, the sheriff must advertise the
sale by publication once each week for three (3) successive weeks in
a daily or weekly newspaper of general circulation. The sheriff shall
publish the advertisement in at least one (1) newspaper published and
circulated in each county where the real estate is situated. The first
publication shall be made at least thirty (30) days before the date of
sale. At the time of placing the first advertisement by publication, the
sheriff shall also serve a copy of the written or printed notice of sale
upon each owner of the real estate. Service of the written notice shall
be made as provided in the Indiana Rules of Trial Procedure governing
service of process upon a person. The sheriff shall charge a fee of ten
dollars ($10) to one (1) owner and three dollars ($3) to each additional
owner for service of written notice under this subsection. The fee is:
(1) a cost of the proceeding;
(2) to be collected as other costs of the proceeding are collected; and
(3) to be deposited in the county general fund for appropriation for operating expenses of the sheriff's department.

(e) The sheriff also shall post written or printed notices of the sale in at least three (3) public places in each township in which the real estate is situated and at the door of the courthouse of each county in which the real estate is located.

(f) If the sheriff is unable to procure the publication of a notice within the county, the sheriff may dispense with publication. However, the sheriff shall state that the sheriff was not able to procure the publication and explain the reason why publication was not possible.

(g) Notices under subsections (d) and (e) must contain a statement, for informational purposes only, of the location of each property by street address, if any, or other common description of the property other than legal description. A misstatement in the informational statement under this subsection does not invalidate an otherwise valid sale.

(h) The sheriff may charge an administrative fee of not more than two hundred dollars ($200) with respect to a proceeding referred to in subsection (b) for actual costs directly attributable to the administration of the sale under subsection (c). The fee is:
(1) payable by the person seeking to enforce the judgment and decree; and
(2) due at the time of filing of the praecipe; under subsection (b).

SECTION 2. IC 36-2-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 13. (a) Except as provided in subsection (b), the compensation of an elected county officer may not be changed in the year for which it is fixed. The compensation of other county officers, deputies, and employees or the number of each may be changed at any time on:
(1) the application of the county fiscal body or the affected officer, department, commission, or agency; and
(2) a majority vote of the county fiscal body.

(b) In the year in which a newly elected county officer takes office, the county fiscal body may at any time change the compensation for holding the county office for that year if:
(1) the county officer requests the compensation change or, in the case of the county executive body, a majority of the county executive body requests the change; and
(2) the county fiscal body votes to approve the change.

SECTION 3. IC 36-6-1.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 1.5. Merger of Township Governments
Sec. 1. This chapter does not apply to a township in a county containing a consolidated city.

Sec. 2. As used in this chapter, "former township government" means a township government that merges with at least one (1) other township government under this chapter.

Sec. 3. As used in this chapter, "new township government" means the township government that results from the merger of at least two (2) township governments under this chapter.

Sec. 4. At least two (2) township governments may merge to form one (1) township government under this chapter, if:
   (1) the township governments are entirely located within the same county;
   (2) all the territory within the township governments is subject to the merger; and
   (3) each township whose government is subject to the merger is contiguous to at least one (1) other township whose government is subject to the merger.

Sec. 5. (a) The township trustees, with the approval of a majority of the members of the township legislative body of each township that wants to merge township governments under this chapter must comply with this section.

   (b) The township trustees must present identical resolutions approving the township government merger to the trustees' respective township legislative bodies. A township legislative body may adopt a resolution under this chapter only after the legislative body has held a public hearing concerning the proposed merger. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1.
(c) The township legislative bodies may adopt the identical resolutions approving the township government merger under this chapter not later than ninety (90) days after the legislative body has held the public hearing under subsection (b). The townships shall submit the resolutions to the county legislative body of the county within which the townships are located.

(d) The county legislative body of the county where the township governments are located must:

1. adopt an ordinance ordering the merger; and
2. file a copy of the ordinance with:
   (A) the circuit court clerk; and
   (B) the office of the secretary of state.

(e) The county legislative body may not adopt an ordinance ordering a merger after January 1 of a year in which:

1. a general election is held; and
2. a township trustee is elected.

(f) The county legislative body may not adopt an ordinance merging township governments less than one (1) year before the merger becomes effective.

(g) A merger under this chapter may not reduce the term of a township trustee of a former township government.

Sec. 6. The merger becomes effective when the officers of the new township government are elected and qualified. An officer elected to represent the merged township government shall be considered to be a resident of the territory comprising the new township government unless the township merger is dissolved under IC 36-6-1.6.

Sec. 7. If township governments merge under this chapter:

1. IC 36-6-6 applies to the election of the township board; and
2. IC 36-6-5-1 applies to the election of a township assessor; of the new township government.

Sec. 8. On the date a merger takes effect:

1. the former township governments are abolished as separate entities;
2. each township subject to the merger retains its geographical boundaries and its name;
3. the territory of the new township government includes all the territory that comprised the territories of the former
township governments before the merger;
(4) the agencies of the former township governments are abolished;
(5) the functions of the abolished agencies are assigned to agencies of the new township government;
(6) the:
   (A) property;
   (B) records;
   (C) personnel;
   (D) rights; and
   (E) liabilities;
related to the functions of the abolished agencies are assigned to agencies of the new township government; and
(7) any bonds and other indebtedness of, or assumed by, the former township governments are transferred to the new township government.

Sec. 9. Upon the corporate dissolution of a township government under this article, the following apply for purposes of all state and federal licensing and regulatory laws, statutory entitlements, gifts, grants-in-aid, governmental loans, or other governmental assistance under state or federal statutes, rules, or regulations:
(1) The entire geographic area and population of a new township government that is established under this chapter shall be used when calculating and determining the distribution basis for the following:
   (A) State or federal government statutory entitlements.
   (B) Gifts.
   (C) Grants-in-aid.
   (D) Loans.
   (E) Any form of governmental assistance that is not listed in this subdivision.
(2) Following a public hearing for which notice is published in accordance with IC 5-3-1 at least thirty (30) days before the public hearing takes place, the executive of a new township government that is established under this chapter shall determine and designate to the appropriate state or federal agency the:
   (A) geographic areas;
   (B) parts of roads;
(C) segments of population; or
(D) combinations of the items listed in clauses (A) through (C);
that constitute rural or urban areas, roads, or populations, if this designation was previously required of any township that merges under this chapter.

Sec. 10. When a new township government is established under this chapter, the following occur:

(1) The resolutions, rules, and bylaws of each of the former township governments:
(A) remain in force within the territory to which they applied before the merger; and
(B) continue in force until amended or repealed by the legislative body or an administrative body of the new township government.

(2) Pending actions that involve any former township government shall be prosecuted to final judgment and execution, and judgments rendered in those actions may be executed and enforced against the new township government without any change of the name of the plaintiff or defendant.

Sec. 11. (a) On the date the formation of a new township government takes effect, all money in the funds of each of the former township governments is transferred to the new township government. The new township government:

(1) shall deposit the money in its funds that most closely correspond to the funds of the former township governments; and

(2) may use the money to pay its operational and capital costs for the balance of the calendar year.

(b) After the date the formation of a new township government takes effect, the new township government is entitled to receive all distributions of taxes and other revenue that would have been made to the former township governments if the merger had not occurred. The new township government shall deposit the money in its funds that correspond most closely to the funds of the former township governments into which the taxes or other revenue would have been deposited if the merger had not occurred.

Sec. 12. The officers of the new township government shall:

(1) obtain from the department of local government finance
approval under IC 6-1.1-18.5-7 of:
   (A) a budget;
   (B) an ad valorem property tax levy; and
   (C) a property tax rate;
(2) fix the annual budget under IC 6-1.1-17;
(3) impose a property tax levy; and
(4) take any action necessary to ensure the collection of fees
   and other revenue;
for the new township government for the budget year following the
   year the officers take office.
SECTION 4. IC 36-6-1.6 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]:
   Chapter 1.6. Dissolution of a Township Government Merger
   Sec. 1. As used in this chapter, "merged township government"
   means the township government that results from the merger of at
   least two (2) township governments under IC 36-6-1.5.
   Sec. 2. As used in this chapter, "reestablished township
   government" means a township government that:
      (1) merged with at least one (1) other township government
         under IC 36-6-1.5; and
      (2) is reestablished as a separate township government under
         this chapter.
   Sec. 3. (a) Freeholders may initiate proceedings to reestablish a
   township government by filing a petition in the office of the county
   auditor of the county where the freeholder's land is located. The
   petition must be signed by the lesser of:
      (1) at least ten percent (10%) of; or
      (2) at least fifty (50);
   freeholders owning land within the proposed reestablished
   township. A petition may also be filed with the county auditor by
   a merged township government under a resolution adopted by the
   legislative body of the township government.
   (b) A county legislative body may adopt an ordinance that:
      (1) dissolves a merger of township governments that took
          effect under IC 36-6-1.5; and
      (2) reestablishes the township governments that were subject
          to the merger.
   (c) The county legislative body must file a copy of the ordinance
with:
   (1) the circuit court clerk; and
   (2) the secretary of state.

Sec. 4. (a) A county legislative body may not adopt an ordinance ordering a dissolution under section 3 of this chapter after January 1 of a year in which:
   (1) a general election is held; and
   (2) a township trustee is elected.

(b) The county legislative body may not adopt an ordinance ordering a dissolution under section 3 of this chapter less than one year before the dissolution takes effect.

(c) A dissolution under this chapter may reduce the term of the township trustee of the merged township government.

Sec. 5. A dissolution under an ordinance adopted under section 3 of this chapter becomes effective when the officers of the reestablished township governments are elected and qualified as set forth in IC 36-6.

Sec. 6. (a) On the date on which a dissolution under an ordinance adopted under section 3 of this chapter takes effect:
   (1) the reestablished township governments are established as separate entities;
   (2) the territory of the reestablished township government is the same as the territory that comprised the reestablished township government before the merger;
   (3) the agencies of the merged township government are abolished and the agencies of the reestablished township governments are established;
   (4) the functions of the abolished agencies are assigned to agencies of each reestablished township government;
   (5) the:
      (A) property;
      (B) records;
      (C) personnel;
      (D) rights; and
      (E) liabilities;
related to the functions of the abolished agencies are assigned to agencies of the reestablished township governments; and
   (6) any bonds and other indebtedness of, or assumed by, the merged township government is the indebtedness of the
reestablished township governments.

(b) The county legislative body shall determine the distribution of property, records, and personnel to the reestablished township governments under subsection (a)(5).

Sec. 7. Upon the corporate dissolution of a merged township government under this article, the following apply for purposes of all state and federal licensing and regulatory laws, statutory entitlements, gifts, grants-in-aid, governmental loans, or other governmental assistance under state or federal statutes, rules, or regulations:

(1) The entire geographic area and population of a reestablished township government created under this chapter shall be used when calculating and determining the distribution basis for the following:
   (A) State or federal government statutory entitlements.
   (B) Gifts.
   (C) Grants-in-aid.
   (D) Loans.
   (E) Any form of governmental assistance that is not listed in this subdivision.

(2) Following a public hearing for which notice is published in accordance with IC 5-3-1 at least thirty (30) days before the public hearing takes place, the executive of each reestablished township government that is created under this chapter shall determine and designate to the appropriate state or federal agency the:
   (A) geographic areas;
   (B) parts of roads;
   (C) segments of population; or
   (D) combinations of the items listed in clauses (A) through (C);
   that constitute rural or urban areas, roads, or populations, if this designation was previously required of the merged township government.

Sec. 8. When a reestablished township government is created under this chapter, the following occur:

(1) The resolutions, rules, and bylaws of the merged township government:
   (A) remain in force in the reestablished township
governments; and
(B) continue in force until amended or repealed by the legislative body or an administrative body of the reestablished township government.

(2) Pending actions that involve the merged township government shall be prosecuted to final judgment and execution, and judgments rendered in those actions may be executed and enforced against the reestablished township governments without any change of the name of the plaintiff or defendant.

Sec. 9. (a) On the date on which the formation of a reestablished township government takes effect under this chapter, all money in the funds of the merged township government is transferred to the reestablished township governments. The county legislative body shall determine the allocation of the funds to the reestablished township governments. The reestablished township governments:
(1) shall deposit the money in the funds that most closely correspond to the funds of the merged township government; and
(2) may use the money to pay operational and capital costs for the balance of the calendar year.

(b) After the date on which the formation of a reestablished township government takes effect under this chapter, the reestablished township government is entitled to receive all distributions of taxes and other revenue that would have been made to the new township government if the merger had not occurred. The allocation of the distributions to the reestablished township governments shall be determined by the county legislative body. A reestablished township government shall deposit the money in its funds that correspond most closely to the funds of the merged township government into which the taxes or other revenue would have been deposited if the dissolution had not occurred.

Sec. 10. The officers of a new reestablished township government shall:
(1) obtain from the department of local government finance approval under IC 6-1.1-18.5-7 of:
(A) a budget;
(B) an ad valorem property tax levy; and
(C) a property tax rate;
(2) fix the annual budget under IC 6-1.1-17;
(3) impose a property tax levy; and
(4) take any action necessary to ensure the collection of fees
and other revenue;
for the new township government for the budget year following the
year the officers take office.

SECTION 5. IC 36-6-5-1, AS AMENDED BY SEA 308-2005,
SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 1. (a) A township assessor shall be elected under
IC 3-10-2-13 by the voters of each township having:
(1) a population of more than eight thousand (8,000); or
(2) an elected township assessor or the authority to elect a
township assessor before January 1, 1979.

(b) A township assessor shall be elected under IC 3-10-2-14 in each
township having a population of more than five thousand (5,000) but
not more than eight thousand (8,000), if the legislative body of the
township:
(1) by resolution, declares that the office of township assessor is
necessary; and
(2) the resolution is filed with the county election board not later
than the first date that a declaration of candidacy may be filed
under IC 3-8-2.

(c) A township government that is created by merger under
IC 36-6-1.5 shall elect only one (1) township assessor under this
section.

(d) The township assessor must reside within the township as
provided in Article 6, Section 6 of the Constitution of the State of
Indiana. The assessor forfeits office if the assessor ceases to be a
resident of the township.

(e) The term of office of a township assessor is four (4) years,
beginning January 1 after election and continuing until a successor is
elected and qualified. However, the term of office of a township
assessor elected at a general election in which no other township
officer is elected ends on December 31 after the next election in which
any other township officer is elected.

SECTION 6. IC 36-6-6-2 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Except as provided in
subsection (b) and section 2.1 of this chapter, a three (3) member township board shall be elected under IC 3-10-2-13 by the voters of each township.

(b) The township board in a county containing a consolidated city shall consist of seven (7) members elected under IC 3-10-2-13 by the voters of each township.

(c) The township board is the township legislative body.

(d) The term of office of a township board member is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified.

SECTION 7. IC 36-6-6-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) This section applies if township governments merge under IC 36-6-1.5.

(b) If two (2) township governments merge, the resulting merged township government shall elect a three (3) member township board. The voters of the resulting merged township government shall elect all the members of the township board. One (1) member must reside within the boundaries of each of the township governments that merged.

(c) If at least three (3) township governments merge, the resulting merged township government shall elect a township board that has the same number of members as the number of township governments that merged. The voters of the resulting merged township shall elect all the members of the township board. One (1) township board member must reside within the boundaries of each of the townships that merged.

SECTION 8. IC 36-6-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This subsection applies to townships in a county containing a consolidated city. One (1) member of the legislative body must reside within each legislative body district. If a member of the legislative body ceases to be a resident of the district from which the member was elected, the office becomes vacant.

(b) This subsection applies to townships not included in subsection (a) or (c). A member of the legislative body must reside within the township as provided in Article 6, Section 6 of the Constitution of the State of Indiana. If a member of the legislative body ceases to be a resident of the township, the office becomes vacant.
(c) This subsection applies to a township government that:
   (1) is created by a merger of township governments under IC 36-6-1.5; and
   (2) elects a township board under section 2.1 of this chapter. One (1) member of the legislative body must reside within the boundaries of each of the former townships that merged. If a member of the legislative body ceases to be a resident of that former township, the office becomes vacant.

SECTION 9. IC 36-6-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsection subsections (b) and (c), two (2) members of the legislative body constitute a quorum.

(b) Four (4) members of the legislative body in a county containing a consolidated city constitute a quorum.

(c) This subsection applies to a township government that:
   (1) is created by a merger of township governments under IC 36-6-1.5; and
   (2) elects a township board under section 2.1 of this chapter. A majority of the members of the legislative body constitute a quorum. If a township board has an even number of members, the township executive shall serve as an ex officio member of the township board for the purpose of casting the deciding vote to break a tie.

SECTION 10. An emergency is declared for this act.
One-sixth (1/6) of the money in the cigarette tax fund is annually appropriated to the department of natural resources.

(b) The department shall use at least two percent (2%) but not more than twenty-one percent (21%) of the money appropriated to it under this section for:

(1) flood control and water resource projects, including multiple-purpose reservoirs; and
(2) applied research related to technical water resource problems.

The department may use the money to plan, design, acquire land for, or construct the projects.

(c) The department shall use at least thirty-six percent (36%) of the money appropriated to it under this section to construct, reconstruct, rehabilitate, or repair general conservation facilities or to acquire land.

(d) The department shall use at least forty-three percent (43%) of the money appropriated to the department under this section for soil conservation and lake and river enhancement under IC 14-32.

SECTION 2. IC 6-7-1-29.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 29.3. One-sixth (1/6) of the money in the cigarette tax fund shall be deposited in the clean water Indiana fund established by IC 14-32-8-6.

SECTION 3. IC 13-11-2-74.5 IS AMENDED TO READ AS follows [EFFECTIVE JULY 1, 2005]: Sec. 74.5. (a) "Exempt isolated wetland", for purposes of IC 13-18 and environmental management laws, means an isolated wetland that:

(1) is a voluntarily created wetland unless:

(A) the wetland is approved by the department for compensatory mitigation purposes in accordance with a permit issued under Section 404 of the Clean Water Act or IC 13-18-22;
(B) the wetland is reclassified as a state regulated wetland under IC 13-18-22-6(e); IC 13-18-22-6(e); or
(C) the owner of the wetland declares, by a written instrument:
   (i) recorded in the office of the recorder of the county or counties in which the wetland is located; and
   (ii) filed with the department;
   that the wetland is to be considered in all respects to be a state regulated wetland;
(2) exists as an incidental feature in or on:
   (A) a residential lawn;
   (B) a lawn or landscaped area of a commercial or governmental complex;
   (C) agricultural land;
   (D) a roadside ditch;
   (E) an irrigation ditch; or
   (F) a manmade drainage control structure;
(3) is a fringe wetland associated with a private pond;
(4) is, or is associated with, a manmade body of surface water of any size created by:
   (A) excavating;
   (B) diking; or
   (C) excavating and diking;
   dry land to collect and retain water for or incidental to agricultural, commercial, industrial, or aesthetic purposes;
(5) subject to subsection (c), is a Class I wetland with an area, as delineated, of one-half (1/2) acre or less;
(6) subject to subsection (d), is a Class II wetland with an area, as delineated, of one-fourth (1/4) acre or less;
(7) is located on land:
   (A) subject to regulation under the United States Department of Agriculture wetland conservation rules; also known as programs, including Swampbuster and the Wetlands Reserve Program, because of voluntary enrollment in a federal farm program; and
   (B) used for agricultural or associated other purposes allowed under the rules programs referred to in clause (A); or
(8) is constructed for reduction or control of pollution.
(b) For purposes of subsection (a)(2), an isolated wetland exists as an incidental feature:
   (1) if:
      (A) the owner or operator of the property or facility described in subsection (a)(2) does not intend the isolated wetland to be a wetland;
      (B) the isolated wetland is not essential to the function or use of the property or facility; and
      (C) the isolated wetland arises spontaneously as a result of
(2) if the isolated wetland satisfies any other factors or criteria established in rules that are:
   (A) adopted by the water pollution control board; and
   (B) not inconsistent with the factors and criteria described in subdivision (1).

(c) The total acreage of Class I wetlands on a tract to which the exemption described in subsection (a)(5) may apply is limited to the larger of:
   (1) the acreage of the largest individual isolated wetland on the tract that qualifies for the exemption described in subsection (a)(5); and
   (2) fifty percent (50%) of the cumulative acreage of all individual isolated wetlands on the tract that would qualify for the exemption described in subsection (a)(5) but for the limitation of this subsection.

(d) The total acreage of Class II wetlands on a tract to which the exemption described in subsection (a)(6) may apply is limited to the larger of:
   (1) the acreage of the largest individual isolated wetland on the tract that qualifies for the exemption described in subsection (a)(6); and
   (2) thirty-three and one-third percent (33 1/3%) of the cumulative acreage of all individual isolated wetlands on the tract that would qualify for the exemption described in subsection (a)(6) but for the limitation of this subsection.

(e) An isolated wetland described in subsection (a)(5) or (a)(6) does not include an isolated wetland on a tract that contains more than one (1) of the same class of wetland until the owner of the tract notifies the department that the owner has selected the isolated wetland to be an exempt isolated wetland under subsection (a)(5) or (a)(6) consistent with the applicable limitations described in subsections (c) and (d).

SECTION 4. IC 13-18-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as otherwise specified in subsection subsections (b) and (c), compensatory mitigation shall be provided in accordance with the following table:
(b) The compensatory mitigation ratio shall be lowered to one to one (1:1) if the compensatory mitigation is completed before the initiation of the wetland activity.

(c) A wetland that is created or restored as a water of the United States may be used, as an alternative to the creation or restoration of an isolated wetland, as compensatory mitigation for purposes of this section. The replacement class of a wetland that is a water of the United States shall be determined by applying the characteristics of a Class I, Class II, or Class III wetland, as appropriate, to the replacement wetland as if it were an isolated wetland.

(d) The off-site location of compensatory mitigation must be within:

1. the same eight (8) digit U.S. Geological Service hydrologic unit code; or
2. the same county;

as the isolated wetlands subject to the authorized wetland activity.

(e) Exempt isolated wetlands may be used to provide compensatory mitigation for wetlands activities in state regulated wetlands. An exempt isolated wetland that is used to provide compensatory mitigation becomes a state regulated wetland.

SECTION 5. IC 14-32-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The clean water Indiana fund is established to carry out the purposes of this chapter. The fund shall be administered by the division of soil conservation subject to the direction of the board.
(b) The fund consists of:
   (1) amounts deposited in the fund under IC 6-7-1-29.3;
   (2) amounts appropriated by the general assembly; and
   (3) donations, grants, and money received from any other source.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 6. IC 15-1.5-1-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. "Barn" refers to the center for agricultural science and heritage established by IC 15-1.5-10.5-3.

SECTION 7. IC 15-1.5-1-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. "Barn director" refers to the individual who administers the educational programs and operations of the barn.

SECTION 8. IC 15-1.5-1-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. "Trustees" refers to the board of trustees of the barn established by IC 15-1.5-10.5-3.5.

SECTION 9. IC 15-1.5-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The commission consists of eight (8) members as follows:
   (1) Five (5) members appointed by the governor.
   (2) The presiding officer of the board.
   (3) The commissioner of agriculture or the commissioner’s designee.
   (4) The presiding officer of the board of trustees of the center for agricultural science and heritage or the presiding officer's designee who must be selected from the membership of the board of trustees of the center for agricultural science and heritage.

(b) Not more than one (1) member appointed under subsection (a)(1) may reside in the same district. Each district is not required to have a member of the commission represent it.

(c) Not more than three (3) members appointed under subsection (a)(1) may be affiliated with the same political party.

(d) Two (2) members appointed under subsection (a)(1) must have
a recognized interest in agriculture or agribusiness.

SECTION 10. IC 15-1.5-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) The commission shall:

(1) adopt:
   (A) rules under IC 4-22-2; or
   (B) a policy;
   establishing a code of ethics for employees of the commission;
   or
(2) decide it wishes to be under the jurisdiction and rules adopted by the state ethics commission.

(b) A code of ethics adopted by rules or policy under this section must be consistent with Indiana law and approved by the governor.

SECTION 11. IC 15-1.5-10.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The center for agricultural science and heritage (the barn) is established.

(b) The barn:
   (1) is a body corporate and politic separate from the state;
   (2) is not a state agency; and
   (3) performs essential governmental functions.

(b) The following are the purposes for which the barn is established:

(1) To educate the public concerning the past, present, and future of American agriculture and rural life.
(2) To educate youth and the general public about American agriculture and food systems.
(3) To provide educational programming for youth that complements school curricula, both onsite and in the classroom.
(4) To create a synergy between Indiana’s institutions of education and agriculture related industries.
(5) To generate economic vitality, convention activity, and tourism activity for Indiana.
(6) To become a center for agricultural business and thinking, a clearinghouse of agricultural information, a resource center for educators and the public, and a repository for agricultural artifacts and history.
(7) To create a central, prominent partner with whom agricultural organizations can launch, collaborate on, and coordinate
programs.
(8) To position Indiana as the recognized agricultural center of the nation.

SECTION 12. IC 15-1.5-10.5-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. **The board of trustees for the barn is established.**

SECTION 13. IC 15-1.5-10.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) **The barn is governed by a board of trustees govern the barn.** The trustees include the following consist of seventeen (17) individuals: members as follows:

(1) The governor or the governor's designee.
(2) The commissioner of agriculture or the commissioner's designee.
(3) The state superintendent of public instruction or the state superintendent's designee.
(4) The dean of agriculture of Purdue University or the dean's designee.
(5) The president of the Purdue University Agriculture Alumni Association or the president's designee.
(6) The state veterinarian or the state veterinarian's designee.
(7) The presiding officer of the state fair commission or the presiding officer's designee selected from the membership of the state fair commission.
(8) The presiding officer of the state fair board or the presiding officer's designee selected from the membership of the state fair board.
(9) One (1) member appointed by the largest Indiana organization representing agricultural interests in Indiana, as determined by the number of members of the organization. The member serves at the pleasure of the member's organization.
(10) One (1) member appointed by the second largest Indiana organization representing agricultural interests in Indiana, as determined by the number of members of the organization. The member serves at the pleasure of the member's organization.
(11) Seven (7) members appointed by the governor.

(b) Of the members appointed under subsection (a)(11), not more than four (4) may be affiliated with the same political party.

(c) Each member appointed under subsection (a)(11) must have a recognized interest in the barn.

SECTION 14. IC 15-1.5-10.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The term of an individual appointed to the trustees under section 4(a)(11) of this chapter:

(1) is three (3) years; and

(2) expires September 30 of the year of expiration.

(b) A member appointed under section 4(a)(11) of this chapter may be reappointed to the trustees. Except as provided in subsection (c), a member appointed under section 4(a)(11) may not serve for more than nine (9) years in any twelve (12) year period.

(c) For purposes of the limitation on the number of years a member may serve under subsection (b), any time of not more than two (2) years a member serves:

(1) as an initial appointment to the trustees; or

(2) to fill a vacancy;

may not be considered.

(d) This section expires September 30, 2005.

SECTION 15. IC 15-1.5-10.5-5.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.3. (a) Effective October 1, 2005, the term of a member appointed to the trustees under section 4(a)(11) of this chapter:

(1) is four (4) years;

(2) begins on the later of:

(A) October 1 after the expiration of the term of the trustee whom the member is appointed to succeed; or

(B) the day the member is appointed; and

(3) expires September 30 of the fourth year after the expiration of the term of the member's immediate predecessor.

(b) Except as provided in subsection (c), a member appointed under section 4(a)(11) of this chapter:

(1) may be reappointed for a new term;
(2) if reappointed, is the member's own successor or predecessor for purposes of subsection (a); and
(3) may not serve as a trustee for more than eight (8) years in a twelve (12) year period.

(c) A member appointed under section 4(a)(11) of this chapter before October 1, 2005, may not serve as a trustee more than nine (9) years in a twelve (12) year period.

SECTION 16. IC 15-1.5-10.5-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. The trustees may do the following, with approval by the commission:

(1) Enter into contracts related to the trustees' powers and duties under this chapter.
(2) Receive, hold, and expend appropriations made by the general assembly.
(3) Receive gifts.
(4) Charge admissions.
(5) Purchase, lease, and sell real and personal property.
(6) Develop, improve, and maintain the property leased or owned by the trustees.
(7) Adopt rules under IC 4-22-2 to implement this chapter.

SECTION 17. IC 15-1.5-10.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The governor may appoint an individual to the trustees to fill a vacancy among the position of a trustee appointed under subsection 4(a)(11) of this chapter.

(b) An individual appointed under subsection (a) by the governor under subsection (a) serves for the remainder of the unexpired term of the member whom the individual replaces.

(c) The period of the unexpired term for which an individual serves after appointment under this section may not be considered in determining the number of years that the member of trustees has served in a twelve (12) year period for purposes of section 5(b) or 5.3(b)(3) of this chapter.

SECTION 18. IC 15-1.5-10.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The trustees shall in October 2001, and in October of each odd-numbered year thereafter, elect a member of the trustees as serving under section 4(a)(11) of this chapter to be the presiding officer of the trustees.
two (2) years that begins on November 1 of the year in which the election is held. The member trustee elected under this subsection is the presiding officer of the trustees until the earlier of the following:

(1) The expiration of the member's trustee's term.
(2) The replacement of the member trustee as presiding officer by the trustees.

(b) The trustees may elect other officers of the barn from among for the trustees from the trustees serving under section 4(a)(11) of this chapter.

SECTION 19. IC 15-1.5-10.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The trustees shall recommend an individual to be employed by the commission as executive the barn director, of the barn subject to the approval of the governor; if the governor approves an individual recommended by the trustees, the trustees may employ the individual as executive director. If the governor does not approve an individual recommended by the trustees, the trustees shall submit another recommendation to the governor; subject to approval by the commission.

(b) The executive director employed under this section:

(1) is the chief administrative officer of the barn; and
(2) barn director shall implement the policies of the trustees and the commission.

(c) The trustees commission may delegate any of the trustees' commission's powers to the executive barn director. The trustees commission may make a delegation under this subsection through a resolution adopted by the trustees:

(d) Notwithstanding IC 4-2-6-5, the compensation for the executive director and other employees of the trustees may be paid in full or in part by the nonprofit entity established under section 10 of this chapter by either of the following:

(1) A resolution adopted by the commission.
(2) A rule adopted by the commission under IC 4-22-2.

(d) Notwithstanding IC 4-2-6-5, with approval by the commission, commission employees:

(1) may be compensated in full or in part by the nonprofit entity established under section 10 of this chapter; and
(2) may perform services that support the purposes of the nonprofit entity established under section 10 of this chapter.
SECTION 20. IC 15-1.5-10.5-8.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.1. (a) The barn director may hire staff for the barn subject to the budget approved by the trustees and the commission.

(b) The staff of the barn are:
   (1) employees of the commission; and
   (2) accountable to the commission directly or through the executive director of the commission.

SECTION 21. IC 15-1.5-10.5-8.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.2. The barn director may delegate a power or duty of the barn director to a member of the barn staff.

SECTION 22. IC 15-1.5-10.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A majority vote of the trustees is necessary for the adoption of:
   (1) policy decisions;
   (2) decisions concerning the employment of personnel; or
   (3) major expenditures.

to take official action.

SECTION 23. IC 15-1.5-10.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The trustees may establish a nonprofit entity to solicit, raise, and accept funds.

(1) to pay the administrative costs of the barn;
(2) for use in the maintenance and operations of the barn; and
(3) to fund capital improvements of the barn's principal facility and related facilities.

(b) The nonprofit entity established under this section may receive the proceeds from the operations of the barn, subject to approval by the commission.

(c) The nonprofit entity established under this section is governed by a board of directors. The directors include:
   (1) the presiding officer of the trustees of the barn, who shall may act as presiding officer of the board of directors; and
   (2) four (4) individuals appointed by the trustees.

(d) An expenditure of public funds for capital improvements by the nonprofit entity established under this section must be approved by the
trustees.

SECTION 24. IC 15-1.5-10.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The executive director of the barn commission shall pay the operating expenses for capital improvements of the barn approved by the trustees of the barn from the funds allocated by the commission to the barn.

SECTION 25. IC 15-1.5-10.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. At the first meeting each year of the state fair advisory committee established by IC 15-1-1.5-4, the trustees shall report the following:

(1) The activities of the barn during the previous calendar year.
(2) The financial condition of the barn for the barn's most recently completed fiscal year.
(3) The board of trustees’ plans for the barn for the current calendar year.

SECTION 26. IC 15-1.5-10.5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Subject to subsection (b):

(1) each member of the trustees who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b) and is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties; and
(2) each member of the trustees who is a state employee is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties;

as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) The commission shall adopt a policy for:

(1) the number of meetings the trustees may hold; and
(2) payment of per diem and travel expenses for trustees' meetings and during the time of other required activities.

SECTION 27. IC 15-1.5-10.5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. The trustees may not hold real property in the trustees' name.
SECTION 28. IC 15-6-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. The board shall do the following:

1. Elect from among the board's members a chairperson, vice chairperson, secretary, treasurer, and other officers the board considers necessary.
2. Employ personnel and contract for services that are necessary for the proper implementation of this chapter.
3. Establish accounts in adequately protected financial institutions to receive, hold, and disburse funds accumulated under this chapter.
4. Bond the treasurer and other persons as necessary to ensure adequate protection of funds received and administered by the board.
5. Authorize the expenditure of funds and the contracting of expenditures to conduct proper activities under this chapter.
6. Annually establish priorities and prepare and approve a budget consistent with the estimated resources of the board and the scope of this chapter.
7. Provide for an independent audit, provide the results of the audit to the state board of accounts and the department of agriculture, and make the results of the audit available to all interested persons.
8. Procure and evaluate data and information necessary for the proper implementation of this chapter.
10. Establish procedures to annually inform all producers regarding board members, policy, expenditures, and programs for the preceding year.
11. Receive and investigate, or cause to be investigated, complaints and violations of this chapter and take necessary action within its authority.
12. Take any other action necessary for the proper implementation of this chapter, including the adoption of rules under IC 4-22-2.

SECTION 29. IC 15-6-4-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. The board shall
remit deposit all assessments received under this chapter to the treasurer of state for deposit in the Indiana dairy industry development fund established by section 28 the board under section 28.1 of this chapter.

SECTION 30. IC 15-6-4-28.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.1. (a) The board shall establish and administer a fund for assessments received under this chapter. The fund is not a part of the state treasury.

(b) The board shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(c) The board shall use the money in the fund to implement this chapter.

(d) The board may not use money in the fund to establish a program of its own but shall fund an active, ongoing, qualified program in Indiana as stated in 7 U.S.C. 4505 and the regulations adopted under that law. A qualified program that receives money under this subsection may use the money to jointly sponsor projects with any private or public organization for any of the following:

(1) Advertising and promotion.
(2) Market research.
(3) Nutrition and product research and development.
(4) Nutrition and educational programs.
(5) Any other activity to meet the objectives of this chapter.

SECTION 31. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 15-1.5-10.5-1; IC 15-1.5-10.5-2; IC 15-1.5-10.5-8.3; IC 15-6-4-28.

SECTION 32. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "board" refers to the Indiana dairy industry development board established by IC 15-6-4-9.

(b) The Indiana dairy industry development fund established by IC 15-6-4-28 is abolished.

(c) Money in the Indiana dairy industry development fund on June 30, 2005, is appropriated to the board.

(d) On July 1, 2005, the treasurer of state shall transfer all:
(1) money in the Indiana dairy industry development fund; and
(2) records relating to the Indiana dairy industry development fund;
to the board.
(e) The board shall deposit the money transferred by the treasurer of state under this SECTION into the fund established by the board under IC 15-6-4-28.1, as added by this act.
(f) This SECTION expires January 1, 2006.

P.L.242-2005
[H.1794. Approved May 12, 2005.]

AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 9-24-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A driver's license or a learner's permit may not be issued to an individual less than eighteen years of age who meets any of the following conditions:
(1) Is a habitual truant under IC 20-8.1-3-17.2. IC 20-33-2-11.
(2) Is under at least a second suspension from school for the school year under IC 20-8.1-5.1-8 IC 20-33-8-14 or IC 20-8.1-5.1-9. IC 20-33-8-15.
(3) Is under an expulsion from school under IC 20-8.1-5.1-8; IC 20-8.1-5.1-9; or IC 20-8.1-5.1-10. IC 20-33-8-14, IC 20-33-8-15, or IC 20-33-8-16.
(4) Has withdrawn from school; for a reason other than financial hardship and the withdrawal was reported under IC 20-8.1-3-24(a) before graduating.
(4) Is considered a dropout under IC 20-33-2-28.5.
(b) At least five (5) days before holding an exit interview under IC 20-8.1-3-17(b)(2), IC 20-33-2-28.5, the school corporation shall give notice by certified mail or personal delivery to the student, the
student's parent, or the student's guardian of the following:

(1) That the exit interview will include a hearing to determine if the reason for the student's withdrawal is financial hardship;

(2) If the principal determines that the reason for the student's withdrawal is not financial hardship:

(A) the student and the student's parent or guardian will receive a copy of the determination; and

(B) the student's name will be submitted to the bureau for the bureau's use in denying or invalidating a driver's license or learner's permit under this section;

that the student's failure to attend an exit interview under IC 20-33-2-28.5 or return to school if the student does not meet the requirements to withdraw from school under IC 20-33-2-28.5 will result in the revocation or denial of the student's:

(1) driver's license or learner's permit; and

(2) employment certificate.

SECTION 2. IC 20-1-1.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The department shall:

(1) perform the duties required by statute;

(2) implement the policies and procedures established by the board;

(3) conduct analytical research to assist the state board of education in determining the state's educational policy;

(4) compile statistics concerning the ethnicity, gender, and disability status of students in Indiana schools, including statistics for all information that the department receives from school corporations on enrollment, number of suspensions, and number of expulsions; and

(5) provide technical assistance to school corporations.

(b) The department, in compiling statistics under subsection (a)(4), must categorize suspensions and expulsions by ethnicity, gender, disability status, and cause as follows:

(1) Alcohol.

(2) Drugs.

(3) Deadly weapons (other than firearms).

(4) Handguns.

(5) Rifles or shotguns.
(6) Other firearms.
(7) Tobacco.
(8) Attendance.
(9) Destruction of property.
(10) Legal settlement (under IC 20-8.1-5.1-11).
(11) Fighting (incident does not rise to the level of battery).
(12) Battery (IC 35-42-2-1).
(13) Intimidation (IC 35-45-2-1).
(14) Verbal aggression or profanity.
(15) Defiance.
(16) Other.

c) The department shall develop guidelines necessary to implement this section.

SECTION 3. IC 20-8.1-5.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The governing body of a school corporation must do the following:

(1) Establish written discipline rules, which may include:
   (A) appropriate dress codes; and
   (B) if applicable, an agreement for court assisted resolution of school suspension and expulsion cases;
   for the school corporation.

(2) Give general publicity to the discipline rules within a school where the discipline rules apply by actions such as:
   (A) making a copy of the discipline rules available to students and students' parents; or
   (B) delivering a copy of the discipline rules to students or the parents of students.
   This publicity requirement may not be construed technically and is satisfied in any case when the school corporation makes a good faith effort to disseminate to students or parents generally the text or substance of a discipline rule.

(b) The superintendent of a school corporation and the principals of each school in a school corporation may adopt regulations establishing lines of responsibility and related guidelines in compliance with the discipline policies of the governing body.

(c) The governing body of a school corporation may delegate rule making, disciplinary, and other authority as reasonably necessary to carry out the school purposes of the school corporation.
(d) Subsection (a) does not apply to rules or directions concerning the following:

1. Movement of students.
2. Movement or parking of vehicles.
3. Day-to-day instructions concerning the operation of a classroom or teaching station.
4. Time for commencement of school.
5. Other standards or regulations relating to the manner in which an educational function must be administered.

However, this subsection does not prohibit the governing body from regulating the areas listed in this subsection.

SECTION 4. IC 20-8.1-5.2 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 5.2. Court Assisted Resolution of Suspension and Expulsion Cases

Sec. 1. This chapter does not apply to a nonpublic school.

Sec. 2. A superintendent and a court having juvenile jurisdiction in the county may enter into a voluntary agreement (referred to as the "agreement" in this chapter) for court assisted resolution of school suspension and expulsion cases. The agreement may require the court to supervise or provide for the supervision of an expelled or suspended student who has been referred to the court by the school corporation in accordance with the terms of the agreement.

Sec. 3. The agreement may require that a court do one (1) or more of the following:

1. Establish a flexible program for the supervision of a student who has been suspended or expelled.
2. Supervise a student who has been suspended or expelled.
3. Require a student who has been suspended or expelled to participate in a school program (including an alternative educational program) for the supervision of a student who has been suspended or expelled.

Sec. 4. (a) The agreement may require that a school corporation do one (1) or more of the following:

1. Define the violation for which a student who has been suspended or expelled shall be referred to the court.
2. Refer a student who has been suspended or expelled for a
violation described in subdivision (1) to the court.

(3) Establish a school program (including an alternative educational program) for the supervision of a student who has been suspended or expelled.

(b) If a school corporation enters into an agreement, the discipline rules adopted by the school corporation under IC 20-8.1-5.1-7 must specify the violations for which a student may be referred to the court under the agreement.

Sec. 5. The agreement must provide how the expenses of supervising a student who has been suspended or expelled are funded. A school corporation may not be required to expend more than the amount determined under IC 21-3-1.7-6.7(e) for each student referred under the agreement.

Sec. 6. A student shall be given an informal hearing before the court, in a setting agreed upon by the court and the school board, as soon as practicable following the student's referral to the court, after notice of the hearing has been provided to the student's parent.

Sec. 7. A hearing under this chapter is not a hearing to determine whether a student who has been suspended or expelled is a child in need of services. However, if a court determines that a student who has been suspended or expelled may:

(1) be a child in need of services (as described in IC 31-34-1); or

(2) have committed a delinquent act (as described in IC 31-37);

the court may notify the office of family and children or the prosecuting attorney.

Sec. 8. A parent or guardian has the right to be present, and may be required to be present, during the student's appearance.

Sec. 9. A student's appearance in court under this chapter shall not be used against the child or the child's parents or guardians in any subsequent court proceeding, including but not limited to any delinquency or child in need of services matter under IC 31.

Sec. 10. All records of the student's court appearance shall be expunged upon the student's completion of the out-of-school suspension or expulsion program.

Sec. 11. Notwithstanding the terms of the agreement, a suspension, an expulsion, or a referral of a student who is a child
with a disability (as defined in IC 20-1-6-1) is subject to the:
(1) procedural requirements of 20 U.S.C. 1415; and
(2) rules adopted by the Indiana state board of education.

Sec. 12. This chapter does not deprive a child of any due process rights to which the child may be entitled.

SECTION 5. IC 20-8.1-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The graduation rate for a cohort in a high school is the percentage determined under STEP SEVEN of the following formula:

STEP ONE: Determine the grade 9 enrollment at the beginning of the reporting year three (3) years before the reporting year for which the graduation rate is being determined.

STEP TWO: Add:
(A) the number determined under STEP ONE; and
(B) the number of students who:
   (i) have enrolled in the high school after the date on which the number determined under STEP ONE was determined; and
   (ii) have the same expected graduation year as the cohort.

STEP THREE: Add:
(A) the sum determined under STEP TWO; and
(B) the number of retained students from earlier cohorts who became members of the cohort for whom the graduation rate is being determined.

STEP FOUR: Add:
(A) the sum determined under STEP THREE; and
(B) the number of students who:
   (i) began the reporting year in a cohort that expects to graduate during a future reporting year; and
   (ii) graduate during the current reporting year.

STEP FIVE: Subtract from the sum determined under STEP FOUR the number of students who have left the cohort for any of the following reasons:
(A) Transfer to another public or nonpublic school.
(B) Removal by the student's parents under IC 20-8.1-3-34 to provide instruction equivalent to that given in the public schools.
(C) Withdrawal because of a long term medical condition or
death.
(D) Detention by a law enforcement agency or the department of correction.
(E) Placement by a court order or the division of family and children.
(F) Enrollment in a virtual school.
(G) Graduation before the beginning of the reporting year.
(H) Students who have left school and whose location cannot be determined: attended school in Indiana for less than one (1) school year and who cannot be located.
(I) Students who cannot be located and have been reported to the Indiana clearinghouse for information on missing children.
(J) High ability students (as defined in IC 20-10.1-5.1-2) who have withdrawn from school before graduation and are full-time students in an accredited institution of higher education during the semester in which the cohort graduates.

STEP SIX: Determine the total number of students who have graduated during the current reporting year.
STEP SEVEN: Divide:
(A) the number determined under STEP SIX; by
(B) the remainder determined under STEP FIVE.

SECTION 6. IC 20-8.1-15-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If a student has left the school, the student is not included in clauses (A) through (J) of STEP FIVE of the formula established in section 10 of this chapter. If the location of the student is unknown to the school, the principal shall send a certified letter to the last known address of the student, inquiring about the student’s whereabouts and status. If the student is not located after the certified letter is delivered or if no response is received, the principal may submit the student's information, including last known address, parent or guardian name, student testing number, and other pertinent data to the state attendance officer. The state attendance officer, using all available state data and any other means available, shall attempt to locate the student and report the student's location and school enrollment
status to the principal so that the principal can appropriately send student records to the new school or otherwise document the student's status.

(b) If a school corporation cannot provide written proof that a student should be included in clauses (A) through (J) of STEP FIVE of section 10 of this chapter, the student is considered a dropout.

SECTION 7. IC 20-8.1-15-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. For each high school, the department shall calculate an estimated graduation rate that is determined by the total number of graduates for the reporting year divided by the total number of students enrolled in grade 9 at the school three (3) years before the reporting year. For any school where the difference between the estimated graduation rate and the number determined under STEP SEVEN of section 10 of this chapter is more than five percent (5%), the department shall request the data used in determining that the missing students are classified under one (1) or more of clauses (A) through (J) of STEP FIVE of section 10 of this chapter.

SECTION 8. IC 20-8.1-15-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. For any school that cannot provide written proof supporting the school's determinations to include a student under clauses (A) through (J) of STEP FIVE of section 10 of this chapter, the department shall require the publication of the corrected graduation rate in the next school year's report required under IC 20-1-21-4.

SECTION 9. IC 20-10.1-22.4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this section, "juvenile justice agency" has the meaning set forth in IC 10-13-4-5.

(b) A school corporation or other entity to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply may disclose or report on the education records of a child, including personally identifiable information contained in the education records, without the consent of the child's parent, guardian, or custodian, under the following
conditions:

(1) The disclosure or reporting of education records is to a state or local juvenile justice agency.

(2) The disclosure or reporting relates to the ability of the juvenile justice system to serve, before adjudication, the student whose records are being released.

(3) The juvenile justice agency receiving the information certifies, in writing, to the entity providing the information that the agency or individual receiving the information has agreed not to disclose it to a third party, other than another juvenile justice agency, without the consent of the child’s parent, guardian, or custodian.

(c) For purposes of subsection (b)(2), a disclosure or reporting of education records concerning a child who has been adjudicated as a delinquent child shall be treated as related to the ability of the juvenile justice system to serve the child before adjudication if the juvenile justice agency seeking the information provides sufficient information to enable the keeper of the education records to determine that the juvenile justice agency seeks the information in order to identify and intervene with the child as a juvenile at risk of delinquency rather than to obtain information solely related to supervision of the child as an adjudicated delinquent child.

(d) A school corporation to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply may disclose or report on the education records of a child, including personally identifiable information contained in the education records, without the consent of the child’s parent, guardian, or custodian, if the child has been suspended or expelled and referred to a court in accordance with an agreement for court assisted resolution of suspension and expulsion cases under IC 20-8.1-5.2. The request for the education records of a child by a court must be for the purpose of assisting the child before adjudication.

(e) A school corporation or other entity to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply that:

(1) discloses or reports on the education records of a child, including personally identifiable information contained in the education records, in violation of this section; and
(2) makes a good faith effort to comply with this section; is immune from civil liability.

SECTION 10. IC 20-19-3-4, AS ADDED BY HEA 1288-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The department shall:

(1) perform the duties required by statute;
(2) implement the policies and procedures established by the state board;
(3) conduct analytical research to assist the state board in determining the state's educational policy;
(4) compile statistics concerning the ethnicity, gender, and disability status of students in Indiana schools, including statistics for all information that the department receives from school corporations on enrollment, number of suspensions, and number of expulsions; and

(5) provide technical assistance to school corporations.

(b) In compiling statistics by gender, ethnicity, and disability status under subsection (a)(4), the department shall also categorize suspensions and expulsions by cause as follows:

(1) Alcohol.
(2) Drugs.
(3) Deadly weapons (other than firearms).
(4) Handguns.
(5) Rifles or shotguns.
(6) Other firearms.
(7) Tobacco.
(8) Attendance.
(9) Destruction of property.
(10) Legal settlement (under IC 20-33-8-17).
(11) Fighting (incident does not rise to the level of battery).
(12) Battery (IC 35-42-2-1).
(13) Intimidation (IC 35-45-2-1).
(14) Verbal aggression or profanity.
(15) Defiance.
(16) Other.

(c) The department shall develop guidelines necessary to implement this section.

SECTION 11. IC 20-26-13-10, AS ADDED BY HEA 1288-2005,
SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. Except as provided in section 11 of this chapter, the graduation rate for a cohort in a high school is the percentage determined under STEP SEVEN of the following formula:

STEP ONE: Determine the grade 9 enrollment at the beginning of the reporting year three (3) years before the reporting year for which the graduation rate is being determined.

STEP TWO: Add:
(A) the number determined under STEP ONE; and
(B) the number of students who:
   (i) have enrolled in the high school after the date on which the number determined under STEP ONE was determined; and
   (ii) have the same expected graduation year as the cohort.

STEP THREE: Add:
(A) the sum determined under STEP TWO; and
(B) the number of retained students from earlier cohorts who became members of the cohort for whom the graduation rate is being determined.

STEP FOUR: Add:
(A) the sum determined under STEP THREE; and
(B) the number of students who:
   (i) began the reporting year in a cohort that expects to graduate during a future reporting year; and
   (ii) graduate during the current reporting year.

STEP FIVE: Subtract from the sum determined under STEP FOUR the number of students who have left the cohort for any of the following reasons:
(A) Transfer to another public or nonpublic school.
(B) Removal by the student's parents under IC 20-33-2-28 to provide instruction equivalent to that given in the public schools.
(C) Withdrawal because of a long term medical condition or death.
(D) Detention by a law enforcement agency or the department of correction.
(E) Placement by a court order or the division of family and children.
(F) Enrollment in a virtual school.
(G) Graduation before the beginning of the reporting year.
(H) Leaving school, if the student attended school in Indiana for less than one (1) school year and the location of the student cannot be determined.
(I) Leaving school, if the location of the student cannot be determined and the student has been reported to the Indiana clearinghouse for information on missing children.
(J) Withdrawing from school before graduation, if the student is a high ability student (as defined in IC 20-36-1-3) who is a full-time student at an accredited institution of higher education during the semester in which the cohort graduates.

STEP SIX: Determine the total number of students who have graduated during the current reporting year.

STEP SEVEN: Divide:
(A) the number determined under STEP SIX; by
(B) the remainder determined under STEP FIVE.

SECTION 12. IC 20-26-13-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A student who has left school is not included in clauses (A) through (J) of STEP FIVE of the formula established in section 10 of this chapter unless the school corporation can provide written proof that the student has left the school for one (1) of the reasons set forth in clauses (A) through (J) of STEP FIVE of section 10 of this chapter. If the location of the student is unknown to the school, the principal of the school shall send a certified letter to the last known address of the student, inquiring about the student’s whereabouts and status. If the student is not located after the certified letter is delivered or if no response is received, the principal may submit the student's information, including last known address, parent or guardian name, student testing number, and other pertinent data to the state attendance officer. The state attendance officer, using all available state data and any other means available, shall attempt to locate the student and report the student's location and school enrollment status to the principal so that the principal can appropriately send student records to the new school or otherwise document the
student’s status.

(b) If a school corporation cannot provide written proof that a student should be included in clauses (A) through (J) of STEP FIVE of section 10 of this chapter, the student is considered a dropout.

SECTION 13. IC 20-26-13-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. For each high school, the department shall calculate an estimated graduation rate that is determined by the total number of graduates for the reporting year divided by the total number of students enrolled in grade 9 at the school three (3) years before the reporting year. For any school where the difference between the estimated graduation rate and the number determined under STEP SEVEN of section 10 of this chapter is more than five percent (5%), the department shall request the data used in determining that the missing students are classified under one (1) or more of clauses (A) through (J) of STEP FIVE of section 10 of this chapter.

SECTION 14. IC 20-26-13-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. For any school that cannot provide written proof supporting the school’s determination to include a student under any one (1) of clauses (A) through (J) of STEP FIVE of section 10 of this chapter, the department shall require the publication of the corrected graduation rate in the next school year’s report required under IC 20-20-8-3.

SECTION 15. IC 20-30-2-2, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A student instructional day in grades 1 through 6 consists of at least five (5) hours of instructional time. Except as provided in subsection (b), a student instructional day in grades 7 through 12 consists of at least six (6) hours of instructional time.

(b) An instructional day for a school flex program under section 2.2 of this chapter consists of a minimum of three (3) hours of instructional time.

SECTION 16. IC 20-30-2-2.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 2.2. (a) As used in this section, "eligible student" means a student in grade 11 or 12 who has:

1. failed the ISTEP+ graduation exam at least twice;
2. been determined to be chronically absent, by missing more than ten (10) unexcused days of school in one (1) school year;
3. been determined to be a habitual truant, as identified under IC 20-33-2-11;
4. been significantly behind in credits for graduation, as identified by an individual's school principal;
5. previously undergone at least a second suspension from school for the school year under IC 20-33-8-14 or IC 20-33-8-15;
6. previously undergone an expulsion from school under IC 20-33-8-14, IC 20-33-8-15, or IC 20-33-8-16; or
7. been determined by the individual's principal and the individual's parent or guardian to benefit by participating in the school flex program.

(b) An eligible student who participates in a school flex program must:

1. attend school for at least three (3) hours of instructional time per school day;
2. pursue a timely graduation;
3. provide evidence of college or technical career education enrollment and attendance or proof of employment and labor that is aligned with the student's career academic sequence under rules established by the Indiana bureau of child labor;
4. not be suspended or expelled while participating in a school flex program;
5. pursue course and credit requirements for a general diploma; and
6. maintain a ninety-five percent (95%) attendance rate.

(c) A school may allow an eligible student in grade 11 or 12 to complete an instructional day that consists of three (3) hours of instructional time if the student participates in the school flex program.

(d) If one (1) or more students participate in a school flex program, the principal shall, on forms provided by the department, submit a yearly report to the department of student participation and graduation rates of students who participate in the school flex program.
program.

SECTION 17. IC 20-33-2-9, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A student is bound by the requirements of this chapter from the earlier of the date on which the student officially enrolls in a school or, except as provided in section 8 of this chapter, the beginning of the fall school term for the school year in which the student becomes seven (7) years of age until the date on which the student:

(1) graduates;
(2) becomes eighteen (18) years of age; or
(3) becomes sixteen (16) years of age but is less than eighteen (18) years of age and the requirements under section 9 of this chapter concerning an exit interview are met enabling the student to withdraw from school before graduation;

whichever occurs first.

(b) A student who:
(1) enrolls in school before the fall school term for the school year in which the student becomes seven (7) years of age; and
(2) is withdrawn from school before the school year described in subdivision (1) occurs;

is not subject to the requirements of this chapter until the student is reenrolled as required in subsection (a): This chapter shall not be construed to require that a student complete grade 11 before the student becomes eight (8) years of age:

SECTION 18. IC 20-33-2-11, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Notwithstanding IC 9-24 concerning the minimum requirements for qualifying for the issuance of an operator's license or a learner's permit, and subject to subsections (c) through (e), an individual who is:

(1) at least thirteen (13) years of age but less than fifteen (15) years of age;
(2) a habitual truant under the definition of habitual truant established under subsection (b); and
(3) identified in the information submitted to the bureau of motor vehicles under subsection (f);

may not be issued an operator's license or a learner's permit to drive a
motor vehicle under IC 9-24 until the individual is at least eighteen (18) years of age.

(b) Each governing body shall establish and include as part of the written copy of its discipline rules described in IC 20-33-8-12:

(1) a definition of a child who is designated as a habitual truant, which must, at a minimum, define the term as a student who is chronically absent, by having unexcused absences from school for more than ten (10) days of school in one (1) school year;

(2) the procedures under which subsection (a) will be administered; and

(3) all other pertinent matters related to this action.

(c) An individual described in subsection (a) is entitled to the procedure described in IC 20-33-8-19.

(d) An individual described in subsection (a) who is at least thirteen (13) years of age and less than eighteen (18) years of age is entitled to a periodic review of the individual's attendance record in school to determine whether the prohibition described in subsection (a) shall continue. The periodic reviews may not be conducted less than one (1) time each school year.

(e) Upon review, the governing body may determine that the individual's attendance record has improved to the degree that the individual may become eligible to be issued an operator's license or a learner's permit.

(f) Before:

(1) February 1; and

(2) October 1;

of each year the governing body of the school corporation shall submit to the bureau of motor vehicles the pertinent information concerning an individual's ineligibility under subsection (a) to be issued an operator's license or a learner's permit.

(g) The department shall develop guidelines concerning criteria used in defining a habitual truant that may be considered by a governing body in complying with subsection (b).

SECTION 19. IC 20-33-2-28.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28.5. (a) This section applies to an individual:
(1) who:
   (A) attends or last attended a public school;
   (B) is at least sixteen (16) years of age but less than
   eighteen (18) years of age; and
   (C) has not completed the requirements for graduation;

(2) who:
   (A) wishes to withdraw from school before graduation;
   (B) fails to return at the beginning of a semester; or
   (C) stops attending school during a semester; and

(3) who has no record of transfer to another school.

(b) An individual to whom this section applies may withdraw
from school only if all of the following conditions are met:

   (1) An exit interview is conducted.
   (2) The individual’s parent consents to the withdrawal.
   (3) The school principal approves of the withdrawal.

During the exit interview, the school principal shall provide to the
student and the student’s parent a copy of statistics compiled by
the department concerning the likely consequences of life without
a high school diploma. The school principal shall advise the student
and the student’s parent that the student’s withdrawal from school
may prevent the student from receiving or result in the revocation
of the student’s employment certificate and driver’s license or
learner’s permit.

(c) For purposes of this section, the following must be in written
form:

   (1) An individual’s request to withdraw from school.
   (2) A parent’s consent to a withdrawal.
   (3) A principal’s consent to a withdrawal.

(d) If the individual’s principal does not consent to the
individual’s withdrawal under this section, the individual’s parent
may appeal the denial of consent to the governing body of the
public school that the individual last attended.

(e) Each public school, including each school corporation and
each charter school (as defined in IC 20-24-1-4), shall provide an
annual report to the department setting forth the following
information:

   (1) The total number of individuals:
       (A) who withdrew from school under this section; and
       (B) who either:
(i) failed to return to school at the beginning of a semester; or
(ii) stopped attending school during a semester;
and for whom there is no record of transfer to another school.

(2) The number of individuals who withdrew from school following an exit interview.

(f) If an individual to which this section applies:
   (1) has not received consent to withdraw from school under this section; and
   (2) fails to return to school at the beginning of a semester or during the semester;
the principal of the school that the individual last attended shall deliver by certified mail or personal delivery to the bureau of child labor a record of the individual's failure to return to school so that the bureau of child labor revokes any employment certificates issued to the individual and does not issue any additional employment certificates to the individual. For purposes of IC 20-33-3-13, the individual shall be considered a dropout.

(g) At the same time that a school principal delivers the record under subsection (f), the principal shall deliver by certified mail or personal delivery to the bureau of motor vehicles a record of the individual's failure to return to school so that the bureau of motor vehicles revokes any driver's license or learner's permit issued to the individual and does not issue any additional driver's licenses or learner's permits to the individual before the individual is at least eighteen (18) years of age. For purposes of IC 9-24-2-1, the individual shall be considered a dropout.

(h) If:
   (1) a principal has delivered the record required under subsection (f) or (g), or both; and
   (2) the school subsequently gives consent to the individual to withdraw from school under this section;
the principal of the school shall send a notice of withdrawal to the bureau of child labor and the bureau of motor vehicles by certified mail or personal delivery and, for purposes of IC 20-33-3-13 and IC 9-24-2-1, the individual shall no longer be considered a dropout.

SECTION 20. IC 20-33-2-28.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
Sec. 28.7. (a) The department of education shall compile and make available to schools statistics concerning the likely consequences of life without a high school diploma. The statistics must include, but are not limited to, statistics that show the likelihood of an individual’s:

1) unemployment or employment in a lower paying job; and
2) involvement in criminal activity;
as the consequence of not obtaining a high school diploma.

(b) The department of education shall update the statistics made available under subsection (a) every two (2) years.

SECTION 21. IC 20-33-7-3, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this section, "juvenile justice agency" has the meaning set forth in IC 10-13-4-5.

(b) A school corporation or other entity to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply may disclose or report on the education records of a child, including personally identifiable information contained in the education records, without the consent of the child's parent under the following conditions:

1) The disclosure or reporting of education records is to a state or local juvenile justice agency.
2) The disclosure or reporting relates to the ability of the juvenile justice system to serve, before adjudication, the student whose records are being released.
3) The juvenile justice agency receiving the information certifies, in writing, to the entity providing the information that the agency or individual receiving the information has agreed not to disclose it to a third party, other than another juvenile justice agency, without the consent of the child's parent.

(c) For purposes of subsection (b)(2), a disclosure or reporting of education records concerning a child who has been adjudicated as a delinquent child shall be treated as related to the ability of the juvenile justice system to serve the child before adjudication if the juvenile justice agency seeking the information provides sufficient information to enable the keeper of the education records to determine that the juvenile justice agency seeks the information in order to identify and intervene with the child as a juvenile at risk of delinquency rather than
to obtain information solely related to supervision of the child as an adjudicated delinquent child.

(d) A school corporation to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply may disclose or report on the education records of a child, including personally identifiable information contained in the education records, without the consent of the child's parent, if the child has been suspended or expelled and referred to a court in accordance with an agreement for court assisted resolution of suspension and expulsion cases under IC 20-33-8.5. The request for the education records of a child by a court must be for the purpose of assisting the child before adjudication.

(e) A school corporation or other entity to which the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) apply that:

(1) discloses or reports on the education records of a child, including personally identifiable information contained in the education records, in violation of this section; and

(2) makes a good faith effort to comply with this section;

is immune from civil liability.

SECTION 22. IC 20-33-8-12, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The governing body of a school corporation must do the following:

(1) Establish written discipline rules, which may include:

(A) appropriate dress codes; and

(B) if applicable, an agreement for court assisted resolution of school suspension and expulsion cases;

for the school corporation.

(2) Give general publicity to the discipline rules within a school where the discipline rules apply by actions such as:

(A) making a copy of the discipline rules available to students and students' parents; or

(B) delivering a copy of the discipline rules to students or the parents of students.

This publicity requirement may not be construed technically and is satisfied if the school corporation makes a good faith effort to
disseminate to students or parents generally the text or substance of a discipline rule. 

(b) The:

(1) superintendent of a school corporation; and

(2) principals of each school in a school corporation;

may adopt regulations establishing lines of responsibility and related guidelines in compliance with the discipline policies of the governing body.

(c) The governing body of a school corporation may delegate:

(1) rulemaking;

(2) disciplinary; and

(3) other authority;

as reasonably necessary to carry out the school purposes of the school corporation.

(d) Subsection (a) does not apply to rules or directions concerning the following:

(1) Movement of students.

(2) Movement or parking of vehicles.

(3) Day to day instructions concerning the operation of a classroom or teaching station.

(4) Time for commencement of school.

(5) Other standards or regulations relating to the manner in which an educational function must be administered.

However, this subsection does not prohibit the governing body from regulating the areas listed in this subsection.

SECTION 23. IC 20-33-8.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 8.5. Court Assisted Resolution of Suspension and Expulsion Cases

Sec. 1. This chapter does not apply to a nonpublic school.

Sec. 2. A superintendent and a court having juvenile jurisdiction in the county may enter into a voluntary agreement (referred to as the "agreement" in this chapter) for court assisted resolution of school suspension and expulsion cases. The agreement may require the court to supervise or provide for the supervision of an expelled or suspended student who has been referred to the court by the school corporation in accordance with the terms of the agreement.
Sec. 3. The agreement may require that a court do one (1) or more of the following:

1. Establish a flexible program for the supervision of a student who has been suspended or expelled.
2. Supervise a student who has been suspended or expelled.
3. Require a student who has been suspended or expelled to participate in a school program (including an alternative educational program) for the supervision of a student who has been suspended or expelled.

Sec. 4. (a) The agreement may require that a school corporation do one (1) or more of the following:

1. Define the violation for which a student who has been suspended or expelled shall be referred to the court.
2. Refer a student who has been suspended or expelled for a violation described in subdivision (1) to the court.
3. Establish a school program (including an alternative educational program) for the supervision of a student who has been suspended or expelled.

(b) If a school corporation enters into an agreement, the discipline rules adopted by the school corporation under IC 20-33-8-12 must specify the violations for which a student may be referred to the court under the agreement.

Sec. 5. The agreement must provide how the expenses of supervising a student who has been suspended or expelled are funded. A school corporation may not be required to expend more than the amount determined under IC 21-3-1.7-6.7(e) for each student referred under the agreement.

Sec. 6. A student shall be given an informal hearing before the court, in a setting agreed upon by the court and the school system, as soon as practicable following the student's referral to the court, after notice of the hearing has been provided to the student's parent.

Sec. 7. A hearing under this chapter is not a hearing to determine whether a student who has been suspended or expelled is a child in need of services. However, if a court determines that a student who has been suspended or expelled may:

1. be a child in need of services (as described in IC 31-34-1); or
2. have committed a delinquent act (as described in
the court may notify the office of family and children or the
prosecuting attorney.

Sec. 8. A parent or guardian has the right to be present and may
be required to be present during the student's appearance.

Sec. 9. A student's appearance in court under this chapter shall
not be used against the child or the child's parents or guardians in
any subsequent court proceeding, including but not limited to any
delinquency or child in need of services matter under IC 31.

Sec. 10. All records of the student's court appearance shall be
expunged upon the student's completion of the out-of-school
suspension or expulsion program.

Sec. 11. Notwithstanding the terms of the agreement, a
suspension, an expulsion, or a referral of a student who is a child
with a disability (as defined in IC 20-1-6-1) is subject to the:

(1) procedural requirements of 20 U.S.C. 1415; and
(2) rules adopted by the Indiana state board of education.

Sec. 12. This chapter does not deprive a child of any due process
rights to which the child may be entitled.

SECTION 24. [EFFECTIVE UPON PASSAGE] (a) The
department of education shall develop a form for the written
consent to withdraw from school for a school corporation's use in
implementing IC 20-33-2-28.5, as added by this act.

(b) The department of education shall under this SECTION
begin compiling the statistics concerning the likely consequences of
life without a high school diploma as required by IC 20-33-2-28.7,
as added by this act.

(c) This SECTION expires December 31, 2005.

SECTION 25. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning time.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 1-1-8.1-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Sec. 3. The state supports the county executive of any county that seeks to change the time zone in which the county is located under the procedures established by federal law.

SECTION 2. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2006]: IC 1-1-8.1-1; IC 1-1-8.1-2.

SECTION 3. [EFFECTIVE UPON PASSAGE] (a) The governor and the general assembly hereby petition the United States Department of Transportation to initiate proceedings under the Uniform Time Act of 1966 to hold hearings in the appropriate locations in Indiana on the issue of the location of the boundary between the Central Time Zone and the Eastern Time Zone in Indiana.

(b) The governor and the general assembly advise the United States Department of Transportation that any administrative action to change the time zone boundary in response to the petition contained in this SECTION should not change the time zone for any of the following Indiana counties:

(1) Any Indiana county currently located in the Central Time Zone, which should remain in the Central Time Zone.
(2) Clark County, which should remain in the Eastern Time Zone.
(3) Dearborn County, which should remain in the Eastern Time Zone.
(4) Floyd County, which should remain in the Eastern Time Zone.
(5) Harrison County, which should remain in the Eastern Time Zone.
AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-20.5-6-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The department and the office of the secretary of the family and social services administration shall establish policies that prohibit the construction of fences and bleachers on real property that is part of the Evansville State Hospital. This section covers real property used either by:

(1) Evansville State Hospital for recreational purposes; or
(2) an entity using part of the property of the hospital with the permission of the hospital.

SECTION 2. IC 4-20.5-7-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) This section applies to real property that is part of Evansville State Hospital.

(b) The transfer of real property of Evansville State Hospital must include a provision that no fences or bleachers may be
constructed on the real property being transferred. The deed transferring real property must include a provision that the real property reverts to the state if bleachers or fences are constructed on the real property.

SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the Evansville State Hospital advisory committee established by this SECTION.

(b) As used in this SECTION, "hospital" refers to the Evansville State Hospital.

(c) The Evansville State Hospital advisory committee is established.

(d) The committee consists of the following members:

1. All members of the house of representatives who represent all or part of Vanderburgh County appointed by the speaker of the house of representatives.

2. All members of the senate who represent all or part of Vanderburgh County appointed by the president pro tempore of the senate.

3. The superintendent of the hospital or the superintendent's designee.

4. The presiding officer of the legislative body of the municipality in which the hospital is located or the presiding officer's designee.

5. The presiding officer of the legislative body of the county in which the hospital is located or the presiding officer's designee.

6. The head of the parks department of the municipality in which the hospital is located or the head of the parks department's designee.

7. An individual representing the Wesselman Nature Society board. The board shall notify the legislative services agency and the staff of the committee of the name of the individual representing the board.

8. An individual representing the county convention and visitor commission. The commission shall notify the legislative services agency and the staff of the committee of the name of the individual representing the commission.

(e) The chairman of the legislative council shall appoint the chairperson of the committee. After the chairperson of the
committee is appointed, the vice chairman of the legislative council shall appoint the vice chairperson of the committee. The chairperson and the vice chairperson of the committee may not be members of the same political party.

(f) The committee shall meet on the call of the chairperson.

(g) Each legislative member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals serving as legislative members on interim study committees established by the legislative council. All expenses under this SECTION shall be paid from appropriations made to the legislative services agency.

(h) Each member of the committee who is not a member of the general assembly is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(i) The committee shall operate under policies and procedures established by the legislative council.

(j) The affirmative vote of a majority of the members appointed to the committee is required to take action on any measure.

(k) The division of mental health and addiction established by IC 12-21-1-1 shall provide staff services to the committee.

(l) The committee shall study proposed uses of the hospital property, including the existing historic buildings.

(m) This subsection does not apply to a transaction or the renewal of a transaction if the transaction was entered into before January 1, 1999, or to a transfer specifically authorized by statute. Before the state may:

1. sell, lease, or transfer possession of any part of the real property constituting the grounds of the hospital or make any determination concerning the siting of any new building or related parking facility to be constructed on the grounds of the hospital; or
2. enter into an agreement or contract for any transaction described in subdivision (1);

the governor must submit to the committee a detailed report
describing the proposed transaction and the reasons for the proposed transaction. Upon receiving a report under this subsection, the chairperson of the committee shall call a meeting of the committee to act upon the report. The committee shall act upon the report and submit its recommendations to the governor not later than sixty (60) days after the governor submits the report. The state may not proceed with the transaction until the governor responds to the committee’s recommendation.

(n) The transfer of any real property constituting the grounds of the hospital must include a provision that no fences or bleachers may be constructed on the real property being transferred. The deed transferring real property must include a provision that the real property reverts to the state if bleachers or fences are constructed on the real property.

(o) The committee shall continue the work done by the Evansville State Hospital advisory committee, which expired January 1, 2004.

(p) This SECTION expires January 1, 2007.

SECTION 4. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commissioner" refers to the commissioner of the Indiana department of administration.

(b) As used in this SECTION, "department" refers to the Indiana department of administration created by IC 4-13-1-2.

(c) As used in this SECTION, "grantee" refers to the Southwestern Indiana Master Gardener Association, Inc.

(d) As used in this SECTION, "real estate" refers to the real property located in Section 26, Township 6 South, Range 10 West in Knight Township, Vanderburgh County, Indiana, more particularly described as follows:

Commencing at the southwest corner of the northwest quarter of Section 26; thence along the west line of the quarter section, North 01 degree, 06 minutes, 58 seconds East 1686.80 feet to the southwest corner of a tract of land conveyed to the City of Evansville in Deed Drawer 11, card 9992 in the office of the Recorder of Vanderburgh County; thence along the boundary of the City of Evansville tract the following seven (7) calls:

South 86 degrees, 14 minutes, 29 seconds East 383.18 feet; thence
South 23 degrees, 15 minutes, 05 seconds East 99.07 feet;
P.L.244—2005

thence
South 57 degrees, 37 minutes, 45 seconds East 114.34 feet;

thence
South 86 degrees, 17 minutes, 39 seconds East 127.75 feet;

thence
North 00 degrees, 04 minutes, 06 seconds East 113.09 feet;

thence
South 87 degrees, 28 minutes, 48 seconds East 61.01 feet;

thence
North 09 degrees, 00 minutes, 19 seconds East 207.54 feet; to
the southwest corner of a tract of land conveyed to the Buffalo
Trace Council, Inc. of the Boy Scouts of America in Document
Number 2004R00010382 in the office of the Recorder of
Vanderburgh County; thence along the boundary of the Boy Scout
tract, South 88 degrees, 35 minutes, 04 seconds East 909.20 feet;

thence continuing along the Boy Scout Tract, North 15 degrees, 07
minutes, 50 seconds East 75.92 feet to the point of beginning;

thence continuing along the Boy Scout tract the following four (4)
calls:

North 68 degrees, 20 minutes, 24 seconds West 198.16 feet;

thence
North 00 degrees, 28 minutes, 12 seconds East 254.18 feet;

thence
South 73 degrees, 53 minutes, 24 seconds East 195.17 feet;

thence
South 06 degrees, 59 minutes, 24 seconds East 175.44 feet;

thence
South 15 degrees, 07 minutes, 50 seconds West 102.58 feet to the
point of beginning and containing a gross area of 1.208 acres.

(e) The governor and the commissioner are authorized and
directed on behalf of and in the name of the state of Indiana to
convey the real estate to the grantee. Except as provided in this
SECTION, the conveyance of the real estate shall be made without
consideration. Conveyance of the real estate is subject to the
following:

(1) Use of the real estate for educational, cultural,
recreational, art, or museum purposes.

(2) The rights of ingress and egress across existing roadways
and parking lots as described in the quitclaim deed to the
Buffalo Trace Council, Inc. of the Boy Scouts of America in Document Number 2004R00010382 in the office of the Recorder of Vanderburgh County.

(3) The use of paths located on the real estate for biking, hiking, and other similar recreational activities.

(4) Highways, easements, and restrictions of record.

(5) No fences or bleachers may be constructed on the property.

(f) The real estate reverts to the state if the real estate is not used for the purposes described in subsection (e)(1).

(g) The conveyance of the real estate must comply with IC 4-20.5-7 to the extent that IC 4-20.5-7 does not conflict with this SECTION. The department shall have a quitclaim deed prepared to convey the real estate to the grantee. The deed must state the conditions and restrictions contained in subsections (e) and (f). The commissioner and the governor shall sign the deed, and the seal of the state shall be affixed to the deed.

(h) The grantee shall have the deed to the real estate recorded in Vanderburgh County, Indiana.

(i) The department shall inform the superintendent of Evansville State Hospital when the conveyance under this SECTION has been completed.

(j) SECTION 1 of this act does not apply to the conveyance required by this SECTION.

(k) This SECTION expires July 1, 2009.

SECTION 5. An emergency is declared for this act.
AN ACT to amend the Indiana Code concerning business and other associations.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 23-7-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:

"Bona fide employee" means a person who is a regular, nontemporary employee of a charitable organization under the direct and exclusive control of the organization. The term does not include a person that:

1. solicits contributions for a charitable organization under the direction, supervision, instruction, or employ of a professional solicitor;
2. is engaged or employed as a professional solicitor by any other person; or
3. solicits contributions for more than one (1) charitable organization.

"Charitable organization" means any organization described in Section 501 of the federal Internal Revenue Code.

"Contribution" means a promise or pledge of money, a payment, or any other rendition of property or service. It does not include the payment of membership dues, fines or assessments, or payments for property sold or services rendered by the charitable organization, if not sold or rendered in connection with a solicitation, and does not include a charitable organization that resells used clothing or household items.

"Division" means the consumer protection division, office of the attorney general.

"Person" includes any individual, organization, trust foundation, association, partnership, limited liability company, or corporation.

"Professional fundraiser consultant" means any person who is hired for a fee to plan, manage, advise, or act as a consultant in connection with soliciting contributions for, or on behalf of, a charitable
organization, but who does not actually solicit contributions as a part of the person's services or employ, procure, or engage a compensated person to solicit contributions. The term does not include a charitable organization, or a bona fide officer, employee, member, or volunteer of a charitable organization, that solicits on its own behalf.

"Professional solicitor" means a person who, for a financial consideration, solicits contributions for, or on behalf of, a charitable organization, either personally or through agents or employees specifically employed for that purpose, including agents or employees specifically employed by or for a charitable organization who solicit contributions under the direction, supervision, or instruction of a professional solicitor. The term does not include a charitable organization, or an officer, an employee, or a volunteer of a charitable organization, that solicits on its own behalf.

"Solicit" means:

1. to request, other than as described in subdivision (2), directly or indirectly, financial assistance in any form on the representation that the financial assistance will be used for a charitable purpose; or
2. to sell, offer, or attempt to sell any advertisement, advertising space, membership, or tangible item:
   A. in connection with which any appeal is made for any charitable organization or purpose;
   B. where the name of any charitable organization is used or referred to in any appeal made for any charitable organization as an inducement or reason for making a sale described in this subdivision; or
   C. when or where in connection with a sale described in this subdivision any statement is made that the whole or any part of the proceeds from the sale will be used for any charitable purpose or benefit any charitable organization.

A solicitation shall be considered to have taken place whether or not the person making the solicitation receives any contribution.

SECTION 2. IC 23-7-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person may not act as a professional fundraiser consultant or professional solicitor for a charitable organization unless the person has first registered with the division. A person who applies for registration shall disclose the
following information while under oath:

(1) The names and addresses of all officers, employees, and agents who are actively involved in fundraising or related activities.

(2) The names and addresses of all persons who own a ten percent (10%) or more interest in the registrant.

(3) A description of any other business related to fundraising conducted by the registrant or any person who owns ten percent (10%) or more interest.

(4) The name or names under which it intends to solicit contributions.

(5) Whether the organization has ever had its registration denied, suspended, revoked, or enjoined by any court or other governmental authority.

(b) A registrant shall notify the division in writing within one hundred eighty (180) days of any change in the information contained in the registration. However, if requested by the division, the solicitor has fifteen (15) days to notify the division of any change in the information.

(c) Before acting as a professional fundraiser consultant for a particular charitable organization, the consultant must enter into a written contract with the organization and file this contract with the division. The contract must identify the services that the professional fundraiser consultant is to provide, including whether the professional fundraiser consultant will at any time have custody of contributions.

(d) Before a professional solicitor engages in a solicitation, the professional solicitor must have a contract which is filed with the division. This contract must specify the percentage of gross contributions which the charitable organization will receive or the terms upon which a determination can be made as to the amount of the gross revenue from the solicitation campaign that the charitable organization will receive. The amount of gross revenue from the solicitation campaign that the charitable organization will receive must be expressed as a fixed percentage of the gross revenue or expressed as a reasonable estimate of the percentage of the gross revenue. If a reasonable estimate is used, the contract must clearly disclose the assumptions or a formula upon which the estimate is based. If a fixed percentage is used, the percentage must exclude any amount that the
charitable organization is to pay as expenses of the solicitation campaign, including the cost of the merchandise or services sold. If requested by the charitable organization, the person who solicits must at the conclusion of a charitable appeal provide to the charitable organization the names and addresses of all contributors, the amount of each contribution, and a final accounting of all expenditures. Such information may not be used in violation of any trade secret laws. The contract must disclose the average percentage of gross contributions collected on behalf of charitable organizations that the charitable organizations received from the professional solicitor for the three (3) years preceding the year in which the contract is formed. The contract also must specify that, at least every ninety (90) days, the professional solicitor shall provide the charitable organization with access to and use of information concerning contributors, including the name, address, and telephone number of each contributor and the date and amount of each contribution. A professional solicitor may not restrict a charitable organization's use of contributor information.

(e) Before beginning a solicitation campaign, a professional solicitor must file a solicitation notice with the division. The notice must include the following:

1. A copy of the contract described in subsection (d).
2. The projected dates when soliciting will begin and end.
3. The location and telephone number from where solicitation will be conducted.
4. The name and residence address of each person responsible for directing and supervising the conduct of the campaign. However, the division shall not divulge the residence address unless ordered to do so by a court of competent jurisdiction, or in furtherance of the prosecution of a violation under this chapter.
5. If the solicitation is one described under section 7(a)(3) of this chapter, the solicitation notice must include a copy of the required written authorization.

(f) Not later than ninety (90) days after a solicitation campaign has ended and not later than ninety (90) days after the anniversary of the commencement of a solicitation campaign lasting more than one (1) year, a professional solicitor shall submit the following information concerning the campaign to the division:
(1) The total gross amount of money raised by the professional solicitor and the charitable organization from donors.

(2) The total amount of money paid to or retained by the professional solicitor.

(3) The total amount of money, not including the amount identified under subdivision (2), paid by the charitable organization as expenses as part of the solicitation campaign.

(4) The total amount of money paid to or retained by the charitable organization after the amounts identified under subdivisions (2) and (3) are deducted.

The division may deny or revoke the registration of a professional solicitor who fails to comply with this subsection.

(g) The charitable organization on whose behalf the professional solicitor is acting must certify that the information filed under subsections (e) and (f) is true and complete to the best of its knowledge.

(h) At the beginning of each solicitation call, a professional fundraiser consultant and a professional solicitor must state all of the following:

(1) The name of the company for whom the professional fundraiser consultant or professional solicitor is calling.

(2) The name of the professional fundraiser consultant or professional solicitor.

(3) The phone number and address of the location from which the professional fundraiser consultant or professional solicitor is making the telephone call.

(4) The percentage of the charitable contribution that will be expended for charitable purposes after administrative costs and the costs of making the solicitation have been satisfied.

(i) At least every ninety (90) days, a professional solicitor shall provide each charitable organization on whose behalf the professional solicitor is acting with access to and use of information concerning contributors, including the name, address, and telephone number of each contributor and the date and amount of each contribution. A professional solicitor may not restrict a charitable organization’s use of information provided under this subsection.

SECTION 3. IC 23-17-2-7 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) "Corporation" means a public benefit, mutual benefit, or religious corporation incorporated under or subject to this article.

(b) The term does not include a foreign corporation.

(c) For purposes of IC 23-17-24, the term does not include a homeowners association (as defined in IC 34-6-2-58).

SECTION 4. IC 23-17-24-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section applies to the following:

(1) Notwithstanding IC 23-17-1-1, all corporations organized under Indiana law for a purpose for which a corporation may be organized under this article, regardless of the date of incorporation.

(2) A foreign corporation that desires to transact business in Indiana.

(b) In addition to a dissolution under section 1 of this chapter, the attorney general may petition a court to issue one (1) or more of the following remedies:

(1) Injunctive relief.

(2) Appointment of temporary or permanent receivers.

(3) Permanent removal of trustees, corporate officers, or directors who have breached the fiduciary duty.

(4) Appointment of permanent court approved replacement trustees, corporate officers or directors, and members.

(c) The attorney general may seek a remedy against any or all of the following:

(1) If the attorney general establishes a condition enumerated in section 1(a)(1) of this chapter, a corporation.

(2) For a violation of the officer's duties under IC 23-17-14-2, a corporate officer.

(3) For a violation of IC 23-17-13, a corporate director.

SECTION 5. IC 23-17-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Venue for a proceeding brought by the attorney general to dissolve against a corporation or its officers or directors lies in Marion County. Venue for a proceeding brought by any other party named under section 1 of this chapter lies in the county where:
(1) a corporation's principal office is or was last located; or
(2) if the principal office is not located in Indiana, the
corporation's registered office is or was last located.
(b) A director or a member does not have to be made a party to a
proceeding to dissolve a corporation unless relief is sought against a
director or a member individually.
(c) A court in a proceeding brought to dissolve a corporation may
do the following:
   (1) Issue injunctions.
   (2) Appoint a receiver or custodian pendente lite with all powers
       and duties the court directs.
   (3) Take other action required to preserve the corporate assets
       wherever located.
   (4) Carry on the activities of the corporation until a full hearing
can be held.
(d) A person other than the attorney general who brings an
involuntary dissolution proceeding for a public benefit or religious
corporation shall give written notice without delay of the proceeding to
the attorney general who may intervene.
SECTION 6. IC 23-17-24-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JU LY 1, 2005]: Sec. 3. (a) A court in a
judicial proceeding brought by the attorney general or by any other
party named under section 1 of this chapter to dissolve a public
benefit or mutual benefit corporation may appoint at least one (1):
   (1) receiver to wind up and liquidate; or
   (2) custodian to manage;
the affairs of the corporation. The court shall hold a hearing, after
notifying all parties to the proceeding and any interested persons
designated by the court, before appointing a receiver or custodian. The
court appointing a receiver or custodian has exclusive jurisdiction over
the corporation and all of the corporation's property wherever located.
(b) The court may appoint an individual or a domestic or foreign
business or nonprofit corporation authorized to transact business in
Indiana as a receiver or custodian. The court may require the receiver
or custodian to post bond, with or without sureties, in an amount the
court directs.
(c) The court shall describe the powers and duties of the receiver or
custodian in the appointing order, which may be amended from time to
time, including the following:

(1) The receiver may do the following:

(A) Dispose of all or any part of the assets of the corporation wherever located, at a public or private sale, if authorized by the court. However, the corporation is subject to a trust, an endowment, and other restrictions that would be applicable to the corporation.

(B) Sue and defend in the receiver's or custodian's name as receiver or custodian of the corporation in all Indiana courts.

(2) The custodian may exercise all of the powers of the corporation, through or in place of the corporation's board of directors or officers, to the extent necessary to manage the affairs of the corporation in the best interests of the corporation's members and creditors or to carry out the corporation's lawful purposes.

(d) The court during a receivership may redesignate the receiver a custodian, and during a custodianship may redesignate the custodian a receiver if doing so is in the best interests of the corporation and the corporation's members and creditors.

(e) The court may, during the receivership or custodianship, order compensation paid and expense disbursements or reimbursements made to the receiver or custodian and the receiver's or custodian's counsel from the assets of the corporation or proceeds from the sale of the assets.

SECTION 7. IC 27-16 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

ARTICLE 16. PROFESSIONAL EMPLOYER ORGANIZATIONS

Chapter 1. Applicability

Sec. 1. This article applies after December 31, 2005.

Chapter 2. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. (a) "Administrative fee" means the fee charged to a client by a professional employer organization for professional employer services.

(b) The term does not include any amount charged to a client by
a professional employer organization for wages and salaries, benefits, worker's compensation, payroll taxes, withholding, or other assessments paid by a professional employer organization to or on behalf of a covered employee.

Sec. 3. "Client" means a person that enters into a professional employer agreement with a professional employer organization.

Sec. 4. "Co-employed" means that an individual is contemporaneously employed by both a client and a professional employer organization.

Sec. 5. "Co-employer" refers to a client or a professional employer organization that has entered into a professional employer agreement and has a relationship with a co-employed individual.

Sec. 6. "Co-employment relationship" means a relationship:
   (1) between a:
       (A) client and a professional employer organization; or
       (B) co-employer and a covered employee; and
   (2) that results from the client and the professional employer organization entering into a professional employer agreement.

Sec. 7. "Commissioner" refers to the insurance commissioner appointed under IC 27-1-1-2.

Sec. 8. (a) "Covered employee" means an individual who is co-employed.
   (b) The term includes an individual who is an officer, a director, a shareholder, a partner, or a manager of a client to the extent the professional employer organization and the client expressly agree that the individual:
       (1) is described in subsection (a); and
       (2) acts as an operational manager or performs day to day operational services for the client;
as reflected in the professional employer agreement.

Sec. 9. "Department" refers to the department of insurance created by IC 27-1-1-1.

Sec. 10. "PEO group" means two (2) or more professional employer organizations that are majority owned or commonly controlled by the same entity, parent, or controlling person.

Sec. 11. "Person" means an individual, a partnership, a corporation, a limited liability company, an association, or another legally recognized entity.
Sec. 12. "Professional employer agreement" means a written contract between a person and a professional employer organization:

(1) under which all or a majority of the person's employees become covered employees;
(2) that provides for the allocation of employer rights and obligations between the person and the professional employer organization with respect to the covered employees; and
(3) that specifies the professional employer services that will be provided.

Sec. 13. (a) "Professional employer organization" or "PEO" means a person engaged in the business of providing professional employer services.

(b) The term does not include the following:

(1) An arrangement through which a person:
   (A) whose principal business activity is an activity other than entering into professional employer agreements; and
   (B) that does not hold the person out as a professional employer organization;
   shares employees with a commonly owned company within the meaning of Section 414(b) and 414(c) of the Internal Revenue Code of 1986, as amended.

(2) An independent contractor arrangement through which a person:
   (A) assumes responsibility for a product produced or a service performed by the person or the person's agent; and
   (B) retains and exercises primary direction and control over the work performed by an individual whose services are supplied under the independent contractor arrangement.

(3) The provision of temporary help services.

Sec. 14. "Professional employer services" means the services that are provided to a client by a professional employer organization under a professional employer agreement.

Sec. 15. "Temporary help service" means a service consisting of a person that:

(1) recruits and hires the person's own employees, not including an officer, a manager, or a controlling person of a client to which the person's own employee is assigned by the
person;
(2) identifies organizations that need the services of employees described in subdivision (1);
(3) assigns employees described in subdivision (1) to:
   (A) perform work or services for organizations described in subdivision (2);
   (B) support or supplement the workforces of organizations described in subdivision (2); or
   (C) provide assistance in special work situations, including employee absences, skill shortages, seasonal workloads, and special assignments or projects; and
(4) customarily attempts to reassign the employees described in subdivision (1) to other organizations when an assignment described in subdivision (3) is completed.

Chapter 3. Effect on Rights, Duties, and Obligations

Sec. 1. This article and a professional employer agreement do not affect, modify, or amend:
(1) a collective bargaining agreement; or
(2) rights or obligations of a client, PEO, or covered employee under:
   (A) the federal National Labor Relations Act (29 U.S.C. 151 et seq.);
   (B) the federal Railway Labor Act (45 U.S.C. 151 et seq.); or
   (C) IC 22-7.

Sec. 2. This article and a professional employer agreement do not do the following:
(1) Diminish, abolish, or remove the obligations of a client to a covered employee that exist before the effective date of the professional employer agreement.
(2) Affect, modify, or amend a contractual relationship or restrictive covenant:
   (A) between a covered employee and a client that is in effect on the effective date of the professional employer agreement; or
   (B) that is entered into between a client and a covered employee after the effective date of the professional employer agreement.

A PEO is not responsible or liable for a dispute in connection
with or arising out of a contractual relationship or restrictive
covenant described in this subdivision unless the PEO has
otherwise specifically agreed in writing.
(3) Create a new or additional enforceable right of a covered
employee against a PEO that is not specifically provided by
the professional employer agreement or this article.
Sec. 3. (a) This article and a professional employer agreement
do not affect, modify, or amend a federal, state, or local:
(1) license;
(2) registration; or
(3) certification;
requirement that applies to a client or covered employee.
(b) The following apply to a federal, state, or local requirement
described in subsection (a):
(1) A covered employee who is required to be licensed,
registered, or certified is considered solely an employee of the
client for purposes of a license, registration, or certification
requirement.
(2) A PEO is not considered to engage in an occupation, a
trade, a profession, or another activity that is:
   (A) subject to a license, registration, or certification
   requirement; or
   (B) otherwise regulated by a governmental entity;
soley because the PEO has entered into and maintained a
co-employment relationship with a covered employee who is
subject to a requirement or regulation described in clause (A)
or (B).
(3) A client has the sole right of direction and control of the
professional or licensed activities of a covered employee and
of the client's business.
(4) Only a:
   (A) covered employee; or
   (B) client;
that is subject to a requirement or regulation described in
subdivision (2)(A) or (2)(B) is subject to the regulation by a
regulatory or governmental entity responsible for licensing,
registration, certification, or other regulation of the covered
employee or client.
Sec. 4. (a) For purposes of the determination of tax credits and
other economic incentives:
   (1) provided by the state or another governmental entity; and
   (2) based on employment;

a covered employee is considered an employee solely of the client.
(b) A client is entitled to the benefit of any tax credit, economic
incentive, or other benefit arising as the result of the employment
of a covered employee of the client.
(c) If the grant or amount of an incentive is based on the
number of employees a client employs:
   (1) each client must be treated as employing only the covered
employees actually working in the client’s business
operations; and
   (2) covered employees working for other clients of the PEO
must not be counted.
(d) A PEO shall provide, upon request by a client or an agency
or a department of the state or of another governmental entity,
employment information:
   (1) reasonably required by an agency or a department of the
state or of another governmental entity that is responsible for
administration of a tax credit or economic incentive described
in this section; and
   (2) necessary;

to support a request, a claim, an application, or another action by
a client seeking a tax credit or an economic incentive.

Sec. 5. With respect to a bid, a contract, a purchase order, or an
agreement entered into with the state or a political subdivision of
the state, a client’s status or certification as a:
   (1) small, minority owned, disadvantaged, or woman owned
business enterprise; or
   (2) historically underutilized business;
is not affected because the client has entered into the professional
employment agreement.
Chapter 4. Registration
Sec. 1. (a) A person shall not:
   (1) provide professional employer services;
   (2) advertise that the person:
      (A) is a professional employer organization; or
      (B) provides professional employer services; or
   (3) otherwise hold the person out as a professional employer
organization;
in Indiana unless the person is registered under this article.
(b) The registration requirement specified in subsection (a) applies to a person that performs any of the activities specified in subsection (a) regardless of the person's use of any of the following terms:
(1) Professional employer organization.
(2) PEO.
(3) Staff leasing company.
(4) Registered staff leasing company.
(5) Employee leasing company.
(6) Administrative employer.
(7) Any other name.
Sec. 2. An applicant for registration under this article shall file with the department the following information:
(1) The name or names under which the applicant conducts business.
(2) The address of the principal place of business of the applicant and the address of each office the applicant maintains in Indiana.
(3) The applicant’s taxpayer or employer identification number.
(4) A list by jurisdiction of each name under which the applicant has operated in the preceding five (5) years, including any alternative names, names of predecessors, and, if known, successor business entities.
(5) A statement of ownership that includes the name and evidence of the business experience of any person that, individually or acting in concert with one (1) or more other persons, owns or controls, directly or indirectly, twenty-five percent (25%) or more of the equity interests of the applicant.
(6) A statement of management that includes the name and evidence of the business experience of any individual who serves as president, chief executive officer, or otherwise has the authority to act as senior executive officer of the applicant.
(7) A financial statement:
(A) setting forth the financial condition of the applicant as of a date not earlier than one hundred eighty (180) days
before the date the financial statement is submitted to the department;
(B) prepared in accordance with generally accepted accounting principles; and
(C) reviewed by an independent certified public accountant licensed to practice in the jurisdiction in which the accountant is located.

Sec. 3. (a) A PEO that is operating in Indiana on January 1, 2006, shall complete the PEO's initial registration not later than July 1, 2006.

(b) An initial registration under subsection (a) is valid until the end of the PEO's first fiscal year end that occurs after December 31, 2006.

(c) A PEO that is not operating in Indiana on December 31, 2005, shall complete the PEO's initial registration before commencement of operations in Indiana.

Sec. 4. A PEO shall, not more than one hundred eighty (180) days after the end of the PEO's fiscal year, renew the PEO's registration by filing a statement notifying the department of any changes in the information provided in the PEO's most recent registration or renewal.

Sec. 5. A PEO group may satisfy the reporting and financial requirements of this chapter on a combined or consolidated basis if each member of the PEO group guarantees the obligations under this article of each other member of the PEO group.

Sec. 6. (a) A PEO that is not domiciled in Indiana is eligible for a limited registration under this article if the PEO:

1) submits a properly executed request for limited registration on a form prescribed by the department;
2) is licensed or registered as a professional employer organization in another state that has licensure or registration requirements that are:
   (A) substantially the same as; or
   (B) more restrictive than;
the requirements of this article;
3) does not:
   (A) maintain an office; or
   (B) directly solicit clients located or domiciled; in Indiana; and
(4) does not have more than fifty (50) covered employees who are employed or domiciled in Indiana on any day.

(b) A limited registration is valid for one (1) year and may be renewed.

(c) A PEO that seeks limited registration under this section shall provide to the department information and documentation necessary to show that the PEO qualifies for a limited registration.

(d) IC 27-16-6-1(a)(1) does not apply to a PEO that applies for limited registration under this section.

Sec. 7. The department shall adopt rules under IC 4-22-2 to provide for registration of a PEO without compliance with this chapter and IC 27-16-6 by the commissioner's acceptance of an affidavit or a certification:

(1) provided by a bonded, independent, and qualified assurance organization that has been approved by the commissioner; and

(2) that certifies the qualifications of a professional employer organization.

Sec. 8. The department shall maintain a list of PEOs that are registered under this article.

Sec. 9. The department may prescribe forms necessary to promote the efficient administration of this chapter.

Sec. 10. All records, reports, and other information obtained from a PEO under this chapter, except to the extent necessary for the proper administration of this chapter by the department, are confidential.

Chapter 5. Fees

Sec. 1. Upon filing an initial registration application under IC 27-16-4-2, a PEO shall pay an initial registration fee not to exceed five hundred dollars ($500).

Sec. 2. Upon the filing of an annual renewal of a registration under IC 27-16-4-4, a PEO shall pay a renewal fee not to exceed two hundred fifty dollars ($250).

Sec. 3. Upon initial application for limited registration under IC 27-16-4-6 and upon each annual renewal of the limited registration, a PEO shall pay a fee not to exceed two hundred fifty dollars ($250).

Sec. 4. The department shall adopt rules under IC 4-22-2 to specify any fee to be charged for a PEO group registration.
Sec. 5. A PEO seeking registration under IC 27-16-4-7 shall pay an initial and annual fee not to exceed two hundred fifty dollars ($250).

Sec. 6. (a) The department shall adopt rules under IC 4-22-2 to specify any other fee to be charged under this article.
   (b) A fee:
      (1) for which the amount is not specified in; and
      (2) that is charged under;
this article must not exceed the amount reasonably necessary for the administration of this article.

Sec. 7. Fees collected under this chapter shall be deposited in the department of insurance fund established by IC 27-1-3-28.

Chapter 6. Financial Requirements
Sec. 1. (a) A PEO shall maintain either:
   (1) subject to section 2 of this chapter, a minimum net worth of fifty thousand dollars ($50,000); or
   (2) subject to subsection (b), a bond with a market value of at least fifty thousand dollars ($50,000).
   (b) A bond described in subsection (a)(2) must be held by a depository designated by the department, securing payment by the PEO of all taxes, wages, benefits, or other entitlement due to or with respect to covered employees in the event that the PEO does not make the payments when due.

Sec. 2. A bond described in section 1(a)(2) of this chapter must not be included in the calculation of the minimum net worth described in section 1(a)(1) of this chapter.

Sec. 1. Except as provided in a professional employer agreement, the following apply to a co-employment relationship:
   (1) The client:
      (A) may exercise and enforce all rights; and
      (B) is obligated to perform all duties and responsibilities; that otherwise apply to an employer in an employment relationship, that are allocated to the client by the professional employer agreement and this article, and that are not specifically allocated to the PEO by the professional employer agreement and this article.
   (2) The PEO:
      (A) may exercise and enforce only the rights; and
(B) is obligated to perform only the duties and responsibilities;
that are required of the PEO or specifically allocated to the PEO by this article and the professional employer agreement.

(3) Unless otherwise expressly agreed by the PEO and the client in the professional employer agreement, the client retains the exclusive right to direct and control the covered employees as necessary to:
   (A) conduct the client’s business;
   (B) discharge the client's fiduciary responsibilities; or
   (C) comply with licensure requirements that apply to the client or the covered employees.

Sec. 2. (a) Except as provided in this article, the co-employment relationship between a client and a PEO, and between a co-employer and a covered employee, is governed by the professional employer agreement.

(b) A professional employer agreement must specify the following:

   (1) The allocation of rights, duties, and responsibilities described in section 1 of this chapter.
   (2) Except as provided in subsection (c), that the PEO is responsible for:
      (A) payment of wages to covered employees;
      (B) withholding, collection, reporting, and remittance of payroll related and unemployment taxes; and
      (C) to the extent the PEO has assumed responsibility in the professional employer agreement, making payments for employee benefits for covered employees.
   (3) The allocation, to either the client or the PEO, of the responsibility to obtain worker's compensation coverage for covered employees from a worker's compensation insurer that is authorized under this title to conduct the business of insurance in Indiana.
   (4) If the professional employer agreement allocates the responsibility under subdivision (3) to the PEO, a requirement that the PEO maintain and provide to the client, at the client's request at the termination of the professional employer agreement, records regarding loss experience related to the worker's compensation insurance coverage.
(c) A PEO is not responsible for an obligation between a client and a covered employee for payments in addition to the covered employee's salary, draw, or regular rate of pay, including bonuses, commissions, severance pay, deferred compensation, profit sharing, or vacation, sick, or other paid time off, unless the PEO has expressly agreed to assume liability for the payments in the professional employer agreement.

Sec. 3. A PEO shall provide written notice to each covered employee who is affected by a professional employer agreement entered into by the PEO concerning the general nature of the co-employment relationship between and among the PEO, the client, and the covered employee.

Sec. 4. (a) Except as expressly provided by the professional employer agreement:

(1) a client:
   (A) is solely responsible for:
       (i) the quality, adequacy, or safety of goods or services produced or sold in the client's business;
       (ii) directing, supervising, training, and controlling the work of a covered employee with respect to the business activities of the client; and
       (iii) the acts, errors, or omissions of a covered employee with respect to activities described in item (ii); and
   (B) is not liable for the acts, errors, or omissions of:
       (i) the PEO; or
       (ii) a covered employee of the client and a PEO when the covered employee is acting under the express direction and control of the PEO.

(2) A PEO is not liable for the acts, errors, or omissions of a client or a covered employee of the client when the covered employee is acting under the express direction and control of the client.

(3) A covered employee is not, solely as the result of being a covered employee of a PEO, an employee of the PEO for purposes of:
   (A) general liability insurance;
   (B) fidelity bonds;
   (C) surety bonds;
   (D) employer's liability that is not covered by worker's
compensation; or
(E) liquor liability insurance;
carried by the PEO unless the covered employee is specified
as an employee of the PEO by specific reference in the
professional employer agreement and any applicable
prearranged employment contract, insurance contract, or
bond.
(b) This section does not limit:
(1) a contractual liability or obligation specified in a
professional employer agreement; or
(2) the liabilities and obligations of a PEO or client as
specified in this article.
Sec. 5. A PEO that offers, markets, sells, administers, or
provides professional employer services under a professional
employer agreement as provided in this article is not:
(1) engaged in the business of insurance; or
(2) acting as an administrator (as defined in IC 27-1-25-1).
Sec. 6. (a) A business license fee or another fee that is based
upon gross receipts must, in the case of a PEO, be based upon the
administrative fee of the PEO.
(b) A tax assessed on a per capita or per employee basis must be
assessed against a:
(1) client for covered employees; and
(2) PEO for the PEO's employees who are not covered
employees.
(c) In the case of tax imposed or calculated upon the basis of
total payroll, a PEO is eligible to apply a small business allowance
or exemption available to the client for covered employees for the
purpose of computing the tax.
Chapter 8. Benefit Plans
Sec. 1. A client and a PEO are each considered to be an
employer for purposes of sponsoring retirement and welfare
benefit plans for covered employees.
Sec. 2. A fully insured welfare benefit plan offered to covered
employees of a single PEO is:
(1) considered to be a single employer welfare benefit plan;
and
(2) not a multiple employer welfare arrangement (as defined
in IC 27-1-34-1(b)) and is not required to comply with
IC 27-1-34.
Sec. 3. For purposes of IC 27-8-15, all covered employees of a PEO participating in a group health benefit plan sponsored by the PEO are considered to be:
(1) employees of the PEO; and
(2) participating in a single employer plan.
Sec. 4. If a PEO offers to the PEO’s covered employees a health benefit plan that is not fully insured by an insurer authorized under this title to conduct the business of insurance in Indiana, the health benefit plan must:
(1) be administered by an administrator licensed under IC 27-1-25;
(2) hold all plan assets, including participant contributions, in a trust account;
(3) provide sound reserves for the health benefit plan as determined using generally accepted actuarial standards as set forth in an actuarial opinion filed with the commissioner and prepared and signed by a qualified actuary who:
   (A) is a member in good standing of the American Academy of Actuaries; and
   (B) meets the requirements established by the commissioner in rules adopted under IC 4-22-2;
(4) annually submit current audited financial statements to the commissioner;
(5) at the discretion of the commissioner, possess a written commitment, binder, or policy for stop-loss insurance:
   (A) issued by an insurer authorized to conduct the business of insurance in Indiana; and
   (B) that meets any specific and total coverage requirements established by the commissioner in rules adopted under IC 4-22-2;
(6) be subject to audit for compliance with the requirements of this section by the department on a random basis or upon a finding of reasonable need; and
(7) provide written notice to each covered employee participating in the health benefit plan that the health benefit plan is:
   (A) self-insured or not fully insured; and
   (B) subject to the federal Employee Retirement Income

Chapter 9. Worker's Compensation

Sec. 1. Subject to the specification required under IC 27-16-7-2(b)(3), a client and a PEO are both considered the employer of a covered employee for purposes of coverage under IC 22-3-2 through IC 22-3-7.

Sec. 2. The protection of the exclusive remedy provisions of IC 22-3-2-6 and IC 22-3-7-6 apply to the PEO, the client, and each covered employee and other employee of the client regardless of whether the PEO or the client is responsible to obtain the worker's compensation coverage for the covered employees under the professional employer agreement.

Chapter 10. Unemployment Compensation Insurance

Sec. 1. (a) For purposes of IC 22-4, a covered employee of a PEO is an employee of the PEO.

(b) A PEO is responsible for the payment of contributions, penalties, and interest on wages paid by the PEO to the PEO's covered employees during the term of the professional employer agreement.

Sec. 2. A PEO shall report and pay all required contributions to the unemployment compensation fund as required by IC 22-4-10 using the state employer account number and the contribution rate of the PEO.

Sec. 3. Upon the:

(1) termination of a professional employer agreement; or
(2) failure by a PEO to submit reports or make tax payments as required under this article;
the client must be treated by the department of workforce development as a new employer without a previous experience record unless the client is otherwise eligible for an experience rating.

SECTION 8. IC 30-4-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 5.5. Enforcement Powers of the Attorney General

Sec. 1. (a) This section applies if a trustee of a benevolent trust does any of the following:

(1) Commits a breach of trust.
(2) Violates the mandate of a charitable trust.
(3) Violates a duty listed in this article.

(b) The attorney general may petition a court to issue one (1) or more of the following remedies for an action enumerated in subsection (a):

(1) Injunctive relief.
(2) Appointment of temporary or permanent receivers.
(3) Permanent removal of trustees.
(4) Appointment of permanent replacement trustees subject to court approval.

A remedy under this subsection is in addition to any other remedy.

(c) The attorney general may seek a remedy listed in subsection (b) against a trustee or a trust.

SECTION 9. IC 30-4-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.

(a) Venue in a proceeding brought by the attorney general against a trustee or a trust lies in Marion County, unless a court determines that venue in Marion County would be a hardship for a trustee or a trust.

(b) Unless the terms of the trust provide otherwise, venue in this state in a proceeding brought by a party other than the attorney general for matters arising under this article shall be exclusively in the county in which the principal place of administration of the trust is located. The principal place of administration of a trust is that usual place at which the records pertaining to the trust are kept or, if there is no such place, the trustee's residence. If there are cotrustees, the principal place of administration is either that of the corporate trustee, if there is only one (1); that of the individual trustee who has custody of the records, if there is but one (1) such person and there is no corporate cotrustee; or, if neither of these alternatives apply, that of any of the cotrustees.

(c) If the principal place of administration is maintained in another state, venue in this state for any matters arising under this article shall be in the county stipulated in writing by the parties to the trust or, if there is no such stipulation, in the county where the trust property, or the evidence of the trust property, which is the subject of the action is either situated or generally located.

(d) Any party to an action or proceeding shall be entitled to a change of venue or change of judge as provided in the Indiana Rules of Procedure. A change of venue in any action shall not be construed to
authorize a permanent change of venue for all matters arising under this article, and, upon conclusion of the action, venue shall return to the court where the action was initiated.

SECTION 10. IC 34-30-2-119.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 119.7. IC 27-16-3-2(2) (Concerning a dispute involving a professional employer organization).

SECTION 11. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 27-16-4-7, as added by this act, the department of insurance shall carry out the duties imposed upon it under IC 27-16-4-7 under interim written guidelines approved by the insurance commissioner.

(b) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted under IC 27-16-4-7.
   (2) December 31, 2006.

SECTION 12. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 27-16-5-4, as added by this act, the department of insurance shall carry out the duties imposed upon it under IC 27-16-5-4 under interim written guidelines approved by the insurance commissioner.

(b) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted under IC 27-16-5-4.
   (2) December 31, 2006.

SECTION 13. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 27-16-5-6, as added by this act, the department of insurance shall carry out the duties imposed upon it under IC 27-16-5-6 under interim written guidelines approved by the insurance commissioner.

(b) This SECTION expires on the earlier of the following:
   (1) The date rules are adopted under IC 27-16-5-6.
   (2) December 31, 2006.
AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. [EFFECTIVE JULY 1, 2005]

(a) The following definitions apply throughout this act:

(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.

(2) "Biennium" means the period beginning July 1, 2005, and ending June 30, 2007. Appropriations appearing in the biennial column for construction or other permanent improvements do not revert under IC 4-13-2-19 and may be allotted.

(3) "Deficiency appropriation" or "special claim" means an appropriation available during the 2004-2005 fiscal year.

(4) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.

(5) "Fee replacement" includes payments to universities to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.

(6) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and
"equipment".

(7) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.

(8) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, dental insurance, vision insurance, deferred compensation - state match, leave conversion, disability, and retirement fund contributions.

(9) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".

(10) "State agency" means:
   (A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;
   (B) each hospital, penal institution, and other institutional enterprise of the state;
   (C) the judicial department of the state; and
   (D) the legislative department of the state.

However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.

(11) "Total operating expense" includes payments for both "personal services" and "other operating expense".

(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.

(c) All money appropriated by this act shall be considered either
a direct appropriation or an appropriation from a rotary or revolving fund.

(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.

(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources or a combination thereof. The money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation thereto, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part thereof shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time.

However, any unencumbered excess above any prescribed amount shall be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

SECTION 2. [EFFECTIVE JULY 1, 2005]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.
In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2005]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY

LEGISLATORS' SALARIES - HOUSE

Total Operating Expense  5,013,333  5,014,333

HOUSE EXPENSES

Total Operating Expense  7,803,042  7,806,100

LEGISLATORS' SALARIES - SENATE

Total Operating Expense  1,140,203  1,232,406

SENATE EXPENSES

Total Operating Expense  8,406,750  8,826,192

Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals, and other usual and customary expenses associated with legislative affairs. Except as provided below, this allowance is to be paid to each member of the general assembly for every day, including Sundays, during which the general assembly is convened in regular or special session, commencing with the day the session is officially convened and concluding with the day the session is adjourned sine die. However, after five (5) consecutive days of recess, the legislative business per diem allowance is to be made on an individual voucher basis until the recess concludes.

Members of the general assembly are entitled, when authorized by the speaker of the house or the president pro tempore of the senate, to the legislative business per diem allowance for each and every day engaged in official business.

The legislative business per diem allowance that each member of
the general assembly is entitled to receive equals the maximum
daily amount allowable to employees of the executive branch of
the federal government for subsistence expenses while away from
home in travel status in the Indianapolis area. The legislative
business per diem changes each time there is a change in that
maximum daily amount.

In addition to the legislative business per diem allowance, each
member of the general assembly shall receive the mileage
allowance in an amount equal to the standard mileage rates for
personally owned transportation equipment established by the
federal Internal Revenue Service for each mile necessarily
traveled from the member's usual place of residence to the state
capitol. However, if the member traveled by a means other than
by motor vehicle, and the member's usual place of residence is
more than one hundred (100) miles from the state capitol, the
member is entitled to reimbursement in an amount equal to the
lowest air travel cost incurred in traveling from the usual place of
residence to the state capitol. During the period the general
assembly is convened in regular or special session, the mileage
allowance shall be limited to one (1) round trip each week per
member.

Any member of the general assembly who is appointed, either by
the governor, speaker of the house, president or president pro
tempore of the senate, house or senate minority floor leader, or
Indiana legislative council to serve on any research, study, or
survey committee or commission, or who attends any meetings
authorized or convened under the auspices of the Indiana
legislative council, including pre-session conferences and
federal-state relations conferences, is entitled, when authorized by
the legislative council, to receive the legislative business per diem
allowance for each day in actual attendance and is also entitled to
a mileage allowance, at the rate specified above, for each mile
necessarily traveled from the member's usual place of residence
to the state capitol, or other in-state site of the committee,
commission, or conference. The per diem allowance and the
mileage allowance permitted under this paragraph shall be paid from the legislative council appropriation for legislator and lay member travel unless the member is attending an out-of-state meeting, as authorized by the speaker of the house of representatives or the president pro tempore of the senate, in which case the member is entitled to receive:

(1) the legislative business per diem allowance for each day the member is engaged in approved out-of-state travel; and
(2) reimbursement for traveling expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the legislative council.

Notwithstanding the provisions of this or any other statute, the legislative council may adopt, by resolution, travel policies and procedures that apply only to members of the general assembly or to the staffs of the house of representatives, senate, and legislative services agency, or both members and staffs. The legislative council may apply these travel policies and procedures to lay members serving on research, study, or survey committees or commissions that are under the jurisdiction of the legislative council. Notwithstanding any other law, rule, or policy, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION), except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives, senate, and legislative services agency, and to lay members serving on research, study, or survey committees or
commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

**LEGISLATORS' SUBSISTENCE**

**LEGISLATORS' EXPENSES - HOUSE**

| Total Operating Expense | 2,015,396 | 2,015,396 |

**LEGISLATORS' EXPENSES - SENATE**

| Total Operating Expense | 1,046,728 | 1,046,728 |

Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area:

1. each day that the general assembly is not convened in regular or special session; and
2. each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem.
The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, $6,500; assistant president pro tempore, $2,500; majority floor leader emeritus, $1,500; majority floor leader, $5,000; assistant majority floor leader, $1,000; majority caucus chair, $5,000; assistant majority caucus chair, $1,000; appropriations committee chair, $5,000; tax and fiscal policy committee chair, $5,000; appropriations committee ranking majority member, $1,500; tax and fiscal policy committee ranking majority member, $1,500; majority whip, $3,500; assistant majority whip, $1,000; minority floor leader, $5,500; minority leader pro tempore, $1,000; minority caucus chair, $4,500; minority assistant floor leader, $4,500; appropriations committee ranking minority member, $2,000; tax and fiscal policy committee ranking minority member, $2,000; minority whip, $2,500; assistant minority whip, $500; and assistant minority caucus chair, $500.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, $6,500; speaker pro tempore, $5,000; deputy speaker pro tempore, $1,500; majority leader, $5,000; majority caucus chair, $5,000; assistant majority caucus chair, $1,000; ways and means committee chair, $5,000; ways and means committee ranking majority member, $3,000; ways and means committee, chairman of the education subcommittee, $1,500; speaker pro tempore emeritus, $1,500; budget subcommittee chair, $3,000; majority whip, $3,500; assistant majority whip, $1,000; assistant majority leader, $1,000; minority leader, $5,500; minority caucus chair, $4,500; ways and means committee ranking minority member, $3,500; minority whip, $2,500; assistant minority leader, $4,500; second assistant minority leader, $1,500; and deputy assistant minority leader, $1,000.
If the senate or house of representatives eliminates a committee or officer referenced in this SECTION and replaces the committee or officer with a new committee or position, the foregoing appropriations for subsistence shall be used to pay for the new committee or officer. However, this does not permit any additional amounts to be paid under this SECTION for a replacement committee or officer than would have been spent for the eliminated committee or officer. If the senate or house of representatives creates a new additional committee or officer, the foregoing appropriations for subsistence shall be used to pay for the new committee or officer in amounts determined by the legislative council.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>8,475,000</td>
<td>8,880,000</td>
</tr>
</tbody>
</table>

LEGISLATOR AND LAY MEMBER TRAVEL

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>570,000</td>
<td>570,000</td>
</tr>
</tbody>
</table>

If the funds above appropriated for the legislative council and the legislative services agency and legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of $75 per day during the 2005-2007 biennium. In addition to the per
diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

LEGISLATIVE COUNCIL CONTINGENCY FUND

Total Operating Expense 223,614

Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: $900

Annual subscription to the session document service for sessions ending in even-numbered years: $500

Per page charge for copies of legislative documents: $0.15

Annual charge for interim calendar: $10
Daily charge for the journal of either house: $2

PRINTING AND DISTRIBUTION
Total Operating Expense 750,000 840,000

The above funds are appropriated for the printing and distribution of documents published by the legislative council. These documents include journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 114th general assembly, the supplements to the Indiana Code for fiscal years 2005-2006 and 2006-2007, and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

COUNCIL OF STATE GOVERNMENTS ANNUAL DUES
Other Operating Expense 130,084 134,637

NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES
Other Operating Expense 155,109 161,313

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ANNUAL DUES
Other Operating Expense 10,000 10,000

FOR THE INDIANA LOBBY REGISTRATION COMMISSION
Total Operating Expense 218,285 218,395

FOR THE PUBLIC EMPLOYEES’ RETIREMENT FUND
LEGISLATORS’ RETIREMENT FUND
Total Operating Expense 100,000 100,000
B. JUDICIAL

FOR THE SUPREME COURT
  Personal Services  5,910,307  6,021,373
  Other Operating Expense  1,601,800  1,601,800

The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-38-5-8.

LOCAL JUDGES' SALARIES
  Personal Services  51,838,297  52,453,432
  Other Operating Expense  39,000  39,000

COUNTY PROSECUTORS' SALARIES
  Personal Services  22,547,129  22,564,812
  Other Operating Expense  31,000  31,000

The above appropriations for county prosecutors' salaries represent the amounts authorized by IC 33-39-6-5 and that are to be paid from the state general fund.

In addition to the appropriations for local judges' salaries and for county prosecutors' salaries, there are hereby appropriated for personal services the amounts that the state is required to pay for salary changes or for additional courts created by the 114th general assembly.

TRIAL COURT OPERATIONS
  Total Operating Expense  353,500  353,500

INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY
  Total Operating Expense  625,000  625,000

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-13-7.
PUBLIC DEFENDER COMMISSION

Total Operating Expense 4,600,000 4,600,000

The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. The division of state court administration of the supreme court of Indiana shall provide staff support to the commission and shall administer the public defense fund. The administrative costs may come from the public defense fund. Any balance in the public defense fund is appropriated to the public defender commission.

GUARDIAN AD LITEM

Total Operating Expense 802,325 804,133

The division of state court administration shall use the foregoing appropriation to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds.

CIVIL LEGAL AID

Total Operating Expense 1,000,000 1,000,000

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-12-7.
SPECIAL JUDGES - COUNTY COURTS

Personal Services  
15,000  15,000  
Other Operating Expense  
119,000  119,000

If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS

Total Operating Expense  
260,996  260,996

FOR THE CLERK OF THE SUPREME AND APPELLATE COURTS

Personal Services  
752,945  753,505  
Other Operating Expense  
185,070  185,070

FOR THE COURT OF APPEALS

Personal Services  
7,892,116  7,973,431  
Other Operating Expense  
1,183,820  1,183,220

The above appropriations for the court of appeals personal services includes the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT

Personal Services  
491,179  498,420  
Other Operating Expense  
123,272  123,272

FOR THE JUDICIAL CENTER

Personal Services  
1,230,853  1,260,061  
Other Operating Expense  
801,342  801,342

The above appropriations for the judicial center include the appropriations for the judicial conference.
DRUG AND ALCOHOL PROGRAMS FUND
   Total Operating Expense  299,010  299,010

The above funds are appropriated under IC 33-37-7-9 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if the receipts are less than the appropriation, the center may not spend more than is collected.

INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION
   Total Operating Expense  54,492  55,944
   Augmentation allowed from fee increases enacted in the 2003 general assembly under IC 11-13-4.5-4.

FOR THE PUBLIC DEFENDER
   Personal Services  5,242,831  5,385,118
   Other Operating Expense  985,133  985,133

FOR THE PUBLIC DEFENDER COUNCIL
   Personal Services  801,743  802,348
   Other Operating Expense  318,009  318,009

FOR THE PROSECUTING ATTORNEYS' COUNCIL
   Personal Services  533,169  533,549
   Other Operating Expense  574,489  574,489

DRUG PROSECUTION
   Drug Prosecution Fund (IC 33-39-8-6)
   Total Operating Expense  103,436  103,436
   Augmentation allowed.

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND
   Judges' Retirement Fund
   Other Operating Expense  8,800,000  9,500,000

PROSECUTORS' RETIREMENT FUND
   Other Operating Expense  170,000  190,000
## C. EXECUTIVE

### FOR THE GOVERNOR'S OFFICE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal Services</strong></td>
<td>2,160,617</td>
<td>2,162,265</td>
</tr>
<tr>
<td><strong>Other Operating Expense</strong></td>
<td>125,904</td>
<td>125,904</td>
</tr>
<tr>
<td><strong>GOVERNOR'S RESIDENCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td>179,657</td>
<td>179,761</td>
</tr>
<tr>
<td><strong>GOVERNOR'S CONTINGENCY FUND</strong></td>
<td></td>
<td>170,000</td>
</tr>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

### GOVERNOR'S FELLOWSHIP PROGRAM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td>170,000</td>
<td>170,000</td>
</tr>
</tbody>
</table>

### FOR THE WASHINGTON LIAISON OFFICE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td>195,000</td>
<td>195,000</td>
</tr>
</tbody>
</table>

### FOR THE LIEUTENANT GOVERNOR

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal Services</strong></td>
<td>1,765,075</td>
<td>1,765,075</td>
</tr>
<tr>
<td><strong>Other Operating Expense</strong></td>
<td>788,725</td>
<td>788,725</td>
</tr>
<tr>
<td><strong>CONTINGENCY FUND</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td>37,240</td>
<td></td>
</tr>
</tbody>
</table>

Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

### FOR THE SECRETARY OF STATE

#### ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal Services</strong></td>
<td>378,199</td>
<td>378,488</td>
</tr>
<tr>
<td><strong>Other Operating Expense</strong></td>
<td>23,429</td>
<td>23,429</td>
</tr>
</tbody>
</table>

#### BUSINESS SERVICES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal Services</strong></td>
<td>853,317</td>
<td>853,897</td>
</tr>
<tr>
<td><strong>Other Operating Expense</strong></td>
<td>136,976</td>
<td>136,976</td>
</tr>
</tbody>
</table>
SECURITIES DIVISION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>774,806</td>
<td>775,356</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>97,061</td>
<td>95,694</td>
</tr>
</tbody>
</table>

FOR THE ATTORNEY GENERAL

ATTORNEY GENERAL

From the General Fund

12,662,763 12,662,764

From the Motor Vehicle Odometer Fund (IC 9-29-1-5)

89,211 89,211

Augmentation allowed.

From the Medicaid Fraud Control Unit Fund

576,065 585,123

Augmentation allowed.

From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

250,000 250,000

Augmentation allowed.

From the Abandoned Property Fund (IC 32-34-1-33)

171,570 171,570

Augmentation allowed.

The amounts specified from the General Fund, Motor Vehicle Odometer Fund, Medicaid Fraud Control Unit Fund, Tobacco Master Settlement Agreement Fund, and Abandoned Property Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>12,578,568</td>
<td>12,587,627</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,171,041</td>
<td>1,171,041</td>
</tr>
</tbody>
</table>

HOMEOWNER PROTECTION UNIT (IC 4-6-12-9)

Total Operating Expense 120,000 120,000

MEDICAID FRAUD UNIT

Total Operating Expense 829,356 829,789

The above appropriations to the Medicaid fraud unit are the state's matching share of the state Medicaid fraud control unit.
under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.

UNCLAIMED PROPERTY
Abandoned Property Fund (IC 32-34-1-33)
Personal Services 1,080,199 1,080,926
Other Operating Expense 3,439,706 3,439,706
Augmentation allowed.

D. FINANCIAL MANAGEMENT

FOR THE AUDITOR OF STATE
Personal Services 4,484,169 4,487,428
Other Operating Expense 1,423,832 1,388,632

TECHNOLOGY MODERNIZATION AND UPGRADE
Pay Phone Fund
Total Operating Expense 600,000 600,000

GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS
Total Operating Expense 125,000 125,000

The above appropriations for governors' and governors' surviving spouses' pensions are made under IC 4-3-3.

FOR THE STATE BOARD OF ACCOUNTS
Personal Services 19,507,669 19,522,499
Other Operating Expense 1,348,860 1,348,860

FOR THE STATE BUDGET COMMITTEE
Total Operating Expense 60,000 60,000

Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of the budget committee is an amount equal to one hundred fifty percent (150%) of the legislative business per diem allowance. If the above appropriations are insufficient to carry out the necessary operations of the budget committee, there are hereby appropriated such further sums as may be necessary.
FOR THE OFFICE OF MANAGEMENT AND BUDGET

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>794,755</td>
<td>795,682</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>212,176</td>
<td>212,176</td>
</tr>
</tbody>
</table>

FOR THE STATE BUDGET AGENCY

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,773,434</td>
<td>2,776,490</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>919,882</td>
<td>919,882</td>
</tr>
</tbody>
</table>

BUILD INDIANA FUND ADMINISTRATION

<table>
<thead>
<tr>
<th>Build Indiana Fund (IC 4-30-17)</th>
<th>FY 2004-2005</th>
<th>FY 2005-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Operating Expense</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>10,000,000</td>
</tr>
</tbody>
</table>

The foregoing departmental and institutional emergency contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. These allocations may be made upon written request of proper officials, showing that contingencies exist that require additional funds for meeting necessary expenses. The budget committee shall be advised of each transfer request and allotment.

PERSONAL SERVICES/FRINGE BENEFITS CONTINGENCY FUND

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>89,000,000</td>
</tr>
</tbody>
</table>

The foregoing personal services/fringe benefits contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor.

The foregoing personal services/fringe benefits contingency fund appropriation may only be used for salary increases, fringe benefit increases, and for an employee leave conversion program.
for state employees in the 2005-2007 biennium and may not be used for any other purpose. The foregoing personal services/fringe benefits contingency fund appropriation does not revert at the end of the biennium but remains in the personal services/fringe benefits contingency fund.

COMPREHENSIVE HEALTH INSURANCE ASSOCIATION
STATE SHARE
  Total Operating Expense  30,500,000  32,200,000
  Augmentation Allowed

SCHOOL AND LIBRARY INTERNET CONNECTION
  Build Indiana Fund (IC 4-30-17)
  Other Operating Expense  7,000,000

Of the foregoing appropriations $2,300,000 each year shall be used for schools under IC 4-34-3-4 and $1,200,000 each year shall be used for libraries under IC 4-34-3-2.

INSPIRE (IC 4-34-3-2)
  Build Indiana Fund (IC 4-30-17)
  Other Operating Expense  2,500,000

FOR THE TREASURER OF STATE
  Personal Services  827,187  827,811
  Other Operating Expense  42,350  42,350

The treasurer of state, the board for depositories, the Indiana commission for higher education, and the state student assistance commission shall cooperate and provide to the Indiana education savings authority the following:
  (1) Clerical and professional staff and related support.
  (2) Office space and services.
  (3) Reasonable financial support for the development of rules, policies, programs, and guidelines, including authority operations and travel.
E. TAX ADMINISTRATION

FOR THE DEPARTMENT OF REVENUE
COLLECTION AND ADMINISTRATION

General Fund
50,713,568 48,553,653
Motor Carrier Regulation Fund (IC 8-2.1-23)
770,021 770,021
Charity Gaming Enforcement Fund (IC 4-33-10)
988,951 988,951
Motor Vehicle Highway Account (IC 8-14-1)
2,374,180 2,374,180

Augmentation allowed from the Motor Carrier Regulation Fund, Charity Gaming Enforcement Fund, and the Motor Vehicle Highway Account.

The amounts specified from the General Fund, Motor Carrier Regulation Fund, Charity Gaming Enforcement Fund, and the Motor Vehicle Highway Account are for the following purposes:

- Personal Services 40,414,374 40,442,835
- Other Operating Expense 14,432,346 12,243,970

With the approval of the governor and the budget agency, the department shall annually reimburse the state general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department of state revenue from taxes and fees.
OUTSIDE COLLECTIONS
   Total Operating Expense   2,700,000   2,700,000

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue's outside collections may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and fees.

MOTOR CARRIER REGULATION
   Motor Carrier Regulation Fund (IC 8-2.1-23)
      Personal Services   1,519,316   1,519,920
      Other Operating Expense   3,796,100   3,796,100
   Augmentation allowed from the Motor Carrier Regulation Fund.

MOTOR FUEL TAX DIVISION
   Motor Vehicle Highway Account (IC 8-14-1)
      Personal Services   8,643,079   8,649,105
      Other Operating Expense   1,062,900   1,062,900
   Augmentation allowed from the Motor Vehicle Highway Account.

In addition to the foregoing appropriations, there is hereby appropriated to the department of revenue motor fuel tax division an amount sufficient to pay claims for refunds on license-fee-exempt motor vehicle fuel as provided by law. The sums above appropriated from the motor vehicle highway account for the operation of the motor fuel tax division, together with all refunds for license-fee-exempt motor vehicle fuel, shall be paid from the receipts of those license fees before they are distributed as provided by IC 6-6-1.1.

FOR THE INDIANA GAMING COMMISSION
   State Gaming Fund (IC 4-33-13-3)
      Personal Services   2,134,159   2,135,732
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Operating Expense</td>
<td>689,500</td>
<td>689,500</td>
</tr>
</tbody>
</table>

**INVESTIGATION**

State Gaming Fund (IC 4-33-13-3)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>875,000</td>
<td>875,000</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>454,450</td>
<td>454,450</td>
</tr>
</tbody>
</table>

The foregoing appropriations to the Indiana gaming commission are made from revenues accruing to the state gaming fund under IC 4-33-13-3 before any distribution is made under IC 4-33-13-5. Augmentation allowed.

The foregoing appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.

**FOR THE INDIANA HORSE RACING COMMISSION**

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,136,556</td>
<td>2,137,198</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>712,358</td>
<td>712,358</td>
</tr>
</tbody>
</table>

Augmentation allowed.

**STANDARDBRED ADVISORY BOARD**

Standardbred Horse Fund (IC 15-5-5.5-9.5)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>193,500</td>
<td>193,500</td>
</tr>
</tbody>
</table>

Augmentation allowed.

**FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>4,119,403</td>
<td>4,122,337</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>730,917</td>
<td>730,917</td>
</tr>
</tbody>
</table>

From the above appropriations for the department of local government finance, travel subsistence and mileage allowances may be paid for members of the local government tax control board created by IC 6-1.1-18.5-11 and the state school property tax control board created by IC 6-1.1-19-4.1, under state travel regulations.
FOR THE INDIANA BOARD OF TAX REVIEW

Personal Services  1,318,469  1,319,521
Other Operating Expense  115,090  115,090

Augmentation allowed from fee increases enacted by P.L.245-2003 and reimbursements from any county under IC 6-1.1-4-34(f), regardless of when the fees or reimbursements were received.

F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION

Personal Services  13,583,850  13,593,433
Other Operating Expense  7,635,798  7,635,798

FOR THE STATE PERSONNEL DEPARTMENT

Personal Services  3,500,000  3,500,000
Other Operating Expense  400,000  400,000

STATE EMPLOYEES' APPEALS COMMISSION

Personal Services  134,738  134,830
Other Operating Expense  13,257  13,257

FOR THE OFFICE OF TECHNOLOGY

Pay Phone Fund
Total Operating Expense  2,490,000  2,490,000
Augmentation allowed.

The pay phone fund is established for the procurement of hardware, software, and related equipment and services needed to expand and enhance the state campus backbone and other central information technology initiatives. Such procurements may include, but are not limited to, wiring and rewiring of state offices, Internet services, video conferencing, telecommunications, application software, and related services. The fund consists of the net proceeds received from contracts with companies providing phone services at state institutions and other state properties. The fund shall be administered by the budget agency. Money in the
fund may be spent by the office in compliance with a plan approved by the budget agency. Any money remaining in the fund at the end of any fiscal year does not revert to the general fund or any other fund but remains in the pay phone fund.

FOR THE COMMISSION ON PUBLIC RECORDS

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,328,319</td>
<td>1,329,301</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>156,364</td>
<td>156,364</td>
</tr>
</tbody>
</table>

FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>148,323</td>
<td>148,436</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>5,134</td>
<td>5,134</td>
</tr>
</tbody>
</table>

G. OTHER

FOR THE COMMISSION ON UNIFORM STATE LAWS

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>43,584</td>
<td>43,584</td>
</tr>
</tbody>
</table>

FOR THE OFFICE OF INSPECTOR GENERAL

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,010,968</td>
<td>1,011,268</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>134,096</td>
<td>134,096</td>
</tr>
</tbody>
</table>

STATE ETHICS COMMISSION

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>260,816</td>
<td>261,006</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,596</td>
<td>2,596</td>
</tr>
</tbody>
</table>

FOR THE SECRETARY OF STATE

ELECTION DIVISION

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>652,669</td>
<td>653,145</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>202,907</td>
<td>202,907</td>
</tr>
</tbody>
</table>

ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS (HAVA TITLE II)

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>688,880</td>
<td>0</td>
</tr>
</tbody>
</table>

H. COMMUNITY SERVICES
FOR THE GOVERNOR’S OFFICE OF FAITH BASED & COMMUNITY INITIATIVES

Personal Services 263,974 264,340
Other Operating Expense 76,869 76,869

SECTION 4. [EFFECTIVE JULY 1, 2005]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION
CENTRAL OFFICE
Personal Services 8,365,099 8,371,234
Other Operating Expense 2,392,191 2,392,191
ESCAPEE COUNSEL AND TRIAL EXPENSE
Other Operating Expense 198,000 198,000
COUNTY JAIL MISDEMEANANT HOUSING
Total Operating Expense 4,281,101 4,281,101
ADULT CONTRACT BEDS
Total Operating Expense 10,235,735 10,235,735
STAFF DEVELOPMENT AND TRAINING
Personal Services 1,404,251 1,405,258
Other Operating Expense 448,388 448,388
PAROLE DIVISION
Personal Services 5,749,346 5,753,450
Other Operating Expense 804,943 804,943
PAROLE BOARD
Personal Services 552,124 552,544
Other Operating Expense 35,590 35,590
INFORMATION MANAGEMENT SERVICES
Personal Services 2,364,202 2,366,020
Other Operating Expense 1,922,620 1,922,620
JUVENILE TRANSITION
Personal Services 1,181,277 1,182,115
Other Operating Expense 4,051,694 4,051,694
COMMUNITY CORRECTIONS PROGRAMS

Total Operating Expense 55,763,764

The above appropriation for community corrections programs is not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12, or any other law.

DRUG PREVENTION AND OFFENDER TRANSITION

Total Operating Expense 988,293 988,487

The above appropriation shall be used for minimum security release programs, transition programs, mentoring programs, and supervision of and assistance to adult and juvenile offenders to promote the successful integration of the offender into the community.

CENTRAL EMERGENCY RESPONSE

Personal Services 1,179,746 1,180,570
Other Operating Expense 455,738 455,738

MEDICAL SERVICES

Other Operating Expense 27,260,811 27,260,811

The above appropriations for medical services shall be used only for services that are determined to be medically necessary.

DRUG ABUSE PREVENTION

Drug Abuse Fund (IC 11-8-2-11)
Personal Services 40,716 40,742
Other Operating Expense 113,000 113,000
Augmentation allowed.

COUNTY JAIL MAINTENANCE CONTINGENCY FUND

Other Operating Expense 17,281,044 17,281,044

Disbursements from the fund shall be made for the purpose of
reimbursing sheriffs for the cost of incarcerating in county jails persons convicted of felonies to the extent that such persons are incarcerated for more than five (5) days after the day of sentencing, at the rate of $35 per day. In addition to the per diem, the state shall reimburse the sheriffs for expenses determined by the sheriff to be medically necessary incurred in providing medical care to the convicted persons. However, if the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

Augmentation allowed.

MEDICAL SERVICE PAYMENTS

| Total Operating Expense | 25,000,000 | 25,000,000 |

These appropriations for medical service payments are made to pay for services determined to be medically necessary for committed individuals, patients and students of institutions under the jurisdiction of the department of correction, the state department of health, the division of mental health, the school for the blind, the school for the deaf, or the division of disability, aging, and rehabilitative services if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health, the school for the blind, the school for the deaf, the division of disability, aging, and rehabilitative services, or the department of correction, or that are reimbursable from funds for medical assistance under
IC 12-15. If these appropriations are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.

Direct disbursements from the above contingency fund are not subject to the provisions of IC 4-13-2.

FOR THE DEPARTMENT OF ADMINISTRATION
DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU
   Personal Services 135,966 136,067
   Other Operating Expense 13,124 13,124

FOR THE DEPARTMENT OF CORRECTION
INDIANA STATE PRISON
   Personal Services 28,327,153 28,345,171
   Other Operating Expense 5,819,137 5,819,137

VOCATIONAL TRAINING PROGRAM
   Total Operating Expense 257,291 257,291

PENDLETON CORRECTIONAL FACILITY
   Personal Services 28,133,124 28,152,801
   Other Operating Expense 6,931,289 6,931,289

CORRECTIONAL INDUSTRIAL FACILITY
   Personal Services 19,842,899 19,856,310
   Other Operating Expense 4,035,819 4,035,819

INDIANA WOMEN'S PRISON
   Personal Services 11,666,382 11,673,614
   Other Operating Expense 1,928,211 1,928,211

PUTNAMVILLE CORRECTIONAL FACILITY
   Personal Services 28,542,062 28,561,207
   Other Operating Expense 5,595,717 5,595,717

WABASH VALLEY CORRECTIONAL FACILITY
   Personal Services 38,442,605 38,467,484
   Other Operating Expense 7,469,855 7,469,855

PLAINFIELD JUVENILE CORRECTIONAL FACILITY
   Personal Services 13,401,073 13,410,386
   Other Operating Expense 2,386,012 2,386,012
<table>
<thead>
<tr>
<th>Facility Name</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>14,618,497</td>
<td>14,626,547</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,711,469</td>
<td>1,711,469</td>
</tr>
<tr>
<td><strong>BRANCHVILLE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>17,856,336</td>
<td>17,868,319</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,945,374</td>
<td>2,945,374</td>
</tr>
<tr>
<td><strong>WESTVILLE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>42,249,577</td>
<td>42,278,476</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>7,690,288</td>
<td>7,690,288</td>
</tr>
<tr>
<td><strong>WESTVILLE MAXIMUM CONTROL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>5,428,434</td>
<td>5,432,101</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>582,757</td>
<td>582,757</td>
</tr>
<tr>
<td><strong>ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>15,746,198</td>
<td>15,757,032</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,712,522</td>
<td>2,712,522</td>
</tr>
<tr>
<td><strong>PLAINFIELD CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>25,173,242</td>
<td>25,190,068</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>5,464,545</td>
<td>5,464,545</td>
</tr>
<tr>
<td><strong>RECEPTION AND DIAGNOSTIC CENTER</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>11,780,995</td>
<td>11,789,124</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,217,704</td>
<td>1,217,704</td>
</tr>
<tr>
<td><strong>MIAMI CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>28,785,622</td>
<td>28,804,798</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>4,617,107</td>
<td>4,617,107</td>
</tr>
<tr>
<td><strong>NEW CASTLE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>12,203,968</td>
<td>12,212,345</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,779,105</td>
<td>2,779,105</td>
</tr>
<tr>
<td><strong>SOCIAL SERVICES BLOCK GRANT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>9,948,380</td>
<td>9,955,962</td>
</tr>
<tr>
<td>Work Release - Study Release Special Revenue Fund</td>
<td>466,014</td>
<td>466,014</td>
</tr>
<tr>
<td>Augmentation allowed from Work Release - Study Release Special Revenue Fund and Social Services Block Grant.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HENRYVILLE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,018,547</td>
<td>2,019,927</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>--------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>379,381</td>
<td>379,381</td>
</tr>
<tr>
<td><strong>CHAIN O' LAKES CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,819,881</td>
<td>1,820,956</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>380,606</td>
<td>380,606</td>
</tr>
<tr>
<td><strong>MEDARYVILLE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,899,480</td>
<td>1,900,654</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>330,727</td>
<td>330,727</td>
</tr>
<tr>
<td><strong>ATTERBURY CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,048,622</td>
<td>2,049,962</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>350,351</td>
<td>350,351</td>
</tr>
<tr>
<td><strong>MADISON CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>3,114,891</td>
<td>3,116,892</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>468,019</td>
<td>468,019</td>
</tr>
<tr>
<td><strong>EDINBURGH CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,849,220</td>
<td>2,851,122</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>363,155</td>
<td>363,155</td>
</tr>
<tr>
<td><strong>LAKESIDE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>4,904,199</td>
<td>4,907,478</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>732,602</td>
<td>732,602</td>
</tr>
<tr>
<td><strong>FORT WAYNE JUVENILE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>1,425,664</td>
<td>1,426,588</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>436,233</td>
<td>436,233</td>
</tr>
<tr>
<td><strong>SOUTH BEND JUVENILE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>4,343,067</td>
<td>4,345,596</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,886,037</td>
<td>2,886,037</td>
</tr>
<tr>
<td><strong>LOGANSPORT INTAKE/DIAGNOSTIC FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,868,870</td>
<td>2,870,666</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>536,690</td>
<td>536,690</td>
</tr>
<tr>
<td><strong>NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>8,296,951</td>
<td>8,301,236</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,294,293</td>
<td>1,294,293</td>
</tr>
<tr>
<td><strong>CAMP SUMMIT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>2,545,249</td>
<td>2,546,766</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>362,040</td>
<td>362,040</td>
</tr>
<tr>
<td><strong>PENDLETON JUVENILE CORRECTIONAL FACILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>14,161,982</td>
<td>14,170,029</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,530,172</td>
<td>2,530,172</td>
</tr>
</tbody>
</table>
### B. LAW ENFORCEMENT

**FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>From the General Fund</td>
<td>40,416,979</td>
<td>40,426,519</td>
</tr>
<tr>
<td>From the Motor Vehicle Highway Account (IC 8-14-1)</td>
<td>70,416,982</td>
<td>70,426,522</td>
</tr>
<tr>
<td>From the Motor Carrier Regulation Fund (IC 8-2.1-23)</td>
<td>4,025,699</td>
<td>4,026,788</td>
</tr>
</tbody>
</table>

Augmentation allowed from the general fund, the motor vehicle highway account, and the motor carrier regulation fund.

The amounts specified from the General Fund, the Motor Vehicle Highway Account, and the Motor Carrier Regulation Fund are for the following purposes:

- **Personal Services**: 104,557,210
- **Other Operating Expense**: 10,302,450

The above appropriations for personal services and other operating expense include funds to continue the state police minority recruiting program. In addition to any funds that may be expended for accident reporting from the "accident report account" under IC 9-29-11-1, there are included in the appropriations for Indiana state police and motor carrier inspection such additional funds as necessary for administering accident reporting as required under IC 9-26-3.

The foregoing appropriations for the Indiana state police and motor carrier inspection include funds for the police security detail to be provided to the Indiana state fair board. However, amounts actually expended to provide security for the Indiana state fair board as determined by the budget agency shall be reimbursed by the Indiana state fair board to the state general fund.
ODOMETER FRAUD INVESTIGATION
From the Motor Vehicle Odometer Fund (IC 9-29-1-5)
Total Operating Expense  95,841  95,841
Augmentation allowed.

STATE POLICE TRAINING
From the State Police Training Fund (IC 5-2-8-5)
Total Operating Expense  303,722  303,722
Augmentation allowed.

FORENSIC AND HEALTH SCIENCES LABORATORIES
From the Motor Vehicle Highway Account (IC 8-14-1)
Personal Services  2,683,888  2,685,880
Other Operating Expense  1,602,961  1,602,961
Augmentation allowed.

ENFORCEMENT AID
From the General Fund
Total Operating Expense  40,000  40,000

From the Motor Vehicle Highway Account (IC 8-14-1)
Total Operating Expense  40,000  40,000

The above appropriations for enforcement aid are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's authority.

PENSION FUND
From the General Fund
Total Operating Expense  3,800,302  6,087,313
From the Motor Vehicle Highway Account (IC 8-14-1)
Total Operating Expense  3,800,306  6,087,318

The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.
BENEFIT FUND
From the General Fund
  Total Operating Expense  1,513,750  1,513,750
  Augmentation allowed.

From the Motor Vehicle Highway Account (IC 8-14-1)
  Total Operating Expense  1,513,750  1,513,750
  Augmentation allowed.

All benefits that accrue to members shall be paid by warrant
drawn on the treasurer of state by the auditor of state on the basis
of claims filed and approved by the trustees of the state police
pension and benefit funds created by IC 10-12-2.

SUPPLEMENTAL PENSION
  General Fund
    Total Operating Expense  1,437,500  1,437,500
    Augmentation allowed.

    Motor Vehicle Highway Account (IC 8-14-1)
      Total Operating Expense  1,437,500  1,437,500
      Augmentation allowed.

If the above appropriations for supplemental pension for any one
(1) year are greater than the amount actually required under the
provisions of IC 10-12-5, then the excess shall be returned
proportionately to the funds from which the appropriations were
made. If the amount actually required under IC 10-12-5 is greater
than the above appropriations, then, with the approval of the
governor and the budget agency, those sums may be augmented
from the general fund and the motor vehicle highway account.

ACCIDENT REPORTING
  Accident Report Account (IC 9-29-11-1)
    Total Operating Expense  91,140  91,140
    Augmentation allowed.
DRUG INTERDICATION  
Drug Interdiction Fund (IC 10-11-7)  
Total Operating Expense 273,420 273,420  
Augmentation allowed.

FOR THE INTEGRATED PUBLIC SAFETY COMMISSION  
PROJECT SAFE-T  
Integrated Public Safety Communications Fund (IC 5-26-4-1)  
Total Operating Expense 13,205,269 13,205,269  
Augmentation allowed.

FOR THE ADJUTANT GENERAL  
Personal Services 9,659,149 7,946,862  
Other Operating Expense 3,595,193 2,790,351  
NAVAL FORCES  
Personal Services 149,991 150,089  
Other Operating Expense 68,983 68,983  
DISABLED SOLDIERS' PENSION  
Other Operating Expense 16,507 16,507  
GOVERNOR’S CIVIL AND MILITARY CONTINGENCY FUND  
Total Operating Expense 707,340

The above appropriations for the adjutant general governor's civil and military contingency fund are made under IC 10-16-11-1.

FOR THE CRIMINAL JUSTICE INSTITUTE  
ADMINISTRATIVE MATCH  
Total Operating Expense 440,467 440,467  
DRUG ENFORCEMENT MATCH  
Total Operating Expense 2,096,955 2,096,955  
VICTIM AND WITNESS ASSISTANCE FUND  
Victim and Witness Assistance Fund (IC 5-2-6-14)  
Total Operating Expense 591,132 591,132  
Augmentation allowed.
ALCOHOL AND DRUG COUNTERMEASURES
Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)
Total Operating Expense 516,558 516,558
Augmentation allowed.

STATE DRUG FREE COMMUNITIES FUND
State Drug Free Communities Fund (IC 5-2-10-2)
Total Operating Expense 501,099 501,099
Augmentation allowed.

INDIANA SAFE SCHOOLS
General Fund
Total Operating Expense 1,660,300 1,660,300
Indiana Safe Schools Fund (IC 5-2-10.1-2)
Total Operating Expense 406,700 406,700
Augmentation allowed from Indiana Safe Schools Fund.

Of the above appropriations for the Indiana safe schools program, $1,317,000 is appropriated annually to provide grants to school corporations for school safe haven programs, emergency preparedness programs, and school safety programs, and $750,000 is appropriated annually for use in providing training to school safety specialists.

OFFICE OF TRAFFIC SAFETY
Motor Vehicle Highway Account (IC 8-14-1)
Personal Services 457,669 457,777
Other Operating Expense 11,093,645 11,093,645
Augmentation allowed.

The above appropriation for the office of traffic safety is from the motor vehicle highway account and may be used to fund traffic safety projects that are included in a current highway safety plan approved by the governor and the budget agency. The department shall apply to the national highway traffic safety administration for reimbursement of all eligible project costs. Any federal reimbursement received by the department for the highway safety plan shall be deposited into the motor vehicle highway account.
PROJECT IMPACT

Total Operating Expense 196,000 196,000

VICTIMS OF VIOLENT CRIME ADMINISTRATION

Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Personal Services 185,665 185,720
Other Operating Expense 2,548,565 2,548,565
Augmentation allowed.

FOR THE CORONERS' TRAINING BOARD
Coroners' Training and Continuing Education Fund (IC 4-23-6.5-8)

Personal Services 30,000 30,000
Other Operating Expense 485,429 485,429
Augmentation allowed.

FOR THE INDIANA DEPARTMENT OF GAMING RESEARCH

Personal Services 157,519 157,632
Other Operating Expense 88,658 88,658
Augmentation allowed from fees accruing under IC 4-33-18-8.

FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund
1,622,820 1,624,857

From the Law Enforcement Academy Training Fund (IC 5-2-1-13(b))
2,803,013 2,803,013
Augmentation allowed from Law Enforcement Academy Training Fund.

The amounts specified from the General Fund and the Law Enforcement Academy Training Fund are for the following purposes:

Personal Services 3,083,774 3,085,811
Other Operating Expense 1,342,059 1,342,059
C. REGULATORY AND LICENSING

FOR THE BUREAU OF MOTOR VEHICLES
Motor Vehicle Highway Account (IC 8-14-1)
- Personal Services 20,056,862 20,047,781
- Other Operating Expense 16,589,473 16,589,473
  Augmentation allowed.

LICENSE PLATES
Motor Vehicle Highway Account (IC 8-14-1)
- Total Operating Expense 5,390,000 5,390,000
  Augmentation allowed.

DEALER INVESTIGATOR EXPENSES
Motor Vehicle Odometer Fund (IC 9-29-1-5)
- Total Operating Expense 263,228 263,228
  Augmentation allowed.

FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION
Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)
- Total Operating Expense 7,777,970 7,778,371
  Augmentation allowed.

ABANDONED VEHICLES
Abandoned Vehicle Fund (IC 9-22-1-28)
- Total Operating Expense 36,260 36,260
  Augmentation allowed.

STATE MOTOR VEHICLE TECHNOLOGY
State Motor Vehicle Technology Fund (IC 9-29-16-1)
- Total Operating Expense 5,098,968 5,098,968
  Augmentation allowed.

FOR THE DEPARTMENT OF LABOR
- Personal Services 1,019,407 1,020,143
- Other Operating Expense 114,673 114,673

INDUSTRIAL HYGIENE
- Personal Services 1,246,719 1,247,594
- Other Operating Expense 117,031 117,031
The above funds are appropriated to occupational safety and health, industrial hygiene, and to management information services research and statistics to provide the total program cost of the Indiana occupational safety and health plan as approved by the United States Department of Labor. Inasmuch as the state is eligible to receive from the federal government partial reimbursement of the state's total Indiana occupational safety and health plan program cost, it is the intention of the general assembly that the department of labor make application to the federal government for the federal share of the total program cost. Federal funds received shall be considered a reimbursement of state expenditures and as such shall be deposited into the state general fund.

**OCCUPATIONAL SAFETY AND HEALTH**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,314,796</td>
<td>2,316,387</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>198,885</td>
<td>198,885</td>
</tr>
</tbody>
</table>

**EMPLOYMENT OF YOUTH**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>75,443</td>
<td>75,473</td>
</tr>
</tbody>
</table>

Augmentation allowed.

**BUREAU OF SAFETY EDUCATION AND TRAINING**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>893,884</td>
<td>894,498</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>189,792</td>
<td>189,792</td>
</tr>
</tbody>
</table>

Augmentation allowed.

Federal cost reimbursements for expenses attributable to the Bureau of Safety Education and Training appropriations shall be
deposited into the special fund for safety and health consultation services.

FOR THE INSURANCE DEPARTMENT

From the General Fund
3,428,470 3,431,292

From the Department of Insurance Fund (IC 27-1-3-28)
2,363,439 2,363,439

Augmentation allowed from the Department of Insurance Fund.

The amounts specified from the General Fund and the Department of Insurance Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>4,734,217</td>
<td>4,737,039</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,057,692</td>
<td>1,057,692</td>
</tr>
</tbody>
</table>

BAIL BOND DIVISION

Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>108,119</td>
<td>108,188</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>14,660</td>
<td>14,660</td>
</tr>
</tbody>
</table>

Augmentation allowed.

PATIENTS' COMPENSATION AUTHORITY

Patients' Compensation Fund (IC 34-18-6-1)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>620,860</td>
<td>621,057</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>68,525</td>
<td>68,525</td>
</tr>
</tbody>
</table>

Augmentation allowed.

POLITICAL SUBDIVISION RISK MANAGEMENT

Political Subdivision Risk Management Fund (IC 27-1-29-10)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>221,502</td>
<td>221,569</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>52,525</td>
<td>52,525</td>
</tr>
</tbody>
</table>

Augmentation allowed.

MINE SUBSIDENCE INSURANCE

Mine Subsidence Insurance Fund (IC 27-7-9-7)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>118,535</td>
<td>118,622</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>201,765</td>
<td>201,765</td>
</tr>
</tbody>
</table>
Augmentation allowed.

FOR THE ALCOHOL AND TOBACCO COMMISSION
   Enforcement and Administration Fund (IC 7.1-4-10-1)
   Personal Services  4,963,688  4,513,135
   Other Operating Expense  887,278  887,278
   Augmentation allowed.

EXCISE OFFICER TRAINING (IC 5-2-8-8)
   Total Operating Expense  6,860  6,860
   Augmentation allowed from the Alcoholic Beverage
   Enforcement Officer Training Fund.

FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS
   Financial Institutions Fund (IC 28-11-2-9)
   Personal Services  5,884,768  5,889,224
   Other Operating Expense  1,530,776  1,531,496
   Augmentation allowed.

FOR THE PROFESSIONAL LICENSING AGENCY
   Personal Services  4,307,807  4,310,715
   Other Operating Expense  1,500,531  1,500,531

EMBALMERS’ AND FUNERAL DIRECTORS’ EDUCATION
   Funeral Services Education Fund (IC 25-15-9-13)
   Total Operating Expense  4,900  4,900
   Augmentation allowed.

FOR THE CIVIL RIGHTS COMMISSION
   Personal Services  2,097,270  2,098,776
   Other Operating Expense  266,515  266,515

It is the intention of the general assembly that the civil rights commission shall apply to the federal government for funding based upon the processing of employment and housing discrimination complaints by the civil rights commission. Such federal funds received by the state shall be considered as a reimbursement of state expenditures and shall be deposited into
the state general fund.

FOR THE UTILITY CONSUMER COUNSELOR  
Public Utility Fund (IC 8-1-6-1)  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,800,352</td>
<td>3,803,139</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>455,065</td>
<td>455,065</td>
</tr>
</tbody>
</table>
Augmentation allowed.

EXPERT WITNESS FEES AND AUDIT  
Public Utility Fund (IC 8-1-6-1)  
| Total Operating Expense | 1,550,000 |
Augmentation allowed.

FOR THE UTILITY REGULATORY COMMISSION  
Public Utility Fund (IC 8-1-6-1)  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,239,324</td>
<td>5,243,244</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,966,515</td>
<td>1,966,515</td>
</tr>
</tbody>
</table>
Augmentation allowed.

FOR THE WORKERS’ COMPENSATION BOARD  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,800,788</td>
<td>1,802,034</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>89,869</td>
<td>89,869</td>
</tr>
</tbody>
</table>

FOR THE STATE BOARD OF ANIMAL HEALTH  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,172,896</td>
<td>3,175,065</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>680,927</td>
<td>680,927</td>
</tr>
</tbody>
</table>

INDEMNITY FUND  
| Total Operating Expense | 49,430    |
Augmentation allowed.

MEAT & POULTRY INSPECTION  
| Total Operating Expense | 1,781,628 | 1,782,624 |

FOR THE DEPARTMENT OF HOMELAND SECURITY (IC 10-19-2-1)  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,713,284</td>
<td>1,714,547</td>
</tr>
</tbody>
</table>
From the Fire and Building Services Fund (IC 22-12-6-1)

11,256,238  11,262,655

Augmentation allowed from the fire and building services fund.

The amounts specified from the general fund and the fire and building services fund are for the following purposes:

Personal Services  11,163,455  11,171,135
Other Operating Expense  1,806,067  1,806,067

DEPARTMENT OF HOMELAND SECURITY CONTINGENCY FUND

Total Operating Expense  242,500  242,500

The above appropriations for the department of homeland security contingency fund are made to the contingency fund under IC 10-14-3-28. The above appropriations shall be in addition to any unexpended balances in the fund as of June 30, 2005.

DIRECTION CONTROL AND WARNING

Total Operating Expense  30,182  30,182

INDIVIDUAL AND FAMILY ASSISTANCE

Total Operating Expense  1  1
Augmentation allowed.

PUBLIC ASSISTANCE

Total Operating Expense  1  1
Augmentation allowed.

The above appropriations for the department of homeland security represent the total program cost for civil defense and for emergency medical services for each fiscal year. It is the intent of the general assembly that the department of homeland security apply to the Federal Emergency Management Agency for all federal reimbursement funds for which Indiana is eligible. All funds received shall be deposited into the state general fund.
SECTION 5. [EFFECTIVE JULY 1, 2005]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>4,864,533</td>
<td>4,868,008</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>728,150</td>
<td>728,150</td>
</tr>
</tbody>
</table>

ENTOMOLOGY AND PLANT PATHOLOGY DIVISION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>760,732</td>
<td>761,281</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>161,937</td>
<td>161,937</td>
</tr>
</tbody>
</table>

ENTOMOLOGY AND PLANT PATHOLOGY FUND (IC 14-24-10-3)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>23,359</td>
<td></td>
</tr>
</tbody>
</table>

Augmentation allowed.

ENGINEERING DIVISION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,588,440</td>
<td>1,589,599</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>71,351</td>
<td>71,351</td>
</tr>
</tbody>
</table>

STATE MUSEUM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>5,498,536</td>
<td>5,502,194</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>2,031,841</td>
<td>2,031,841</td>
</tr>
</tbody>
</table>

HISTORIC PRESERVATION DIVISION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>937,701</td>
<td>938,370</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>41,125</td>
<td>41,125</td>
</tr>
</tbody>
</table>

STATE HISTORIC SITES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,139,718</td>
<td>2,140,920</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>381,787</td>
<td>381,787</td>
</tr>
</tbody>
</table>

From the above appropriations, $75,000 in each state fiscal year shall be used for the Grissom Museum.

WABASH RIVER HERITAGE CORRIDOR

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>97,849</td>
<td>97,849</td>
</tr>
</tbody>
</table>

OUTDOOR RECREATION DIVISION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>850,544</td>
<td>851,170</td>
</tr>
</tbody>
</table>
Other Operating Expense 44,019 44,019

NATURE PRESERVES DIVISION
  Personal Services  908,197  908,859
  Other Operating Expense  52,164  52,164

DEPARTMENT OF NATURAL RESOURCES FINANCIAL MANAGEMENT
  Personal Services  148,372  148,483
  Other Operating Expense  41,718  41,718

WATER DIVISION
  Personal Services  4,938,614  4,942,191
  Other Operating Expense  663,935  663,935

All revenues accruing from state and local units of government and from private utilities and industrial concerns as a result of water resources study projects, and as a result of topographic and other mapping projects, shall be deposited into the state general fund, and such receipts are hereby appropriated, in addition to the foregoing amounts, for water resources studies.

GREAT LAKES COMMISSION
  Other Operating Expense  61,000  61,000

DEER RESEARCH AND MANAGEMENT
  Deer Research and Management Fund (IC 14-22-5-2)
    Total Operating Expense  174,000  174,000
    Augmentation allowed.

OIL AND GAS DIVISION
  From the General Fund
    1,207,046  1,207,388
  From the Oil and Gas Fund (IC 6-8-1-27)
    139,750  140,176
    Augmentation allowed from Oil and Gas Fund.

The amounts specified from the General Fund and the Oil and Gas Fund are for the following purposes:

  Personal Services  1,066,435  1,067,203
  Other Operating Expense  280,361  280,361
STATE PARKS AND RESERVOIRS
From the General Fund
10,161,162 10,168,398
From the State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)
21,136,316 21,160,811
Augmentation allowed from State Parks and Reservoirs Special Revenue Fund.

The amounts specified from the General Fund and the State Parks and Reservoirs Special Revenue Fund are for the following purposes:

Personal Services 24,409,278 24,441,009
Other Operating Expense 6,888,200 6,888,200

SNOWMOBILE/OFFROAD VEHICLE LICENSING FUND
Snowmobile/Offroad Licensing Fund (IC 14-16-1-30)
Total Operating Expense 139,908 139,908
Augmentation allowed.

LAW ENFORCEMENT DIVISION
From the General Fund
9,207,707 9,208,185
From the Fish and Wildlife Fund (IC 14-22-3-2)
11,060,370 11,061,123
Augmentation allowed from the Fish and Wildlife Fund.

The amounts specified from the General Fund and the Fish and Wildlife Fund are for the following purposes:

Personal Services 17,010,154 17,011,385
Other Operating Expense 3,257,923 3,257,923

FISH AND WILDLIFE DIVISION
Fish and Wildlife Fund (IC 14-22-3-2)
Personal Services 13,271,453 13,279,686
Other Operating Expense 4,056,937 4,056,937
Augmentation allowed.

FORESTRY DIVISION
From the General Fund
1,406,350    1,406,609
From the State Forestry Fund (IC 14-23-3-2)
7,948,375    7,952,921
Augmentation allowed from the State Forestry Fund.

The amounts specified from the General Fund and the State Forestry Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>7,850,802</td>
<td>7,855,607</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,503,923</td>
<td>1,503,923</td>
</tr>
</tbody>
</table>

All money expended by the division of forestry of the department of natural resources for the detention and suppression of forest, grassland, and wasteland fires shall be through the enforcement division of the department, and the employment with such money of all personnel, with the exception of emergency labor, shall be in accordance with IC 14-9-8.

RECLAMATION DIVISION
From the General Fund
36,857        36,857
From the Natural Resources Reclamation Division Fund (IC 14-34-14-2)
5,228,074     5,231,437
Augmentation allowed from the Natural Resources Reclamation Division Fund.

The amounts specified from the General Fund and the Natural Resources Reclamation Division Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>4,585,013</td>
<td>4,588,376</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>679,918</td>
<td>679,918</td>
</tr>
</tbody>
</table>
In addition to any of the foregoing appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

LAKE MICHIGAN COASTAL PROGRAM
Cigarette Tax Fund (IC 6-7-1-29.1)
- Personal Services 113,000 113,000
- Other Operating Expense 30,000 30,000
Augmentation allowed.

LAKE AND RIVER ENHANCEMENT
Lake and River Enhancement Fund (IC 6-6-11-12.5)
- Total Operating Expense 4,685,811
Augmentation allowed.

CONSERVATION OFFICERS’ MARINE ENFORCEMENT FUND
Lake and River Enhancement Fund (IC 6-6-11-12.5)
- Total Operating Expense 182,759 182,759
Augmentation allowed.

HERITAGE TRUST
- Total Operating Expense 1,000,000 1,000,000

B. OTHER NATURAL RESOURCES

FOR THE WORLD WAR MEMORIAL COMMISSION
- Personal Services 1,025,997 1,026,680
- Other Operating Expense 143,509 143,509

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and
maintenance of the space rented, shall be paid into the general fund. The American Legion shall provide for the complete maintenance of the interior of these buildings.

FOR THE WHITE RIVER PARK COMMISSION
   Total Operating Expense  1,309,965  1,309,965

FOR THE ST. JOSEPH RIVER BASIN COMMISSION
   Total Operating Expense    70,029    70,029

C. ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
   ADMINISTRATION
       From the General Fund
           4,302,355  4,386,235
       From the State Solid Waste Management Fund (IC 13-20-22-2)
           128,388   128,465
       From the Waste Tire Management Fund (IC 13-20-13-8)
           60,182    60,218
       From the Title V Operating Permit Program Trust Fund
             (IC 13-17-8-1)
           742,243    742,684
       From the Environmental Management Permit Operation Fund
             (IC 13-15-11-1)
           862,606    863,148
       From the Environmental Management Special Fund
             (IC 13-14-12-1)
           216,654    216,782
       From the Hazardous Substances Response Trust Fund
             (IC 13-25-4-1)
           316,957    317,145
       From the Underground Petroleum Storage Tank Trust Fund
             (IC 13-23-6-1)
           56,167     56,201
       From the Underground Petroleum Storage Tank Excess
Liability Trust Fund (IC 13-23-7-1)
1,628,925 1,629,890

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

- Personal Services 6,113,111 6,117,395
- Other Operating Expense 2,201,366 2,283,373

LABORATORY CONTRACTS
General Fund
708,362 777,825
Environmental Management Special Fund (IC 13-14-12-1) 425,999 425,999
Hazardous Substances Response Trust Fund (IC 13-25-4-1) 1,277,997 1,277,997
Augmentation allowed from the Environmental Management Special Fund and the Hazardous Substances Response Trust Fund.

The amounts specified from the General Fund, Environmental Management Special Fund, and the Hazardous Substance Response Trust Fund are for the following purpose:
**Total Operating Expense**  2,412,358  2,481,821

**NORTHWEST REGIONAL OFFICE**

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>From the General Fund</td>
<td>523,982</td>
<td>524,332</td>
</tr>
<tr>
<td>From the State Solid Waste Management Fund (IC 13-20-22-2)</td>
<td>31,639</td>
<td>31,659</td>
</tr>
<tr>
<td>From the Waste Tire Management Fund (IC 13-20-13-8)</td>
<td>8,925</td>
<td>8,931</td>
</tr>
<tr>
<td>From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)</td>
<td>283,124</td>
<td>283,308</td>
</tr>
<tr>
<td>From the Environmental Management Permit Operation Fund (IC 13-15-11-1)</td>
<td>135,480</td>
<td>135,571</td>
</tr>
<tr>
<td>From the Environmental Management Special Fund (IC 13-14-12-1)</td>
<td>64,089</td>
<td>64,130</td>
</tr>
<tr>
<td>From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td>48,677</td>
<td>48,709</td>
</tr>
<tr>
<td>From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)</td>
<td>8,113</td>
<td>8,118</td>
</tr>
<tr>
<td>From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)</td>
<td>231,202</td>
<td>231,349</td>
</tr>
</tbody>
</table>


The amounts specified from the General Fund, State Solid Waste
Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

- **Personal Services**: 1,206,917 \(\rightarrow\) 1,207,793
- **Other Operating Expense**: 128,314 \(\rightarrow\) 128,314

**NORTHERN REGIONAL OFFICE**

- From the General Fund: 374,610 \(\rightarrow\) 374,843
- From the State Solid Waste Management Fund (IC 13-20-22-2): 46,856 \(\rightarrow\) 46,883
- From the Waste Tire Management Fund (IC 13-20-13-8): 5,679 \(\rightarrow\) 5,682
- From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1): 276,161 \(\rightarrow\) 276,325
- From the Environmental Management Permit Operation Fund (IC 13-15-11-1): 123,527 \(\rightarrow\) 123,626
- From the Environmental Management Special Fund (IC 13-14-12-1): 66,732 \(\rightarrow\) 66,772
- From the Hazardous Substances Response Trust Fund (IC 13-25-4-1): 39,048 \(\rightarrow\) 39,071
- From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1): 4,970 \(\rightarrow\) 4,973
- From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1): 146,951 \(\rightarrow\) 147,035

Augmentation allowed from the State Solid Waste

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>932,226</td>
<td>932,902</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>152,308</td>
<td>152,308</td>
</tr>
</tbody>
</table>

SOUTHWEST REGIONAL OFFICE

From the General Fund

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>387,639</td>
<td>387,863</td>
<td></td>
</tr>
</tbody>
</table>

From the State Solid Waste Management Fund (IC 13-20-22-2)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>97,931</td>
<td>97,987</td>
<td></td>
</tr>
</tbody>
</table>

From the Waste Tire Management Fund (IC 13-20-13-8)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6,045</td>
<td>6,048</td>
<td></td>
</tr>
</tbody>
</table>

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>146,896</td>
<td>146,981</td>
<td></td>
</tr>
</tbody>
</table>

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>86,445</td>
<td>86,497</td>
<td></td>
</tr>
</tbody>
</table>

From the Environmental Management Special Fund (IC 13-14-12-1)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>52,594</td>
<td>52,624</td>
<td></td>
</tr>
</tbody>
</table>
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
   55,010   55,042
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
   5,440    5,443
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
   154,150  154,239

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>793,774</td>
<td>794,348</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>198,376</td>
<td>198,376</td>
</tr>
</tbody>
</table>

LEGAL AFFAIRS

From the General Fund
   779,039   779,561
From the State Solid Waste Management Fund (IC 13-20-22-2)
   40,958    40,983
From the Waste Tire Management Fund (IC 13-20-13-8)  
4,428  4,431
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)  
242,425  242,573
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)  
180,435  180,553
From the Environmental Management Special Fund (IC 13-14-12-1)  
61,990  62,027
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)  
91,877  91,932
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)  
16,604  16,614
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)  
468,246  468,528


The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:
P.L. 246—2005

FY 2005 Biennial Appropriation

Appropriation

4428

<table>
<thead>
<tr>
<th>Department</th>
<th>FY 2004-2005</th>
<th>FY 2005-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,762,962</td>
<td>1,764,162</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>123,040</td>
<td>123,040</td>
</tr>
</tbody>
</table>

ENFORCEMENT

From the General Fund

1,056,384  1,057,122

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

733,137  733,746

From the Environmental Management Special Fund (IC 13-14-12-1)

80,186  80,253

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

3,273  3,276

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

1,636  1,637


The amounts specified from the General Fund, Title V Operating Permit Program Trust Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th>Department</th>
<th>FY 2004-2005</th>
<th>FY 2005-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,794,769</td>
<td>1,796,187</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>79,847</td>
<td>79,847</td>
</tr>
</tbody>
</table>

INVESTIGATIONS

From the General Fund

191,601  191,702
From the State Solid Waste Management Fund (IC 13-20-22-2)  
   6,819  6,822
From the Waste Tire Management Fund (IC 13-20-13-8)  
   4,636  4,638
From the Title V Operating Permit Program Trust Fund  
   (IC 13-17-8-1)  
   44,721  44,744
From the Environmental Management Permit Operation Fund  
   (IC 13-15-11-1)  
   55,627  55,657
From the Environmental Management Special Fund  
   (IC 13-14-12-1)  
   13,089  13,096
From the Hazardous Substances Response Trust Fund  
   (IC 13-25-4-1)  
   22,632  22,643
From the Underground Petroleum Storage Tank Trust Fund  
   (IC 13-23-6-1)  
   4,362  4,364
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)  
   120,799  120,862


The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund,
and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>333,715</td>
<td>333,957</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>130,571</td>
<td>130,571</td>
</tr>
</tbody>
</table>

**PLANNING AND ASSESSMENT**

From the General Fund

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>From the State Solid Waste Management Fund (IC 13-20-22-2)</td>
<td>444,517</td>
<td>444,834</td>
</tr>
<tr>
<td>From the Waste Tire Management Fund (IC 13-20-13-8)</td>
<td>8,389</td>
<td>8,395</td>
</tr>
<tr>
<td>From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)</td>
<td>5,705</td>
<td>5,709</td>
</tr>
<tr>
<td>From the Environmental Management Permit Operation Fund (IC 13-15-11-1)</td>
<td>55,033</td>
<td>55,071</td>
</tr>
<tr>
<td>From the Environmental Management Special Fund (IC 13-14-12-1)</td>
<td>68,454</td>
<td>68,505</td>
</tr>
<tr>
<td>From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td>16,107</td>
<td>16,118</td>
</tr>
<tr>
<td>From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)</td>
<td>27,852</td>
<td>27,872</td>
</tr>
<tr>
<td>From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)</td>
<td>5,370</td>
<td>5,374</td>
</tr>
</tbody>
</table>


The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>763,868</td>
<td>764,422</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>16,213</td>
<td>16,213</td>
</tr>
</tbody>
</table>

**MEDIA AND COMMUNICATIONS**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>From the General Fund</td>
<td>418,483</td>
<td>418,762</td>
</tr>
<tr>
<td>From the State Solid Waste Management Fund (IC 13-20-22-2)</td>
<td>10,533</td>
<td>10,539</td>
</tr>
<tr>
<td>From the Waste Tire Management Fund (IC 13-20-13-8)</td>
<td>7,161</td>
<td>7,165</td>
</tr>
<tr>
<td>From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)</td>
<td>69,097</td>
<td>69,142</td>
</tr>
<tr>
<td>From the Environmental Management Permit Operation Fund (IC 13-15-11-1)</td>
<td>85,949</td>
<td>86,008</td>
</tr>
<tr>
<td>From the Environmental Management Special Fund (IC 13-14-12-1)</td>
<td>20,224</td>
<td>20,237</td>
</tr>
<tr>
<td>From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td>34,970</td>
<td>34,992</td>
</tr>
<tr>
<td>From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)</td>
<td>6,741</td>
<td>6,745</td>
</tr>
</tbody>
</table>
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
186,648 186,769

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>795,024</td>
<td>795,577</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>44,782</td>
<td>44,782</td>
</tr>
</tbody>
</table>

PUBLIC POLICY AND PLANNING

From the General Fund
161,608 161,718
From the State Solid Waste Management Fund (IC 13-20-22-2) 5,908 5,912
From the Waste Tire Management Fund (IC 13-20-13-8) 4,019 4,021
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1) 38,752 38,777
From the Environmental Management Permit Operation Fund (IC 13-15-11-1) 48,207 48,240
From the Environmental Management Special Fund (IC 13-14-12-1)  
11,342 11,349
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)  
19,613 19,625
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)  
3,780 3,782
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)  
104,682 104,752

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>353,663</td>
<td>353,928</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>44,248</td>
<td>44,248</td>
</tr>
</tbody>
</table>

**Ohio River Valley Water Sanitation Commission**

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense 242,900 242,900
Augmentation allowed.

OFFICE OF ENVIRONMENTAL RESPONSE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,948,562</td>
<td>1,949,976</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>575,485</td>
<td>575,485</td>
</tr>
</tbody>
</table>

POLLUTION PREVENTION AND TECHNICAL ASSISTANCE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,045,497</td>
<td>1,046,263</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>249,790</td>
<td>249,790</td>
</tr>
</tbody>
</table>

PCB INSPECTIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>40,001</td>
<td>40,001</td>
</tr>
</tbody>
</table>

Augmentation allowed.

U.S. GEOLOGICAL SURVEY CONTRACTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>62,890</td>
<td>62,890</td>
</tr>
</tbody>
</table>

Augmentation allowed.

STATE SOLID WASTE GRANTS MANAGEMENT

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>232,830</td>
<td>232,997</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,372,630</td>
<td>1,372,630</td>
</tr>
</tbody>
</table>

Augmentation allowed.

VOLUNTARY CLEAN-UP PROGRAM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>326,625</td>
<td>326,858</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>551,500</td>
<td>551,500</td>
</tr>
</tbody>
</table>

Augmentation allowed.

TITLE V AIR PERMIT PROGRAM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>6,131,432</td>
<td>6,135,885</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>4,374,989</td>
<td>4,374,989</td>
</tr>
</tbody>
</table>

Augmentation allowed.

WATER MANAGEMENT PERMITTING

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>From the General Fund</td>
<td>1,919,924</td>
<td>1,921,119</td>
</tr>
</tbody>
</table>
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
4,205,935  4,208,554
Augmentation allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:

Personal Services  5,331,613  5,335,427
Other Operating Expense  794,246  794,246

SOLID WASTE MANAGEMENT PERMITTING
From the General Fund
2,007,190  2,008,514
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
3,102,309  3,104,355
Augmentation allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:

Personal Services  4,714,580  4,717,950
Other Operating Expense  394,919  394,919

HAZARDOUS WASTE MANAGEMENT PERMITTING
From the General Fund
2,492,889  2,494,350
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
2,978,130  2,979,879
Augmentation allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the
Environmental Management Permit Operation Fund are for the following purposes:

- **Personal Services**: 4,445,660 4,448,870
- **Other Operating Expense**: 1,025,359 1,025,359

**SAFE DRINKING WATER PROGRAM**
- From the General Fund
  - 571,429 571,807
- From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
  - 2,094,366 2,894,837
  - Augmentation allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:

- **Personal Services**: 1,075,952 1,077,970
- **Other Operating Expense**: 1,589,843 2,388,674

**WATERSHED MANAGEMENT**
- Environmental Management Special Fund (IC 13-14-12-1)
  - Total Operating Expense 24,037 24,037
  - Augmentation allowed.

**CLEAN VESSEL PUMPOUT**
- Environmental Management Special Fund (IC 13-14-12-1)
  - Total Operating Expense 58,475 58,475
  - Augmentation allowed.

**GROUNDWATER PROGRAM**
- Environmental Management Special Fund (IC 13-14-12-1)
  - Total Operating Expense 287,001 287,126
  - Augmentation allowed.

**UNDERGROUND STORAGE TANK PROGRAM**
- Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
Total Operating Expense 137,215 137,277
Augmentation allowed.

AIR MANAGEMENT OPERATING
From the General Fund
886,788 887,229
From the Environmental Management Special Fund (IC 13-14-12-1)
1,698,889 1,699,738
Augmentation allowed from the Environmental Management Special Fund.

The amounts specified from the General Fund and the Environmental Management Special Fund are for the following purposes:

Personal Services 1,776,421 1,777,711
Other Operating Expense 809,256 809,256

WATER MANAGEMENT NON-PERMITTING
Personal Services 3,137,463 3,139,726
Other Operating Expense 391,681 490,466

GREAT LAKES INITIATIVE
Environmental Management Special Fund (IC 13-14-12-1)
Total Operating Expense 96,160 96,160
Augmentation allowed.

OUTREACH OPERATOR TRAINING
From the General Fund
14,014 13,983
From the Environmental Management Special Fund (IC 13-14-12-1)
27,292 27,323
Augmentation allowed from the Environmental Management Special Fund (IC 13-14-12-1).

The amounts specified from the general fund and the environmental management special fund are for the following purposes:
<table>
<thead>
<tr>
<th>Program</th>
<th>FY 2004-2005</th>
<th>FY 2005-2006</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LEAKING UNDERGROUND STORAGE TANKS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>124,465</td>
<td>124,555</td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>44,109</td>
<td>44,109</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CORE SUPERFUND</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td>127,435</td>
<td>127,467</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>AUTO EMISSIONS TESTING PROGRAM</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>153,161</td>
<td>153,270</td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>7,592,411</td>
<td>7,344,013</td>
<td></td>
</tr>
<tr>
<td>The above appropriations for auto emissions testing are the maximum amounts available for this purpose. If it becomes necessary to conduct additional tests in other locations, the above appropriations shall be prorated among all locations.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HAZARDOUS WASTE SITE - STATE CLEAN-UP</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>914,494</td>
<td>915,153</td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>1,323,811</td>
<td>1,323,811</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>174,348</td>
<td>174,474</td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>680,991</td>
<td>680,991</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SUPERFUND MATCH</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous Substances Response Trust Fund (IC 13-25-4-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td>354,985</td>
<td>354,985</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-------------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td><strong>HOUSEHOLD HAZARDOUS WASTE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous Substances Response Trust Fund</td>
<td>39,934</td>
<td>39,960</td>
<td></td>
</tr>
<tr>
<td>(IC 13-25-4-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>443,816</td>
<td>443,816</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ASBESTOS TRUST - OPERATING</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asbestos Trust Fund</td>
<td>358,456</td>
<td>358,709</td>
<td></td>
</tr>
<tr>
<td>(IC 13-17-6-3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>150,384</td>
<td>150,384</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>**UNDERGROUND PETROLEUM STORAGE TANK -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATING**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underground Petroleum Storage Tank Excess</td>
<td>201,977</td>
<td>202,035</td>
<td></td>
</tr>
<tr>
<td>Liability Trust Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(IC 13-23-7-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>28,128,801</td>
<td>28,128,801</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>WASTE TIRE MANAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste Tire Management Fund (IC 13-20-13-8)</td>
<td>1,054,000</td>
<td>1,054,000</td>
<td></td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>VOLUNTARY COMPLIANCE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Management Special Fund</td>
<td>140,598</td>
<td>140,696</td>
<td></td>
</tr>
<tr>
<td>(IC 13-14-12-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>217,737</td>
<td>217,737</td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>**ENVIRONMENTAL MANAGEMENT SPECIAL FUND -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATING**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Management Special Fund</td>
<td>1,100,000</td>
<td>1,100,000</td>
<td></td>
</tr>
<tr>
<td>(IC 13-14-12-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SMALL TOWN COMPLIANCE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Management Special Fund</td>
<td>60,000</td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>(IC 13-14-12-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>WETLANDS PROTECTION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Management Special Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(IC 13-14-12-1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Augmentation allowed.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Total Operating Expense: 50,401
Augmentation allowed.

**MERCURY REDUCTION OUTREACH GRANT**
Total Operating Expense: 87,590
Augmentation allowed.

**PETROLEUM TRUST - OPERATING**
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
- Personal Services: 242,896 - 243,081
- Other Operating Expense: 462,885 - 462,885
Augmentation allowed.

**LEAD BASED PAINT ACTIVITIES PROGRAM**
Lead Trust Fund (IC 13-17-14-6)
Total Operating Expense: 21,638 - 21,646
Augmentation allowed.

Notwithstanding any other law, with the approval of the Governor and the budget agency, the above appropriations for hazardous waste management - permitting, wetlands protection, watershed management, groundwater program, underground storage tanks, air management operating, asbestos trust operating, lead based paint activities program, water management non-permitting, pollution prevention incentives for states, safe drinking water program, and any other appropriation eligible to be included in a performance partnership grant may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the department of environmental management.

**FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION**
- Personal Services: 232,179 - 232,335
- Other Operating Expense: 82,114 - 82,114

**SECTION 6. [EFFECTIVE JULY 1, 2005]**

**ECONOMIC DEVELOPMENT**
A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Personal Services</th>
<th>Other Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2004-05</td>
<td>1,437,305</td>
<td>239,431</td>
</tr>
<tr>
<td>FY 2005-06</td>
<td>1,438,352</td>
<td>239,431</td>
</tr>
</tbody>
</table>

The above appropriations include funds for the farm counseling program and the land resources council. Not more than $279,000 in each state fiscal year may be allocated from the above appropriations to the farm counseling program.

VALUE ADDED RESEARCH PROGRAM

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>250,000</td>
</tr>
<tr>
<td>Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)</td>
<td>600,000</td>
</tr>
</tbody>
</table>

CLEAN WATER INDIANA

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cigarette Tax Fund (IC 6-7-1-29.1)</td>
<td>3,750,000</td>
</tr>
</tbody>
</table>

The foregoing appropriations for Clean Water Indiana may be allotted only if there is an allocation from the cigarette tax for Clean Water Indiana. Augmentation allowed.

SOIL CONSERVATION DIVISION

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cigarette Tax Fund (IC 6-7-1-29.1)</td>
<td>1,968,750</td>
</tr>
</tbody>
</table>

Augmentation allowed.

B. COMMERCE

FOR THE LIEUTENANT GOVERNOR

OFFICE OF RURAL AFFAIRS

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Personal Services</th>
<th>Other Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2004-05</td>
<td>1,385,176</td>
<td>240,508</td>
</tr>
<tr>
<td>FY 2005-06</td>
<td>1,385,176</td>
<td>240,612</td>
</tr>
</tbody>
</table>

RURAL DEVELOPMENT ADMINISTRATION

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)</td>
<td></td>
</tr>
</tbody>
</table>
Total Operating Expense 2,400,000 2,400,000

RURAL DEVELOPMENT COUNCIL
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
  Total Operating Expense 1,203,480 1,203,483

OFFICE OF TOURISM
  Total Operating Expense 4,360,032 4,360,032

RECYCLING PROMOTION AND ASSISTANCE PROGRAM
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)
  Total Operating Expense 1,500,000 1,500,000
  Augmentation allowed.

RECYCLING OPERATING
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)
  Personal Services 56,700 56,741
  Other Operating Expense 172,930 172,930
  Augmentation allowed.

STATE ENERGY PROGRAM
  Total Operating Expense 283,648 283,648

FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION
ADMINISTRATIVE AND FINANCIAL SERVICES
  From the General Fund
  6,605,894 6,611,741
  From the Training 2000 Fund (IC 5-28-7-5)
  185,630 185,630
  From the Industrial Development Grant Fund (IC 5-28-25-4)
  52,139 52,139

The amounts specified from the General Fund, Training 2000 Fund, and Industrial Development Grant Fund are for the following purposes:

  Total Operating Expense 6,843,663 6,849,510
INTERNATIONAL TRADE
  Total Operating Expense  1,394,676  1,394,676

ENTERPRISE ZONE PROGRAM
  Indiana Enterprise Zone Fund (IC 5-28-15-6)
  Total Operating Expense  260,024  260,065
  Augmentation allowed.

LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/
REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION
(LEDO/REDO) MATCHING GRANT PROGRAM
  Total Operating Expense  1,900,000

TRAINING 2000
  Total Operating Expense  23,150,038

BUSINESS PROMOTION PROGRAM
  Total Operating Expense  2,271,508

TRADE PROMOTION PROGRAM
  Total Operating Expense  200,000  200,000

ECONOMIC DEVELOPMENT GRANT AND LOAN
PROGRAM
  Total Operating Expense  1,200,000

INDUSTRIAL DEVELOPMENT GRANT PROGRAM
  Total Operating Expense  6,500,000

21ST CENTURY RESEARCH & TECHNOLOGY FUND
  Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
  Total Operating Expense  37,500,000  37,500,000

TECHNOLOGY DEVELOPMENT GRANT PROGRAM
  Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
  Total Operating Expense  4,500,000  4,500,000

FOR THE INDIANA FINANCE AUTHORITY (IFA)
CAPITAL ACCESS PROGRAM
  Total Operating Expense  1,242,500

ENVIRONMENTAL REMEDIATION REVOLVING LOAN
PROGRAM
  Total Operating Expense  2,500,000

PROJECT GUARANTY PROGRAM
  Total Operating Expense  1,800,000
BUSINESS DEVELOPMENT LOAN PROGRAM
Total Operating Expense 2,000,000

FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS
Total Operating Expense 1,000,000 1,000,000

The housing and community development authority shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

Family and social services administration, division of family resources shall apply all qualifying expenditures for individual development accounts deposits toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

C. EMPLOYMENT SERVICES

FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT ADMINISTRATION
Total Operating Expense 1,148,027 1,148,027

WOMEN'S COMMISSION
Personal Services 113,666 113,746
Other Operating Expense 5,153 5,153

COMMISSION ON HISPANIC/LATINO AFFAIRS
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 124,188 124,235

The above appropriations are in addition to any funding for the commission derived from funds appropriated to the department of workforce development.
D. OTHER ECONOMIC DEVELOPMENT

FOR THE STATE BUDGET AGENCY
I-LIGHT FIBER OPTIC SYSTEM
   Total Operating Expense 1,000,000 1,000,000

SECTION 7. [EFFECTIVE JULY 1, 2005]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

For the conduct and operation of the department of transportation, the following sums are appropriated for the periods designated, from the state general fund, the public mass transportation fund, the industrial rail service fund, the state highway fund, the motor vehicle highway account, the distressed road fund, the state highway road construction and improvement fund, the motor carrier regulation fund, and the crossroads 2000 fund.

PLANNING AND ADMINISTRATION
   From the State Highway Fund (IC 8-23-9-54) 509,370 509,666
   From the Public Mass Transportation Fund (IC 8-23-3-8) 207,623 207,744
   From the Industrial Rail Service Fund (IC 8-3-1.7-2) 30,760 30,778

Augmentation allowed from the Public Mass Transportation Fund, Industrial Rail Service Fund, and State Highway Fund.

The amounts specified from the Public Mass Transportation Fund, Industrial Rail Service Fund, and State Highway Fund are for the following purposes:

   Personal Services 583,247 583,587
   Other Operating Expense 164,506 164,601
The above appropriations may be used to match federal funds available for planning and administration of transportation in Indiana.

**INTERMODAL OPERATING**
- From the State Highway Fund (IC 8-23-9-54)
  - 2004-2005: 533,581
  - 2005-2006: 533,915
- From the Public Mass Transportation Fund (IC 8-23-3-8)
  - 2004-2005: 370,542
  - 2005-2006: 370,770
- From the Industrial Rail Service Fund (IC 8-3-1.7-2)
  - 2004-2005: 370,542
  - 2005-2006: 370,770

Augmentation allowed from the State Highway Fund, Public Mass Transportation Fund and Industrial Rail Service Fund.

The amounts specified from the State Highway Fund, the Public Mass Transportation Fund, and the Industrial Rail Service Fund are for the following purposes:

- Personal Services: 1,096,212
- Other Operating Expense: 178,453

**INTERMODAL GRANT PROGRAM**
- Department of Transportation Administration Fund
  - Total Operating Expense: 42,000
- Public Mass Transportation Fund (IC 8-23-3-8)
  - Total Operating Expense: 37,500

Augmentation allowed from Public Mass Transportation Fund.

**RAILROAD GRADE CROSSING IMPROVEMENT**
- State Highway Fund (IC 8-23-9-54)
  - Total Operating Expense: 465,000

**HIGH SPEED RAIL**
- Industrial Rail Service Fund
  - Matching Funds: 40,000

Augmentation allowed.

**PUBLIC MASS TRANSPORTATION**
- Public Mass Transportation Fund (IC 8-23-3-8)
  - Total Operating Expense: 31,009,377
Augmentation allowed.

The appropriations are to be used solely for the promotion and development of public transportation. The department of transportation shall allocate funds based on a formula approved by the commissioner of the department of transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 1601, et seq.), or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency after review by the budget committee and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

**HIGHWAY OPERATING**

State Highway Fund (IC 8-23-9-54)

- Personal Services 207,986,295 208,125,958
- Other Operating Expense 40,256,068 40,255,120

The above appropriations for personal services and other operating expense include an increase of 4,325,383 each year to add additional professional staff and equipment to increase the department's plan design and right-of-way capability.

**HIGHWAY BUILDINGS AND GROUNDS**

State Highway Fund (IC 8-23-9-54)
The above appropriations for highway buildings and grounds may be used for land acquisition, site development, construction and equipping of new highway facilities and for maintenance, repair, and rehabilitation of existing state highway facilities after review by the budget committee.

HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT
  State Highway Fund (IC 8-23-9-54)
  Other Operating Expense 18,820,600 18,820,600

The above appropriations for highway operating and highway vehicle and road maintenance equipment may be used for personal services, equipment, and other operating expense, including the cost of transportation for the governor.

HIGHWAY MAINTENANCE WORK PROGRAM
  State Highway Fund (IC 8-23-9-54)
  Other Operating Expense 74,000,000 74,000,000

The above appropriations for the highway maintenance work program may be used for:
  (1) materials for patching roadways and shoulders;
  (2) repairing and painting bridges;
  (3) installing signs and signals and painting roadways for traffic control;
  (4) mowing, herbicide application, and brush control;
  (5) drainage control;
  (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
  (7) materials for snow and ice removal;
  (8) utility costs for roadway lighting; and
  (9) other special maintenance and support activities consistent with the highway maintenance work program.
HIGHWAY CAPITAL IMPROVEMENTS

State Highway Fund (IC 8-23-9-54)

Right-of-Way Expense 17,000,000 17,000,000
Formal Contracts Expense 156,736,104 157,122,472
Consulting Services Expense 22,300,000 24,000,000
Institutional Road Construction 5,000,000 5,000,000

The above appropriations for the capital improvements program may be used for:

1. bridge rehabilitation and replacement;
2. road construction, reconstruction, or replacement;
3. construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
4. relocation and modernization of existing roads;
5. resurfacing;
6. erosion and slide control;
7. construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
8. small structure replacements;
9. safety and spot improvements; and
10. right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

The appropriations for highway operating, highway vehicles and road maintenance equipment, highway buildings and grounds, the highway planning and research program, the highway maintenance work program, and highway capital improvements are appropriated from estimated revenues, which include the following:

1. Funds distributed to the state highway fund from the motor vehicle highway account under IC 8-14-1-3(4).
2. Funds distributed to the state highway fund from the highway, road and street fund under IC 8-14-2-3.
(3) All fees and miscellaneous revenues deposited in or accruing to the state highway fund under IC 8-23-9-54.
(4) Any unencumbered funds carried forward in the state highway fund from any previous fiscal year.
(5) All other funds appropriated or made available to the department of transportation by the general assembly.

If funds from sources set out above for the department of transportation exceed appropriations from those sources to the department, the excess amount is hereby appropriated to be used for formal contracts with approval of the governor and the budget agency.

If there is a change in a statute reducing or increasing revenue for department use, the budget agency shall notify the auditor of state to adjust the above appropriations to reflect the estimated increase or decrease. Upon the request of the department, the budget agency, with the approval of the governor, may allot any increase in appropriations to the department for formal contracts.

If the department of transportation finds that an emergency exists or that an appropriation will be insufficient to cover expenses incurred in the normal operation of the department, the budget agency may, upon request of the department, and with the approval of the governor, transfer funds from revenue sources set out above from one (1) appropriation to the deficient appropriation. No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

**HIGHWAY PLANNING AND RESEARCH PROGRAM**

State Highway Fund (IC 8-23-9-54)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>3,500,000</td>
<td>3,500,000</td>
</tr>
</tbody>
</table>

**STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM**
State Highway Road Construction Improvement Fund (IC 8-14-10-5)

Lease Rental Payments Expense

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>65,875,392</td>
<td>66,534,146</td>
<td></td>
</tr>
</tbody>
</table>

Augmentation allowed.

The above appropriations for the state highway road construction and improvement program are appropriated from the state highway road construction and improvement fund provided in IC 8-14-10-5 and may include any unencumbered funds carried forward from any previous fiscal year. The funds may be used for:

1. road and bridge construction, reconstruction, or replacement;
2. construction, reconstruction, or replacement of travel lanes, intersections, grade separations;
3. relocation and modernization of existing roads;
4. right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects; and
5. payment of rentals and leases relating to projects under IC 8-14.5.

CROSSROADS 2000 PROGRAM

Crossroads 2000 Fund (IC 8-14-10-9)

Formal Contracts Expense

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>13,093,301</td>
<td>437,179</td>
<td></td>
</tr>
</tbody>
</table>

Lease Rental Payment Expense

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>37,200,000</td>
<td>37,200,000</td>
<td></td>
</tr>
</tbody>
</table>

Augmentation allowed.

The above appropriations for the crossroads 2000 program are appropriated from the crossroads 2000 fund provided in IC 8-14-10-9 and may include any unencumbered funds carried forward from any previous fiscal year. The funds may be used for:

1. road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, grade separations;
(3) relocation and modernization of existing roads;
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects; and
(5) payment of rentals and leases relating to projects under IC 8-14.5.

FEDERAL APPORTIONMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-2005</th>
<th>FY 2005-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Right-of-Way Expense</td>
<td>42,500,000</td>
<td>42,500,000</td>
</tr>
<tr>
<td>Formal Contracts Expense</td>
<td>324,500,000</td>
<td>354,740,000</td>
</tr>
<tr>
<td>Consulting Engineers Expense</td>
<td>51,000,000</td>
<td>60,760,000</td>
</tr>
<tr>
<td>Highway Planning and Research</td>
<td>13,000,000</td>
<td>13,000,000</td>
</tr>
<tr>
<td>Local Government Revolving Acct.</td>
<td>140,000,000</td>
<td>140,000,000</td>
</tr>
<tr>
<td>Formal Contracts - Crossroads</td>
<td>40,000,000</td>
<td>0</td>
</tr>
</tbody>
</table>

The department may establish an account to be known as the "local government revolving account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.
The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2005-2007 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:

(1) the program of technical assistance under IC 8-23-2-5(6); and

(2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle
highway account.

Under IC 8-14-1-3(7) there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and

2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

SECTION 8. [EFFECTIVE JULY 1, 2005]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE BUDGET AGENCY
FSSA/DEPARTMENT OF HEALTH INSTITUTIONAL CONTINGENCY FUND

| Total Operating Expense | 2,000,000 |

The above institutional contingency fund shall be allotted upon the recommendation of the budget agency with approval of the governor. This appropriation may be used to supplement individual hospital, state developmental center, and special institutions budgets.

INDIANA PRESCRIPTION DRUG PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

| Total Operating Expense | 8,000,000  | 8,000,139 |

With the approval of the governor and the budget agency, the above appropriations for the Indiana prescription drug program
may be augmented by leveraging for each fiscal year federal Medicaid dollars.

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION
CHILDREN'S HEALTH INSURANCE PROGRAM
   Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
      Total Operating Expense  29,935,718  33,835,718

FAMILY AND SOCIAL SERVICES ADMINISTRATION
   Total Operating Expense  13,816,018  13,823,693
COMMISSION ON THE SOCIAL STATUS OF BLACK MALES
   Total Operating Expense  131,628  131,711
OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION
   Total Operating Expense  5,458,790  5,462,653
MEDICAID ADMINISTRATION
   Total Operating Expense  49,500,000  49,500,000
MEDICAID - CURRENT OBLIGATIONS
   General Fund
      Total Operating Expense 1,397,100,000 1,467,000,000
   Hospital Care for the Indigent Fund (IC 12-16-14-6)
      Total Operating Expense 21,700,000 21,700,000
Augmentation allowed.

The foregoing appropriations for Medicaid current obligations and for Medicaid administration are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of Medicaid policy and planning for the respective purposes for which the money was allocated and paid to the state. Subject to the provisions of P.L.46-1995, if the sums herein appropriated for Medicaid current obligations and for
Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

Subject to the approval of the governor and the budget agency, the foregoing appropriations for Medicaid - Current Obligations may be augmented or reduced based on revenues accruing to the hospital care for the indigent fund.

**MEDICAID DISABILITY ELIGIBILITY EXAMS**  
Total Operating Expense 3,195,000 3,195,000

**MENTAL HEALTH ADMINISTRATION**  
Other Operating Expense 2,365,294 2,365,294

**SERIOUSLY EMOTIONALLY DISTURBED**  
Total Operating Expense 16,469,493 16,469,493

**SERIOUSLY MENTALLY ILL**  
General Fund  
Total Operating Expense 93,862,579 93,862,579  
Mental Health Centers Fund (IC 6-7-1)  
Total Operating Expense 4,445,000 4,445,000  
Augmentation allowed.

**COMMUNITY MENTAL HEALTH CENTERS**  
Tobacco Master Settlement Fund (IC 4-12-1-14.3)  
Total Operating Expense 2,000,000 2,000,000

The above appropriation from the Tobacco Master Settlement Fund is in addition to other funds. The above appropriations for comprehensive community mental health services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

The comprehensive community mental health centers shall submit their proposed annual budgets (including income and operating statements) to the budget agency on or before August 1 of each year. All federal funds shall be applied in augmentation of the
foregoing funds rather than in place of any part of the funds. The office of the secretary, with the approval of the budget agency, shall determine an equitable allocation of the appropriation among the mental health centers.

GAMBLERS' ASSISTANCE
  Gamblers' Assistance Fund (IC 4-33-12-6)
    Total Operating Expense  4,250,000  4,250,000

SUBSTANCE ABUSE TREATMENT
  Total Operating Expense  5,006,000  5,006,000

QUALITY ASSURANCE/RESEARCH
  Total Operating Expense  884,304  884,304

PREVENTION
  Gamblers' Assistance Fund (IC 4-33-12-6)
    Total Operating Expense  2,946,936  2,946,936
    Augmentation allowed.

METHADONE DIVERSION CONTROL OVERSIGHT (MDCO) PROGRAM
  MDCO Fund (IC 12-23-18)
    Total Operating Expense  26,269  26,269
    Augmentation allowed.

DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM
  Gamblers' Assistance Fund (IC 4-33-12-6)
    Total Operating Expense  54,000  54,000
    Augmentation allowed.

EVANSVILLE STATE HOSPITAL
  General Fund
    22,395,551  22,407,654
  Mental Health Fund (IC 12-24-14-4)
    1,235,014  1,235,682
  Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

  Personal Services  18,516,201  18,528,972
Other Operating Expense 5,114,364 5,114,364

LARUE CARTER MEMORIAL HOSPITAL
General Fund
18,887,386 18,895,892
Mental Health Fund (IC 12-24-14-4)
443,622 443,822
Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services 12,562,778 12,571,484
Other Operating Expense 6,768,230 6,768,230

LOGANSPORT STATE HOSPITAL
General Fund
38,746,342 38,765,733
Mental Health Fund (IC 12-24-14-4)
1,764,662 1,765,546
Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services 29,854,331 29,874,606
Other Operating Expense 10,656,673 10,656,673

FARM REVENUE
Total Operating Expense 53,857 53,857

MADISON STATE HOSPITAL
General Fund
20,947,363 20,959,654
Mental Health Fund (IC 12-24-14-4)
811,461 811,937
Augmentation allowed.
The amounts specified from the general fund and the mental health fund are for the following purposes:

- Personal Services: 18,439,326 (FY 2004-05), 18,452,093 (FY 2005-06)
- Other Operating Expense: 3,319,498

**RICHMOND STATE HOSPITAL**

- General Fund: 30,590,520 (FY 2004-05), 30,605,663 (FY 2005-06)
- Mental Health Fund (IC 12-24-14-4): 876,500 (FY 2004-05), 876,934 (FY 2005-06)
- Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

- Personal Services: 25,548,982 (FY 2004-05), 25,564,559 (FY 2005-06)
- Other Operating Expense: 5,918,038

**PATIENT PAYROLL**

- Total Operating Expense: 316,800

The federal share of revenue accruing to the state mental health institutions under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established by IC 12-24-14-1, and the remainder shall be deposited in the general fund.

In addition to the above appropriations each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%), but not to exceed $50,000 in each fiscal year, of the amount by which actual net collections exceed an amount specified in writing by the division of mental health and addiction before July 1 of each year beginning July 1, 2005.
DIVISION OF FAMILY RESOURCES ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>4,814,750</td>
<td>4,820,468</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>810,328</td>
<td>810,328</td>
</tr>
</tbody>
</table>

CENTRAL REIMBURSEMENT OFFICE PROGRAM ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>6,399,705</td>
<td>6,399,705</td>
</tr>
</tbody>
</table>

CHILD CARE LICENSING FUND

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Care Fund</td>
<td>100,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Augmentation allowed.

ELECTRONIC BENEFIT TRANSFER PROGRAM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>1,800,766</td>
<td>1,800,766</td>
</tr>
</tbody>
</table>

The foregoing appropriations for the division of family resources Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 12-17-2-31.

STATE WELFARE - COUNTY ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>49,501,684</td>
<td>49,501,684</td>
</tr>
</tbody>
</table>

The foregoing appropriation may be transferred from FSSA to the department of child services with the approval of the budget agency.

INDIANA CLIENT ELIGIBILITY SYSTEM (ICES)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>7,007,662</td>
<td>7,007,662</td>
</tr>
</tbody>
</table>

IMPACT PROGRAM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>2,449,580</td>
<td>2,449,683</td>
</tr>
</tbody>
</table>

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>40,457,943</td>
<td>40,457,943</td>
</tr>
</tbody>
</table>

IMPACT - TANF

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>5,768,527</td>
<td>5,768,672</td>
</tr>
</tbody>
</table>

CHILD CARE & DEVELOPMENT FUND

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>35,056,200</td>
<td>35,056,200</td>
</tr>
</tbody>
</table>

The foregoing appropriations for information systems/technology, education and training, temporary assistance to needy families
(TANF), and child care services are for the purpose of enabling
the division of family resources to carry out all services as
provided in IC 12-14. In addition to the above appropriations, all
money received from the federal government and paid into the
state treasury as a grant or allowance is appropriated and shall be
expended by the division of family resources for the respective
purposes for which such money was allocated and paid to the
state.

DOMESTIC VIOLENCE PREVENTION AND TREATMENT
   General Fund
       Total Operating Expense 1,000,000 1,000,000
   Domestic Violence Prevention and Treatment Fund
       (IC 12-18-4)
       Total Operating Expense 1,000,000 1,000,000
       Augmentation allowed.
STEP AHEAD
       Total Operating Expense 1,789,082 1,789,312
FOOD ASSISTANCE PROGRAM
       Total Operating Expense 145,506 145,506
SCHOOL AGE CHILD CARE PROJECT FUND
       Total Operating Expense 550,000 550,000

DIVISION OF DISABILITY, AGING, AND
REHABILITATIVE SERVICES ADMINISTRATION
   Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
       Total Operating Expense 3,012,462 3,012,462

The above appropriations for the division of disability, aging, and
rehabilitative services administration are for administrative
expenses. Any federal fund reimbursements received for such
purposes are to be deposited in the general fund.

ROOM AND BOARD ASSISTANCE (R-CAP)
       Total Operating Expense 11,421,472 11,421,472
C.H.O.I.C.E. IN-HOME SERVICES
       Total Operating Expense 48,765,643 48,765,897
The foregoing appropriations for C.H.O.I.C.E. In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver. The intragovernmental transfers for use in the Medicaid aged and disabled waiver shall not exceed seven million nine hundred thousand dollars ($7,900,000) in the state fiscal year ending June 30, 2006, and the intragovernmental transfers shall not exceed seven million nine hundred thousand dollars ($7,900,000) in the state fiscal year ending June 30, 2007.

If the appropriations for C.H.O.I.C.E. In-Home Services are insufficient to provide services to all eligible persons, the division of disability, aging, and rehabilitative services may give priority for services to persons who are unable to perform three (3) or more activities of daily living (as defined in IC 12-10-10-1.5). The division of disability, aging, and rehabilitative services may discontinue conducting assessments for individuals applying for services under the C.H.O.I.C.E. In-Home Services program if a waiting list for such services exists.

The division of disability, aging, and rehabilitative services shall conduct an annual evaluation of the cost effectiveness of providing home care. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:

1. the number and demographic characteristics of the recipients of home care during the preceding fiscal year;
2. the total cost and per recipient cost of providing home care services during the preceding fiscal year;
3. the number of recipients of home care services who would have been placed in long term care facilities had they not received home care services; and
4. the total cost savings during the preceding fiscal year realized by the state due to recipients of home care services.
(including Medicaid) being diverted from long term care facilities.
The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council.

OLDER HOOSIERS ACT
   Total Operating Expense  1,842,109  1,842,109
ADULT PROTECTIVE SERVICES
   Total Operating Expense  2,021,540  2,021,540
ADULT GUARDIANSHIP SERVICES
   Total Operating Expense  491,863   491,892
TITLE V EMPLOYMENT GRANT (OLDER WORKERS)
   Total Operating Expense  6,436     6,436
TITLE III ADMINISTRATION GRANT
   Total Operating Expense  307,282   307,446
OMBUDSMAN
   Total Operating Expense  305,226   305,226
VOCATIONAL REHABILITATION SERVICES
   Personal Services  3,440,619  3,443,026
   Other Operating Expense  14,133,156 14,133,156

From the above appropriations, at least $233,000 in each state fiscal year shall be used for the Attain Program.

AID TO INDEPENDENT LIVING
   Total Operating Expense  22,008     22,008
OFFICE OF DEAF AND HEARING IMPAIRED
   Personal Services  285,036   285,235
   Other Operating Expense  211,396   211,396
BLIND VENDING OPERATIONS
   Total Operating Expense  129,879   129,905
DEVELOPMENTAL DISABILITY RESIDENTIAL FACILITIES COUNCIL
   Personal Services  2,970     2,970
   Other Operating Expense  13,168   13,168
OFFICE OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED

Personal Services 255,036 255,036
Other Operating Expense 73,907 73,907

EMPLOYEE TRAINING
Total Operating Expense 6,112 6,112

MEDICAID WAIVER
Total Operating Expense 316,333 316,390

OBRA/PASSARR
Total Operating Expense 90,212 90,268

BUREAU OF QUALITY IMPROVEMENT SERVICES - BQIS
Total Operating Expense 1,919,027 1,919,027

DAY SERVICES - DEVELOPMENTALLY DISABLED
Other Operating Expense 22,976,381 22,976,381

DIAGNOSIS AND EVALUATION
Other Operating Expense 930,788 930,788

SUPPORTED EMPLOYMENT
Other Operating Expense 3,117,498 3,117,498

EPILEPSY PROGRAM
Other Operating Expense 460,954 460,954

FAMILY SUBSIDY PROGRAM
Other Operating Expense 1,004,700 1,004,700

RESIDENTIAL SERVICES - CASE MANAGEMENT
General Fund
Total Operating Expense 4,436,985 4,436,985
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 2,050,626 2,050,626
Augmentation allowed.

RESIDENTIAL SERVICES FOR DEVELOPMENTALLY DISABLED PERSONS
General Fund
Total Operating Expense 91,749,831 107,967,677
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 22,300,000 22,300,000

The above appropriations for client services include the intragovernmental transfers necessary to provide the nonfederal
share of reimbursement under the Medicaid program for day services provided to residents of group homes and nursing facilities.

In the development of new community residential settings for persons with developmental disabilities, the division of disability, aging, and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

FORT WAYNE STATE DEVELOPMENTAL CENTER
General Fund
359,900 359,900
Mental Health Fund (IC 12-24-14-4)
1,838,145 1,839,050
Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,625,184</td>
<td>1,626,089</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>572,861</td>
<td>572,861</td>
</tr>
</tbody>
</table>

The federal share of revenue accruing to the state developmental centers under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established under IC 12-24-14, and the remainder shall be deposited in the general fund.

In addition to the above appropriations, each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%) but not to exceed $50,000, of the amount in which actual net collections exceed an amount specified in writing by the division of disability, aging,
and rehabilitative services before July 1 of each year beginning July 1, 2005.

FOR THE DEPARTMENT OF CHILD SERVICES
DEPARTMENT OF CHILD SERVICES - ADMINISTRATION
   Personal Services 53,706,520 61,626,520
   Other Operating Expense 8,454,011 8,454,011

The foregoing appropriation may be transferred from the department of child services to FSSA with the approval of the budget agency.

DEPARTMENT OF CHILD SERVICES - STATE ADMINISTRATION
   Personal Services 861,254 861,254
   Other Operating Expense 124,274 124,274

CHILD WELFARE SERVICES STATE GRANTS
   General Fund
   Total Operating Expense 10,698,884 10,698,884
   Excise and Financial Institution Taxes
   Total Operating Expense 6,275,000 6,275,000
   Augmentation allowed.

TITLE IV-D OF THE FEDERAL SOCIAL SECURITY ACT (STATE MATCH)
   Total Operating Expense 3,969,158 3,971,838

The foregoing appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 12-17-2-31.

INDEPENDENT LIVING TRANSITIONAL SERVICES
   Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
   Total Operating Expense 1,000,000 1,000,000

YOUTH SERVICE BUREAU
   Total Operating Expense 1,250,000 1,250,000

The department of child services shall establish standards for
youth service bureaus. Any youth service bureau that is not an agency of a unit of local government or is not registered with the Indiana secretary of state as a nonprofit corporation shall not be funded. The department of child services shall fund all youth service bureaus that meet the standards as established June 30, 1983. However, a grant may not be made without approval by the budget agency after review by the budget committee.

**PROJECT SAFEPLACE**
- Total Operating Expense 125,000

**HEALTHY FAMILIES INDIANA**
- Total Operating Expense 6,223,086

**TITLE IV-B CHILD WELFARE ADMINISTRATION**
- Total Operating Expense 484,286

**CHILD WELFARE TRAINING**
- Total Operating Expense 1,106,281

**SPECIAL NEEDS ADOPTION II**
- Personal Services 231,108
- Other Operating Expense 445,797

**ADOPTION ASSISTANCE**
- Total Operating Expense 7,954,083

The foregoing appropriations for Title IV-B child welfare and adoption assistance represent the maximum state match for Title IV-B and Title IV-E.

**SOCIAL SERVICES BLOCK GRANT (SSBG)**
- Total Operating Expense 20,863,880

The funds appropriated above to the social services block grant are allocated in the following manner during the biennium:

- Division of Disability, Aging, and Rehabilitative Services 1,030,877
- Division of Family Resources 12,725,150
Department of Child Services
5,515,999  5,516,161
Department of Health
296,504   296,504
Department of Correction
1,295,350  1,295,350

NON-RECURRING ADOPTION ASSISTANCE
  Total Operating Expense  625,000   625,000

INDIANA SUPPORT ENFORCEMENT TRACKING (ISETS)
  Total Operating Expense  4,067,520  4,067,718

CHILD PROTECTION AUTOMATION PROJECT (ICWIS)
  Total Operating Expense  5,260,522  5,260,550

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH
  Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
    Personal Services  22,131,052  22,146,865
    Other Operating Expense  5,194,560  5,194,560

All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund. Augmentation allowed in amounts not to exceed additional revenue from penalties or fees enacted or implemented for collection by the state department of health after January 1, 2003.

CANCER REGISTRY
  Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
    Total Operating Expense  253,651  253,803

MINORITY HEALTH INITIATIVE
  Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
    Total Operating Expense  2,091,224  2,091,224

The foregoing appropriations shall be allocated to the Indiana Minority Health Coalition to work with the state department on the implementation of IC 16-46-11.
SICKLE CELL
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 232,500 232,500

AID TO COUNTY TUBERCULOSIS HOSPITALS
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Other Operating Expense 107,397 107,397

These funds shall be used for eligible expenses according to IC 16-21-7-3 for tuberculosis patients for whom there are no other sources of reimbursement, including patient resources, health insurance, medical assistance payments, and hospital care for the indigent.

MEDICARE-MEDICAID CERTIFICATION
Total Operating Expense 6,132,535 6,136,279

Personal services augmentation allowed in amounts not to exceed additional revenue from health facilities license fee increases or from health care providers (as defined in IC 16-18-2-163) fee increases enacted after January 1, 2003, or adopted by the Executive Board of the Indiana State Department of Health pursuant to IC 16-19-3.

AIDS EDUCATION
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Personal Services 421,851 422,146
Other Operating Expense 277,953 277,953

HIV/AIDS SERVICES
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 2,325,004 2,325,004

TEST FOR DRUG AFFLICTED BABIES
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 62,496 62,496

The above appropriations for drug afflicted babies shall be used for the following purposes:
(1) All newborn infants shall be tested for the presence of a controlled substance in the infant's meconium if they meet the criteria established by the state department of health. These criteria will, at a minimum, include all newborns, if at birth:
   (A) the infant's weight is less than two thousand five hundred (2,500) grams;
   (B) the infant's head is smaller than the third percentile for the infant's gestational age; and
   (C) there is no medical explanation for the conditions described in clauses (A) and (B).

(2) If a meconium test determines the presence of a controlled substance in the infant's meconium, the infant may be declared a child in need of services as provided in IC 31-34-1-10 through IC 31-34-1-13. However, the child's mother may not be prosecuted in connection with the results of the test.

(3) The state department of health shall provide forms on which the results of a meconium test performed on an infant under subdivision (1) must be reported to the state department of health by physicians and hospitals.

(4) The state department of health shall, at least semi-annually:
   (A) ascertain the extent of testing under this chapter; and
   (B) report its findings under subdivision (1) to:
      (i) all hospitals;
      (ii) physicians who specialize in obstetrics and gynecology or work with infants and young children; and
      (iii) any other group interested in child welfare that requests a copy of the report from the state department of health.

(5) The state department of health shall designate at least one (1) laboratory to perform the meconium test required under subdivisions (1) through (8). The designated laboratories shall perform a meconium test on each infant described in subdivision (1) to detect the presence of a controlled substance.

(6) Subdivisions (1) through (7) do not prevent other facilities from conducting tests on infants to detect the presence of a controlled substance.

(7) Each hospital and physician shall:
   (A) take or cause to be taken a meconium sample from every
infant born under the hospital's and physician's care who meets the description under subdivision (1); and
(B) transport or cause to be transported each meconium sample described in clause (A) to a laboratory designated under subdivision (5) to test for the presence of a controlled substance as required under subdivisions (1) through (7).

(8) The state department of health shall establish guidelines to carry out this program, including guidance to physicians, medical schools, and birthing centers as to the following:
(A) Proper and timely sample collection and transportation under subdivision (7) of this appropriation.
(B) Quality testing procedures at the laboratories designated under subdivision (5) of this appropriation.
(C) Uniform reporting procedures.
(D) Appropriate diagnosis and management of affected newborns and counseling and support programs for newborns' families.

(9) A medically appropriate discharge of an infant may not be delayed due to the results of the test described in subdivision (1) or due to the pendency of the results of the test described in subdivision (1).

STATE CHRONIC DISEASES
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Personal Services 100,449 100,519
Other Operating Expense 444,398 444,398

At least $82,560 of the above appropriations shall be for grants to community groups and organizations as provided in IC 16-46-7-8.

WOMEN, INFANTS, AND CHILDREN SUPPLEMENT
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 176,700 176,700

MATERNAL AND CHILD HEALTH SUPPLEMENT
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 176,700 176,700
Notwithstanding IC 6-7-1-30.2, the above appropriations for the women, infants, and children supplement and maternal and child health supplement are the total appropriations provided for this purpose.

CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 93,000 93,000

CANCER EDUCATION AND DIAGNOSIS - PROSTATE CANCER
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 93,000 93,000

ADOPTION HISTORY
Adoption History Fund (IC 31-19-18-6)
Total Operating Expense 187,354 187,472
Augmentation allowed.

CHILDREN WITH SPECIAL HEALTH CARE NEEDS
Total Operating Expense 5,808,756 5,809,042

NEWBORN SCREENING PROGRAM
Newborn Screening Fund (IC 16-41-17-11)
Personal Services 406,346 406,607
Other Operating Expense 817,780 817,780
Augmentation allowed.

INDIANA HEALTH CARE PROFESSIONAL RECRUITMENT AND RETENTION
Indiana Medical and Nursing Grant Fund (IC 16-46-5-8)
Total Operating Expense 137,201 137,201
Augmentation allowed.

RADON GAS TRUST FUND
Radon Gas Trust Fund (IC 16-41-38-8)
Total Operating Expense 14,701 14,701
Augmentation allowed.

BIRTH PROBLEMS REGISTRY
Birth Problems Registry Fund (IC 16-38-4-17)
Personal Services 31,356 31,375
Other Operating Expense 12,070 12,070
Augmentation allowed.

MOTOR FUEL INSPECTION PROGRAM
Motor Fuel Inspection Fund (IC 16-44-3-10)
Total Operating Expense 82,448 82,471
Augmentation allowed.

PROJECT RESPECT
Total Operating Expense 596,280 596,280

DONATED DENTAL SERVICES
Total Operating Expense 46,500 46,500

The above appropriation shall be used by the Indiana foundation for dentistry for the handicapped.

OFFICE OF WOMEN'S HEALTH
Total Operating Expense 159,599 159,599

SILVERCREST CHILDREN'S DEVELOPMENT CENTER
Personal Services 7,769,136 7,774,637
Other Operating Expense 627,805 627,805

SOLDIERS' AND SAILORS' CHILDREN'S HOME
Personal Services 9,556,682 9,563,296
Other Operating Expense 1,377,441 1,377,441

Any revenue accruing to the Silvercrest Children's Development Center and Soldiers' and Sailors' Children's Home from the receipt of Medicaid reimbursement shall be deposited in the state general fund.

INDIANA VETERANS' HOME
From the General Fund
12,530,104 12,542,859
From the Comfort - Welfare Fund
11,936,223 11,936,223

The amounts specified from the General Fund and the Comfort-Welfare Fund are for the following purposes:

Personal Services 20,124,846 20,137,601
Other Operating Expense 4,341,481 4,341,481

COMFORT AND WELFARE PROGRAM
Comfort-Welfare Fund (IC 10-17-9-7(c))
Total Operating Expense 5,000,000 5,000,000

MINORITY EPIDEMIOLOGY
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 500,000 500,000

COMMUNITY HEALTH CENTERS
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 15,003,071 15,003,197

TOBACCO HEALTH PROGRAMS
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 2,461,400 2,461,400

PRENATAL SUBSTANCE USE & PREVENTION
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 150,000 150,000

LOCAL HEALTH MAINTENANCE FUND
Local Maintenance Fund (IC 16-46-10-1)
Total Operating Expense 2,460,000 2,460,000
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 1,400,000 1,400,000

The above appropriation for the local health maintenance fund from the tobacco master settlement agreement fund is in lieu of the appropriation provided for this purpose in IC 6-7-1-30.5 or any other law. Of the above appropriations for the local health maintenance fund, $60,000 each year shall be used to provide additional funding to adjust funding through the formula in IC 16-46-10 to reflect population increases in various counties. Money appropriated to the local health maintenance fund must be allocated under the following schedule each year to each local board of health whose application for funding is approved by the state department of health:
COUNTY POPULATION   AMOUNT OF GRANT
over 499,999         94,112
100,000 - 499,999    72,672
50,000 - 99,999     48,859
under 50,000        33,139

LOCAL HEALTH DEPARTMENT ACCOUNT
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 3,000,000 3,000,000

The foregoing appropriations for the local health department account are statutory distributions pursuant to IC 4-12-7.

FOR THE TOBACCO USE PREVENTION AND CESSATION BOARD
TOBACCO USE PREVENTION AND CESSATION PROGRAM
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
Total Operating Expense 10,858,441 10,859,308

A minimum of 75% of the above appropriations shall be used for grants to local agencies and other entities with programs designed to reduce smoking.

FOR THE INDIANA SCHOOL FOR THE BLIND
Personal Services 10,285,542 10,288,991
Other Operating Expense 828,069 828,069

FOR THE INDIANA SCHOOL FOR THE DEAF
Personal Services 16,774,951 16,781,064
Other Operating Expense 2,106,845 2,106,845

C. VETERANS' AFFAIRS
FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS
Personal Services 659,214 659,679
Other Operating Expense 204,667 204,667
The foregoing appropriations for the Indiana department of veterans' affairs include operating funds for the veterans' cemetery. Notwithstanding IC 10-17-1-6, staff employed for the operation and maintenance of the veterans' cemetery shall be selected as are all other state employees.

**DISABLED AMERICAN VETERANS OF WORLD WARS**
- Total Operating Expense: 40,000

**AMERICAN VETERANS OF WORLD WAR II, KOREA, AND VIETNAM**
- Total Operating Expense: 30,000

**VETERANS OF FOREIGN WARS**
- Total Operating Expense: 30,000

**VIETNAM VETERANS OF AMERICA**
- Total Operating Expense: 20,000

**SECTION 9. [EFFECTIVE JULY 1, 2005]**

**EDUCATION**

**A. HIGHER EDUCATION**

**FOR INDIANA UNIVERSITY**

**BLOOMINGTON CAMPUS**
- Total Operating Expense: 192,152,673
- Fee Replacement: 18,297,029

**FOR INDIANA UNIVERSITY REGIONAL CAMPUSES EAST**
- Total Operating Expense: 7,570,790
- Fee Replacement: 1,883,532

**KOKOMO**
- Total Operating Expense: 10,162,502
- Fee Replacement: 2,254,333

**NORTHWEST**
- Total Operating Expense: 17,514,736
- Fee Replacement: 2,425,461
 Fee Replacement  3,979,214  4,281,276
SOUTH BEND
  Total Operating Expense  22,660,743  22,395,713
  Fee Replacement  5,495,632  5,912,806
SOUTHEAST
  Total Operating Expense  19,141,674  19,251,961
  Fee Replacement  4,835,198  5,202,237

TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES
  95,498,354  96,909,485

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)
  HEALTH DIVISIONS
  Total Operating Expense  88,039,600  87,844,775
  Fee Replacement  3,047,105  3,243,817

FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE ON THE CAMPUS OF THE UNIVERSITY OF SOUTHERN INDIANA
  Total Operating Expense  1,486,577  1,483,288
THE CAMPUS OF INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE
  Total Operating Expense  1,367,557  1,364,531
THE CAMPUS OF INDIANA UNIVERSITY-NORTHWEST
  Total Operating Expense  1,942,802  1,938,503
THE CAMPUS OF PURDUE UNIVERSITY
  Total Operating Expense  1,734,224  1,730,387
THE CAMPUS OF BALL STATE UNIVERSITY
  Total Operating Expense  1,559,351  1,555,900
THE CAMPUS OF THE UNIVERSITY OF NOTRE DAME
  Total Operating Expense  1,446,111  1,442,911
THE CAMPUS OF INDIANA STATE UNIVERSITY
  Total Operating Expense  1,724,077  1,720,262

The Indiana University School of Medicine - Indianapolis shall
submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)

GENERAL ACADEMIC DIVISIONS
Total Operating Expense 90,493,043 90,268,567
Fee Replacement 15,409,015 16,403,766

TOTAL APPROPRIATIONS - IUPUI
208,249,462 208,996,707

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

FOR INDIANA UNIVERSITY

ABILENE NETWORK OPERATIONS CENTER
Total Operating Expense 817,502 817,502

SPINAL CORD AND HEAD INJURY RESEARCH CENTER
Total Operating Expense 514,726 514,726

OPTOMETRY BOARD EDUCATION FUND
Total Operating Expense 29,000 1,500

STATE DEPARTMENT OF TOXICOLOGY
Total Operating Expense 644,058 644,058

INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES
Total Operating Expense 2,432,526 2,432,526

GEOLOGICAL SURVEY
Total Operating Expense 3,046,002 3,046,002
INDUSTRIAL RESEARCH LIAISON PROGRAM
Total Operating Expense | 249,964 | 249,964

LOCAL GOVERNMENT ADVISORY COMMISSION
Total Operating Expense | 55,518 | 55,518

ADULT STEM CELL RESEARCH CENTER
Total Operating Expense | 50,000 | 0

Indiana University shall report to the budget committee on the feasibility of creating a center for research on adult stem cells.

FOR PURDUE UNIVERSITY
WEST LAFAYETTE
Total Operating Expense | 239,076,505 | 241,258,923
Fee Replacement | 17,606,980 | 20,920,977

FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES
CALUMET
Total Operating Expense | 26,146,127 | 26,586,465
Fee Replacement | 1,930,940 | 1,941,138

NORTH CENTRAL
Total Operating Expense | 10,298,659 | 10,579,693

TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES
38,375,726 | 39,107,296

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT FORT WAYNE (IPFW)
Total Operating Expense | 34,961,547 | 36,043,187
Fee Replacement | 3,334,353 | 3,240,770

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.
FOR PURDUE UNIVERSITY

ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM
  Total Operating Expense  3,387,166  3,387,166

The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 15-2.1-5-6. Notwithstanding IC 15-2.1-5-5, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY
  Total Operating Expense  5,468,960  5,468,960

COUNTY AGRICULTURAL EXTENSION EDUCATORS
  Total Operating Expense  7,103,447  7,103,447

AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS
  Total Operating Expense  7,107,724  7,107,724

CENTER FOR PARALYSIS RESEARCH
  Total Operating Expense  513,085  513,085

UNIVERSITY-BASED BUSINESS ASSISTANCE
  Total Operating Expense  1,100,715  1,100,715

NORTH CENTRAL - VALPO NURSING PARTNERSHIP
  Total Operating Expense  98,662  0

FOR INDIANA STATE UNIVERSITY
  Total Operating Expense  76,085,538  73,911,172
  Fee Replacement  6,663,721  7,282,616

FOR UNIVERSITY OF SOUTHERN INDIANA
  Total Operating Expense  34,089,286  35,213,023
  Fee Replacement  5,855,701  5,901,601

HISTORIC NEW HARMONY
  Total Operating Expense  356,216  356,216
YOUNG ABE LINCOLN
   Total Operating Expense  270,000  1

FOR BALL STATE UNIVERSITY
   Total Operating Expense
              124,351,153  122,943,120
   Fee Replacement        7,824,168  10,808,931

ACADEMY FOR SCIENCE, MATHEMATICS, AND
   HUMANITIES
   Total Operating Expense  4,196,355  4,196,355

FOR VINCENNES UNIVERSITY
   Total Operating Expense  36,654,617  36,403,169
   Fee Replacement         3,226,033  3,861,825

FOR IVY TECH STATE COLLEGE
   Total Operating Expense
              138,587,242  144,061,470
   Fee Replacement         11,757,465  13,119,374

Of the above appropriations for IVY Tech total operating expense, $135,000 each year shall be used for the Community Learning Center in Portage.

VALPO NURSING PARTNERSHIP
   Total Operating Expense         0  98,662

FOR THE INDIANA HIGHER EDUCATION
   TELECOMMUNICATIONS SYSTEM (IHETS)
   Total Operating Expense  5,836,610  4,686,610

The above appropriations do not include funds for the course development grant program.

The sums herein appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech
State College, and the Indiana Higher Education Telecommunications System (IHETS) are in addition to all income of said institutions and IHETS, respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2005, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and IHETS and may be expended for any necessary expenses of the respective institutions and IHETS, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures only if approved by the governor and the budget agency.

The foregoing appropriations and allocations for fee replacement are for replacement of student fees deducted during the 2005-2007 biennium to cover bond or lease-purchase principal, interest, and other obligations of debt costs of facility construction and acquisition for those projects authorized by the general assembly. These fee replacement appropriations and allocations shall be allotted by the budget agency after receipt of verification of payment of such debt cost expense.

The foregoing appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech State College, and IHETS include the employers' share of Social Security payments for university and IHETS employees under the public employees' retirement fund, or institutions covered by the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the
public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for each institution and for IHETS employees covered by these retirement plans.

The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College on the basis of vouchers stating the total amount claimed against each fund or account, or both, but not to exceed the legally made appropriations.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications
and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, the trustees of Ivy Tech State College, and the directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

If an early payment of an amount appropriated to any of the aforementioned institutions or IHETS is made in either state fiscal year of the biennium to eliminate an otherwise authorized payment delay to a later state fiscal year, the amount may be used only for the purposes approved by the budget agency after review by the budget committee.

FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND
Total Operating Expense 2,249,791 2,249,791
Of the foregoing appropriations for the medical education board-family practice residency fund, $1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

FOR THE COMMISSION FOR HIGHER EDUCATION
Total Operating Expense 1,478,533 1,478,533

Before October 31, 2005, the budget committee shall review the commission for higher education’s research incentive funding formula.

INDIANA CAREER AND POSTSECONDARY ADVANCEMENT CENTER
Total Operating Expense 500,000 1

FOR THE DEPARTMENT OF ADMINISTRATION
ANIMAL DISEASE DIAGNOSTIC LABORATORY LEASE RENTAL
Total Operating Expense 1,047,240 1,042,345
COLUMBUS LEARNING CENTER LEASE PAYMENT
Total Operating Expense 1,842,000 3,831,500

FOR THE STATE BUDGET AGENCY
GIGAPOP PROJECT
Total Operating Expense 727,638 727,638
SOUTHWEST INDIANA EDUCATIONAL ALLIANCE BEDFORD SERVICE AREA
Total Operating Expense 280,710 280,710
SOUTHEAST INDIANA EDUCATION SERVICES
Total Operating Expense 642,468 642,468

The above appropriation for southeast Indiana education services may be expended with the approval of the budget agency after review by the commission for higher education.
<table>
<thead>
<tr>
<th>Program</th>
<th>Total Operating Expense FY 2004-2005</th>
<th>Total Operating Expense FY 2005-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEGREE LINK</td>
<td>500,375</td>
<td>500,375</td>
</tr>
<tr>
<td>The above appropriations shall be used for the delivery of Indiana State University baccalaureate degree programs at Ivy Tech State College and Vincennes University locations through Degree Link. Distributions shall be made upon the recommendation of the Indiana commission for higher education and with approval by the budget agency after review by the budget committee.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WORKFORCE CENTERS</td>
<td>837,000</td>
<td>837,000</td>
</tr>
<tr>
<td>MIDWEST HIGHER EDUCATION COMMISSION</td>
<td>255,000</td>
<td>90,000</td>
</tr>
<tr>
<td>FOR THE STATE STUDENT ASSISTANCE COMMISSION</td>
<td>1,240,723</td>
<td>1,240,723</td>
</tr>
<tr>
<td>FREEDOM OF CHOICE GRANTS</td>
<td>41,751,997</td>
<td>46,035,799</td>
</tr>
<tr>
<td>HIGHER EDUCATION AWARD PROGRAM</td>
<td>106,959,572</td>
<td>120,674,940</td>
</tr>
<tr>
<td>NURSING SCHolarSHIP PROGRAM</td>
<td>402,142</td>
<td>402,142</td>
</tr>
<tr>
<td>HOOSIER SCHolar PROGRAM</td>
<td>400,000</td>
<td>400,000</td>
</tr>
</tbody>
</table>

For the higher education awards and freedom of choice grants made for the 2005-2007 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:

1. Financial Need: For purposes of these awards, financial need shall be limited to actual undergraduate tuition and fees for the prior academic year as established by the commission.
2. Maximum Base Award: The maximum award shall not exceed the lesser of:
   A. eighty percent (80%) of actual prior academic year undergraduate tuition and fees; or
   B. eighty percent (80%) of the sum of the highest prior
academic year undergraduate tuition and fees at any public institution of higher education and the lowest appropriation per full-time equivalent (FTE) undergraduate student at any public institution of higher education.

(3) Minimum Award: No actual award shall be less than $200.

(4) Award Size: A student's maximum award shall be reduced one (1) time:
   (A) for dependent students, by the expected contribution from parents based upon information submitted on the financial aid application form; and
   (B) for independent students, by the expected contribution derived from information submitted on the financial aid application form.

(5) Award Adjustment: The maximum base award may be adjusted by the commission, for any eligible recipient who fulfills college preparation requirements defined by the commission.

(6) Adjustment: If the dollar amounts of eligible awards exceed appropriations and program reserves, all awards may be adjusted by the commission by reducing the maximum award under subdivision (2)(A) or (2)(B).

For the Hoosier scholar program for the 2005-2007 biennium, each award shall not exceed five hundred dollars ($500) and shall be made available for one (1) year only. Receipt of this award shall not reduce any other award received under any state funded student assistance program.

STATUTORY FEE REMISSION

| Total Operating Expense | 15,982,349 | 18,148,108 |

In determining the eligibility for statutory fee remission, the Indiana department of veterans' affairs shall only consider new applications from dependents of veterans with disabilities greater than zero (0) percentage.
PART-TIME GRANT PROGRAM
Total Operating Expense 5,250,000 5,250,000

Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the part time grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 20-12-21 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources shall apply all qualifying expenditures for the part time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

CONTRACT FOR INSTRUCTIONAL OPPORTUNITIES IN SOUTHEASTERN INDIANA
Total Operating Expense 603,407 603,407

MINORITY TEACHER SCHOLARSHIP FUND
Total Operating Expense 399,768 399,768

COLLEGE WORK STUDY PROGRAM
Total Operating Expense 805,189 805,189

21ST CENTURY ADMINISTRATION
Total Operating Expense 2,000,000 2,000,000

21ST CENTURY SCHOLAR AWARDS
Total Operating Expense 18,402,449 19,171,429

Augmentation for 21st Century Scholar Awards allowed from
the general fund.

The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR 265.

Family and social services administration, division of family resources, shall apply all qualifying expenditures for the 21st century scholars program toward Indiana’s maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.)

NATIONAL GUARD SCHOLARSHIP

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>3,033,730</td>
<td>3,299,821</td>
</tr>
</tbody>
</table>

The above appropriations for national guard scholarship and any program reserves existing on June 30, 2005, shall be the total allowable state expenditure for the program in the 2005-2007 biennium. If the dollar amounts of eligible awards exceed appropriations and program reserves, the state student assistance commission shall develop a plan to ensure that the total dollar amount does not exceed the above appropriations and any program reserves.

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>3,152,112</td>
<td>3,152,112</td>
</tr>
</tbody>
</table>

The foregoing appropriations for the Indiana state board of education are for the education roundtable established by IC 20-1-20.5-3; for the academic standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks; for special evaluation and research projects including national and international assessments; and for state board and roundtable administrative expenses.
These appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the eight Indiana public education television stations that shall be approved by the budget agency after review by the budget committee. The above appropriation includes the costs of transmission for the "GED-on-TV" program. Of the above appropriations, $100,000 each year shall be distributed equally among the eight radio stations.

Of the above appropriation for FY 2006, $200,000 is included for the public television station at Ball State University to complete the digital upgrade.

Of the foregoing appropriations for Research and Development Programs, up to $140,000 each year is dedicated for the Center for Evaluation and Education Policy. Funds are included for the purpose of having the Center for Evaluation and Education Policy facilitate a roundtable discussion of legislators who represent school corporations with enrollments of less than 1500 pupils and superintendents who serve in corporations with less than 1500 pupils. Discussion should focus on the value of central office consolidation and whether efficiencies could be achieved through that process. Other difficulties facing small corporations should be discussed with a goal of producing recommendations that would bring cost effectiveness and efficiency to those corporations.
DEPUTY SUPERINTENDENT'S OFFICE
Personal Services 457,320 457,562
Other Operating Expense 92,839 92,603

RILEY HOSPITAL
Total Operating Expense 27,900 27,900

ADMINISTRATION AND FINANCIAL MANAGEMENT
Personal Services 2,143,064 2,144,538
Other Operating Expense 298,207 296,808

MOTORCYCLE OPERATOR SAFETY EDUCATION FUND
Safety Education Fund (IC 20-10.1-7-14)
Personal Services 132,303 132,397
Other Operating Expense 892,177 892,087

The foregoing appropriations for the motorcycle operator safety education fund are from the motorcycle operator safety education fund created by IC 20-10.1-7-14.

SCHOOL TRAFFIC SAFETY
Motor Vehicle Highway Account (IC 8-14-1)
Personal Services 242,813 242,989
Other Operating Expense 30,405 30,236
Augmentation allowed.

CENTER FOR SCHOOL ASSESSMENT
Personal Services 310,777 311,004
Other Operating Expense 706,025 705,800

ACCREDITATION SYSTEM
Personal Services 471,390 471,732
Other Operating Expense 489,547 489,210

SPECIAL EDUCATION (S-5)
Total Operating Expense 30,000,000 30,000,000

The foregoing appropriations for special education are made under IC 20-1-6-19.

CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS
Personal Services 234,467 234,580
Other Operating Expense  78,988   78,879

SPECIAL EDUCATION EXCISE
Alcoholic Beverage Excise Tax Funds (IC 20-1-6-10)
Personal Services  344,177   344,351
Augmentation allowed.
GED-ON-TV PROGRAM
Other Operating Expense  229,500   229,500

The foregoing appropriation is for grants to provide GED-ON-TV programming. The GED-ON-TV Program shall submit for review by the budget committee an annual report on utilization of this appropriation.

VOCATIONAL EDUCATION
Personal Services  1,318,379   1,319,338
Other Operating Expense  40,532   39,599
ADVANCED PLACEMENT PROGRAM
Other Operating Expense  894,400   894,400

The above appropriations for the Advanced Placement program are to provide funding for students of accredited public and nonpublic schools.

PSAT PROGRAM
Other Operating Expense  717,449   717,449

The above appropriations for the PSAT program are to provide funding for students of accredited public and nonpublic schools.

CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE
Personal Services  1,701,420   1,701,447
Other Operating Expense  978,089   978,089
PRINCIPAL LEADERSHIP ACADEMY
Personal Services  320,628   320,632
Other Operating Expense  142,204   142,204
EDUCATION SERVICE CENTERS
Total Operating Expense 1,721,287 1,721,287

No appropriation made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least three dollars ($3) per student for fiscal year 2005-2006 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2004, and at least three dollars ($3) per student for fiscal year 2006-2007, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 2005. Before notification of education service centers of the formula and components of the formula for distributing funds for education service centers, review and approval of the formula and components must be made by the budget agency.

TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)
Total Operating Expense 50,000 50,000

The foregoing appropriations for transfer tuition (state employees' children and eligible children in mental health facilities) are made under IC 20-8.1-6.1-6 and IC 20-8.1-6.1-5.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION
Total Operating Expense 2,403,792 2,403,792

The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area vocational schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1,
1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Total Operating Expense</th>
<th>General Fund</th>
<th>Total Operating Expense</th>
<th>General Fund</th>
<th>Total Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2,102,629,408</td>
<td>2,099,725,241</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Tax Replacement Fund (IC 6-1.1-21)</td>
<td>Total Operating Expense</td>
<td>1,654,753,925</td>
<td>1,651,849,759</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, vocational education programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2005 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, one-half (1/2) of any excess shall revert to the general fund and one-half (1/2) of any excess shall revert to the property tax replacement fund.

The above appropriations for tuition support shall be made each calendar year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each calendar year shall equal the amount required under the statute enacted for the purpose referred to above.

DISTRIBUTION FOR SUMMER SCHOOL

<table>
<thead>
<tr>
<th>Other Operating Expense</th>
<th>Other Operating Expense</th>
<th>Other Operating Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>18,360,000</td>
<td>18,360,000</td>
<td></td>
</tr>
</tbody>
</table>
It is the intent of the 2005 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

**EARLY INTERVENTION PROGRAM**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>13,000</td>
<td>13,000</td>
</tr>
<tr>
<td>Other Operating Exp.</td>
<td>3,707,000</td>
<td>3,707,000</td>
</tr>
</tbody>
</table>

The above appropriations for the early intervention program are for grants to local school corporations for grant proposals for early intervention programs, including reading recovery and the Waterford method.

**READING DIAGNOSTIC ASSESSMENT**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,000,000</td>
<td>1,000,000</td>
<td></td>
</tr>
</tbody>
</table>

The foregoing appropriations shall be used by the department for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and non-public school first and second grade students upon the approval of the governing body of school corporations. The board shall determine how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board and the education roundtable.

**ADULT EDUCATION DISTRIBUTION**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14,000,000</td>
<td>14,000,000</td>
<td></td>
</tr>
</tbody>
</table>

It is the intent of the 2005 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected
disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

**NATIONAL SCHOOL LUNCH PROGRAM**

| Total Operating Expense | 5,400,000 | 5,400,000 |

**MARION COUNTY DESEGREGATION COURT ORDER**

| Total Operating Expense | 18,200,000 | 18,200,000 |

The foregoing appropriations for court ordered desegregation costs are made pursuant to order No. IP 68-C-225-S of the United States District Court for the Southern District of Indiana. If the sums herein appropriated are insufficient to enable the state to meet its obligations, then there are hereby appropriated from the state general fund such further sums as may be necessary for such purpose.

**TEXTBOOK REIMBURSEMENT**

| Total Operating Expense | 19,902,559 | 19,902,644 |

Before a school corporation or an accredited non-public school may receive a distribution under the textbook reimbursement program, the school corporation or accredited non-public school shall provide to the department the requirements established in IC 20-8.1-9-2. The department shall provide to the family and social services administration (FSSA) all data required for FSSA to meet the data collection reporting requirement in 45 CFR 265. Family and social services administration, division of family resources, shall apply all qualifying expenditures for the textbook reimbursement program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

The foregoing appropriations for textbook reimbursement include the appropriation of the common school fund interest balance. The remainder of the above appropriations are provided from the state general fund.
FULL DAY KINDERGARTEN

Total Operating Expense 8,500,000 8,500,000

The above appropriations for full-day kindergarten are available to a school corporation that applies to the department of education for funding of full-day kindergarten. The amount available to a school corporation equals the amount appropriated divided by the total full-day kindergarten enrollment of all participating school corporations (as defined in IC 21-3-1.6-1.1) for the current year, and then multiplied by the school corporation's full-day kindergarten enrollment (as defined in IC 21-3-1.6-1.1) for the current year. A school corporation that is awarded a grant must provide to the department of education a financial report stating how the funds were spent. Any unspent funds at the end of the biennium must be returned to the state by the school corporation.

TESTING/REMEDIATION

Other Operating Expense 31,410,450 31,410,450

Prior to notification of local school corporations of the formula and components of the formula for distributing funds for remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing/remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

The above appropriation for Testing/Remediation shall be used by school corporations to provide remediation programs for students who attend public and nonpublic schools. For purposes of tuition support, these students are not to be counted in the average daily membership.

GRADUATION EXAM REMEDIATION

Other Operating Expense 4,958,910 4,958,910
Prior to notification of local school corporations of the formula and components of the formula for distributing funds for graduation exam remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing/remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

SPECIAL EDUCATION PRESCHOOL

Total Operating Expense  27,173,300  27,173,300

The above appropriations shall be distributed to guarantee a minimum of $2,750 per child enrolled in special education preschool programs from state and local sources in school corporations that levy the maximum special education tax rate for this purpose. It is the intent of the 2005 general assembly that the above appropriations for special education preschool shall be the total allowable expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

NON-ENGLISH SPEAKING PROGRAM

Other Operating Expense  700,000  700,000

The above appropriations for the non-English speaking program are for pupils who have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is seventy-five dollars ($75) per pupil. It is the intent of the 2005 general assembly that the above appropriations for the non-English speaking program shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state
fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

**GIFTED AND TALENTED EDUCATION PROGRAM**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>211,199</td>
<td>211,348</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>5,625,138</td>
<td>5,624,992</td>
</tr>
</tbody>
</table>

**DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>250,000</td>
<td>250,000</td>
</tr>
</tbody>
</table>

The distribution for adult vocational education programs shall be made in accordance with the state plan for vocational education.

**PRIMETIME**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>172,564</td>
<td>172,566</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>34,467</td>
<td>34,467</td>
</tr>
</tbody>
</table>

**DRUG FREE SCHOOLS**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>52,360</td>
<td>52,361</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>20,093</td>
<td>20,093</td>
</tr>
</tbody>
</table>

**PROFESSIONAL DEVELOPMENT DISTRIBUTION**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Operating Expense</td>
<td>13,812,500</td>
<td>13,812,500</td>
</tr>
</tbody>
</table>

The foregoing appropriations for professional development distributions include schools defined under IC 20-10.2-2-11.

**ALTERNATIVE SCHOOLS**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>6,380,059</td>
<td>6,380,319</td>
</tr>
</tbody>
</table>

**EDUCATIONAL TECHNOLOGY PROGRAM AND FUND**

**INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>2,109,031</td>
<td>2,109,036</td>
</tr>
</tbody>
</table>

Of the foregoing appropriations, $825,000 shall be allocated to the buddy system each state fiscal year during the biennium. The remaining amounts shall be allocated for technology programs and resources for kindergarten through twelfth grade, and the operation of the office of the special assistant to the
superintendent of public instruction for technology.

TECHNOLOGY PLAN GRANT PROGRAM (IC 20-10.1-25.3)
Total Operating Expense 5,000,000

Notwithstanding IC 20-10.1-25.3-9, the department of education may adjust the grant amount to reflect available funding.

PROFESSIONAL STANDARDS DIVISION
General Fund
Personal Services 1,053,602 1,054,199
Other Operating Expense 262,900 1,762,303
Professional Standards Board Licensing Fund
Total Operating Expense 2,400,000 900,000
Augmentation allowed.

The above appropriations for the Professional Standards Division do not include funds to pay stipends for mentor teachers.

FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND
POSTRETIREMENT PENSION INCREASES
Other Operating Expense 50,427,438 49,797,084

The appropriations for postretirement pension increases are made for those benefits and adjustments provided in IC 21-6.1-6 and IC 5-10.2-5.

TEACHERS' RETIREMENT FUND DISTRIBUTION
Other Operating Expense 502,400,000 536,200,000
Augmentation allowed.

If the amount actually required under the pre-1996 account of the teachers' retirement fund for actual benefits for the Post Retirement Pension Increases that are funded on a "pay as you go" basis plus the base benefits under the pre-1996 account of the teachers' retirement fund is:
(1) greater than the above appropriations for a year, after notice to the governor and the budget agency of the deficiency, the above appropriation for the year shall be augmented from the general fund. Any augmentation shall be included in the required pension stabilization calculation under IC 21-6.1-2; or 
(2) less than the above appropriations for a year, the excess shall be retained in the general fund. The portion of the benefit funded by the annuity account and the actuarially funded Post Retirement Pension Increases shall not be part of this calculation.

C. OTHER EDUCATION

FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>637,399</td>
<td>637,806</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>45,354</td>
<td>45,354</td>
</tr>
</tbody>
</table>

PUBLIC EMPLOYEE RELATIONS BOARD

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expense</td>
<td>32,550</td>
<td>32,550</td>
</tr>
</tbody>
</table>

FOR THE STATE LIBRARY

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,867,740</td>
<td>2,869,750</td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>729,954</td>
<td>729,954</td>
</tr>
</tbody>
</table>

DISTRIBUTION TO PUBLIC LIBRARIES

<table>
<thead>
<tr>
<th></th>
<th>FY 2004-05</th>
<th>FY 2005-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Operating Expense</td>
<td>607,936</td>
<td>607,936</td>
</tr>
</tbody>
</table>

The foregoing appropriations for distribution to public libraries shall be distributed among the public libraries of the state of Indiana under IC 4-23-7.1. However, a public library district that does not provide for the issuance of library cards free of charge or for a fee to all individuals who reside in the county in which that public library district is located shall not be considered an eligible public library district in determining the amounts to be distributed under IC 4-23-7.1 and is not entitled to a distribution under IC 4-23-7.1.

INDIANA COOPERATIVE LIBRARY SERVICES AUTHORITY
Total Operating Expense 2,408,848 2,408,848
ACADEMY OF SCIENCE
Total Operating Expense 8,811 8,811

FOR THE ARTS COMMISSION
Personal Services 329,919 330,168
Other Operating Expense 3,302,296 3,302,056

FOR THE HISTORICAL BUREAU
Personal Services 403,124 403,408
Other Operating Expense 9,554 9,554
HISTORICAL MARKER PROGRAM
Total Operating Expense 34,300

FOR THE COMMISSION ON PROPRIETARY EDUCATION
Personal Services 447,806 448,129
Other Operating Expense 6,865 6,865

SECTION 10. [EFFECTIVE JULY 1, 2005]

DISTRIBUTIONS

FOR THE PROPERTY TAX REPLACEMENT FUND BOARD
Property Tax Replacement Fund (IC 6-1.1-21)
Total Operating Expense 2,028,509,197 2,028,509,197

Notwithstanding IC 6-1.1-21, the foregoing appropriations are the maximum amount that may be distributed. If the amount determined under IC 6-1.1-21 exceeds the amount appropriated, the board shall reduce the credit percentages proportionately so that the distributions equal the appropriation.

SECTION 11. [EFFECTIVE JULY 1, 2005]

The following allocations of federal funds are available for vocational and technical education under the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301,
et seq. for Vocational and Technical Education) (20 U.S.C. 2371 for Tech Prep Education). These funds shall be received by the department of workforce development, commission on vocational and technical education, and shall be allocated by the budget agency after consultation with the commission on vocational and technical education, the department of education, the commission for higher education, and the department of correction. Funds shall be allocated to these agencies in accordance with the allocations specified below:

STATE PROGRAMS AND LEADERSHIP
   2,655,188   2,655,188
SECONDARY VOCATIONAL PROGRAMS
   14,878,845   14,878,845
POSTSECONDARY VOCATIONAL PROGRAMS
   8,522,925   8,522,925
TECHNOLOGY - PREPARATION EDUCATION
   2,465,494   2,465,494

SECTION 12. [EFFECTIVE JULY 1, 2005]

In accordance with IC 20-1-18.3, the budget agency, with the advice of the commission on vocational and technical education and the budget committee, may augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2005]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.
SECTION 14. [EFFECTIVE JULY 1, 2005]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of $50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than $90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than $85 for any twenty-four (24) hour period; while traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than $65
for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2005]

Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is $50 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2005]

No payment for personal services shall be made by the auditor of state unless the payment has been approved by the budget agency or the designee of the budget agency.
SECTION 17. [EFFECTIVE JULY 1, 2005]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution have been deposited into the state treasury for the month. However, if a department or an institution has more than $10,000 in daily receipts, the receipts shall be deposited into the state treasury daily.

SECTION 18. [EFFECTIVE JULY 1, 2005]

In case of loss by fire or any other cause involving any state institution or department, the proceeds derived from the settlement of any claim for the loss shall be deposited in the state treasury, and the amount deposited is hereby reappropriated to the institution or department for the purpose of replacing the loss. If it is determined that the loss shall not be replaced, any funds received from the settlement of a claim shall be deposited into the general fund.

SECTION 19. [EFFECTIVE JULY 1, 2005]

If an agency has computer equipment in excess of the needs of that agency, then the excess computer equipment may be sold under the provisions of surplus property sales, and the proceeds of the sale or sales shall be deposited in the state treasury. The amount so deposited is hereby reappropriated to that agency for other operating expenses of the then current year, if approved by the director of the budget agency.

SECTION 20. [EFFECTIVE JULY 1, 2005]

If any state penal or benevolent institution other than the Indiana state prison, Pendleton correctional facility, or Putnamville correctional facility shall, in the operation of its farms, produce products, or commodities in excess of the needs of the institution, the surplus may be sold through the division of industries and
farms, the director of the supply division of the Indiana department of administration, or both. The proceeds of any such sale or sales shall be deposited in the state treasury. The amount deposited is hereby reappropriated to the institution for expenses of the then current year if approved by the director of the budget agency. The exchange between state penal and benevolent institutions of livestock for breeding purposes only is hereby authorized at valuations agreed upon between the superintendents or wardens of the institutions. Capital outlay expenditures may be made from the institutional industries and farms revolving fund if approved by the budget agency and the governor.

SECTION 21. [EFFECTIVE JULY 1, 2005]

This act does not authorize any rehabilitation and repairs to any state buildings, nor does it allow that any obligations be incurred for lands and structures, without the prior approval of the budget director or the director's designee. This SECTION does not apply to contracts for the state universities supported in whole or in part by state funds.

SECTION 22. [EFFECTIVE JULY 1, 2005]

If an agency has an annual appropriation fixed by law, and if the agency also receives an appropriation in this act for the same function or program, the appropriation in this act supersedes any other appropriations and is the total appropriation for the agency for that program or function.

SECTION 23. [EFFECTIVE JULY 1, 2005]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided in this act placed to the credit of any division of the state of Indiana, the powers, duties, and functions whereof are assigned and transferred to any department for salaries, maintenance, operation, construction, or
other expenses in the exercise of such powers, duties, and functions, shall be transferred to the credit of the department to which such assignment and transfer is made, and the same shall be available for the objects and purposes for which appropriated originally.

SECTION 24. [EFFECTIVE JULY 1, 2005]

The director of the division of procurement of the Indiana department of administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of an automobile that is to be paid for from any appropriation made by this act or any other act, unless the following facts are shown to the satisfaction of the commissioner of the Indiana department of administration or the commissioner's designee:

1. In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.

2. In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a greater distance than one thousand (1,000) miles each month or that they are subject to official duty call at all times.

3. In the case of employees, it shall be shown that the major portion of the duties assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment. In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station is not to be considered as a part of the total. Department heads shall annually submit justification for the continued assignment of each vehicle in their department, which shall be reviewed by the commissioner of the Indiana department of administration, or the commissioner's designee. There shall be an insignia permanently affixed on each
side of all state owned cars, designating the cars as being state owned. However, this requirement does not apply to state owned cars driven by elected state officials or to cases where the commissioner of the Indiana department of administration or the commissioner's designee determines that affixing insignia on state owned cars would hinder or handicap the persons driving the cars in the performance of their official duties.

SECTION 25. [EFFECTIVE JULY 1, 2005]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory recommendation. The budget committee may hold hearings and take any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 26. [EFFECTIVE JULY 1, 2005]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 27. [EFFECTIVE JULY 1, 2005]

Federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).
SECTION 28. [EFFECTIVE JULY 1, 2005]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director.

SECTION 29. [EFFECTIVE JULY 1, 2005]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 30. [EFFECTIVE JULY 1, 2005]

Subject to SECTION 25 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2005-2007 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 31. [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]

The following deficiency appropriation for the state fiscal year beginning July 1, 2004, and ending June 30, 2005, is made in addition to the appropriations in P.L.224-2003, SECTION 9:

FOR THE DEPARTMENT OF EDUCATION
DISTRIBUTION FOR TUITION SUPPORT
General Fund
Total Operating Expense
20,000,000
The budget agency shall transfer twenty million dollars ($20,000,000) from the balance that existed as of January 31, 2005, in Account 6000/168900 to the state general fund to fund the deficiency appropriation made by this SECTION. The deficiency appropriation made by this SECTION is not subject to transfer to any other fund or subject to transfer, assignment, or reassignment for any other use or purpose by the state board of finance, notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23, or by the budget agency, notwithstanding IC 4-12-1-12, or any other law.

SECTION 32. [EFFECTIVE JULY 1, 2005]

CONSTRUCTION

For the 2005-2007 biennium, the following amounts, from the funds listed as follows, nstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals and the purchase and sale of land, including equipment for such properties.

State General Fund - Lease Rentals  
243,893,130

State General Fund - Construction  
206,437,414

State Police Building Commission Fund (IC 9-29-1-4)  
10,500,000

Law Enforcement Academy Building Fund (IC 5-2-1-13)  
1,300,000

Cigarette Tax Fund (IC 6-7-1-29.1)  
3,276,500

Vocational Construction Projects Fund (IC 16-33-4-10)  
375,000

Veterans' Home Building Fund (IC 10-17-9-7)  
4,527,332

Post War Construction Fund (IC 7.1-4-8-1)  
28,873,488
Industry and Farm Products Revolving Fund (IC 11-10-6-6)  
110,292  
Regional Health Care Construction Account (IC 4-12-8.5)  
18,738,093  

TOTAL  518,031,249  

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:  

A. GENERAL GOVERNMENT  

FOR THE HOUSE OF REPRESENTATIVES  
House Renovations 150,000  

FOR THE STATE BUDGET AGENCY  
Health and Safety Contingency Fund 5,900,000  
Aviation Technology Center 2,708,109  
Airport Facilities Lease 41,917,375  
Qualitech Capital Lease 5,888,000  
Heartland Steel Capital Lease 2,554,000  

DEPARTMENT OF ADMINISTRATION - PROJECTS  
Preventive Maintenance 4,811,020  
Repair and Rehabilitation 19,300,000  

DEPARTMENT OF ADMINISTRATION - LEASES  
General Fund  
Lease - Government Center North 34,691,616  
Lease - Government Center South 30,909,841  
Lease - State Museum 15,293,975  
Lease - McCarty Street 1,415,653  
Lease - Parking Garages 12,576,651  
Lease - Wabash Valley Correctional 24,324,343.
Lease - Rockville Correctional 7,144,675
Lease - Miami Correctional 31,631,607
Lease - Pendleton Juvenile Correctional 9,334,000
Lease - New Castle Correctional 23,503,285
Regional Health Care Construction Account (IC 4-12-8.5)
Lease - Evansville State Hospital 6,541,168
Lease - Southeast Regional Treatment 6,951,700
Lease - Logansport State Hospital 5,245,225

B. PUBLIC SAFETY

(1) LAW ENFORCEMENT

INDIANA STATE POLICE
State Police Building Commission Fund (IC 9-29-1-4)
Preventive Maintenance 1,014,000
Automobiles 7,046,895
Repair and Rehabilitation 2,439,105

LAW ENFORCEMENT TRAINING BOARD
Law Enforcement Academy Building Fund (IC 5-2-1-13)
Preventive Maintenance 1,170,000
Repair and Rehabilitation 130,000

ADJUTANT GENERAL
Preventive Maintenance 113,400
Repair and Rehabilitation 1,151,700
Gary Army Aviation Support 2,600,000

(2) CORRECTIONS

DEPARTMENT OF CORRECTION - PROJECTS
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 2,323,988

CORRECTIONAL UNITS
Preventive Maintenance 420,000
Repair and Rehabilitation 119,000
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 4,759,500

STATE PRISON
Preventive Maintenance 1,161,322
Post War Construction Fund (IC 7.1-4-8-1)
A&E Fees: Repl.Cellhouse Locking Systems 250,000
Master Plan: New Visitation Building 2,500,000
Master Plan: New Checkpoint/Fencing 1,500,000
Repair and Rehabilitation 6,625,000

PENDLETON CORRECTIONAL FACILITY
Preventive Maintenance 996,396
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 75,000

WOMEN'S PRISON
Preventive Maintenance 273,000
Repair and Rehabilitation 1,000,000
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 550,000

NEW CASTLE CORRECTIONAL FACILITY
Preventive Maintenance 660,660

PUTNAMVILLE CORRECTIONAL FACILITY
Preventive Maintenance 843,022
Post War Construction Fund (IC 7.1-4-8-1)
A&E Visitation/Admin Bldg 287,000
Repair and Rehabilitation 885,000

PLAINFIELD JUVENILE CORRECTIONAL FACILITY
Preventive Maintenance 543,947
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 540,000

INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY
Preventive Maintenance 325,146
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 780,000

BRANCHVILLE CORRECTIONAL FACILITY
Preventive Maintenance 344,870
Post War Construction Fund (IC 7.1-4-8-1)
Repair and Rehabilitation 734,000
WESTVILLE CORRECTIONAL FACILITY
  Preventive Maintenance  1,191,891
  Post War Construction Fund (IC 7.1-4-8-1)  
    Master Plan - Vehicle Repair Building  500,000
    Repair and Rehabilitation  1,700,000
ROCKVILLE CORRECTIONAL FACILITY
  Preventive Maintenance  344,870
PLAINFIELD CORRECTIONAL FACILITY
  Preventive Maintenance  575,751
  Post War Construction Fund (IC 7.1-4-8-1)  
    Repair and Rehabilitation  3,215,000
RECEPTION-DIAGNOSTIC CENTER
  Preventive Maintenance  216,472
  Post War Construction Fund (IC 7.1-4-8-1)  
    Repair and Rehabilitation  1,100,000
PEN PRODUCTS
  Industry and Farm Products Revolving Fund (IC 11-10-6-6)  
    Preventive Maintenance  110,292
CORRECTIONAL INDUSTRIAL FACILITY
  Preventive Maintenance  520,023
  Post War Construction Fund (IC 7.1-4-8-1)  
    Repair and Rehabilitation  250,000
WORK RELEASE CENTERS
  Preventive Maintenance  100,732
WABASH VALLEY CORRECTIONAL FACILITY
  Preventive Maintenance  833,560
  Post War Construction Fund (IC 7.1-4-8-1)  
    Repair and Rehabilitation  299,000
MIAMI CORRECTIONAL FACILITY
  Preventive Maintenance  521,400
PENDLETON JUVENILE CORRECTIONAL FACILITY
  Preventive Maintenance  364,000

C. CONSERVATION AND ENVIRONMENT

DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Preventive Maintenance</td>
<td>266,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Admin. - ADA</td>
<td>1,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>6,500,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FISH AND WILDLIFE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>1,810,863</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F&amp;W - Public Access Land Acq.</td>
<td>817,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>2,555,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FORESTRY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>1,756,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>5,119,650</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MUSEUMS AND HISTORIC SITES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>331,586</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>3,768,520</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NATURE PRESERVES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>134,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>1,093,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OUTDOOR RECREATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>33,306</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>375,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>STATE PARKS AND RESERVOIR MANAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>2,945,654</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parks/Res. - Charlestown</td>
<td>3,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>17,200,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drinking Water and Wastewater Projects</td>
<td>6,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cigarette Tax Fund (IC 6-7-1-29.1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>3,276,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DIVISION OF WATER</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>250,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>925,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dam Repair and Rehabilitation</td>
<td>8,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shafer-Freeman Lakes Dredging Enhancement Project</td>
<td>1,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ENFORCEMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>207,480</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and Rehabilitation</td>
<td>700,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>STATE MUSEUM</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>650,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
D. TRANSPORTATION

AIRPORT DEVELOPMENT

Airport Development 1,200,000

The foregoing allocation for the Indiana department of transportation is for airport development and shall be used for the purpose of assisting local airport authorities and local units of government in matching available federal funds under the airport improvement program and for matching federal grants for airport planning and for the other airport studies. Matching grants of aid shall be made in accordance with the approved annual capital improvements program of the Indiana department of transportation and with the approval of the governor and the budget agency.

PORT COMMISSION

Pier #3 Southwind Maritime Center 1,200,000

E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION
P.L.246—2005

FSSA CONSTRUCTION
    Repair and Rehabilitation 4,200,000

EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER
    Preventive Maintenance 45,000
    Repair and Rehabilitation 950,000

EVANSVILLE STATE HOSPITAL
    Preventive Maintenance 756,756
    Repair and Rehabilitation 57,000

MADISON STATE HOSPITAL
    Preventive Maintenance 971,409

LOGANSPORT STATE HOSPITAL
    Preventive Maintenance 963,144
    Transitional Care Unit 1,300,000
    Boiler Lease Payment 244,180
    Repair and Rehabilitation 3,211,925

RICHMOND STATE HOSPITAL
    Preventive Maintenance 1,210,724
    Repair and Rehabilitation 2,004,468

LARUE CARTER MEMORIAL HOSPITAL
    Preventive Maintenance 1,484,134
    Repair and Rehabilitation 1,500,000

FORT WAYNE STATE DEVELOPMENTAL CENTER
    Preventive Maintenance 1,424,803
    Repair and Rehabilitation 2,000,000

(2) PUBLIC HEALTH

DEPARTMENT OF HEALTH
    Repair and Rehabilitation 130,000

SILVERCREST CHILDREN'S DEVELOPMENT CENTER
    Preventive Maintenance 161,140

SCHOOL FOR THE BLIND
    Preventive Maintenance 565,714

SCHOOL FOR THE DEAF
    Preventive Maintenance 553,120
    Repair and Rehabilitation 72,752
SOLDIERS’ AND SAILORS’ CHILDREN’S HOME

Preventive Maintenance 400,000
Repair and Rehabilitation 645,536

Vocational Construction Projects Fund (IC 16-33-4-10)
Repair and Rehabilitation 375,000

(3) VETERANS’ AFFAIRS

INDIANA VETERANS’ HOME
Veterans’ Home Building Fund (IC 10-17-9-7)
Preventive Maintenance 1,000,000
Repair and Rehabilitation 3,527,332

F. EDUCATION

HIGHER EDUCATION

INDIANA UNIVERSITY - TOTAL SYSTEM
General Repair and Rehab 20,933,720

PURDUE UNIVERSITY - TOTAL SYSTEM
General Repair and Rehab 16,611,550
IPFW Student Services Building and Library A&E 2,400,000

INDIANA STATE UNIVERSITY
General Repair and Rehab 4,122,676

UNIVERSITY OF SOUTHERN INDIANA
General Repair and Rehab 800,828

BALL STATE UNIVERSITY
General Repair and Rehab 5,242,038

VINCENNES UNIVERSITY
General Repair and Rehab 2,008,410
Steamline Replacement 2,500,000
Electrical Substation 1,000,000

IVY TECH STATE COLLEGE
General Repair and Rehab 1,473,652
Planning - Greencastle Campus Expansion 250,000
Ft. Wayne Technology Center A&E 2,500,000
Ft. Wayne Public Safety Training Center Lease    1,000,000

SECTION 33. [EFFECTIVE JULY 1, 2005]

The budget agency may employ one (1) or more architects or engineers to inspect construction, rehabilitation, and repair projects covered by the appropriations in this act or previous acts.

SECTION 34. [EFFECTIVE JULY 1, 2005]

If any part of a construction or rehabilitation and repair appropriation made by this act or any previous acts has not been allotted or encumbered before the expiration of two (2) biennia, the budget agency may determine that the balance of the appropriation is not available for allotment. The appropriation may be terminated, and the balance may revert to the fund from which the original appropriation was made.

SECTION 35. [EFFECTIVE UPON PASSAGE]

The budget agency may retain balances in the mental health fund at the end of any fiscal year to ensure there are sufficient funds to meet appropriations for state developmental centers in any subsequent year.

SECTION 36. [EFFECTIVE JULY 1, 2005]

(a) If the budget director determines at any time during the biennium that the executive branch of state government cannot meet its statutory obligations due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with the approval of the governor and after review by the budget committee, may transfer from the counter-cyclical revenue and economic stabilization fund to the general fund an amount necessary to maintain a positive balance in the general fund.

(b) The budget agency shall transfer one hundred million dollars
($100,000,000) into the counter-cyclical revenue and economic stabilization fund during the state fiscal year ending June 30, 2007, unless the budget agency determines there is an insufficient balance in the general fund to make the transfer.

(c) This SECTION expires July 2, 2007.

SECTION 37. IC 4-1-8-1, AS AMENDED BY HEA 1288-2005, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

(1) Department of state revenue.
(2) Department of workforce development.
(3) The programs administered by:
   (A) the division of family and children;
   (B) the division of mental health and addiction;
   (C) the division of disability, aging, and rehabilitative services; and
   (D) the office of Medicaid policy and planning;
   of the office of the secretary of family and social services.
(4) Auditor of state.
(5) State personnel department.
(6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.
(7) The legislative ethics commission, with respect to the registration of lobbyists.
(8) Indiana department of administration, with respect to bidders on contracts.
(9) Indiana department of transportation, with respect to bidders on contracts.
(10) Health professions bureau.
(11) Indiana professional licensing agency.
(12) Indiana Department of insurance, with respect to licensing of insurance producers.
(13) A pension fund administered by the board of trustees of the
public employees' retirement fund.
(14) The Indiana state teachers' retirement fund.
(15) The state police benefit system.
(16) The alcohol and tobacco commission.
(b) The bureau of motor vehicles may, notwithstanding this chapter,
require the following:
(1) That an individual include the individual's Social Security
number in an application for an official certificate of title for any
vehicle required to be titled under IC 9-17.
(2) That an individual include the individual's Social Security
number on an application for registration.
(3) That a corporation, limited liability company, firm,
partnership, or other business entity include its federal tax
identification number on an application for registration.
(c) The Indiana department of administration, the Indiana
department of transportation, the health professions bureau, and the
Indiana professional licensing agency may require an employer to
provide its federal employer identification number.
(d) The department of correction may require a committed offender
to provide the offender's Social Security number for purposes of
matching data with the Social Security Administration to determine
benefit eligibility.
(e) The Indiana gaming commission may, notwithstanding this
chapter, require the following:
(1) That an individual include the individual's Social Security
number in any application for a riverboat owner's license,
supplier's license, or occupational license.
(2) That a sole proprietorship, a partnership, an association, a
fiduciary, a corporation, a limited liability company, or any other
business entity include its federal tax identification number on an
application for a riverboat owner's license or supplier's license.
(f) Notwithstanding this chapter, the professional standards board
department of education established by IC 20-28-2-1 IC 20-19-3-1
may require an individual who applies to the board department for a
license or an endorsement to provide the individual's Social Security
number. The Social Security number may be used by the board department only for conducting a background investigation, if the board department is authorized by statute to conduct a background
investigation of an individual for issuance of the license or endorsement.

SECTION 38. IC 4-3-22 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 22. Office of Management and Budget
Sec. 1. The state will benefit from devoting adequate resources to do the following:
   (1) Gather and coordinate data in a timely manner.
   (2) Perform comprehensive and detailed budgeting analysis.
   (3) Put in place comprehensive and effective budgeting practices.
   (4) Coordinate all functions related to budgeting and controlling spending in state government.
   (5) Perform comprehensive and detailed financial analysis.
   (6) Perform comprehensive financial oversight.
   (7) Ensure that effective financial management policies are implemented throughout state government.
   (8) Perform comprehensive and detailed performance analysis.
   (9) Ascertain whether the burdens imposed by laws and rules are justified by their benefits using a rigorous cost benefit analysis.
   (10) Measure the performance of government activities.

Sec. 2. As used in this chapter, "director" means the director of the office of management and budget established by this chapter.

Sec. 3. (a) To address the needs set forth in section 1 of this chapter, there is established the office of management and budget, which is referred to in this chapter as the "OMB".
   (b) The OMB shall have a director who is the chief financial officer of the state. The director shall report directly to the governor.

Sec. 4. The director is responsible and accountable for and has authority over the following:
   (1) All functions performed by the following:
       (A) The budget agency.
       (B) The department of state revenue.
       (C) The department of local government finance.
       (D) The Indiana finance authority.
The directors of these agencies, departments, and offices shall report to the director and administer their offices and agencies in compliance with the policies and procedures related to fiscal management that are established by the OMB and approved by the governor.

(2) All budgeting, accounting, and spending functions within the various agencies, departments, and programs of state government.

Sec. 5. The director may serve as the budget director of the budget agency under IC 4-12-1-3 unless the governor appoints another individual to serve as the budget director. If the director also serves as the budget director, the director is not entitled to receive any salary or other compensation as budget director.

Sec. 6. (a) The division of government efficiency and financial planning is established within the OMB. The director shall appoint, subject to the approval of the governor, a director of the division, who serves at the pleasure of the director of OMB.

(b) The division shall conduct operational and procedural audits of state government, perform financial planning, design and implement efficiency projects, and carry out such other responsibilities as may be designated by the director.

Sec. 7. The OMB shall assist the governor in the articulation, development, and execution of the governor's policies and programs on fiscal management.

Sec. 8. The OMB shall assist and represent the governor in the development and review of all policy, legislative, and rulemaking proposals affecting capital budgeting, procurement, e-government, and other matters related to fiscal management.

Sec. 9. The OMB shall harmonize agency views on legislation and facilitate the negotiation of policy positions for the governor.

Sec. 10. The OMB shall provide expertise to the governor for budget decision making and negotiations.

Sec. 11. The OMB shall analyze trends in and the consequences of aggregate budget policy.

Sec. 12. The OMB shall establish metrics for measuring state government performance and efficiency.

Sec. 13. (a) The OMB shall perform a cost benefit analysis upon each proposed rule and provide to:

(1) the governor; and
(2) the administrative rules oversight committee established under IC 2-5-18;
an assessment of the rule's effect on Indiana business.

(b) After June 30, 2005, the cost benefit analysis performed by the OMB under this section with respect to any proposed rule that has an impact of at least five hundred thousand dollars ($500,000) shall replace and be used for all purposes under IC 4-22-2 in lieu of the fiscal analysis previously performed by the legislative services agency under IC 4-22-2.

Sec. 14. All instrumentalities, agencies, authorities, boards, commissions, and officers of the executive, including the administrative, department of state government, and all bodies corporate and politic established as instrumentalities of the state shall:

(1) comply with the policies and procedures related to fiscal management that are established by the OMB and approved by the governor; and

(2) cooperate with and provide assistance to the OMB.

Sec. 15. All state agencies (as defined in IC 4-12-1-2) shall, in addition to complying with all statutory duties applicable to state purchasing, be accountable to the OMB for adherence to policies, procedures, and spending controls established by the OMB and approved by the governor.

SECTION 39. IC 4-9.1-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The board may transfer money between state funds, and the board may transfer money between appropriations for any board, department, commission, office, or benevolent or penal institution of the state. After the transfer is made the money of the fund or appropriation transferred is not available to the fund or the board, department, commission, office, or benevolent or penal institution from which it was transferred.

(b) In addition to a transfer under subsection (a), the board may transfer money from an appropriation for any board, department, commission, office, or benevolent or penal institution of the state to the Indiana economic development corporation.

(++) (c) An order by the board to make a transfer under this section is sufficient authority for the making of appropriate entries showing the transfer on the books of the auditor of state and treasurer of state.
The authority given the board under this section to make transfers does not apply to trust funds. For the purposes of this section, "trust fund" means a fund which by the constitution or by statute has been designated as a trust fund or a fund which has been determined by the board to be a trust fund.

SECTION 40. IC 4-12-1-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. Federal funds received by an instrumentality are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this chapter and other laws concerning the acceptance, disbursement, review, and approval of grants, loans, and gifts made by the federal government or any other source to the state or its agencies apply to instrumentalities.

SECTION 41. IC 4-20.5-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The agency head of a transferring agency must do the following:

1. Find that the property is surplus to the needs of the agency.
2. Notify the department that the agency wants to transfer the property.
3. Provide the details of the proposed transfer as required by the department.
4. Submit a request to the budget agency, in writing, approval of that the governor to approve the transfer of the property.

Subdivisions (1) and (4) do not apply to a lease of state property.

SECTION 42. IC 4-20.5-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) If the commissioner finds that another agency or a state educational institution can use the property, the Surplus property may, under the policies prescribed by the budget agency, be transferred to the other another agency or the a state educational institution.

(b) The policies of the budget agency must include a requirement that the agency head of the accepting agency or the state educational institution must do the following:

1. Find that the property is necessary or convenient to the accepting agency's or state educational institution's use or purpose.
2. Request, in writing, approval of the governor to transfer
possession of the property from the transferring agency.
(c) With the approval of the budget agency, the accepting agency or state educational institution may transfer funds to the transferring agency in consideration of the transfer.
(d) The offer to the transferring agency must remain open for thirty (30) days after the offer was made. If an offer has not been rejected or accepted by the agency within thirty (30) days, the department may dispose of the property as otherwise permitted under this chapter.

SECTION 43. IC 4-24-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. For all claims that the Plainfield Juvenile Correctional Facility or the Indianapolis Juvenile Correctional Facility department of correction may have against any county for the payment of the county’s portion of the cost of the maintenance of any inmate of such a juvenile institution which inmate who was admitted to such the institution from such that county, the superintendent of such the institution shall make out an account therefor against such the county, in a manner as hereinafter provided in this chapter.

SECTION 44. IC 4-24-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) From and after January 1, 1953, such Accounts of state institutions as are described in sections 1 2, and 3 of this chapter shall be paid as follows:
(1) All such accounts shall be signed by the superintendent of such institution, attested to by the seal of the institution, and forwarded to the auditor of the county for payment from which county the inmate or patient was admitted.
(2) All accounts accruing between January 1 and June 30 of each year shall be forwarded to the county auditor on or before October 1 of such year.
(3) All accounts accruing between July 1 and December 31 of each year shall be forwarded to the county auditor on or before April 1 of the following year.
(4) Upon receipt of any such account, the county auditor shall draw a warrant on the treasurer of the county for the payment of the account, and the same shall be paid out of the funds of the county appropriated therefor.
(5) The county council of each county of the state shall annually appropriate sufficient funds to pay such accounts.
(b) All accounts of state institutions described in section 2 of this chapter shall be paid as follows:

1. All such accounts shall be signed by the superintendent of the institution, attested to by the seal of the institution, and forwarded to the auditor of the county for payment from the county from which the inmate was admitted.

2. All accounts accruing after December 31 and before April 1 of each year shall be forwarded to the county auditor on or before May 15 of that year.

3. All accounts accruing after March 31 and before July 1 of each year shall be forwarded to the county auditor on or before August 15 of that year.

4. All accounts accruing after June 30 and before October 1 of each year shall be forwarded to the county auditor on or before November 15 of that year.

5. All accounts accruing after September 30 and before January 1 of each year, and any reconciliations for previous periods, shall be forwarded to the county auditor on or before March 15 of the following year.

6. Upon receipt of an account, the county auditor shall draw a warrant on the treasurer of the county for the payment of the account, which shall be paid from the funds of the county that were appropriated for the payment.

7. The county council of each county shall annually appropriate sufficient funds to pay these accounts.

If a county has not paid an account within six (6) months after the account is forwarded under this subsection, the auditor of state shall, notwithstanding anything to the contrary in IC 6-1.1-21, reduce the next distribution of property tax replacement credits under IC 6-1.1-21 to the county and withhold the amount owed on the account. The auditor of state shall credit the withheld amount to the state general fund for the purpose of curing the default. The account is then considered paid. A county that has the county’s distribution reduced under this subsection shall apply the withheld amount only to the county unit’s share of the distribution and may not reduce a distribution to any other civil taxing unit or school corporation within the county.

SECTION 45. IC 4-30-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The commission
shall transfer the surplus revenue in the administrative trust fund as follows:

(1) Before the last business day of January, April, July, and October, the commission shall transfer to the treasurer of state, for deposit in the Indiana state teachers' retirement fund (IC 21-6.1-2), before July 1, 2005, seven million five hundred thousand dollars ($7,500,000). and after June 30, 2005, an amount equal to the lesser of:

(A) seven million five hundred thousand dollars ($7,500,000); or

(B) the additional quarterly contribution needed so that the ratio of the unfunded liability of the Indiana state teachers' retirement fund compared to total active teacher payroll is as close as possible to but not greater than the ratio that existed on the preceding July 1.

After June 30; 2003; and before July 1; 2005; the amount deposited in a state fiscal year under this subdivision in the Indiana state teachers' retirement fund (IC 21-6.1-2) shall only be used by the board to reduce the employer contribution rate that school corporations would otherwise pay after June 30; 2003; and before July 1; 2005; to the Indiana state teachers' retirement fund (IC 21-6.1-2); as computed under IC 5-10.2-2 and certified under IC 21-6.1-7-12; for teachers covered by the 1996 account; including a proportionate share of administration expenses for the 1996 account; On or before June 15; 2005; and June 15 of each year thereafter; the board of trustees of the Indiana state teachers' retirement fund shall submit to the treasurer of state; each member of the pension management oversight commission; and the auditor of state its estimate of the quarterly amount needed to freeze the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) as a percent of payroll. The estimate shall be based on the most recent actuarial valuation of the fund: Notwithstanding any other law, including any appropriations law resulting from a budget bill (as defined in IC 4-12-1-2), after June 30; 2005; the money transferred under this subdivision shall be set aside in a special account the pension stabilization fund (IC 21-6.1-2-8) to be used as a credit against the unfunded accrued liability of the pre-1996 account (as defined in
IC 21-6.1-1-6.9) of the Indiana state teachers' retirement fund. The money transferred is in addition to the appropriation needed to pay benefits for the state fiscal year.

(2) Before the last business day of January, April, July, and October, the commission shall transfer:

(A) two million five hundred thousand dollars ($2,500,000) of the surplus revenue to the treasurer of state for deposit in the "k" portion of the pension relief fund (IC 5-10.3-11); and

(B) five million dollars ($5,000,000) of the surplus revenue to the treasurer of state for deposit in the "m" portion of the pension relief fund (IC 5-10.3-11).

(3) The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) and (2) shall be transferred by the commission to the treasurer of state for deposit on that day in the build Indiana fund.

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1) and (a)(2). Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1) and (a)(2) shall be transferred to the build Indiana fund.

SECTION 46. IC 4-33-13-5, AS AMENDED BY HEA 1398-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the
riverboat from which the tax revenue was collected, in the case of:
   (i) a city described in IC 4-33-12-6(b)(1)(A); or
   (ii) a city located in a county having a population of more
       than four hundred thousand (400,000) but less than seven
       hundred thousand (700,000); or
   (B) to the county that is designated as the home dock of the
       riverboat from which the tax revenue was collected, in the case
       of a riverboat whose home dock is not in a city described in
       clause (A).
(3) Subject to subsection (d), the remainder of the tax revenue
    remitted by each licensed owner shall be paid to the property tax
    replacement fund. In each state fiscal year, beginning after June
    30, 2003, the treasurer of state shall make the transfer required by
    this subdivision not later than the last business day of the month
    in which the tax revenue is remitted to the state for deposit in the
    state gaming fund. However, if tax revenue is received by the
    state on the last business day in a month, the treasurer of state
    may transfer the tax revenue to the property tax replacement fund
    in the immediately following month.
(b) This subsection applies only to tax revenue remitted by an
    operating agent operating a riverboat in a historic hotel district. After
    funds are appropriated under section 4 of this chapter, each month the
    treasurer of state shall distribute the tax revenue deposited in the state
    gaming fund under this chapter as follows:
   (1) Thirty-seven and one half percent (37.5%) shall be paid to the
       property tax replacement fund established under IC 6-1.1-21.
   (2) Thirty-seven and one-half percent (37.5%) shall be paid to the
       West Baden Springs historic hotel preservation and maintenance
       fund established by IC 36-7-11.5-11(b). However, at any time the
       balance in that fund exceeds twenty million dollars
       ($20,000,000), the amount described in this subdivision shall be
       paid to the property tax replacement fund established under
       IC 6-1.1-21.
   (3) Five percent (5%) shall be paid to the historic hotel
       preservation commission established under IC 36-7-11.5.
   (4) Ten percent (10%) shall be paid in equal amounts to each
town that:
(A) is located in the county in which the riverboat docks; and
(B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town’s tourism commission.

(5) Ten percent (10%) shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:
(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

1. exceeds a particular city's or county's base year revenue; and

2. would otherwise be due to the city or county under this section;

and transfer the amount to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars ($250,000,000):

1. Surplus lottery revenues under IC 4-30-17-3.
2. Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.
3. Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build
Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of 2003 and each year, thereafter, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

1. To each city located in the county according to the ratio the city's population bears to the total population of the county.
2. To each town located in the county according to the ratio the town's population bears to the total population of the county.
3. After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) (g) may be used for any of the following purposes:

1. To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
2. For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property tax replacement in property tax increment allocation areas or debt repayment.
3. To fund sewer and water projects, including storm water management projects.
4. For police and fire pensions.
5. To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of 2003 and each year,
thereafter, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to: the difference between

1. the entity's base year revenue (as determined under IC 4-33-12-6); and minus

2. the sum of:
   - (A) the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6; plus
   - (B) any amounts deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

1. To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
2. To each town located in the county according to the ratio that the town's population bears to the total population of the county.
3. After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

SECTION 47. IC 5-10-8-7.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.3. (a) As used in this section, "covered individual" means an individual who is:

1. covered under a self-insurance program established under section 7(b) of this chapter to provide group health coverage; or
2. entitled to services under a contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(b) As used in this section, "early intervention services" means services provided to a first steps child under IC 12-17-15-3 and 20 U.S.C. 1432(4).
(c) As used in this section, "first steps child" means an infant or toddler from birth through two (2) years of age who is enrolled in the Indiana first steps program and is a covered individual.

(d) As used in this section, "first steps program" refers to the program established under IC 12-17-15 and 20 U.S.C. 1431 et seq. to meet the needs of:

1. children who are eligible for early intervention services; and
2. their families.

The term includes the coordination of all available federal, state, local, and private resources available to provide early intervention services within Indiana.

(e) As used in this section, "health benefits plan" means a:

1. self-insurance program established under section 7(b) of this chapter to provide group health coverage; or
2. contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(f) A health benefits plan that provides coverage for early intervention services shall reimburse the first steps program for payments made by the program for early intervention services that are covered under the health benefits plan.

(g) The reimbursement required under subsection (f) is limited to an annual maximum benefit of three thousand five hundred dollars ($3,500) per first steps child.

(h) The reimbursement required under subsection (f) may not be applied to any annual or aggregate lifetime limit on the first steps child's coverage under the health benefits plan.

(i) The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. A health benefits plan shall apply any payments made by the first steps program to the health benefits plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health benefits plan.

SECTION 48. IC 5-10.2-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The funds may employ a common actuary or actuarial service.

(b) At least once in every five (5) years and in every year in which this article is amended so that benefits are changed, the actuary shall make a separate actuarial investigation for each fund and for the 1996
account of the mortality, service, and compensation experience of the members and their beneficiaries and shall make a valuation of the assets and liabilities of the fund or account, using the "entry-age normal cost" method.

(c) The actuarial investigation must include in the determination of the liability and the rates of contribution the amount necessary to fully fund past and estimated future cost of living increases for members of the public employees' retirement fund amortized over thirty (30) years. The actuary shall consult with the budget agency in making this determination.

SECTION 49. IC 5-10.2-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Based on the actuarial investigation and valuation in section 9 of this chapter, each board shall determine:

(1) the normal contribution for the employer, which is the amount necessary to fund the pension portion of the retirement benefit;
(2) the rate of normal contribution;
(3) the unfunded accrued liability of the public employees' retirement fund, the pre-1996 account, and the 1996 account, which is the excess of total accrued liability over the fund's or account's total assets, respectively; and
(4) the rates of contribution for the state expressed as a proportion of compensation of members, which would be necessary to:
   (A) amortize the unfunded accrued liability of the state for thirty (30) years or for the a shorter time period requested by the budget agency or the governor; and
   (B) prevent the state's unfunded accrued liability from increasing.

(b) Based on the information in subsection (a), each board may determine, in its sole discretion, contributions and contribution rates for individual employers or for a group of employers.

(c) The board's determinations under subsection (a) are subject to section 1.5 of this chapter.

SECTION 50. IC 5-10.2-5-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) This section does not apply to a member of the public employees' retirement fund (or to a survivor or beneficiary of a member of the public employees' retirement fund) whose creditable service was earned only as an elected
(b) In addition to any other cost of living increase provided under
this chapter, the pension portion (plus postretirement increases to the
pension portion) provided by employer contributions of the monthly
benefit payable after December 31, 2003, to a member of the
public employees' retirement fund (or to a survivor or beneficiary of a
member of the public employees' retirement fund) who was a retired
member of the fund with at least ten (10) years of creditable service
and was entitled to receive a monthly benefit on December 1, 2003;
2004, may not be less than one hundred eighty dollars ($180).

(c) The increases specified in this section:
(1) are based upon the date of the member's latest retirement or
disability;
(2) do not apply to benefits payable in a lump sum; and
(3) are in addition to any other increase provided by law.

SECTION 51. IC 5-10.2-5-38 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 38. (a) The pension portion (plus
postretirement increases to the pension portion) provided by
employer contributions of the monthly benefit payable after
December 31, 2005, to a member of the public employees'
retirement fund (or to a survivor or beneficiary of a member of the
public employees' retirement fund) who retired or was disabled:
(1) before July 2, 1990, shall be increased by two percent
(2%); and
(2) after July 1, 1990, and before January 1, 2005, shall be
increased by one and one-half percent (1.5%).

(b) The increases specified in this section:
(1) are based on the date of the member's latest retirement or
disability;
(2) do not apply to benefits payable in a lump sum; and
(3) are in addition to any other increase provided by law.

SECTION 52. IC 5-10.2-5-39 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 39. (a) The pension portion (plus
postretirement increases to the pension portion) provided by
employer contributions of the monthly benefit payable after
December 31, 2005, to a member of the Indiana state teachers'
(1) before July 2, 1990, shall be increased by two percent (2%); and
(2) after July 1, 1990, and before July 2, 2003, shall be increased by one percent (1%).

(b) The increases specified in this section:
(1) are based on the date of the member's latest retirement or disability;
(2) do not apply to benefits payable in a lump sum; and
(3) are in addition to any other increase provided by law.

SECTION 53. IC 5-11-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 1. There is established a state board of accounts. The board consists of the state examiner and two (2) deputy examiners as provided in this section. The principal officer of the board is the state examiner, who shall be appointed by the governor and who shall hold office for a term of four (4) years from the date of appointment. The state examiner must be a certified public accountant with at least seven (7) three (3) consecutive years of active experience as a field examiner with the state board of accounts that immediately precedes the appointment as state examiner. The governor shall also appoint two (2) deputy examiners, who must have the same qualifications as the state examiner, be of different political parties, and be subordinate to the state examiner. The deputy examiners shall be appointed for terms of four (4) years. The state examiner and the deputy examiners are subject to removal by the governor for incompetency or for misconduct of the office, after a hearing upon due notice and upon stated charges in writing. An appeal may be taken by the officer removed to the circuit or a superior court of Marion County.

SECTION 54. IC 5-22-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 4. (a) An offeror that is a foreign corporation must be registered with the secretary of state to do business in Indiana in order to be considered responsible.

(b) This subsection applies to a purchase of supplies or services for a state agency under a contract entered into or purchase order sent to an offeror (in the absence of a contract) after June 30, 2003, including a purchase described in IC 5-22-8-2 or IC 5-22-8-3. A state agency may
not purchase property or services from a person that is delinquent in the payment of amounts due from the person under IC 6-2.5 (gross retail and use tax) unless the person provides a statement from the department of state revenue that the person's delinquent tax liability:

(1) has been satisfied; or

(2) has been released under IC 6-8.1-8-2.

(c) Except as provided in subsection (d), the purchasing agent may award a contract to an offeror pending the offeror's registration with the secretary of state. If, in the judgment of the purchasing agent, the offeror has not registered within a reasonable period, the purchasing agent shall cancel the contract. An offeror has no cause of action based on the cancellation of a contract under this subsection.

(d) This subsection applies only to a contract awarded by a state agency. In order to be considered responsible, an offeror that is a business required to register with the secretary of state must have registered with the secretary of state at least forty-five (45) days before the solicitation for the purchase was issued.

SECTION 55. IC 5-22-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in section 7.5 of this chapter, surplus property available for sale shall first may, under the policies prescribed by the budget agency, be offered for sale to political subdivisions. The policies of the budget agency must require that if the property is in the possession of the Indiana department of transportation and is to be offered to political subdivisions, the commissioner shall notify each supervisor of county highways appointed under IC 8-17-3-1 of the sale.

(b) Notice of the sale shall be mailed or provided by another means at least fifteen (15) days before the date of the sale to each county auditor and to each political subdivision that has previously requested notice of the sale from the commissioner. Information regarding the sale shall also be made available at any time before the sale to political subdivisions upon request.

(c) A political subdivision that wants to purchase the property must deliver a sealed bid to the commissioner before the date of the sale to political subdivisions:

(d) The department shall sell the surplus property to the highest responsible governmental bidder. The commissioner shall determine a market price for the surplus property that is stated in the notice of the
sale: The department shall sell the surplus property to the highest governmental bidder whose bid equals or exceeds the market price determined by the commissioner.

(e) The department shall deliver possession of the surplus property to the governmental bidder after the bidder approves a claim for payment submitted by the department.

SECTION 56. IC 5-22-21-7.5, AS AMENDED BY HEA 1288-2005, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) This section applies to surplus computer hardware that:

(1) is not usable by a state agency as determined under section 6 of this chapter; and

(2) has market value.

(b) As used in this section, "educational entity" refers to the following:

(1) A school corporation as defined in IC 36-1-2-17 or nonpublic schools as defined in IC 20-10.1-1-3 before July 1, 2005, or IC 20-18-2-12.

(2) The corporation for educational technology described in IC 20-10.1-25.1 before July 1, 2005, or IC 20-20-15.

(c) As used in this section, "market value" means the value of the property is more than the estimated costs of sale and transportation of the property.

(d) Surplus computer hardware available for sale must be offered first to an educational entity. Notice of the sale must be given to the corporation for educational technology and to each school corporation through publication in a publication of the department of education or other appropriate association or department.

(e) Sealed bids shall be delivered by educational entities to the office of the commissioner before the date of the sale to educational entities. Surplus personal property shall be sold to the highest responsible bidder as determined by the commissioner. The department shall deliver possession of the surplus property to the successful bidder after the bidder submits an executed purchase order to the department.

(f) If the surplus computer hardware:

(1) is not sold to an educational entity under this section; and

(2) had an original purchase price of more than two thousand five
hundred dollars ($2,500);
the property shall be offered for sale to political subdivisions as described in section 7 of this chapter.

SECTION 57. IC 5-22-21-7.5, AS AMENDED BY HEA 1288-2005, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) This section applies to surplus computer hardware that:

(1) is not usable by a state agency as determined under section 6 of this chapter; and
(2) has market value.

(b) As used in this section, "educational entity" refers to the following:

(1) A school corporation as defined in IC 36-1-2-17 or nonpublic schools as defined in IC 20-18-2-12.
(2) The corporation for educational technology described in IC 20-20-15.

(c) As used in this section, "market value" means the value of the property is more than the estimated costs of sale and transportation of the property.

(d) Surplus computer hardware available for sale must may, under the policies prescribed by the budget agency, be offered first to an educational entity. Notice of the sale must be given to the corporation for educational technology and to each school corporation through publication in a publication of the department of education or other appropriate association or department.

(e) Sealed bids shall be delivered by educational entities to the office of the commissioner before the date of the sale to educational entities. Surplus personal property shall be sold to the highest responsible bidder as determined by the commissioner. The department shall deliver possession of the surplus property to the successful bidder after the bidder submits an executed purchase order to the department.

(f) If the surplus computer hardware:

(1) is not sold to an educational entity under this section; and
(2) had an original purchase price of more than two thousand five hundred dollars ($2,500);
the property shall be offered for sale to political subdivisions as described in section 7 of this chapter.

SECTION 58. IC 5-30-1-11, AS ADDED BY SEA 244-2005,
SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) "Public agency" means:
   (1) a state agency (as defined in IC 4-13-1-1);
   (2) a state educational institution (as defined in IC 20-12-0.5-1);
   (3) a unit (as defined in IC 36-1-2-23); or
   (4) a body corporate and politic created by state statute; or
   (5) a school corporation (as defined in IC 20-26-2-4).

   (b) The term does not include the Indiana department of transportation.

SECTION 59. IC 6-1.1-3-23, AS AMENDED BY SEA 327-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: Sec. 23. (a) For purposes of this section:

   (1) "adjusted cost" refers to the adjusted cost established in 50 IAC 4.2-4-4 (as in effect on January 1, 2003);
   (2) "depreciable personal property" has the meaning set forth in 50 IAC 4.2-4-1 (as in effect on January 1, 2003);
   (3) "integrated steel mill" means a person, including a subsidiary of a corporation, that produces steel by processing iron ore and other raw materials in a blast furnace in Indiana;
   (4) "oil refinery/petrochemical company" means a person that produces a variety of petroleum products by processing an annual average of at least one hundred thousand (100,000) barrels of crude oil per day;
   (5) "permanently retired depreciable personal property" has the meaning set forth in 50 IAC 4.2-4-3 (as in effect on January 1, 2003);
   (6) "pool" refers to a pool established in 50 IAC 4.2-4-5(a) (as in effect on January 1, 2003);
   (7) "special integrated steel mill or oil refinery/petrochemical equipment" means depreciable personal property, other than special tools and permanently retired depreciable personal property:

      (A) that:

      (i) is owned, leased, or used by an integrated steel mill or an entity that is at least fifty percent (50%) owned by an affiliate of an integrated steel mill; and
      (ii) falls within Asset Class 33.4 as set forth in IRS Rev.
(B) that:
   (i) is owned, leased, or used as an integrated part of an oil refinery/petrochemical company or its affiliate; and
   (ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS Rev. Proc. 87-56, 1987-2, C.B. 647;

(8) "special tools" has the meaning set forth in 50 IAC 4.2-6-2 (as in effect on January 1, 2003); and

(9) "year of acquisition" refers to the year of acquisition determined under 50 IAC 4.2-4-6 (as in effect on January 1, 2003).

(b) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50 IAC 4.2-4-7, a taxpayer may elect to calculate the true tax value of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment by multiplying the adjusted cost of that equipment by the percentage set forth in the following table:

<table>
<thead>
<tr>
<th>Year of Acquisition</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>40%</td>
</tr>
<tr>
<td>2</td>
<td>56%</td>
</tr>
<tr>
<td>3</td>
<td>42%</td>
</tr>
<tr>
<td>4</td>
<td>32%</td>
</tr>
<tr>
<td>5</td>
<td>24%</td>
</tr>
<tr>
<td>6</td>
<td>18%</td>
</tr>
<tr>
<td>7</td>
<td>15%</td>
</tr>
<tr>
<td>8 and older</td>
<td>10%</td>
</tr>
</tbody>
</table>

(c) The department of local government finance shall designate the table under subsection (b) as "Pool No. 5" on the business personal property tax return.

(d) The percentage factors in the table under subsection (b) automatically reflect all adjustments for depreciation and obsolescence, including abnormal obsolescence, for special integrated steel mill or oil refinery/petrochemical equipment. The equipment is entitled to all exemptions, credits, and deductions for which it qualifies.

(e) The minimum valuation limitations under 50 IAC 4.2-4-9 do not apply to special integrated steel mill or oil refinery/petrochemical equipment valued under this section. The value of the equipment is not included in the calculation of that minimum valuation limitation for the taxpayer's other assessable depreciable personal property in the taxing
P.L.246—2005 4545

district.

(f) An election to value special integrated steel mill or oil refinery/petrochemical equipment under this section:

(1) must be made by reporting the equipment under this section on a business personal property tax return;

(2) applies to all of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment located in the state (whether owned or leased, or used as an integrated part of the equipment); and

(3) is binding on the taxpayer for the assessment date for which the election is made.

The department of local government finance shall prescribe the forms to make the election beginning with the March 1, 2003, assessment date. Any special integrated steel mill or oil refinery/petrochemical equipment acquired by a taxpayer that has made an election under this section is valued under this section.

(g) If fifty percent (50%) or more of the adjusted cost of a taxpayer's property that would, notwithstanding this section, be reported in a pool other than Pool No. 5 is attributable to special integrated steel mill or oil refinery/petrochemical equipment, the taxpayer may elect to calculate the true tax value of all of that property as special integrated steel mill or oil refinery/petrochemical equipment. The true tax value of property for which an election is made under this subsection is calculated under subsections (b) through (f).

SECTION 60. IC 6-1.1-19-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) "Adjustment factor" means the adjustment factor determined by the department of local government finance for a school corporation under IC 6-1.1-34.

(2) "Adjusted target property tax rate" means:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the school corporation's adjustment factor.

(3) "Previous year property tax rate" means the part of the school corporation's previous year general fund property tax rate after the reductions cited in IC 21-3-1.7-5(1); IC 21-3-1.7-5(2); and IC 21-3-1.7-5(3): imposed for the school corporation's tuition
support levy (as defined in IC 21-3-1.7-5), but before the reductions in IC 21-3-1.7-5.

(b) Except as otherwise provided in this chapter, a school corporation may not for a calendar year beginning after December 31, 2004 impose a general fund ad valorem property tax levy which exceeds the following:

STEP ONE: Determine the result of:

(A) the school corporation's adjusted target property tax rate; minus

(B) the school corporation's previous year property tax rate.

STEP TWO: If the school corporation's adjusted target property tax rate:

(A) exceeds the school corporation's previous year property tax rate, perform the calculation under STEP THREE and not under STEP FOUR; result under this STEP for the school corporation is the school corporation's previous year property tax rate after increasing the rate by the lesser of:

(i) the STEP ONE result; or

(ii) three cents ($0.03); or

(B) is less than the school corporation's previous year property tax rate, perform the calculation under STEP FOUR and not under STEP THREE; result under this STEP is the school corporation's previous year property tax rate after reducing the rate by the lesser of:

(i) the absolute value of the STEP ONE result; or

(ii) eight cents ($0.08); or

(C) equals the school corporation's previous year property tax rate, determine the levy resulting from using result under this STEP is the school corporation's adjusted target property tax rate, and do not perform the calculation under STEP THREE or STEP FOUR.

STEP THREE: Determine the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by the lesser of:

(A) the STEP ONE result; or

(B) five cents ($0.05).

STEP FOUR: Determine the levy resulting from using the school corporation's previous year property tax rate after reducing the
rate by the lesser of:

(A) the absolute value of the STEP ONE result; or
(B) five cents ($0.05).

STEP THREE: Divide the school corporation’s total assessed value by one hundred dollars ($100).

STEP FOUR: Multiply the STEP TWO result by the STEP THREE result.

STEP FIVE: Determine the result sum of the following:

(A) The STEP TWO (C), STEP THREE, or STEP FOUR result, whichever applies; plus
(B) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.
(C) The part of the maximum general fund levy is to include for the portion of any excessive levy and year that equals the original amount of the levy for the school corporation to cover the costs of opening a new facilities school facility or reopening an existing facility during the preceding year.
(D) The amount determined under item (iv) of the following formula:

(i) Determine the target revenue per ADM under IC 21-3-1.7-6.7 for each charter school that included at least one (1) student who has legal settlement in the school corporation in the charter school’s current ADM.
(ii) For each charter school, multiply the item (i) amount by the number of students who have legal settlement in the school corporation and who are included in the charter school’s current ADM.
(iii) Determine the sum of the item (ii) amounts.
(iv) Multiply the item (iii) amount by

STEP SIX: Determine the result of:

(A) the STEP FIVE result; plus
(B) the product of:

(i) the weighted average of the amounts determined under IC 21-3-1.7-6.7(c) STEP NINE for all charter schools attended by students who have legal settlement in the school corporation; multiplied by
(ii) thirty-five hundredths (0.35).
In determining the number of students for purposes of this
STEP, clause, each kindergarten pupil shall be counted as
one-half (1/2) pupil.

The result determined under this STEP may not be included in the
school corporation's adjusted base levy for the year following the
year in which the result applies or in the school corporation's
determination of tuition support:

(c) For purposes of this section, "total assessed value" with respect
to a school corporation means the total assessed value of all taxable
property for ad valorem property taxes first due and payable during that
year.

(d) The department of local government finance shall annually
establish an assessment ratio and adjustment factor for each school
corporation to be used upon the review and recommendation of the
budget committee. The information compiled, including background
documentation, may not be used in a:

(1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13,
IC 6-1.1-14, or IC 6-1.1-15;
(2) petition for a correction of error under IC 6-1.1-15-12; or
(3) petition for refund under IC 6-1.1-26.

(e) All tax rates shall be computed by rounding the rate to the
nearest one-hundredth of a cent ($0.0001). All and tax levies
computed under this section shall be computed by rounding the levy
to the nearest dollar amount: in conformity with IC 21-3-1.7-7.

(f) For the calendar year beginning January 1, 2004; and ending
December 31, 2004; a school corporation may impose a general fund
ad valorem property tax levy in the amount determined under STEP
EIGHT of the following formula:

STEP ONE: Determine the quotient of:
(A) the school corporation's 2003 assessed valuation; divided by
(B) the school corporation's 2002 assessed valuation.

STEP TWO: Determine the greater of zero (0) or the difference
between:
(A) the STEP ONE amount; minus
(B) one (1);

STEP THREE: Determine the lesser of eleven-hundredths (0.11)
or the product of:
  (A) the STEP TWO amount; multiplied by
  (B) eleven-hundredths (0.11):

STEP FOUR: Determine the sum of:
  (A) the STEP THREE amount; plus
  (B) one (1):

STEP FIVE: Determine the product of:
  (A) the STEP FOUR amount; multiplied by
  (B) the school corporation's general fund ad valorem property
tax levy for calendar year 2003:

STEP SIX: Determine the lesser of:
  (A) the STEP FIVE amount; or
  (B) the levy resulting from using the school corporation's
  previous year property tax rate after increasing the rate by five
cents ($0.05):

STEP SEVEN: Determine the result of:
  (A) the STEP SIX amount; plus
  (B) an amount equal to the annual decrease in federal aid to
  impacted areas from the year preceding the ensuing calendar
  year by three (3) years to the year preceding the ensuing
  calendar year by two (2) years:

The maximum levy is to include the part of any excessive levy
and the levy for new facilities:

STEP EIGHT: Determine the result of:
  (A) the STEP SEVEN result; plus
  (B) the product of:
      (i) the weighted average of the amounts determined under
          IC 21-3-1.7-6.7(c) STEP NINE for all charter schools
          attended by students who have legal settlement in the school
          corporation; multiplied by
      (ii) thirty-five hundredths (0.35):

In determining the number of students for purposes of this
STEP, each kindergarten pupil shall be counted as one-half
(1/2) pupil:

The result determined under this STEP may not be included in the
school corporation's adjusted base levy for the year following the
year in which the result applies or in the school corporation's
determination of tuition support:
SECTION 61. IC 6-1.1-20.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 20.4. Local Homestead Credits

Sec. 1. As used in this chapter, "homestead" has the meaning set forth in IC 6-1.1-20.9-1.

Sec. 2. As used in this chapter, "property tax liability" means liability for the tax imposed on property under this article determined after application of all credits and deductions under this article, except the credit under this chapter, but does not include any interest or penalty imposed under this article.

Sec. 3. As used in this chapter, "revenue" includes revenue received by a political subdivision under any law or from any person.

Sec. 4. (a) A political subdivision may adopt an ordinance or resolution each year to provide for the use of revenue for the purpose of providing a homestead credit the following year to homesteads. An ordinance must be adopted under this section before December 31 for credits to be provided in the following year. The ordinance applies only to the immediately following year.

(b) A homestead credit under this chapter is to be applied to the net property tax liability due on the homestead.

(c) A homestead credit under this chapter does not reduce the basis for determining the state property tax replacement credit under IC 6-1.1-21 or the state homestead credit under IC 6-1.1-20.9.

Sec. 5. An ordinance or resolution adopted under this chapter must provide for a homestead credit that is either a uniform:

(1) percentage of the net property taxes due on the homestead after the application of all other deductions and credits; or

(2) dollar amount applicable to each homestead.

The ordinance or resolution must specify the percentage or the dollar amount.

Sec. 6. If the credit under this chapter is authorized for property taxes first due and payable in a calendar year, a person is entitled to a credit against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's homestead located in the county.

Sec. 7. A person is not required to file an application for the
credit under this chapter. The county auditor shall:

1. identify qualified homesteads in the political subdivision that are eligible for the credit under this chapter; and
2. apply the credit under this chapter to property tax liability on the identified homestead.

Sec. 8. If an ordinance or resolution is adopted under this chapter, the county auditor shall, for the calendar year in which a homestead credit is authorized under this chapter, account for the revenue used to provide the homestead credit in a manner so that no other political subdivision in the county suffers a revenue loss because of the allowance of the homestead credit.

Sec. 9. The application of the credit under this chapter results in a reduction of the property tax collections of the political subdivision which provided the credit. A political subdivision may not increase its property tax levy to make up for that reduction.

SECTION 62. IC 6-1.1-20.6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Chapter 20.6. Credit for Excessive Residential Property Taxes

Sec. 1. As used in this chapter, "apartment complex" means real property consisting of at least five (5) units that are regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more.

Sec. 2. As used in this chapter, "homestead" has the meaning set forth in IC 6-1.1-20.9-1.

Sec. 3. As used in this chapter, "property tax liability" means liability for the tax imposed on property under this article determined after application of all credits and deductions under this article, except the credit under this chapter, but does not include any interest or penalty imposed under this article.

Sec. 4. As used in this chapter, "qualified residential property" refers to any of the following that a county fiscal body specifically makes eligible for a credit under this chapter in an ordinance adopted under section 6 of this chapter:

1. An apartment complex.
2. A homestead.
3. Residential rental property.

Sec. 5. As used in this chapter, "residential rental property" means real property consisting of not more than (4) units that are
regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more.

Sec. 6. (a) A county fiscal body:

(1) may adopt an ordinance to authorize the application of the credit under this chapter for one (1) or more calendar years to qualified residential property in the county; and
(2) must adopt an ordinance under subdivision (1) before July 1 of a calendar year to authorize the credit under this chapter for property taxes first due and payable in the immediately succeeding calendar year.

(b) An ordinance adopted under this section must specify the categories of residential property listed in section 4 of this chapter that are eligible for the credit provided under this chapter.

Sec. 7. If the credit under this chapter is authorized under section 2 of this chapter for property taxes first due and payable in a calendar year:

(1) a person is entitled to a credit against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's qualified residential property located in the county; and
(2) the amount of the credit is the amount by which the person's property tax liability attributable to the person's qualified residential property for property taxes first due and payable in that calendar year exceeds two percent (2%) of the gross assessed value that is the basis for determination of property taxes on the qualified residential property for property taxes first due and payable in that calendar year.

Sec. 8. A person is not required to file an application for the credit under this chapter. The county auditor shall:

(1) identify qualified residential property in the county eligible for the credit under this chapter; and
(2) apply the credit under this chapter to property tax liability on the identified qualified residential property.

Sec. 9. (a) The fiscal body of a county may adopt an ordinance to authorize the county fiscal officer to borrow money repayable over a term not to exceed five (5) years in an amount sufficient to compensate the political subdivisions located wholly or in part in the county for the reduction of property tax collections in a calendar year that results from the application of the credit under
this chapter for that calendar year.

(b) The county fiscal officer shall distribute in a calendar year to each political subdivision located wholly or in part in the county loan proceeds under subsection (a) for that calendar year in the amount by which the property tax collections of the political subdivision in that calendar year are reduced as a result of the application of the credit under this chapter for that calendar year.

(c) If the county fiscal officer distributes money to political subdivisions under subsection (b), the political subdivisions that receive the distributions shall repay the loan under subsection (a) over the term of the loan. Each political subdivision that receives a distribution under subsection (b):

(1) shall:

(A) appropriate for each year in which the loan is to be repaid an amount sufficient to pay the part of the principal and interest on the loan attributable to the distribution received by the political subdivision under subsection (b); and

(B) raise property tax revenue in each year in which the loan is to be repaid in the amount necessary to meet the appropriation under clause (A); and

(2) other than the county, shall transfer to the county fiscal officer money dedicated under this section to repayment of the loan in time to allow the county to meet the loan repayment schedule.

(d) Property taxes imposed under subsection (c)(1)(B) are subject to levy limitations under IC 6-1.1-18.5 or IC 6-1.1-19.

(e) The obligation to:

(1) repay; or

(2) contribute to the repayment of;

the loan under subsection (a) is not a basis for a political subdivision to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 6-1.1-19.

(f) The application of the credit under this chapter results in a reduction of the property tax collections of each political subdivision in which the credit is applied. A political subdivision may not increase its property tax levy to make up for that reduction.

SECTION 63. IC 6-1.1-20.9-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who on March 1 of a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year.

(b) The amount of the credit to which the individual is entitled equals the product of:

(1) the percentage prescribed in subsection (d); multiplied by
(2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>PERCENTAGE OF THE CREDIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>8%</td>
</tr>
<tr>
<td>1997</td>
<td>6%</td>
</tr>
<tr>
<td>1998 through 2002</td>
<td>10%</td>
</tr>
<tr>
<td>2003 and thereafter</td>
<td>20%</td>
</tr>
</tbody>
</table>

However, the property tax replacement fund board established under IC 6-1.1-21-10 in its sole discretion may increase the percentage of the credit provided in the schedule for any year if the board feels that the property tax replacement fund contains enough money for the resulting increased distribution. budget agency determines that an increase is necessary to provide the minimum tax relief authorized
under IC 6-1.1-21-2.5. If the board increases the percentage of the credit provided in the schedule for any year, the percentage of the credit for the immediately following year is the percentage provided in the schedule for that particular year, unless as provided in this subsection the board in its discretion increases must increase the percentage of the credit provided in the schedule for that particular year. However, the percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 1 of each year, the assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under this chapter.

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

1. an individual uses the residence as the individual's principal place of residence;
2. the residence is located in Indiana;
3. the individual has a beneficial interest in the taxpayer;
4. the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and
5. the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

SECTION 64. IC 6-1.1-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the
preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5, is to be filed on or before March 1 of each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

1) the remainder of:

   A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy; minus

   B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

      i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after December 31, 1982; plus

      ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus

      iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county); minus

   C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), IC 12-19-5, or IC 12-20-24; minus

   D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

      i) is entered into after December 31, 1983;
(ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and
(iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 were satisfied prior to January 1, 1984; minus
(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
(F) the remainder of:
   (i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
   (ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
(G) the amount of property taxes imposed in the county for the stated assessment year under:
   (i) IC 21-2-15 for a capital projects fund; plus
   (ii) IC 6-1.1-19-10 for a racial balance fund; plus
   (iii) IC 20-14-13 for a library capital projects fund; plus
   (iv) IC 20-5-17.5-3 for an art association fund; plus
   (v) IC 21-2-17 for a special education preschool fund; plus
   (vi) IC 21-2-11.6 for a referendum tax levy fund; plus
   (vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus
   (viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund
(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5 or any other law; minus

(i) for each township in the county, the lesser of:
   (i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(4) filed after December 31, 1982; or
   (ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus

(K) for each county, the sum of:
   (i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and
   (ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or the amount determined under IC 12-19-7-4(b) for property taxes payable in each year after 1995; plus
(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus
(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus
(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus
(5) the difference between:
   (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus
   (B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year under IC 6-1.1-22-3.

(j) "Eligible property tax replacement amount" is, except as otherwise provided by law, equal to the sum of the following:
   (1) Sixty percent (60%) of the total county tax levy imposed by each school corporation in a county for its general fund for a stated assessment year.
   (2) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on real property for a stated assessment year.
   (3) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on tangible personal property, excluding business personal property, for an assessment year.

(k) "Business personal property" means tangible personal property
(other than real property) that is being:
   (1) held for sale in the ordinary course of a trade or business; or
   (2) held, used, or consumed in connection with the production of income.

(l) "Taxpayer's property tax replacement credit amount" means, **except as otherwise provided by law**, the sum of the following:
   (1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year for taxes imposed by a school corporation for its general fund for a stated assessment year.
   (2) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property.
   (3) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on tangible personal property other than business personal property.

(m) "Tax liability" means tax liability as described in section 5 of this chapter.

(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

(o) "Board" refers to the property tax replacement fund board established under section 10 of this chapter.

SECTION 65. IC 6-1.1-21-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2.5. (a) Annually, before the department determines the eligible property tax replacement amount for a year under section 3 of this chapter and the department of local government finance makes its certification under section 3(b) of this chapter, the budget agency shall determine the sum of the following:
   (1) One billion one hundred twenty-one million seven hundred thousand dollars ($1,121,700,000).
   (2) An amount equal to the net amount of revenue, after deducting collection allowances and refunds, that the budget agency estimates will be collected in a particular calendar
year from the part of the gross retail and use tax rate imposed under IC 6-2.5 equal to one percent (1%).

The estimate made under this subsection must be consistent with the latest technical forecast of state revenues that is prepared for distribution to the general assembly and the general public and available to the budget agency at the time that the estimate is made.

(b) The department may not distribute eligible property tax replacement amounts and eligible homestead credit replacement amounts for a year under this chapter that, in the aggregate, is less than the amount computed under subsection (a).

(c) Annually, before the department determines the eligible property tax replacement amount for a year under section 3 of this chapter and the department of local government finance makes its certification under section 3(b) of this chapter, the budget agency shall determine whether the total amount of property tax replacement credits granted in Indiana under section 5 of this chapter and homestead credits granted in Indiana under IC 6-1.1-20.9-2 for a year, determined without applying subsection (b), will be less than the amount determined under subsection (b). The budget agency shall give notice of its determination to the members of the board and, in an electronic format under IC 5-14-6, the general assembly. If the budget agency determines that the amount determined under subsection (b) will not be exceeded in a particular year, the board shall increase for that year the percentages used to determine a taxpayer's property tax replacement credit amount and the homestead credit percentage applicable under IC 6-1.1-20.9-2 so that the total amount of property tax replacement credits granted in Indiana under section 5 of this chapter and homestead credits granted in Indiana under IC 6-1.1-20.9-2 at least equals the amount determined under subsection (b). In making adjustments under this subsection, the board shall increase percentages in the following order until the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year at least equals the amount determined under subsection (b):

(1) The homestead credit percentage specified in IC 6-1.1-20.9-2 until the homestead percentage reaches the
lesser of:
(A) thirty percent (30%); or
(B) the percentage at which the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year at least equals the amount determined under subsection (b).

(2) If the amount determined under subsection (b) is not exceeded after increasing the homestead percentage under subdivision (1), the board shall increase the property tax replacement credit percentage specified in section 2(j)(1) and 2(l)(1) of this chapter until the property tax replacement percentage reaches the lesser of:
(A) seventy percent (70%); or
(B) the percentage at which the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year, as adjusted under this subsection, at least equals the amount determined under subsection (b).

(3) If the amount determined under subsection (b) is not exceeded after making all possible increases in credit percentages under subdivisions (1) and (2), the board shall increase the property tax replacement credit percentages specified in section 2(j)(2), 2(j)(3), 2(l)(2), and 2(l)(3) of this chapter to the percentage at the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year, as adjusted under this subsection, at least equals the amount determined under subsection (b).

(d) The adjusted percentages set under subsection (c):
(1) are the percentages that apply under:
(A) section 5 of this chapter to determine a taxpayer's property tax replacement credit amount; and
(B) IC 6-1.1-20.9-2 to determine a taxpayer's homestead credit; and

(2) must be used by the:
(A) department in estimating the eligible property tax replacement amount under section 3 of this chapter; and
(B) department of local government finance in making its
certification under section 3(b) of this chapter;
and for all other purposes under this chapter and
IC 6-1.1-20.9 related to distributions under this chapter;
for the particular year covered by a budget agency’s determination under subsection (c).

SECTION 66. IC 6-1.1-21.8-4, AS AMENDED BY HEA 1288-2005, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 4. (a) The board shall determine the terms of a loan made under this chapter. However, the interest charged on the loan may not exceed the percent of increase in the United States Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers during the most recent twelve (12) month period for which data is available as of the date that the unit applies for a loan under this chapter. In the case of a qualified taxing unit that is not a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than ten (10) years after the date on which the loan was made. In the case of a qualified taxing unit that is a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than eleven (11) years after the date on which the loan was made. A school corporation or a public library (as defined in IC 36-12-1-5) is not required to begin making payments to repay a loan until after June 30, 2004. The total amount of all the loans made under this chapter may not exceed twenty-eight million dollars ($28,000,000). The board may disburse the proceeds of a loan in installments. However, not more than one-third (1/3) of the total amount to be loaned under this chapter may be disbursed at any particular time without the review of the budget committee and the approval of the budget agency.

(b) A loan made under this chapter shall be repaid only from:
(1) property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5 or IC 6-1.1-19; or
(2) in the case of a school corporation, the school corporation's debt service fund; or
(3) any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment of principal constitutes a first charge against the property tax revenues described in subdivision (1) that are
collected by the qualified taxing unit during the calendar year the installment is due and payable.

(c) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 6-1.1-19.

(d) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

(e) This section does not prohibit a qualified taxing unit from repaying a loan made under this chapter before the date specified in subsection (a) if a taxpayer described in section 3 of this chapter resumes paying property taxes to the qualified taxing unit.

(f) Interest accrues on a loan made under this chapter until the date the board receives notice from the county auditor that the county has adopted at least one (1) of the following:

1. The county adjusted gross income tax under IC 6-3.5-1.1.
2. The county option income tax under IC 6-3.5-6.
3. The county economic development income tax under IC 6-3.5-7.

Notwithstanding subsection (a), interest may not be charged on a loan made under this chapter if a tax described in this subsection is adopted before a qualified taxing unit applies for the loan.

SECTION 67. IC 6-1.1-30-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The commissioner shall appoint an individual to serve as deputy commissioner of the department of local government finance. However, the appointment must be approved by the governor. The A deputy commissioner shall subscribe to an oath to faithfully discharge the duties assigned to the deputy commissioner either by law or by the commissioner.

SECTION 68. IC 6-1.1-34-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Each year in which a general assessment of real property becomes effective, the department of local government finance shall compute a new assessment ratio for each school corporation and a new state average assessment ratio. In all other years, the department shall compute a new assessment ratio for a school corporation and a new state average assessment ratio if the department finds that there has been sufficient
reassessment or adjustment of one (1) or more classes of property in the school district. When the department of local government finance computes a new assessment ratio for a school corporation, the department shall publish the new ratio.

SECTION 69. IC 6-3-1-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.
(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).
(4) Subtract one thousand dollars ($1,000) for:
   (A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;
   (B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and
   (C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.
(5) Subtract:
   (A) one thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code for taxable years beginning after December 31, 1996; and
   (B) five hundred dollars ($500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less
than forty thousand dollars ($40,000). This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:
   (A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or
   (B) two thousand dollars ($2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant
to subdivisions (3), (4), (5), and (6) shall be reduced to an amount
which bears the same ratio to the total as the taxpayer's income
taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance
under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7,
subtract an amount equal to that portion of the individual's
adjusted gross income with respect to which the individual is not
allowed under federal law to retain an amount to pay state and
local income taxes.

(15) In the case of an eligible individual, subtract the amount of
a Holocaust victim's settlement payment included in the
individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999,
subtract an amount equal to the portion of any premiums paid
during the taxable year by the taxpayer for a qualified long term
care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the
taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

(A) for a taxable year:

(i) including any part of 2004, the amount determined under
subsection (f); and

(ii) beginning after December 31, 2004, two thousand five
hundred dollars ($2,500); or

(B) the amount of property taxes that are paid during the
taxable year in Indiana by the individual on the individual's
principal place of residence.

(18) Subtract an amount equal to the amount of a September 11
terrorist attack settlement payment included in the individual's
federal adjusted gross income.

(19) Add or subtract the amount necessary to make the adjusted
gross income of any taxpayer that owns property for which bonus
depreciation was allowed in the current taxable year or in an
earlier taxable year equal to the amount of adjusted gross income
that would have been computed had an election not been made
under Section 168(k)(2)(C)(iii) 168(k) of the Internal Revenue
Code to apply bonus depreciation to the property in the year that
it was placed in service.

(20) Add an amount equal to any deduction allowed under
Section 172 of the Internal Revenue Code.

(21) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(22) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k)(2)(C)(iii) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k)(2)(C)(iii) of the Internal Revenue Code to apply bonus depreciation to the property in the year that
it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) **Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).**

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k)(2)(C)(iii) of the Internal Revenue Code.
Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k)(2)(C)(iii) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.
(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(f) This subsection applies only to the extent that an individual paid property taxes in 2004 that were imposed for the March 1, 2002, assessment date or the January 15, 2003, assessment date. The maximum amount of the deduction under subsection (a)(17) is equal to the amount determined under STEP FIVE of the following formula:

**STEP ONE:** Determine the amount of property taxes that the taxpayer paid after December 31, 2003, in the taxable year for property taxes imposed for the March 1, 2002, assessment date and the January 15, 2003, assessment date.

**STEP TWO:** Determine the amount of property taxes that the taxpayer paid in the taxable year for the March 1, 2003, assessment date and the January 15, 2004, assessment date.

**STEP THREE:** Determine the result of the STEP ONE amount divided by the STEP TWO amount.

**STEP FOUR:** Multiply the STEP THREE amount by two thousand five hundred dollars ($2,500).

**STEP FIVE:** Determine the sum of the STEP THREE and two thousand five hundred dollars ($2,500).

SECTION 70. IC 6-3-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, 2005.

(b) Whenever the Internal Revenue Code is mentioned in this
article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, 2003; 2005, that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, 2003; 2005, shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, 2003; 2005, that is effective for any taxable year that began before January 1, 2003; 2005, and that affects:

1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);
2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);
3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);
4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);
5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or
6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

SECTION 71. IC 6-3-1-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 33. As used in this article, "bonus depreciation" means an amount equal to that part of any depreciation allowance allowed in computing the taxpayer's federal adjusted gross income or federal taxable income that is attributable to the additional first-year special depreciation allowance (bonus depreciation) for qualified property allowed under Section 168(k) of the Internal Revenue Code, including the special depreciation allowance for 50-percent bonus depreciation property.
SECTION 72. IC 6-3.1-2-1, AS AMENDED BY HEA 1288-2005, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, the following terms have the following meanings:

(1) "Eligible teacher" means a teacher:
   (A) certified in a shortage area by the [professional standards board department of education] established by IC 20-28-2-1; IC 20-19-3-1; and
   (B) employed under contract during the regular school term by a school corporation in a shortage area.

(2) "Qualified position" means a position that:
   (A) is relevant to the teacher's academic training education in a shortage area; and
   (B) has been approved by the Indiana state board of education under section 6 of this chapter.

(3) "Regular school term" means the period, other than the school summer recess, during which a teacher is required to perform duties assigned to him under a teaching contract.

(4) "School corporation" means any corporation authorized by law to establish public schools and levy taxes for their maintenance.

(5) "Shortage area" means the subject areas of mathematics and science and any other subject area designated as a shortage area by the Indiana state board of education.

(6) "State income tax liability" means a taxpayer's total income tax liability incurred under IC 6-3 and IC 6-5.5, as computed after application of credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

SECTION 73. IC 6-3.1-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. For the purposes of this chapter:

"Agreement" means any agreement entered into with the commissioner of the department of correction under IC 11-10-7-2, that has been approved by a majority of the members of the state board of correction.

"Pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2); and
(2) partnership;
(3) trust;
(4) limited liability company; or
(5) limited liability partnership.

"Qualified property" means any machinery, tools, equipment, building, structure, or other tangible property considered qualified property under Section 38 of the Internal Revenue Code that is used as an integral part of the operation contemplated by an agreement and that is installed, used, or operated exclusively on property managed by the department of correction.

"State income tax liability" means a taxpayer's total income tax liability incurred under IC 6-3, as computed after application of credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

"Taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has state tax liability. The term includes a pass through entity.

"Wages paid" includes all earnings surrendered to the department of correction under IC 11-10-7-5.

SECTION 74. IC 6-3.1-21-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires December 31, 2005. 2011.

SECTION 75. IC 6-5.5-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 2. (a) Except as provided in subsections (b) through (d), "adjusted gross income" means taxable income as defined in Section 63 of the Internal Revenue Code, adjusted as follows:

(1) Add the following amounts:

(A) An amount equal to a deduction allowed or allowable under Section 166, Section 585, or Section 593 of the Internal Revenue Code.

(B) An amount equal to a deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(C) An amount equal to a deduction or deductions allowed or allowable under Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by a state of the United States or levied at the local level by any subdivision of a state of the United States.

(D) The amount of interest excluded under Section 103 of the
Internal Revenue Code or under any other federal law, minus
the associated expenses disallowed in the computation of
taxable income under Section 265 of the Internal Revenue
Code.

(E) An amount equal to the deduction allowed under Section
172 or 1212 of the Internal Revenue Code for net operating
losses or net capital losses.

(F) For a taxpayer that is not a large bank (as defined in
Section 585(c)(2) of the Internal Revenue Code), an amount
equal to the recovery of a debt, or part of a debt, that becomes
worthless to the extent a deduction was allowed from gross
income in a prior taxable year under Section 166(a) of the
Internal Revenue Code.

(G) Add the amount necessary to make the adjusted gross
income of any taxpayer that owns property for which bonus
depreciation was allowed in the current taxable year or in an
earlier taxable year equal to the amount of adjusted gross
income that would have been computed had an election not
been made under Section 168(k)(2)(C)(iii) of the
Internal Revenue Code to apply bonus depreciation to the
property in the year that it was placed in service.

(H) Add the amount necessary to make the adjusted gross
income of any taxpayer that placed Section 179 property
(as defined in Section 179 of the Internal Revenue Code) in
service in the current taxable year or in an earlier taxable
year equal to the amount of adjusted gross income that
would have been computed had an election for federal
income tax purposes not been made for the year in which
the property was placed in service to take deductions
under Section 179 of the Internal Revenue Code in a total
amount exceeding twenty-five thousand dollars ($25,000).

(I) Add an amount equal to the amount that a taxpayer
claimed as a deduction for domestic production activities
for the taxable year under Section 199 of the Internal
Revenue Code for federal income tax purposes.

(2) Subtract the following amounts:

(A) Income that the United States Constitution or any statute
of the United States prohibits from being used to measure the
tax imposed by this chapter.

(B) Income that is derived from sources outside the United States, as defined by the Internal Revenue Code.

(C) An amount equal to a debt or part of a debt that becomes worthless, as permitted under Section 166(a) of the Internal Revenue Code.

(D) An amount equal to any bad debt reserves that are included in federal income because of accounting method changes required by Section 585(c)(3)(A) or Section 593 of the Internal Revenue Code.

(E) Subtract The amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k)(2)(C)(iii) of the Internal Revenue Code to apply bonus depreciation.

(F) The amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(b) In the case of a credit union, "adjusted gross income" for a taxable year means the total transfers to undivided earnings minus dividends for that taxable year after statutory reserves are set aside under IC 28-7-1-24.

(c) In the case of an investment company, "adjusted gross income" means the company's federal taxable income multiplied by the quotient of:

(1) the aggregate of the gross payments collected by the company during the taxable year from old and new business upon investment contracts issued by the company and held by residents of Indiana; divided by
(2) the total amount of gross payments collected during the taxable year by the company from the business upon investment contracts issued by the company and held by persons residing within Indiana and elsewhere.

(d) As used in subsection (c), "investment company" means a person, copartnership, association, limited liability company, or corporation, whether domestic or foreign, that:

(1) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and

(2) solicits or receives a payment to be made to itself and issues in exchange for the payment:

(A) a so-called bond;
(B) a share;
(C) a coupon;
(D) a certificate of membership;
(E) an agreement;
(F) a pretended agreement; or
(G) other evidences of obligation;

entitling the holder to anything of value at some future date, if the gross payments received by the company during the taxable year on outstanding investment contracts, plus interest and dividends earned on those contracts (by prorating the interest and dividends earned on investment contracts by the same proportion that certificate reserves (as defined by the Investment Company Act of 1940) is to the company's total assets) is at least fifty percent (50%) of the company's gross payments upon investment contracts plus gross income from all other sources except dividends from subsidiaries for the taxable year. The term "investment contract" means an instrument listed in clauses (A) through (G).

SECTION 76. IC 6-5.5-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
Sec. 20. As used in this article, "bonus depreciation" means an amount equal to that part of any depreciation allowance allowed in computing the taxpayer's federal taxable income that is attributable to the additional first-year special depreciation allowance (bonus depreciation) for qualified property allowed under Section 168(k) of the Internal Revenue Code, including the special depreciation
allowance for 50-percent bonus depreciation property.

SECTION 77. IC 8-14-10-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The department may use the money in the fund only to pay the following costs:

(1) The cost of construction or reconstruction of a state highway.
(2) The cost of acquisition of all land, rights-of-way, property, rights, easements, and any other legal or equitable interests acquired by the department for the construction or reconstruction of a state highway, including the cost of any relocations incident to the acquisition.
(3) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the department for the construction or reconstruction of a state highway.
(4) Engineering and legal expenses, and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.
(5) Payment of rentals and performance of other obligations under contracts or leases relating to projects securing bonds issued under IC 8-14.5.

SECTION 78. IC 8-14-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The crossroads 2000 fund is established for the purpose of constructing or reconstructing state highways. The crossroads 2000 fund consists of distributions received under IC 9-29-1-2, IC 9-29-15-1, IC 9-29-15-3, and IC 9-29-15-4.

(b) The crossroads 2000 fund shall be administered by the department. The treasurer of state shall invest the money in the crossroads 2000 fund not currently needed to meet the obligations of the crossroads 2000 fund in the same manner as other public funds may be invested.

(c) Money in the crossroads 2000 fund at the end of a state fiscal year does not revert to the state general fund.

(d) The department may use the money in the crossroads 2000 fund only to pay the following costs:

(1) The cost of construction or reconstruction of a state highway.
(2) The cost of acquisition of all land, rights-of-way, property, rights, easements, and any other legal or equitable interests acquired by the department for the construction or reconstruction
of a state highway, including the cost of any relocations incident to the acquisition.

(3) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the department for the construction or reconstruction of a state highway.

(4) Engineering and legal expenses and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.

(5) Payment of rentals and performance of other obligations under contracts or leases relating to projects securing bonds issued under IC 8-14.5-6.

SECTION 79. IC 8-14-10-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The grant anticipation fund is established to construct and reconstruct state highways. The grant anticipation fund consists of distributions of federal highway revenues (as defined in IC 8-14.5-7-2) made under IC 8-14.5-6.

(b) The grant anticipation fund shall be administered by the department. The treasurer of state shall invest the money in the grant anticipation fund not currently needed to meet the obligations of the grant anticipation fund in the same manner as other public funds may be invested.

(c) Money in the grant anticipation fund at the end of a state fiscal year does not revert to the state general fund.

(d) The department may use the money in the grant anticipation fund only to pay the following costs:

(1) The cost of construction or reconstruction of a highway improvement project.

(2) The cost of acquisition of all land, rights-of-way, property, rights, easements, and any other legal or equitable interests acquired by the department for the construction or reconstruction of a highway improvement project, including the cost of any relocations incident to the acquisition.

(3) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the department for the construction or reconstruction of a highway improvement project.
(4) Engineering and legal expenses and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.

(5) Payment of rentals and performance of other obligations under contracts or leases relating to highway improvement projects securing grant anticipation revenue bonds or notes issued under IC 8-14.5-7. However, amounts in the grant anticipation fund may not be pledged to such payments.

e) A holder of grant anticipation revenue bonds or notes issued under IC 8-14.5-7 may not compel the payment of federal highway revenues to the department.

SECTION 80. IC 8-14.5-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. "Bonds" refers to bonds of the authority issued under IC 8-14.5-6 or IC 8-14.5-7.

SECTION 81. IC 8-14.5-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. "Notes" refers to notes of the authority issued under IC 8-14.5-6 or IC 8-14.5-7 and includes any evidences of indebtedness of the authority except bonds.

SECTION 82. IC 8-14.5-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The department shall pay lease rentals for leases entered into under this chapter and securing bonds issued under IC 8-14.5-6 from revenues transferred to the state highway road construction and improvement fund or the crossroads 2000 fund before making any other disbursements from those revenues. The department shall pay lease rentals for leases entered into under this chapter and for securing grant anticipation revenue bonds or notes issued under IC 8-14.5-7 from federal highway revenues (as defined in IC 8-14.5-7-2) transferred to the grant anticipation fund before making any other disbursements from the grant anticipation fund.

SECTION 83. IC 8-14.5-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 7. Grant Anticipation Revenue Bonds and Notes

Sec. 1. As used in this chapter, "authority" refers to the Indiana transportation finance authority or its successor.

Sec. 2. As used in this chapter, "federal highway revenues" means:
(1) money and obligation authority apportioned or allocated, or anticipated to be apportioned or allocated in the current federal fiscal year or a future federal fiscal year, to Indiana by the United States Department of Transportation under 23 U.S.C., as amended, for use on a highway improvement project; or

(2) other federal money that may be used for a highway improvement project and is available or anticipated to be available in the current federal fiscal year or a future federal fiscal year.

Sec. 3. As used in this chapter, "grant anticipation revenue bond" or "grant anticipation revenue note" means a bond or note, respectively, secured by lease rentals relating to highway improvement projects and anticipated to be paid from federal highway revenues deposited in the grant anticipation fund.

Sec. 4. As used in this chapter, "highway improvement project" means a highway project for which the department may use federal highway revenues.

Sec. 5. The authority may, by resolution, before July 1, 2009, issue grant anticipation revenue bonds or notes for any purpose that is authorized by IC 8-14.5-6 and for which the department may use federal highway revenues.

Sec. 6. (a) Before grant anticipation revenue bonds or notes may be issued under this chapter, the department shall prepare a revenue declaration that includes the department’s determination that the amount of federal highway revenues received by the state in a particular state fiscal year will exceed the amount specified in subsection (c)(2) by at least eighteen percent (18%). Grant anticipation revenue bonds or notes may not be issued under this chapter unless the department makes the determination required under this subsection.

(b) The revenue declaration prepared under this section must provide a specified amount or percentage of federal highway revenues received by the state during a state fiscal year to be deposited in the grant anticipation fund and the number of years the deposits shall be made. A revenue declaration prepared under this section is subject to approval of the budget agency and the authority.

(c) The total amount of lease rentals securing grant anticipation
revenue bonds or notes issued under this chapter and scheduled to be paid during any state fiscal year, determined as of the date of issuance of each series of grant anticipation revenue bonds or notes, may not exceed an amount equal to twenty-five percent (25%) of the remainder of:

(1) the total amount of federal highway revenues apportioned or allocated to the department during the federal fiscal year immediately preceding the state fiscal year in which the series of bonds or notes is issued; minus

(2) seven hundred thirty-four million eight hundred fifty thousand three hundred ninety dollars ($734,850,390), which is the total amount of federal highway revenues apportioned or allocated to the department during the federal fiscal year beginning October 1, 2003, and ending September 30, 2004.

Sec. 7. The term of grant anticipation revenue bonds or notes may not exceed twelve (12) years.

Sec. 8. All other provisions of IC 8-14.5-6 apply to the issuance of grant anticipation revenue bonds or notes under this chapter.

Sec. 9. Grant anticipation revenue bonds or notes:

(1) constitute the corporate obligations of the authority;

(2) do not constitute an indebtedness of the state within the meaning or application of any constitutional provision or limitation; and

(3) are payable solely as to both principal and interest from:

(A) the revenues from a lease to the department, if any;

(B) proceeds of bonds or notes, if any; or

(C) investment earnings on proceeds of bonds or notes, if any.

SECTION 84. IC 8-22-3.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) As used in this section, "base assessed value" means:

(1) the net assessed value of all the tangible property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the commission's resolution adopted under section 5 of this chapter, notwithstanding the date of the final action taken under section 6 of this chapter; plus

(2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property
under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

However, subdivision (2) applies only to an airport development zone established after June 30, 1997, and the portion of an airport development zone established before June 30, 1997, that is added to an existing airport development zone.

(b) Except in a county described in section 1(5) of this chapter, a resolution adopted under section 5 of this chapter and confirmed under section 6 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section.

(c) The allocation provision must:

1. apply to the entire airport development zone; and
2. require that any property tax on taxable tangible property subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes in the airport development zone be allocated and distributed as provided in subsections (d) and (e).

(d) Except in a county described in section 1(5) of this chapter, and as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

1. the assessed value of the tangible property for the assessment date with respect to which the allocation and distribution is made; or
2. the base assessed value;

shall be allocated and, when collected, paid into the funds of the respective taxing units.

(e) Except in a county described in section 1(5) of this chapter, all of the property tax proceeds in excess of those described in subsection (d) shall be allocated to the eligible entity for the airport development zone and, when collected, paid into special funds as follows:

1. The commission may determine that a portion of tax proceeds shall be allocated to a training grant fund to be expended by the commission without appropriation solely for the purpose of reimbursing training expenses incurred by public or private entities in the training of employees for the qualified airport development project.
(2) Except as provided in subsection (f), all remaining tax proceeds shall be allocated to a debt service fund and dedicated to the payment of principal and interest on revenue bonds of the airport authority for a qualified airport development project, or to the payment of leases for a qualified airport development project, or to the payment of principal and interest on bonds issued by an eligible entity to pay for qualified airport development projects in the airport development zone or serving the airport development zone.

(3) Except as provided in subsection (f), all remaining tax proceeds after allocations are made under subdivisions (1) and (2) shall be allocated to a project fund and dedicated to the reimbursement of expenditures made by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.

(f) Except in a county described in section 1(5) of this chapter, if the tax proceeds allocated to the debt service project fund in subsection (e)(3) exceed the amount necessary to

(1) pay principal and interest on airport authority revenue bonds;
(2) pay lease rentals on leases of a qualified airport development project; or
(3) create, maintain, or restore a reserve for airport authority revenue bonds or for lease rentals or leases of a qualified airport development project;

satisfy amounts required under subsection (e), the excess in the project fund over that amount shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(g) Except in a county described in section 1(5) of this chapter, when money in the debt service fund and in the project fund is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the airport authority for the financing of qualified airport development projects, and all lease rentals payable on leases of qualified airport development projects, and all costs and expenditures associated with all qualified airport development projects, money in the debt service fund and in the project fund in excess of that
amount those amounts shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(h) Except in a county described in section 1(5) of this chapter, property tax proceeds allocable to the debt service fund under subsection (e)(2) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection (e)(2).

(i) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, the assessed value of all taxable tangible property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the tangible property as valued without regard to this section; or

(2) the base assessed value.

SECTION 85. IC 8-23-3-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. Notwithstanding any other provision of this chapter, if grant anticipation revenue bonds or notes have been issued under IC 8-14.5-7, the department shall collect or cause to be collected federal highway revenues (as defined in IC 8-14.5-7-2) and shall, as provided by the department in the revenue declaration relating to the issuance of the grant anticipation revenue bonds or notes, deposit or cause to be deposited the specified part of the federal highway revenues in the grant anticipation fund.

SECTION 86. IC 8-23-7-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. If the department determines that real property owned in fee simple by the department will not be needed for a purpose described in section 2 of this chapter, the commissioner may, with the approval of the budget agency, issue an order describing the surplus property and offering the
surplus property for sale at or above its fair market value as determined by appraisers of the department. The department may combine or divide parcels of surplus property to facilitate the sale of the property.

SECTION 87. IC 9-22-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) A person not described in section 12 of this chapter who sells an abandoned motor vehicle under this chapter may retain from the proceeds of sale the cost of publication of notice and the cost of preserving the motor vehicle during the period of the vehicle's abandonment. The person shall pay the remaining balance of the proceeds of the sale to the circuit court clerk of the county in which the abandoned motor vehicle is located.

(b) At any time within ten (10) years after the money is paid to the clerk, the person who owns the abandoned motor vehicle sold under this chapter may make a claim with the clerk for the sale proceeds deposited with the clerk. If ownership of the proceeds is established to the satisfaction of the clerk, the clerk shall pay the proceeds to the person who owns the abandoned motor vehicle.

(c) If a claim for the proceeds of the sale of an abandoned motor vehicle under subsection (b) is not made within ten (10) years, claims for the proceeds are barred. The clerk shall notify the attorney general and upon demand pay the proceeds to the attorney general. The attorney general shall turn the proceeds over to the treasurer of state. The proceeds vest in and escheat to the state common school general fund. and shall be distributed as a part of the common school fund.

SECTION 88. IC 9-27-4-5.5, AS AMENDED BY HEA 1288-2005, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) To receive an instructor's license under subsection (d), an individual must complete at least sixty (60) semester hours at a college. The individual must complete at least twelve (12) semester hours in driver education courses, of which three (3) semester hours must consist of supervised student teaching experience under the direction of an individual who has:

(1) a driver and traffic safety education endorsement issued by the professional standards board department of education established by IC 20-28-2-1; IC 20-19-3-1; and

(2) at least five (5) years of teaching experience in driver education.

(b) The three (3) semester hours of supervised student teaching
experience required under subsection (a) may only be undertaken by an individual who will be at least twenty-one (21) years of age upon completion and may only be performed at a high school, a commercial driving school, or the college providing the courses for the individual to become an instructor. The remaining nine (9) hours of driver education courses required under subsection (a) must include a combination of theoretical and behind-the-wheel instruction that is consistent with nationally accepted standards in traffic safety.

(c) The driver education semester hours required under subsection (a) do not satisfy the requirements of subsection (d) or (e) unless the driver education curriculum is approved by the commission for higher education.

(d) The bureau shall issue an instructor's license to an individual who satisfies all of the following:

(1) The individual meets the requirements of subsection (a).
(2) The individual does not have more than the maximum number of points for violating traffic laws specified by the bureau by rules adopted under IC 4-22-2.
(3) The individual has a good moral character, physical condition, knowledge of the rules of the road, and work history. The bureau shall adopt rules under IC 4-22-2 that specify the requirements, including requirements about criminal convictions, necessary to satisfy the conditions of this subdivision.

(e) The bureau shall issue an instructor's license to an individual who:

(1) during 1995, held an instructor's license;
(2) meets the requirements of subsection (d)(2) and (d)(3); and
(3) completes the twelve (12) semester hours of driver education courses required under subsection (a) not later than July 1, 1999. However, an individual who has acted as an instructor for at least two (2) years before January 1, 1996, is not required to complete the requirements of subdivision (3) in order to receive an instructor's license under this subsection.

(f) The bureau shall issue an instructor's license to an individual who:

(1) holds a driver and traffic safety education endorsement issued by the professional standards board department of education established under IC 20-28-2-1; by IC 20-19-3-1; and
(2) meets the requirements of subsection (d)(2) and (d)(3).

(g) Only an individual who holds an instructor's license issued by the bureau under subsection (d), (e), or (f) may act as an instructor.

SECTION 89. IC 9-29-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]:

Sec. 4. (a) The service charge for each of the first twelve thousand (12,000) vehicle registrations at a license branch each year is one dollar and seventy-five cents ($1.75).

(b) The service charge for each of the next thirty-eight thousand (38,000) vehicle registrations at that license branch each year is one dollar and fifty cents ($1.50).

(c) The service charge for each additional vehicle registration at that license branch each year is one dollar and twenty-five cents ($1.25).

(d) Fifty cents ($0.50) of each service charge collected under this section during 2002 and 2003 shall be deposited in the state motor vehicle technology fund established by IC 9-29-16-1.

SECTION 90. IC 10-13-3-38.5, AS AMENDED BY HEA 1288-2005, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. (a) Under federal P.L.92-544 (86 Stat. 1115), the department may use an individual's fingerprints submitted by the individual for the following purposes:

1) Determining the individual's suitability for employment with the state, or as an employee of a contractor of the state, in a position:

   (A) that has a job description that includes contact with, care of, or supervision over a person less than eighteen (18) years of age;

   (B) that has a job description that includes contact with, care of, or supervision over an endangered adult (as defined in IC 12-10-3-2), except the individual is not required to meet the standard for harmed or threatened with harm set forth in IC 12-10-3-2(a)(3);

   (C) at a state institution managed by the office of the secretary of family and social services or state department of health;

   (D) at the Indiana School for the Deaf established by IC 20-22-2-1;

   (E) at the Indiana School for the Blind established by IC 20-21-2-1;
(F) at a juvenile detention facility;
(G) with the Indiana gaming commission under IC 4-33-3-16;
(H) with the department of financial institutions under IC 28-11-2-3; or
(I) that has a job description that includes access to or supervision over state financial or personnel data, including state warrants, banking codes, or payroll information pertaining to state employees.

(2) Identification in a request related to an application for a teacher's license submitted to the professional standards board department of education established under IC 20-28-2-1. by IC 20-19-3-1.

An applicant shall submit the fingerprints in an appropriate format or on forms provided for the employment or license application. The department shall charge each applicant the fee established under section 28 of this chapter and by federal authorities to defray the costs associated with a search for and classification of the applicant's fingerprints. The department may forward fingerprints submitted by an applicant to the Federal Bureau of Investigation or any other agency for processing. The state personnel department or the agency to which the applicant is applying for employment or a license may receive the results of all fingerprint investigations.

(b) An applicant who is an employee of the state may not be charged under subsection (a).

(c) Subsection (a)(1) does not apply to an employee of a contractor of the state if the contract involves the construction or repair of a capital project or other public works project of the state.

SECTION 91. IC 11-8-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The commissioner shall do the following:

1. Organize the department subject to approval by the board, and employ personnel necessary to discharge the duties and powers of the department.

2. Administer and supervise the department, including all state owned or operated correctional facilities.

3. Except for employees of the parole board, be the appointing authority for all positions in the department within the scope of IC 4-15-2 and define the duties of those positions in accord with
IC 4-15-2.
(4) Define the duties of a deputy commissioner and a superintendent.
(5) Accept committed persons for study, evaluation, classification, custody, care, training, and reintegration.
(6) Determine the capacity of all state owned or operated correctional facilities and programs and keep all Indiana courts having criminal or juvenile jurisdiction informed, on a quarterly basis, of the populations of those facilities and programs.
(7) Utilize state owned or operated correctional facilities and programs to accomplish the purposes of the department and acquire or establish, according to law, additional facilities and programs whenever necessary to accomplish those purposes.
(8) Develop policies, programs, and services for committed persons, for administration of facilities, and for conduct of employees of the department.
(9) Administer, according to law, the money or other property of the department and the money or other property retained by the department for committed persons.
(10) Keep an accurate and complete record of all department proceedings, which includes the responsibility for the custody and preservation of all papers and documents of the department.
(11) Make an annual report to the governor according to subsection (c).
(12) Develop, collect, and maintain information concerning offenders, sentencing practices, and correctional treatment as the commissioner considers useful in penological research or in developing programs.
(13) Cooperate with and encourage public and private agencies and other persons in the development and improvement of correctional facilities, programs, and services.
(14) Explain correctional programs and services to the public.
(15) As required under 42 U.S.C. 15483, after January 1, 2006, provide information to the election division to coordinate the computerized list of voters maintained under IC 3-7-26.3 with department records concerning individuals disfranchised under IC 3-7-46.
(b) The commissioner may:
(1) when authorized by law, adopt departmental rules under IC 4-22-2; subject to approval by the board;
(2) delegate powers and duties conferred on him the commissioner by law to a deputy commissioner or commissioners and other employees of the department;
(3) issue warrants for the return of escaped committed persons (an employee of the department or any person authorized to execute warrants may execute a warrant issued for the return of an escaped person); and
(4) exercise any other power reasonably necessary in discharging his the commissioner’s duties and powers.

(c) The annual report of the department shall be transmitted to the governor by September 1 of each year and must contain:
   (1) a description of the operation of the department for the fiscal year ending June 30;
   (2) a description of the facilities and programs of the department;
   (3) an evaluation of the adequacy and effectiveness of those facilities and programs considering the number and needs of committed persons or other persons receiving services; and
   (4) any other information required by law.

Recommendations for alteration, expansion, or discontinuance of facilities or programs, for funding, or for statutory changes may be included in the annual report.

SECTION 92. IC 11-8-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The commissioner shall with the approval of the board, appoint one (1) or more deputy commissioners. A deputy commissioner must hold at least a bachelor’s degree from an accredited college or university and must have held a management position in correctional or related work for a minimum of three (3) years. A deputy commissioner shall serve at the pleasure of the commissioner. A deputy commissioner is entitled to a salary to be determined by the state budget agency with the approval of the governor.

SECTION 93. IC 11-8-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The commissioner shall with the approval of the board, determine which state owned or operated correctional facilities are to be maintained for criminal offenders and which are to be maintained for delinquent
offenders.

(b) The commissioner shall determine which state owned or operated correctional facilities need, for effective management, administration by a superintendent. The commissioner shall appoint with the approval of the board: a superintendent for each correctional facility. However, the commissioner may appoint a person as superintendent of two (2) or more facilities if the commissioner finds that it would be economical to do so and would not adversely effect the management of the facilities.

(c) A superintendent must hold at least a bachelor's degree from an accredited college or university and must have held a management position in correctional or related work for a minimum of five (5) years. A superintendent is entitled to a salary to be determined by the state budget agency with the approval of the governor. A superintendent may be dismissed for cause by the commissioner with the approval of the board:

(d) If a superintendent position becomes vacant, the commissioner may appoint an acting superintendent to discharge the duties and powers of a superintendent on a temporary basis.

SECTION 94. IC 11-8-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) All officers and employees of the department, with the exception of the members of the parole board, the commissioner, any deputy commissioner, and any superintendent, are within the scope of IC 4-15-2.

(b) IC 11-10-5 applies to teachers employed under that chapter, notwithstanding IC 4-15-2.

(c) The department shall cooperate with the state personnel department in establishing minimum qualification standards for employees of the department and in establishing a system of personnel recruitment, selection, employment, and distribution.

(d) The department shall conduct training programs designed to equip employees for duty in its facilities and programs and raise their level of performance. Training programs conducted by the department need not be limited to inservice training. They may include preemployment training, internship programs, and scholarship programs in cooperation with appropriate agencies. When funds are appropriated, the department may provide educational stipends or
tuition reimbursement in such amounts and under such conditions as may be determined by the department and the personnel division.

(e) The department shall conduct a training program on cultural diversity awareness that must be a required course for each employee of the department who has contact with incarcerated persons.

(f) The department shall provide six (6) hours of training to employees who interact with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities concerning the interaction, to be taught by persons approved by the secretary of family and social services, using teaching methods approved by the secretary of family and social services and the commissioner. The commissioner or the commissioner's designee may credit hours of substantially similar training received by an employee toward the required six (6) hours of training.

(g) The department shall establish a correctional officer training program with a curriculum, and administration by agencies, to be determined by the commissioner. A certificate of completion shall be issued to any person satisfactorily completing the training program. A certificate may also be issued to any person who has received training in another jurisdiction if the commissioner determines that the training was at least equivalent to the training program maintained under this subsection.

SECTION 95. IC 11-10-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A county that commits an offender to the department shall pay to the state treasurer, under IC 4-24-7-4, one-half (1/2) of the daily cost of sixty dollars ($60) for each day for keeping the offender in the facility or program to which he is assigned. That cost is determined by dividing the average daily population of that facility or program into the previous fiscal year's operating expense of that facility or program and dividing the quotient by the number of days in the previous fiscal year.

(b) A county is not liable for services provided an offender under section 6 of this chapter or for the cost of keeping the offender while those services are being provided.

SECTION 96. IC 11-10-5-2, AS AMENDED BY HEA 1288-2005, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The advisory board of the division of professional standards board of the department of
education established by IC 20-28-2-1 and IC 20-28-2-2 shall, in accord with IC 20-28-4 and IC 20-28-5, adopt rules under IC 4-22-2 for the licensing of teachers to be employed by the department.

SECTION 97. IC 11-10-5-3, AS AMENDED BY HEA 1288-2005, SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Limited certificates valid for one (1) year may be granted, upon the request of the commissioner, according to rules of the advisory board of the division of professional standards board of the department of education established by IC 20-28-2-1 and IC 20-28-2-2. Modification of these rules may be made by the advisory board of the division of professional standards board of the department of education established by IC 20-28-2-2 in a way reasonably calculated to make available an adequate supply of qualified teachers. A limited certificate may be issued in cases where special training education and qualifications warrant the waiver of part of the prerequisite professional training education required for certification to teach in the public schools. The limited certificate, however, may be issued only to applicants who have graduated from an accredited college or university. Teachers of vocational education need not be graduates of an accredited college or university but shall meet requirements for conditional vocational certificates as determined by the professional standards board.

SECTION 98. IC 12-7-2-40.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40.2. "Community spouse", for purposes of IC 12-15-2, means an individual who:

1) is the spouse of an individual who resides in a nursing facility or another medical institution; and
2) does not reside in a nursing facility or another medical institution.

SECTION 99. IC 12-10-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this chapter, "eligible individual" means an individual who:

1) is a resident of Indiana;
2) is:
   (A) at least sixty (60) years of age; or
   (B) disabled; and
(3) has assets that do not exceed five hundred thousand dollars ($500,000), as determined by the division; and
(4) qualifies under criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence, as described in subsection (b).
(b) For purposes of subsection (a), an individual is at risk of losing the individual's independence if the individual is unable to perform two (2) or more activities of daily living. The use by or on behalf of the individual of any of the following services or devices does not make the individual ineligible for services under this chapter:
(1) Skilled nursing assistance.
(2) Supervised community and home care services, including skilled nursing supervision.
(3) Adaptive medical equipment and devices.
(4) Adaptive nonmedical equipment and devices.

SECTION 100. IC 12-10-10-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The office of the secretary, in consultation with the local area agencies on aging, shall negotiate reimbursement rates for services provided under this chapter.
(b) Payments for services under this chapter may not be counted in a Medicaid recipient's spend down requirement in IC 12-15.

SECTION 101. IC 12-11-1.1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The office may assess providers of supported living services and supports community based services to individuals with a developmental disability who otherwise qualify to receive ICF/MR (as defined in IC 16-29-4-2) based services (described in 460 IAC 6) in an amount not to exceed two and five tenths six percent (2.5% (6%)) of all service revenue included on the annual plan of care excluding resident living allowances.
(b) The assessments shall be paid to the office not later than the tenth day of the month for each month that the individual is in service. The office or the office's designee may withhold Medicaid payments to a provider described in subsection (a) that fails to pay an assessment within thirty (30) days after the due date. The amount withheld may not exceed the amount of the assessments due.
(c) The community services quality assurance fund is created. The
fund shall be administered by the office.

(d) Revenue from the assessments under this section shall be
deposited into the fund. Money in the fund must be used only
for the funding of licensing, certification, and quality assurance services:
community services for persons with developmental disabilities.
The aggregate amount of the fee may not exceed the state's estimated
cost of operating the programs:

(e) Money in the fund at the end of a state fiscal year does not revert
to the state general fund.

(f) If federal financial participation to match the assessments in
subsection (a) becomes unavailable under federal law, the authority to
impose the assessments terminates on the date that the federal
statutory, regulatory, or interpretive change takes effect.

SECTION 102. IC 12-15-2-24 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2005]: Sec. 24. (a) This section applies to
determining eligibility for an individual who:

1) resides in a nursing facility or another medical institution;

2) has a community spouse.

(b) In determining eligibility for an individual described in
subsection (a), the office shall, beginning in calendar year 2006, use
the greater of the following community spouse resource allowances:

1) Nineteen thousand twenty dollars ($19,020), subject to an
adjustment described in 42 U.S.C. 1396r-5(g).

2) The lesser of:
   A) the spousal share computed under 42 U.S.C.
      1396r-5(c)(1); or
   B) ninety-five thousand one hundred dollars ($95,100),
      subject to an adjustment described in 42 U.S.C. 1396r-5g.

3) An amount established by a court order or an
administrative hearing if the community spouse's income is
less than the minimum monthly needs allowance established
under 42 U.S.C. 1396r-5(d)(3) and an increased amount is
necessary to increase the community spouse's income to the
minimum monthly needs allowance.
(c) An institutionalized spouse shall not be ineligible for the program because of resources if:

(1) the institutionalized spouse:

(A) establishes that the individual has a right to receive support from the community spouse; and

(B) assigns to the office the right to receive support from the community spouse; or

(2) the office determines that the denial of eligibility would result in an undue hardship to the institutionalized spouse.

(d) The office shall adopt rules under IC 4-22-2 to calculate the amount of resources necessary to provide income to the community spouse under subsection (b).

SECTION 103. IC 12-15-2-25 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. (a) This section applies to an individual who:

(1) is eligible for Medicaid;

(2) resides in a nursing facility or another medical institution; and

(3) has a community spouse.

(b) An individual described in subsection (a) is entitled to retain an income allowance for the purpose of supporting a community spouse if:

(1) the community spouse's income is less than the minimum monthly needs allowance established under 42 U.S.C. 1396r-5(d)(3); and

(2) an increased amount is necessary to increase the community spouse's income to the minimum monthly needs allowance.

(c) If either spouse establishes that a higher allowance is needed due to exceptional circumstances resulting in significant financial duress, the minimum monthly needs allowance may be increased after an administrative hearing or by a court order.

(d) The office shall adopt rules under IC 4-22-2 setting forth the manner in which the office will determine the existence of exceptional circumstances resulting in significant financial duress under subsection (c).

SECTION 104. IC 12-15-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
provided in subsection subsections (b) and (e), an applicant for or recipient of Medicaid is ineligible for assistance if the total cash value of money, stock, bonds, and life insurance owned by:

(1) the applicant or recipient is more than one thousand five hundred dollars ($1,500) for assistance to the aged, blind, or disabled; or

(2) the applicant or recipient and the applicant's or recipient's spouse is more than two thousand two hundred fifty dollars ($2,250) for medical assistance to the aged, blind, or disabled.

(b) In the case of an applicant who is an eligible individual, a Holocaust victim's settlement payment received by the applicant or the applicant's spouse may not be considered when calculating the total cash value of money, stock, bonds, and life insurance owned by the applicant or the applicant's spouse.

(c) In the case of an individual who:

(1) resides in a nursing facility or another medical institution; and

(2) has a spouse who does not reside in a nursing facility or another medical institution;

the total cash value of money, stock, bonds, and life insurance that may be owned by the couple to be eligible for the program is determined under IC 12-15-2-24.

SECTION 105. IC 12-15-5-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this section, "maintenance drug" means a medication that is dispensed under a single prescription for a period of not less than one hundred eighty (180) days, excluding authorized refills, for the ongoing treatment of a chronic medical condition or disease or congenital condition or disorder.

(b) The office may designate:

(1) a mail order pharmacy;

(2) an Internet based pharmacy (as defined in IC 25-26-18-1);

(3) a pharmacy that agrees to sell a maintenance drug at the same price as a mail order or an Internet based pharmacy; or

(4) all the pharmacies listed in subdivisions (1) through (3); through which a recipient may obtain a maintenance drug.

(c) If the office makes a designation under subsection (b), a
managed care organization that has a contract with the office under IC 12-15-12 is not required to use a pharmacy that is designated under subsection (b).

(d) If a Medicaid recipient's physician prescribes a maintenance prescription drug, the Medicaid recipient may purchase the maintenance prescription drug from a pharmacy that is designated under subsection (b).

(e) The office shall apply to amend the state Medicaid plan if the office determines that an amendment is necessary to carry out this section.

(f) The office may require a recipient to pay the maximum copayment allowable under federal law if the recipient obtains a maintenance drug from a pharmacy other than a pharmacy described in subsection (b).

SECTION 106. IC 12-15-8.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) This section applies:

(1) after the death of a Medicaid recipient whose property; or
(2) upon the sale of property that;

is subject to a lien under this chapter.

(b) A lien under this chapter is void if both of the following occur:

(1) The owner of property subject to a lien under this chapter or any person or corporation having an interest in the property, including a mortgagee or a lienholder, provides written notice to the office to file an action to foreclose the lien.
(2) The office fails to file an action to foreclose the lien in the county where the property is located not later than thirty (30) sixty (60) days after receiving the notice.

However, this section does not prevent the claim from being collected as other claims are collected by law.

(c) A person who gives notice under subsection (a)(1)(b)(1) by registered or certified mail to the office at the address given in the recorded statement and notice of intention to hold a lien may file an affidavit of service of the notice to file an action to foreclose the lien with the recorder of the county in which the property is located. The affidavit must state the following:

(1) The facts of the notice.
(2) That more than thirty (30) sixty (60) days have passed since the notice was received by the office.

(3) That no action for foreclosure of the lien is pending.

(4) That no unsatisfied judgment has been rendered on the lien.

(e) (d) The recorder shall:

(1) record the affidavit of service in the miscellaneous record book of the recorder's office; and

(2) certify on the face of the record any lien that is fully released.

When the recorder records the affidavit and certifies the record under this subsection, the real estate described in the lien is released from the lien.

SECTION 107. IC 12-15-9-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.5. (a) As used in this chapter, "estate" includes:

(1) all real and personal property and other assets included within an individual's probate estate;

(2) any interest in real property owned by the individual at the time of death that was conveyed to the individual's survivor through joint tenancy with right of survivorship, if the joint tenancy was created after June 30, 2002; and

(3) any real or personal property conveyed through a nonprobate transfer; and

(4) any sum due after June 30, 2005, to a person after the death of a Medicaid recipient that is under the terms of an annuity contract purchased after May 1, 2005, with the assets of:

(A) the Medicaid recipient; or

(B) the Medicaid recipient's spouse.

(b) As used in this chapter, "nonprobate transfer" means a valid transfer, effective at death, by a transferor:

(1) whose last domicile was in Indiana; and

(2) who immediately before death had the power, acting alone, to prevent transfer of the property by revocation or withdrawal and:

(A) use the property for the benefit of the transferor; or

(B) apply the property to discharge claims against the transferor's probate estate.

The term does not include transfer of a survivorship interest in a tenancy by the entireties real estate or payment of the death proceeds.
of a life insurance policy.

SECTION 108. IC 12-15-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Subject to subsection (b), upon the death of a Medicaid recipient or upon the death of a deceased Medicaid recipient's spouse, the total amount of Medicaid paid on behalf of the recipient after the recipient became fifty-five (55) years of age must be allowed as a preferred claim against the estate of the recipient or the recipient's spouse in favor of the state. The affidavit of a person designated by the secretary to administer this section is evidence of the amount of the claim and is payable after the payment of the following in accordance with IC 29-1-14-9:

(1) Funeral expenses for the recipient and the recipient's spouse, not to exceed in each individual case three hundred fifty dollars ($350).
(2) The expenses of the last illness of the recipient and the recipient's spouse that are authorized or paid by the office.
(3) The expenses of administering the estate, including the attorney's fees approved by the court.

(b) If a recipient's spouse remarries, the part of the estate of the recipient's spouse that is attributable to the subsequent spouse is not subject to a claim for Medicaid paid on behalf of the recipient.

SECTION 109. IC 12-15-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The office may not recover on a claim filed against the estate of a surviving spouse while the individual is survived by a child who is:

(1) less than twenty-one (21) years of age; or
(2) permanently and totally disabled under criteria established by the federal Supplemental Security Income program.

(b) A claim against the estate of a surviving spouse for medical assistance paid on behalf of the predeceased spouse is limited to the value of the assets included in the predeceased spouse's probate estate. The office may not recover on a claim filed against the estate of a surviving spouse from any part of the estate described in section 1(b) of this chapter.

SECTION 110. IC 12-15-9-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A person receiving beneficiary
payments from an annuity contract of a deceased Medicaid recipient is liable to the state for reimbursement of Medicaid benefits:

(1) paid to; or
(2) on behalf of;
the deceased Medicaid recipient to the extent of any payments that are received by the person under an annuity contract purchased after May 1, 2005.

SECTION 111. IC 12-16-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 3.

(a) For purposes of this section, "payable claim" has the meaning set forth in IC 12-16-7.5-2.5(b)(1).

(b) For taxes first due and payable in 2003, each county shall impose a hospital care for the indigent property tax levy equal to the product of:

(1) the county's hospital care for the indigent property tax levy for taxes first due and payable in 2002; multiplied by
(2) the county's assessed value growth quotient determined under IC 6-1.1-18.5-2 for taxes first due and payable in 2003.

(c) For taxes first due and payable in 2004, 2005, and 2006, 2007, and 2008, each county shall impose a hospital care for the indigent property tax levy equal to the product of:

(1) the county's hospital care for the indigent property tax levy for taxes first due and payable in the preceding year; multiplied by
(2) the assessed value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth) of the county's total assessed value of all taxable property in the particular calendar year, divided by the county's total assessed value of all taxable property in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).
(d) Except as provided in subsection (e):

(1) for taxes first due and payable in 2007; 2009, each county shall impose a hospital care for the indigent property tax levy equal to the average of the annual amount of payable claims attributed to the county under IC 12-16-7.5-4.5 during the state fiscal years beginning:

(A) July 1, 2003;
(B) July 1, 2004; and
(C) July 1, 2005; and

(B) July 1, 2006; and
(C) July 1, 2007; and

(2) for all subsequent annual levies under this section, the average annual amount of payable claims attributed to the county under IC 12-16-7.5-4.5 during the three (3) most recently completed state fiscal years.

(e) A county may not impose an annual levy under subsection (d) in an amount greater than the product of:

(1) The greater of:

(A) the county's hospital care for the indigent property tax levy for taxes first due and payable in 2006; 2008; or
(B) the amount of the county's maximum hospital care for the indigent property tax levy determined under this subsection for taxes first due and payable in the immediately preceding year;

multiplied by

(2) the assessed value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth) of the county's total assessed value of all taxable property in the particular calendar year, divided by the county's total assessed value of all taxable property in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).
SECTION 112. IC 12-17-2-34, AS AMENDED BY HEA 1288-2005, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) When the Title IV-D agency finds that an obligor is delinquent and can demonstrate that all previous enforcement actions have been unsuccessful, the Title IV-D agency shall send, to a verified address, a notice to the obligor that includes the following:

1. Specifies that the obligor is delinquent.
2. Describes the amount of child support that the obligor is in arrears.
3. States that unless the obligor:
   A. pays the obligor's child support arrearage in full;
   B. requests the activation of an income withholding order under IC 31-16-15-2 and establishes a payment plan with the Title IV-D agency to pay the arrearage; or
   C. requests a hearing under section 35 of this chapter;
   within twenty (20) days after the date the notice is mailed, the Title IV-D agency shall issue an order to the bureau of motor vehicles stating that the obligor is delinquent and that the obligor's driving privileges shall be suspended.
4. Explains that the obligor has twenty (20) days after the notice is mailed to do one (1) of the following:
   A. Pay the obligor's child support arrearage in full.
   B. Request the activation of an income withholding order under IC 31-16-15-2 and establish a payment plan with the Title IV-D agency to pay the arrearage.
   C. Request a hearing under section 35 of this chapter.
5. Explains that if the obligor has not satisfied any of the requirements of subdivision (4) within twenty (20) days after the notice is mailed, that the Title IV-D agency shall issue a notice to:
   A. the board or department that regulates the obligor's profession or occupation, if any, that the obligor is delinquent and that the obligor may be subject to sanctions under IC 25-1-1.2, including suspension or revocation of the obligor's professional or occupational license;
   B. the supreme court disciplinary commission if the obligor is licensed to practice law;
   C. the professional standards board as department of
education established by IC 20-28-2-2+ IC 20-19-3-1 if the obligor is a licensed teacher;
(D) the Indiana horse racing commission if the obligor holds or applies for a license issued under IC 4-31-6;
(E) the Indiana gaming commission if the obligor holds or applies for a license issued under IC 4-33;
(F) the commissioner of the department of insurance if the obligor holds or is an applicant for a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3; or
(G) the director of the department of natural resources if the obligor holds or is an applicant for a license issued by the department of natural resources under the following:
   (i) IC 14-22-12 (fishing, hunting, and trapping licenses).
   (ii) IC 14-22-14 (Lake Michigan commercial fishing license).
   (iii) IC 14-22-16 (bait dealer's license).
   (iv) IC 14-22-17 (mussel license).
   (v) IC 14-22-19 (fur buyer's license).
   (vi) IC 14-24-7 (nursery dealer's license).
   (vii) IC 14-31-3 (ginseng dealer's license).
(6) Explains that the only basis for contesting the issuance of an order under subdivision (3) or (5) is a mistake of fact.
(7) Explains that an obligor may contest the Title IV-D agency's determination to issue an order under subdivision (3) or (5) by making written application to the Title IV-D agency within twenty (20) days after the date the notice is mailed.
(8) Explains the procedures to:
   (A) pay the obligor's child support arrearage in full;
   (B) establish a payment plan with the Title IV-D agency to pay the arrearage; and
   (C) request the activation of an income withholding order under IC 31-16-15-2.
(b) Whenever the Title IV-D agency finds that an obligor is delinquent and has failed to:
   (1) pay the obligor's child support arrearage in full;
   (2) establish a payment plan with the Title IV-D agency to pay the arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
(3) request a hearing under section 35 of this chapter within twenty (20) days after the date the notice described in subsection (a) is mailed; the Title IV-D agency shall issue an order to the bureau of motor vehicles stating that the obligor is delinquent.

c) An order issued under subsection (b) must require the following:
   (1) If the obligor who is the subject of the order holds a driving license or permit on the date the order is issued, that the driving privileges of the obligor be suspended until further order of the Title IV-D agency.
   (2) If the obligor who is the subject of the order does not hold a driving license or permit on the date the order is issued, that the bureau of motor vehicles may not issue a driving license or permit to the obligor until the bureau of motor vehicles receives a further order from the Title IV-D agency.

(d) The Title IV-D agency shall provide the:
   (1) full name;
   (2) date of birth;
   (3) verified address; and
   (4) Social Security number or driving license number;
   of the obligor to the bureau of motor vehicles.

(e) When the Title IV-D agency finds that an obligor who is an applicant (as defined in IC 25-1-1.2-1) or a practitioner (as defined in IC 25-1-1.2-6) is delinquent and the applicant or practitioner has failed to:
   (1) pay the obligor's child support arrearage in full;
   (2) establish a payment plan with the Title IV-D agency to pay the arrearage or request the activation of an income withholding order under IC 31-16-15; or
   (3) request a hearing under section 35 of this chapter;
   the Title IV-D agency shall issue an order to the board regulating the practice of the obligor's profession or occupation stating that the obligor is delinquent.

(f) An order issued under subsection (e) must direct the board or department regulating the obligor's profession or occupation to impose the appropriate sanctions described under IC 25-1-1.2.

(g) When the Title IV-D agency finds that an obligor who is an attorney or a licensed teacher is delinquent and the attorney or licensed
teacher has failed to:

1. pay the obligor's child support arrearage in full;
2. establish a payment plan with the Title IV-D agency to pay the arrearage or request the activation of an income withholding order under IC 31-16-15-2; or
3. request a hearing under section 35 of this chapter;

the Title IV-D agency shall notify the supreme court disciplinary commission if the obligor is an attorney, or the professional standards board department of education if the obligor is a licensed teacher, that the obligor is delinquent.

(h) When the Title IV-D agency finds that an obligor who holds a license issued under IC 4-31-6 or IC 4-33 has failed to:

1. pay the obligor's child support arrearage in full;
2. establish a payment plan with the Title IV-D agency to pay the arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
3. request a hearing under section 35 of this chapter;

the Title IV-D agency shall issue an order to the Indiana horse racing commission if the obligor holds a license issued under IC 4-31-6, or to the Indiana gaming commission if the obligor holds a license issued under IC 4-33, stating that the obligor is delinquent and directing the commission to impose the appropriate sanctions described in IC 4-31-6-11 or IC 4-33-8.5-3.

(i) When the Title IV-D agency finds that an obligor who holds a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3 has failed to:

1. pay the obligor's child support arrearage in full;
2. establish a payment plan with the Title IV-D agency to pay the arrearage and request the activation of an income withholding order under IC 31-16-15-2; or
3. request a hearing under section 35 of this chapter;

the Title IV-D agency shall issue an order to the commissioner of the department of insurance stating that the obligor is delinquent and directing the commissioner to impose the appropriate sanctions described in IC 27-1-15.6-29 or IC 27-10-3-20.

(j) When the Title IV-D agency finds that an obligor who holds a license issued by the department of natural resources under IC 14-22-12, IC 14-22-14, IC 14-22-16, IC 14-22-17, IC 14-22-19,
IC 14-24-7, or IC 14-31-3 has failed to:
(1) pay the obligor's child support arrearage in full;
(2) establish a payment plan with the Title IV-D agency to pay the
arrearage and request the activation of an income withholding
order under IC 31-16-15-2; or
(3) request a hearing under section 35 of this chapter;
the Title IV-D agency shall issue an order to the director of the
department of natural resources stating that the obligor is delinquent
and directing the director to suspend or revoke a license issued to the
obligor by the department of natural resources as provided in
IC 14-11-3.

SECTION 113. IC 12-17-15-3 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this
chapter, "early intervention services" means developmental services
that meet the following conditions:
(1) Are provided under public supervision.
(2) Are provided at no cost, except where federal or state law
allows for a system of payments by families, which may include
a sliding scale of fees:
(2) Have the state as the payor of last resort.
(3) Are designed to meet the developmental needs of infants and
toddlers with disabilities in at least one (1) of the areas specified
in section 4(a)(1) of this chapter.
(4) Meet all required state and federal standards.
(5) Are provided by qualified personnel, including the following:
   (A) Early childhood special educators, early childhood
      educators, and special educators.
   (B) Speech and language pathologists and audiologists.
   (C) Occupational therapists.
   (D) Physical therapists.
   (E) Psychologists.
   (F) Social workers.
   (G) Nurses.
   (H) Nutritionists.
   (I) Family therapists.
   (J) Orientation and mobility specialists.
   (K) Pediatricians and other physicians.
(6) To the maximum extent appropriate, are provided in natural
environments, including the home and community settings in which children without disabilities participate.
(7) Are provided in conformity with an individualized family service plan adopted in accordance with 20 U.S.C. 1435.

(b) The term includes the following services:
(1) Family training, counseling, and home visits.
(2) Special instruction.
(3) Speech and language pathology and audiology.
(4) Occupational therapy.
(5) Physical therapy.
(6) Psychological services.
(7) Service coordination services.
(8) Medical services only for diagnostic, evaluation, or consultation purposes.
(9) Early identification, screening, and assessment services.
(10) Other health services necessary for the infant or toddler to benefit from the services.
(11) Vision services.
(12) Supportive technology services.
(13) Transportation and related costs that are necessary to enable an infant or a toddler and the infant or toddler's family to receive early intervention services.

SECTION 114. IC 12-17-15-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Upon the recommendations of the council, the division shall adopt rules under IC 4-22-2 providing for a statewide system of coordinated, comprehensive, multidisciplinary, interagency programs that provide appropriate early intervention services to all infants and toddlers with disabilities and their families to the extent required under 20 U.S.C. 1431 through 1445.

(b) Rules adopted under this section must, to the extent allowed by federal law, include a cost participation plan for charges and fees imposed for programs and services described in subsection (a).

(c) A cost participation plan adopted under this section must provide for cost participation per family according to the following schedule:

<table>
<thead>
<tr>
<th>Percentage of Federal Income Poverty Level</th>
<th>Copayment</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per</td>
<td>Monthly</td>
</tr>
<tr>
<td></td>
<td>Treatment</td>
<td>Cost Share</td>
</tr>
</tbody>
</table>
The schedule of cost participation required under this subsection expires July 1, 2005.

(d) In addition to the schedule of cost participation required under subsection (c), a cost participation plan adopted under this section:

(1) must:

(A) be based on income and ability to pay;
(B) provide for a review of a family's cost participation amount:
   (i) annually; and
   (ii) within thirty (30) days after the family reports a reduction in income; and
(C) allow the division to waive a required copayment if
   (i) other medical expenses or personal care needs expenses for any member of the family reduce the level of income the family has available to pay copayments under this section; or
   (ii) the program receives payment from the family's health care coverage; and
(2) may allow a family to voluntarily contribute payments that
(3) must provide that the division may not receive more than three thousand five hundred dollars ($3,500) per eligible child per year from a family's health care coverage.

(c) Funds received under a cost participation plan adopted under this section must be used to fund programs described in subsection (a).

(f) The budget agency shall annually report to the health finance commission and the budget committee the following information concerning the funding of the program under this chapter:

1. The total amount billed to a federal or state program each state fiscal year for services provided under this chapter, including the following programs:
   (A) Medicaid.
   (B) The children's health insurance program.
   (C) The federal Temporary Assistance to Needy Families (TANF) program (45 CFR 265).
   (D) Any other state or federal program.

2. The total amount billed each state fiscal year to an insurance company for services provided under this chapter and the total amount reimbursed by the insurance company.

3. The total copayments collected under this chapter each state fiscal year.

4. The total administrative expenditures.

The report must be submitted before September 1 for the preceding state fiscal year in an electronic format under IC 5-14-6.

SECTION 115. IC 14-10-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The commission may do the following:

1. Take the action that is necessary to enable the state to participate in the programs set forth in 16 U.S.C. 470 et seq.
2. Promulgate and maintain a state register of districts, sites, buildings, structures, and objects significant in American or Indiana history, architecture, archeology, and culture and expend money for the purpose of preparing comprehensive statewide historic surveys and plans, in accordance with criteria established by the commission, that comply with the standards and regulations promulgated by the United States Secretary of the Interior for the preservation, acquisition, and development of the
properties.
(3) Establish in accordance with criteria established by the United States Secretary of the Interior a program of matching grants-in-aid to public agencies for projects having as their purpose the preservation for public benefit of properties that are significant in American or Indiana history, architecture, archeology, and culture.
(4) Accept grants from public and private sources, including those provided under 16 U.S.C. 470 et seq.
(5) Establish fees for the following:
   (A) Programs of the department or the commission.
   (B) Facilities owned or operated by the department or the commission or a lessee of the department or commission.
   (C) Licenses issued by the commission, the department, or the director.
   (D) Inspections or other similar services under this title performed by the department or an assistant or employee of the department.
(6) Adopt rules under IC 4-22-2 for the establishment of fees under subdivision (5).
SECTION 116. IC 14-11-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The department may adopt rules under IC 4-22-2 for the conduct of the following:
   (1) Department meetings.
   (2) Upon the recommendation of the director, the work of the department and the divisions.
(b) The department may not adopt rules under IC 4-22-2 for the establishment of fees for the following:
   (1) Programs of the department or the commission.
   (2) Facilities owned or operated by the department or the commission or a lessee of the department or commission.
   (3) Licenses issued by the commission, the department, or the director.
   (4) Inspections or other similar services under this title performed by the department or an assistant or employee of the department.
SECTION 117. IC 14-16-1-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The owner of a vehicle required to be registered under this chapter shall notify the department within fifteen (15) days if any of the following conditions exist:

   (1) The vehicle is destroyed or abandoned.
   (2) The vehicle is sold or an interest in the vehicle is transferred wholly or in part to another person.
   (3) The owner's address no longer conforms to the address appearing on the certificate of registration.

(b) The notice must consist of a surrender of the certificate of registration on which the proper information shall be noted on a place to be provided.

(c) If the surrender of the certificate is required because the vehicle is destroyed or abandoned, the department shall cancel the certificate and enter that fact in the records. The number then may be reassigned.

(d) If the surrender is required because of a change of address on the part of the owner, the department shall record the new address. Upon payment of a fee established by the department, a certificate of registration bearing the new information shall be returned to the owner.

(e) The transferee of a vehicle registered under this chapter shall, within fifteen (15) days after acquiring the vehicle, make application to the department for transfer to the transferee of the certificate of registration issued to the vehicle. The transferee shall provide the transferee's name and address and the number of the vehicle and pay to the department a fee established by the department. Upon receipt of the application and fee, the department shall transfer the certificate of registration issued for the vehicle to the new owner. Unless the application is made and the fee paid within fifteen (15) days, the vehicle is considered to be without a certificate of registration and a person may not operate the vehicle until a certificate is issued.

SECTION 118. IC 14-16-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. If a certificate of registration is lost, mutilated, or illegible, the owner of the vehicle may obtain a duplicate of the certificate upon application and payment of a fee established by the department.

SECTION 119. IC 14-16-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) A dealer or
manufacturer may obtain certificates of registration for use in the
testing or demonstrating of vehicles upon the following:

(1) Application to the department upon forms provided by the
department.
(2) Payment of a fee established by the department for each of the
first two (2) registration certificates. Additional certificates that
the dealer requires may be issued for a fee established by the
department.

(b) An applicant may use a certificate issued under this section only
in the testing or demonstrating of vehicles by temporary placement of
the numbers on the vehicle being tested or demonstrated. A certificate
issued under this section may be used on only one (1) vehicle at any
given time. The temporary placement of numbers must conform to the
requirements of this chapter or rules adopted under this chapter.
(c) A certificate issued under this section is valid for three (3) years.

SECTION 120. IC 14-19-1-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The department
may do the following:
(1) Make available to the public under rules adopted by the
department public parks and other suitable places for recreation,
conservation, and management of natural and cultural resources.
The rules may include a procedure for the establishment of a
schedule of admission fees and service charges adopted by the
commission for the parks and other places of recreation.
(2) Construct, rent, lease, license, or operate public service
privileges and facilities in a state park. An agreement may not be
made to rent, lease, or license a public service privilege or facility
in a state park for longer than four (4) years, except as provided
in section 3 of this chapter.
(3) Acquire other suitable land or park property within Indiana
that is entrusted, donated, or devised to Indiana by the United
States or by a county, a city, a town, a private corporation, or an
individual for the purpose of public recreation or for the
preservation of natural beauty or natural features possessing
historic value.

SECTION 121. IC 20-12-0.5-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The commission
shall have the following powers and duties:
(1) To develop, continually keep current, and implement a long range plan for postsecondary education. In developing this plan, the commission shall take into account the plans and interests of the state private institutions, anticipated enrollments in state postsecondary institutions, financial needs of students, and other factors pertinent to the quality of educational opportunity available to the citizens of Indiana. The plan shall define the educational missions and the projected enrollments of the various state educational institutions.

(2) To consult with and make recommendations to the commission on vocational and technical education within the department of workforce development on all postsecondary vocational education programs. The commission shall biennially prepare a plan for implementing postsecondary vocational education programming after considering the long range state plan developed under IC 20-1-18.3-10. The commission shall submit this plan to the commission on vocational and technical education within the department of workforce development for its review and recommendations, and shall specifically report on how the plan addresses preparation for employment.

(3) To make recommendations to the general assembly and the governor concerning the long range plan, and prepare to submit drafts and proposed legislation needed to implement the plan. The commission may also make recommendations to the general assembly concerning the plan for postsecondary vocational education under subdivision (2).

(4) To review the legislative request budgets of all state educational institutions preceding each session of the general assembly and to make recommendations concerning appropriations and bonding authorizations to state educational institutions including public funds for financial aid to students by any state agency. The commission may review all programs of any state educational institution, regardless of the source of funding, and may make recommendations to the governing board of the institution, the governor, and the general assembly concerning the funding and the disposition of the programs. In making this review, the commission may request and shall receive, in such form as may reasonably be required, from all state educational
institutions, complete information concerning all receipts and all expenditures.

(5) To submit to the commission on vocational and technical education within the department of workforce development for its review under IC 20-1-18.3-15 the legislative budget requests prepared by state educational institutions for state and federal funds for vocational education. These budget requests shall be prepared upon request of the budget director, shall cover the period determined by the budget director, and shall be made available to the commission within the department of workforce development before review by the budget committee.

(6) To make, or cause to be made, studies of the needs for various types of postsecondary education and to make recommendations to the general assembly and the governor concerning the organization of these programs. The commission shall make or cause to be made studies of the needs for various types of postsecondary vocational education and shall submit to the commission on vocational and technical education within the department of workforce development the commission's findings in this regard.

(7) To approve or disapprove the establishment of any new branches, regional or other campuses, or extension centers or of any new college or school, or the offering on any campus of any additional associate, baccalaureate, or graduate degree, or of any additional program of two (2) semesters, or their equivalent in duration, leading to a certificate or other indication of accomplishment. After March 29, 1971, no state educational institution shall establish any new branch, regional campus, or extension center or any new or additional academic college, or school, or offer any new degree or certificate as defined in this subdivision without the approval of the commission or without specific authorization by the general assembly. Any state educational institution may enter into contractual agreements with governmental units or with business and industry for specific programs to be wholly supported by the governmental unit or business and industry without the approval of the commission.

(8) If so designated by the governor or the general assembly, to serve as the agency for the purposes of receiving or administering
funds available for postsecondary education programs, projects, and facilities for any of the acts of the United States Congress where the acts of Congress require the state to designate such an agency or commission. However, this subdivision does not provide for the designation of the commission by the governor as the recipient of funds which may be provided by acts of the United States Congress, received by an agency, a board, or a commission designated by the general assembly.

(9) To designate and employ an executive officer and necessary employees, to designate the titles of the executive officer and necessary employees, and to fix the compensation in terms of the employment.

(10) To appoint appropriate advisory committees composed of representatives of state educational institutions, representatives of private colleges and universities, students, faculty, and other qualified persons.

(11) To employ all powers properly incident to or connected with any of the foregoing purposes, powers, or duties, including the power to adopt rules.

(12) To develop a definition for and report biennially to the:
   (A) general assembly;
   (B) governor; and
   (C) commission on vocational and technical education within the department of workforce development;

on attrition and persistence rates by students enrolled in state vocational education. A report under this subdivision to the general assembly must be in an electronic format under IC 5-14-6.

(13) To submit a report to the legislative council not later than August 30 of each year on the status of the transfer of courses and programs between state educational institutions. The report must include any changes made during the immediately preceding academic year.

(14) To direct the activities of the committee, including the activities set forth in subdivisions (15) and (16).

(15) To develop through the committee statewide transfer of credit agreements for courses that are most frequently taken by undergraduates.

(16) To develop through the committee statewide agreements
under which associate of arts and associate of science programs articulate fully with related baccalaureate degree programs.

(17) To publicize by all appropriate means, including an Internet website, a master list of course transfer of credit agreements and program articulation agreements.

(18) To establish, with the assistance of the committee, a statewide core transfer library of at least seventy (70) courses that are transferable on all campuses of the state educational institutions in accordance with the principles in section 13 of this chapter.

(19) To establish, with the assistance of the committee, articulation agreements for at least twelve (12) degree programs:

(A) for which articulation agreements apply to any campus in the Ivy Tech State College system and to Vincennes University; and

(B) that draw from liberal arts and the technical, professional, and occupational fields.

SECTION 122. IC 20-12-0.5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The commission shall exercise its powers and duties under section 8 of this chapter in a manner to facilitate the use of:

(1) the core transfer library established under section 8(18) of this chapter at state educational institutions; and

(2) at least twelve (12) degree programs established under section 8(19) of this chapter at Ivy Tech State College and Vincennes University.

(b) The core transfer library developed under section 8(18) of this chapter shall be developed in accordance with the following principles:

(1) Each course in the core transfer library must transfer in and apply toward meeting degree requirements in the same way as the receiving state educational institution's equivalent course.

(2) Courses in the core transfer library must draw primarily from the liberal arts but must include introductory or foundational courses in technical, professional, and occupational fields.
(3) At least seventy (70) courses must be identified for inclusion in the core transfer library. The identified courses must emphasize the courses most frequently taken by undergraduates.

(4) With respect to core transfer library courses being transferred from a state educational institution to Indiana University or Purdue University, Indiana University and Purdue University must identify transfer equivalents so that a course accepted by one (1) regional campus will be accepted by all other regional campuses that offer the same transfer equivalent course.

(5) Within the Indiana University system and Purdue University system, equivalent courses, including courses with the same course number and title, must count in the same way at all campuses within the system where the course is offered.

(c) The commission shall adopt rules under IC 4-22-2 and prescribe procedures to facilitate the use of the core transfer library established under section 8(18) of this chapter, including designating courses in the course transfer library in the materials that colleges and universities use to communicate widely with students, such as online catalogs and course schedules, and at least twelve (12) degree programs established under section 8(19) of this chapter.

SECTION 123. IC 20-12-1-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies notwithstanding IC 20-12-23-2, IC 20-12-36-4, IC 20-12-56-5, IC 20-12-57.5-11, and IC 20-12-64-5.

(b) As used in this section, "academic year" has the meaning set forth in IC 20-12-76-1.

(c) As used in this section, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

(d) A state educational institution shall set tuition and fee rates for a two (2) year period. The rates shall be set according to the procedure set forth in subsection (e) and:

(1) on or before May 30 of the odd numbered year; or

(2) thirty (30) days after the state budget bill is enacted into law;

whichever is later.
(e) A state educational institution shall hold a public hearing before adopting any proposed tuition and fee rate increases. The state educational institution shall give public notice of the hearing at least ten (10) days before the hearing. The public notice shall include the specific proposal for tuition and fee rate increases and the expected uses of the revenue to be raised by the proposed increases. The hearing shall be held:

(1) on or before May 15 of each odd numbered year; or
(2) fifteen (15) days after the state budget bill is enacted into law;
whichever is later.

(f) After a state educational institution's tuition and fee rates are set under this section, the state educational institutions may adjust the tuition and fee rates only if appropriations to the state educational institution in the state budget act are reduced or withheld.

(g) If a state educational institution adjusts its tuition and fee rates under subsection (f), the total revenue generated by the tuition and fee rate adjustment must not exceed the amount by which appropriations to the state educational institution in the state budget act were reduced or withheld.

SECTION 124. IC 20-12-5.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Sec. 2. (a) In addition to projects authorized by the general assembly, the trustees of each higher education institution may engage in any of the following projects so long as there are funds available for the project and the project meets any of the applicable conditions:

(1) Each project to construct buildings or facilities of a cost greater than two five hundred thousand dollars ($200,000), ($500,000), or to purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds one two hundred fifty thousand dollars ($100,000), ($250,000), must be reviewed by the commission for higher education and approved by the governor upon recommendation of the budget agency. If any part of the cost of the project as specified in section 3 of this chapter is paid by state appropriated funds or by mandatory student fees assessed all students and if the project is to construct buildings or facilities of a cost greater than five hundred thousand dollars
($500,000), or to purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds three hundred thousand dollars ($300,000), the project must also be approved by the general assembly. Nothing herein limits the trustees in supplementing projects approved by the general assembly from gifts or other available funds so long as approval for the expansion of projects is given by the governor on review by the commission for higher education and recommendation of the budget agency.

(2) Each repair and rehabilitation project must be reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency, if the cost of the project exceeds five seven hundred fifty thousand dollars ($575,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students. If no part of the cost of the repair and rehabilitation project is paid by state appropriated funds or by mandatory student fees assessed all students, the review and approval requirements of this subdivision apply only if the project exceeds one million dollars ($1,000,000).

(3) Each project to lease, other than a project to lease-purchase, a building or facility must be reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency, if the annual cost of the project exceeds one hundred fifty thousand dollars ($150,000).

(b) The review and approval requirements of subsection (a)(1) do not apply to a project to construct buildings or facilities or to purchase or lease-purchase land, buildings, or facilities if the project involves the expansion or improvement of housing for students undertaken entirely by a fraternity or sorority at the state educational institution.

SECTION 125. IC 20-12-30.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The Indiana Statewide Medical Education System shall include, but not be limited to, centers for comprehensive medical education established in cooperation with existing medical and educational institutions in Gary, Fort Wayne, Lafayette, Evansville, South Bend, Terre Haute, and Muncie, Indiana. These centers shall be known separately and
respectively as *Indiana University School of Medicine-Northwest (on the campus of Indiana University-Northwest)*, *Center for Medical Education at Gary; Indiana University School of Medicine-Fort Wayne (on the campus of Indiana University-Purdue University Fort Wayne)*, *Center for Medical Education; Indiana University School of Medicine-Lafayette (on the campus of Purdue University)*, *Center for Medical Education at Purdue University; Indiana University School of Medicine-Evansville (on the campus of the University of Southern Indiana)*, *Center for Medical Education*; *Indiana University School of Medicine-South Bend (on the campus of the University of Notre Dame)*, *Center for Medical Education; Indiana University School of Medicine-Terre Haute (on the campus of Indiana State University)*, *Center for Medical Education at Indiana State University; and Indiana University School of Medicine-Muncie (on the campus of Ball State University)*. *Center for Medical Education at Ball State University.*

SECTION 126. IC 20-18-2-22, AS ADDED BY HEA 1288-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) "Teacher" means a professional person whose position in a school corporation requires certain teacher training and licensing.

(b) For purposes of IC 20-28, the term includes the following:

1. A superintendent.
2. A supervisor.
3. A principal.
4. An attendance officer.
5. A teacher.
6. A librarian.

SECTION 127. IC 20-20-13-18, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. A school corporation must use a grant received under sections 13 through 24 of this chapter to implement all or part of the school corporation's technology plan by funding uses that promote *1:1 computing infrastructure*, include the following:

1. Support of the school corporation's remediation plans.
2. Professional development related to technology.
3. (1) Computers in classrooms.
4. (2) Computers for teachers.
(5) Access to electronic gateways or telephone access to information providers.
(6) The buddy system project (as described in IC 20-20-15.4(1)(A)).
(7) Video distance learning:
(3) E-learning.
(8) (4) Wiring infrastructure to support 1:1 computing.
(9) Salaries for management of the technology program:
(10) (5) Technical support.
(11) (6) Wide area networks and local area networks necessary to support 1:1 computing.
(12) Media distribution systems:
(13) Expansion of the 4R's technology program (as described in program (as described in section 6(a)(1) of this chapter):
(14) Software:
(15) Library automation:
(16) Indiana public broadcasting services:
(7) Infrastructure software.
(17) (8) Assistive technology devices for students with disabilities in 1:1 computing environment.
(9) Other uses of technology approved by the department of education.

SECTION 128. IC 20-20-31-10, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The state board shall approve an evaluation system for professional development based on recommendations from the department and the advisory board of the division of professional standards board established by IC 20-28-2-1. IC 20-28-2-2. The department shall develop a means for measuring successful programs and activities in which schools participate. The measurements must include the following:

(1) A mechanism to identify and develop strategies to collect multiple forms of data that reflect the achievement of expectations for all students. The data may include the results of ISTEP program tests under IC 20-31-3, IC 20-32-4, IC 20-32-5, and IC 20-32-6, local tests, classroom work, and teacher and administrator observations.
(2) A procedure for using collected data to make decisions.
(3) A method of evaluation in terms of educator's practice and student learning, including standards for effective teaching and effective professional development.

SECTION 129. IC 20-24-7-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds for charter school facilities, the department shall pursue this federal funding.

(b) There is appropriated to the department of education ten million dollars ($10,000,000) from the common school fund interest balance in the state general fund to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools, beginning July 1, 2005, and ending June 30, 2007.

(c) The department shall develop guidelines and the state board shall adopt rules under IC 4-22-2 necessary to implement this section.

SECTION 130. IC 20-24-8-4, AS ADDED BY HEA 1288-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Except as specifically provided in this article and the statutes listed in section 5 of this chapter, the following do not apply to a charter school:

(1) An Indiana statute applicable to a governing body or school corporation.

(2) A rule or guideline adopted by the state board.

(3) A rule or guideline adopted by the advisory board of the division of professional standards board established by IC 20-28-2-1(a), IC 20-28-2-2, except for those rules that assist a teacher in gaining or renewing a standard or advanced license.

(4) A local regulation or policy adopted by a school corporation unless specifically incorporated in the charter.

SECTION 131. IC 20-26-11-11, AS ADDED BY HEA 1288-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A school corporation may enter into an agreement with:

(1) a nonprofit corporation that operates a federally approved education program; or
(2) a nonprofit corporation that:
   (A) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;
   (B) for its classroom instruction, employs teachers who are certified by the professional standards board; department;
   (C) employs other professionally and state licensed staff as appropriate; and
   (D) educates children who:
       (i) have been suspended, expelled, or excluded from a public school in that school corporation and have been found to be emotionally disturbed;
       (ii) have been placed with the nonprofit corporation by court order;
       (iii) have been referred by a local health department; or
       (iv) have been placed in a state licensed private or public health care or child care facility as described in section 8(b) of this chapter;

in order to provide a student with an individualized education program that is the most suitable educational program available.

(b) If a school corporation that is a transferee corporation enters into an agreement as described in subsection (a), the school corporation shall pay to the nonprofit corporation an amount agreed upon from the transfer tuition of the student. The amount agreed upon may not exceed the transfer tuition costs that otherwise would be payable to the transferee corporation.

(c) If a school corporation that is a transferor corporation enters into an agreement as described in subsection (a), the school corporation shall pay to the nonprofit corporation an amount agreed upon, which may not exceed the transfer tuition costs that otherwise would be payable to a transferee school corporation.

SECTION 132. IC 20-28-1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. "Advisory board" refers to the advisory board of the division of professional standards established by IC 20-28-2-2.

SECTION 133. IC 20-28-1-2, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. "Applicant" refers to an applicant for:
(1) a new license;
(2) a renewal license; or
(3) a substitute teacher certificate;
issued by the board: department.

SECTION 134. IC 20-28-1-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5 "Division" refers to the division of professional standards of the department of education established by IC 20-28-2-1.5.

SECTION 135. IC 20-28-1-7, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "License" refers to a document issued by the board department that grants permission to serve as a particular kind of teacher. The term includes any certificate or permit issued by the board department.

SECTION 136. IC 20-28-2-1, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in section 6 of this chapter, the professional standards board is established to govern teacher training and licensing programs. (b) Notwithstanding any other law, the board and the board’s staff have department has the sole authority and responsibility for making recommendations concerning and governing teacher training education and teacher licensing matters, including professional development.

SECTION 137. IC 20-28-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. The division of professional standards is established within the department to administer the responsibilities of the department described in section 1 of this chapter.

SECTION 138. IC 20-28-2-2, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The advisory board of the division of professional standards is established to advise the superintendent, the board, the department, and the division on matters concerning teacher education, licensing, and professional development. The advisory board consists of nineteen (19) voting members.

(b) Except as otherwise provided, each voting member of the
advisory board described in this subsection must be actively employed by a school corporation. Eighteen (18) members shall be appointed by the governor as follows:

1. One (1) member must hold a license and be actively employed in a public school as an Indiana school superintendent.
2. Two (2) members must:
   (A) hold licenses as public school principals;
   (B) be actively employed as public school principals; and
   (C) be employed at schools having dissimilar grade level configurations.
3. One (1) member must:
   (A) hold a license as a special education director; and
   (B) be actively employed as a special education director in:
      (i) a school corporation; or
      (ii) a public school special education cooperative.
4. One (1) member must be a member of the governing body of a school corporation but is not required to be actively employed by a school corporation or to hold an Indiana teacher's license.
5. Three (3) members must meet the following conditions:
   (A) Represent Indiana teacher training education units within Indiana public and private institutions of higher education.
   (B) Hold a teacher's license but not necessarily an Indiana teacher's license.
   (C) Be actively employed by the respective teacher training education units.
The members described in this subdivision are not required to be employed by a school corporation.
6. Nine (9) members must be licensed and actively employed as Indiana public school teachers in the following categories:
   (A) At least one (1) member must hold an Indiana standard early childhood education license.
   (B) At least one (1) member must hold an Indiana teacher's license in elementary education.
   (C) At least one (1) member must hold an Indiana teacher's license for middle/junior high school education.
   (D) At least one (1) member must hold an Indiana teacher's license in high school education.
7. One (1) member must be a member of the business
community in Indiana but is not required to be actively employed by a school corporation or to hold an Indiana teacher's license.

(c) Each member described in subsection (b)(6) must be licensed and actively employed as a practicing teacher in at least one (1) of the following areas to be appointed:

1. At least one (1) member must be licensed in special education.
2. At least one (1) member must be licensed in vocational education.
3. At least one (1) member must be employed and licensed in student services, which may include school librarians or psychometric evaluators.
4. At least one (1) member must be licensed in social science education.
5. At least one (1) member must be licensed in fine arts education.
6. At least one (1) member must be licensed in English or language arts education.
7. At least one (1) member must be licensed in mathematics education.
8. At least one (1) member must be licensed in science education.

(d) At least one (1) member described in subsection (b) must be a parent of a student enrolled in a public preschool or public school within a school corporation in either kindergarten or any of grades 1 through 12.

(e) The state superintendent shall serve as an ex officio voting member of the advisory board. The state superintendent may make recommendations to the governor as to the appointment of members on the advisory board.

SECTION 139. IC 20-28-2-3, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The term of office for the appointed members of the advisory board is four (4) years.

SECTION 140. IC 20-28-2-4, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The superintendent shall appoint the chairperson director of the advisory board, shall be elected by a majority of the members of the board who shall be known as the
secretary of professional standards, from among the members of the advisory board for a term of one (1) year. A member may be reelected to serve as a chairperson director for subsequent terms.

SECTION 141. IC 20-28-2-5, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Each member of the advisory board who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the advisory board who is a state employee is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 142. IC 20-28-2-6, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Subject to subsection (c) and in addition to the powers and duties set forth in IC 20-20-22 or this article, the advisory board shall adopt rules under IC 4-22-2 to do the following:

1. Set standards for teacher licensing and administer for the administration of a professional licensing and certification process by the department.
2. Approve or disapprove teacher preparation programs.
3. Set fees to be charged in connection with teacher licensing.
4. Suspend, revoke, or reinstate teacher licenses.
5. Enter into agreements with other states to acquire reciprocal approval of teacher preparation programs.
7. Evaluate work experience and military service concerning higher education and experience equivalency.
8. Perform any other action that:

   A relates to the improvement of instruction in the public schools through teacher education and professional
development through continuing education; and
(B) attracts qualified candidates for teacher training
from among the high school graduates of Indiana.

(9) Set standards for endorsement of school psychologists as
independent practice school psychologists under IC 20-28-12.
(b) Notwithstanding subsection (a)(1), an individual is entitled to
one (1) year of occupational experience for purposes of obtaining an
occupational specialist certificate under this article for each year the
individual holds a license under IC 25-8-6.

(c) Before publishing notice of the intent to adopt a rule under
IC 4-22-2, the advisory board must submit the proposed rule to the
state superintendent for approval. If the state superintendent
approves the rule, the advisory board may publish notice of the
intent to adopt the rule. If the state superintendent does not
approve the rule, the advisory board may not publish notice of the
intent to adopt the rule.

SECTION 143. IC 20-28-2-7, AS ADDED BY HEA 1288-2005,
SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 7. (a) The board
department
may recommend to
the general assembly for consideration measures relating to the board's
department's powers and duties that improve the quality of teacher
preparation or teacher licensing standards.
(b) The board department shall submit to the general assembly
before November 1 of each year a report:
(1) detailing the findings and activities of the department, the
division, and the advisory board; and
(2) including any recommendations developed by the board:
under this chapter.
A report under this subsection must in an electronic format under
IC 5-14-6.

SECTION 144. IC 20-28-2-8, AS ADDED BY HEA 1288-2005,
SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 8. (a) The board department may, subject to
approval by the budget agency, do the following to administer the
responsibilities of the department described in section 2 of this
chapter:
(1) Establish advisory committees the board department
determines necessary.
(2) Expend funds made available to the **board department** according to policies established by the budget agency.

(b) The **board department** shall comply with the requirements for submitting a budget request to the budget agency as set forth in IC 4-12-1, for funds to administer the responsibilities of the **department** described in section 1 of this chapter.

SECTION 145. IC 20-28-2-9, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. IC 4-21.5 applies to orders issued by the **board department under this chapter**.

SECTION 146. IC 20-28-2-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. There is established the professional standards fund to be administered by the **department**. The fund consists of fees collected under this chapter. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

SECTION 147. IC 20-28-3-1, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The **board department** shall:

1. arrange a statewide system of professional instruction for teacher training; education;
2. accredit and inspect teacher training education schools and departments that comply with the rules of the **board department**;
3. recommend and approve courses for the training education of particular kinds of teachers in accredited schools and departments; and
4. specify the types of licenses for graduates of approved courses.

(b) The **department** shall work with teacher education schools and departments to develop a system of teacher education that ensures individuals who graduate from the schools and departments are able to meet the highest professional standards.

SECTION 148. IC 20-28-3-2, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) An accredited school or department may use the word "accredited" in advertising approved courses and the types of teachers the school or department is accredited to prepare. An
accredited school or department may enter into the student teaching agreements specified in IC 20-26-5.

(b) The board department shall revoke the right to use the word "accredited" when an accredited school or department refuses to abide by the advisory board's rules.

SECTION 149. IC 20-28-3-3, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The board, in consultation with the department, shall develop guidelines for use by accredited teacher training education institutions and departments in preparing individuals to teach in various environments.

(b) The guidelines developed under subsection (a) must include courses and methods that assist individuals in developing cultural competency (as defined in IC 20-31-2-5).

SECTION 150. IC 20-28-4-3, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Subject to the requirements of this chapter, the board department shall develop and administer the program. The board department shall determine the details of the program that are not included in this chapter.

SECTION 151. IC 20-28-4-4, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Each accredited teacher training education school and department in Indiana shall establish a course of study that constitutes the higher education component of the program. The higher education component required under this section must comply with the following requirements:

1. Include the following study requirements:
   (A) For a program participant who seeks to obtain a license to teach in grades 6 through 12, up to eighteen (18) credit hours of study or the equivalent that prepare a program participant to meet Indiana standards for teaching in the subject areas corresponding to the area in which the program participant has met the education requirements under section 5 of this chapter, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.
   (B) For a program participant who seeks to obtain a license to
teach in kindergarten through grade 5, twenty-four (24) credit hours of study or the equivalent, which must include at least six (6) credit hours in teaching reading, that prepare a program participant to meet Indiana standards for teaching, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.

(2) Focus on the communication of knowledge to students.

(3) Include suitable field or classroom experiences if the program participant does not have teaching experience.

SECTION 152. IC 20-28-4-6, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The board department shall grant an initial standard license to a program participant who does the following:

(1) Successfully completes the higher education component of the program.

(2) Demonstrates proficiency through a written examination in:
   (A) basic reading, writing, and mathematics;
   (B) pedagogy; and
   (C) knowledge of the areas in which the program participant is required to have a license to teach; under IC 20-28-5-12(b).

(3) Participates successfully in a beginning teacher internship program under IC 20-6.1-8 (repealed) that includes implementation in a classroom of the teaching skills learned in the higher education component of the program.

(4) Receives a successful assessment of teaching skills upon completion of the beginning teacher internship program under subdivision (3) from the administrator of the school where the beginning teacher internship program takes place, or, if the program participant does not receive a successful assessment, participates continues participating in the beginning teacher internship program. for a second year as provided under IC 20-6.1-8-13 (repealed). The appeals provisions of IC 20-6.1-8-14 (repealed) apply to an assessment under this subdivision.

SECTION 153. IC 20-28-4-7, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 7. This section applies to a program participant who has a degree described in section 5 of this chapter that does not include all the content areas of a standard license issued by the board. The board shall issue an initial standard license that is restricted to only the content areas in which the program participant has a degree unless the program participant demonstrates sufficient knowledge in other content areas of the license.

SECTION 154. IC 20-28-4-10, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) The advisory board may adopt rules under IC 4-22-2 to administer this chapter.

(b) Rules adopted under this section must include a requirement that accredited teacher training schools and departments in Indiana submit an annual report to the board of the number of individuals who:
   (1) enroll in; and
   (2) complete; the program.

SECTION 155. IC 20-28-5-1, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The board is responsible for the licensing of teachers.

SECTION 156. IC 20-28-5-2, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The advisory board may adopt rules for:
   (1) the issuance of a substitute teacher's license; and
   (2) the employment of substitute teacher licensees.

An individual may not serve as a substitute teacher without a license issued by the board.

SECTION 157. IC 20-28-5-3, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The board shall designate:
   (1) the grade point average required for each type of license; and
   (2) the types of licenses to which the teachers' minimum salary laws apply, including nonrenewable one (1) year limited licenses.

(b) The board shall determine details of licensing not provided in this chapter, including requirements regarding the following:
(1) The conversion of one (1) type of license into another.
(2) The accreditation of teacher education schools and departments.
(3) The exchange and renewal of licenses.
(4) The endorsement of another state's license.
(5) The acceptance of credentials from teacher training institutions of another state.
(6) The academic and professional preparation for each type of license.
(7) The granting of permission to teach a high school subject area related to the subject area for which the teacher holds a license.
(8) The issuance of licenses on credentials.
(9) The type of license required for each school position.
(10) The size requirements for an elementary school requiring a licensed principal.
(11) Any other related matters.

The board department shall establish at least one (1) system for renewing a teaching license that does not require a graduate degree.

(c) The board department shall periodically publish bulletins regarding:
   (1) the details described in subsection (b);
   (2) information on the types of licenses issued;
   (3) the rules governing the issuance of each type of license; and
   (4) other similar matters.

SECTION 158. IC 20-28-5-7, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. On the written recommendation of the state superintendent, the board department may suspend or revoke a license for:
   (1) immorality;
   (2) misconduct in office;
   (3) incompetency; or
   (4) willful neglect of duty.

For each suspension or revocation, the board department shall comply with IC 4-21.5-3.

SECTION 159. IC 20-28-5-8, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies when a prosecuting
attorney knows that a licensed employee of a public school or a nonpublic school has been convicted of an offense listed in subsection (c). The prosecuting attorney shall immediately give written notice of the conviction to the following:

(1) The state superintendent.
(2) Except as provided in subdivision (3), the superintendent of the school corporation that employs the licensed employee or the equivalent authority if a nonpublic school employs the licensed employee.
(3) The presiding officer of the governing body of the school corporation that employs the licensed employee, if the convicted licensed employee is the superintendent of the school corporation.

(b) The superintendent of a school corporation, presiding officer of the governing body, or equivalent authority for a nonpublic school shall immediately notify the state superintendent when the individual knows that a current or former licensed employee of the public school or nonpublic school has been convicted of an offense listed in subsection (c).

(c) The board, department, after holding a hearing on the matter, shall permanently revoke the license of a person who is known by the board department to have been convicted of any of the following felonies:

(1) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.
(2) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age.
(3) Rape (IC 35-42-4-1), if the victim is less than eighteen (18) years of age.
(4) Criminal deviate conduct (IC 35-42-4-2), if the victim is less than eighteen (18) years of age.
(5) Child molesting (IC 35-42-4-3).
(6) Child exploitation (IC 35-42-4-4(b)).
(7) Vicarious sexual gratification (IC 35-42-4-5).
(8) Child solicitation (IC 35-42-4-6).
(9) Child seduction (IC 35-42-4-7).
(10) Sexual misconduct with a minor (IC 35-42-4-9).
(11) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age.
(12) Dealing in or manufacturing cocaine, a narcotic drug, or methamphetamine (IC 35-48-4-1).
(13) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
(14) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(15) Dealing in a schedule V controlled substance (IC 35-48-4-4).
(16) Dealing in a counterfeit substance (IC 35-48-4-5).
(17) Dealing in marijuana, hash oil, or hashish (IC 35-48-4-10(b)).
(d) A license may be suspended by the state superintendent as specified in IC 20-28-7-7.

SECTION 160. IC 20-28-5-9, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 9. (a) An applicant must do the following:
(1) Submit a request to the Indiana central repository for limited criminal history information under IC 10-13-3.
(2) Obtain a copy of the limited criminal history for the applicant from the repository's records.
(3) Submit to the board department the limited criminal history for the applicant.
(4) Submit to the board department a document verifying a disposition that does not appear on the limited criminal history for the applicant.
(b) The board department may deny the issuance of a license or certificate to an applicant who is convicted of an offense for which the individual's license may be revoked or suspended under this chapter.
(c) The board department must use the information obtained under this section in accordance with IC 10-13-3-29.
(d) An applicant is responsible for all costs associated with meeting the requirements of this section.

SECTION 161. IC 20-28-5-10, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:
Sec. 10. (a) The board department shall keep a record of:
(1) all licenses issued;
(2) all licenses in force; and
(3) the academic preparation, professional preparation, and teaching experience of each applicant for a license or a license
renewal.
(b) A superintendent of a school corporation shall register and keep a record of the following for each licensed teacher employed by the school corporation:

1. The type of license held by the teacher.
2. The teacher's date of first employment.
3. The teacher's annual or monthly salary.

SECTION 162. IC 20-28-5-11, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) This section does not apply to an individual who, on September 1, 1985, has earned more than the equivalent of twelve (12) semester hours of graduate credit.

(b) The board department may not renew the junior high/middle school or secondary education license of a teacher on the basis of the teacher obtaining a graduate degree unless the teacher completes at least the equivalent of eighteen (18) semester hours beyond the teacher's undergraduate degree in any combination of courses in the teacher's major, minor, primary, supporting, or endorsement areas. The semester hours may include graduate hours or undergraduate hours, or both, as determined by the board department.

(c) The advisory board may:
1. adopt rules under IC 4-22-2 to create exceptions to the requirements under subsection (b); and
2. waive the requirements under subsection (b) on an individual basis.

SECTION 163. IC 20-28-5-12, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Subsection (b) does not apply to an individual who held an Indiana limited, reciprocal, or standard teaching license on June 30, 1985.

(b) The board department may not grant an initial standard license to an individual unless the individual has demonstrated proficiency in the following areas on a written examination or through other procedures prescribed by the board department:
1. Basic reading, writing, and mathematics.
2. Pedagogy.
3. Knowledge of the areas in which the individual is required to have a license to teach.
(4) If the individual is seeking to be licensed as an elementary school teacher, comprehensive reading instruction skills, including:
   (A) phonemic awareness; and
   (B) phonics instruction.

(c) An individual’s license examination score may not be disclosed by the board without the individual’s consent unless specifically required by state or federal statute or court order.

(d) The advisory board shall adopt rules under IC 4-22-2 to do the following:
   (1) Adopt, validate, and implement the examination or other procedures required by subsection (b).
   (2) Establish examination scores indicating proficiency.
   (3) Otherwise carry out the purposes of this section.

(e) The board shall adopt rules under IC 4-22-2 establishing the conditions under which the requirements of this section may be waived for individuals a valid teacher's licenses issued by another state.

SECTION 164. IC 20-28-5-14, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. If the board is notified by the department of state revenue that an individual is on the most recent tax warrant list, the board may not grant an initial standard license to the individual until:
   (1) the individual provides the board with a statement from the department of state revenue indicating that the individual’s delinquent tax liability has been satisfied; or
   (2) the board receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

SECTION 165. IC 20-28-9-1, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A teacher's minimum salary each school year must be computed based on the teacher's training, education, experience, and degree completed as of the teacher's first day of service.
   (b) If a teacher is licensed by the board on:
      (1) the first day of service in the current school year; or
(2) another date as agreed by the school employer and the exclusive representative under IC 20-29; the teacher’s minimum salary is computed under section 2 of this chapter.

SECTION 166. IC 20-28-9-2, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A teacher's minimum salary for service during a nine (9) month school term is computed as follows:

(1) For a teacher who has completed four (4) years or one hundred forty-four (144) weeks of professional training; education, five thousand two hundred dollars ($5,200), plus:
   (A) an additional increment of one hundred fifty dollars ($150) after each of the first ten (10) years of experience; and
   (B) an additional increment of two hundred fifty dollars ($250) after each of the following years of experience:
      (i) The fifteenth.
      (ii) The twentieth.

(2) For a teacher who has completed five (5) years or one hundred eighty (180) weeks of professional training; education, five thousand five hundred dollars ($5,500), plus:
   (A) an additional increment of one hundred fifty dollars ($150) after each of the first eighteen (18) years of experience; and
   (B) an additional increment of three hundred dollars ($300) after each of the following years of experience:
      (i) The nineteenth.
      (ii) The twentieth.
      (iii) The twenty-second.
      (iv) The twenty-fourth.
      (v) The twenty-sixth.
      (vi) The thirtieth.

(3) For a teacher who has completed less than four (4) years of professional training; education, four thousand seven hundred dollars ($4,700), plus an additional increment of one hundred twenty dollars ($120) after each of the first ten (10) years of experience.

SECTION 167. IC 20-28-9-4, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board department shall require each
teacher to hold:
   (1) a bachelor's degree from an accredited teacher training institution to qualify for the first time for classification under section 2(1) of this chapter; and
   (2) a master's degree to qualify for the first time for classification under section 2(2) of this chapter.
   (b) A teacher may not receive credit for five (5) years of training under section 2(2) of this chapter unless the teacher has completed at least a bachelor's degree.

SECTION 168. IC 20-28-9-7, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) An individual who:
   (1) holds:
      (A) a professional license;
      (B) a provisional license;
      (C) a limited license; or
      (D) an equivalent license issued by the board; department;
   and
   (2) serves as an occasional substitute teacher;
shall be compensated on the pay schedule for substitutes of the school corporation the individual serves.
   (b) An individual who:
   (1) holds a:
      (A) professional license; or
      (B) provisional license; and
   (2) serves as a substitute teacher in the same teaching position for more than fifteen (15) consecutive school days;
shall be compensated on the regular pay schedule for teachers of the school corporation the individual serves.

SECTION 169. IC 20-28-12-3, AS ADDED BY HEA 1288-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. An individual who applies for an endorsement as an independent practice school psychologist must meet the following requirements:
   (1) Be licensed as a school psychologist by the board; department.
   (2) Be employed by a:
      (A) developmental center;
(B) state hospital;
(C) public or private hospital;
(D) mental health center;
(E) rehabilitation center;
(F) private school; or
(G) public school;
at least thirty (30) hours per week during the contract period unless the individual is retired from full-time or part-time employment as a school psychologist or the individual has a medical condition or physical disability that restricts the mobility required for employment in a school setting.

(3) Furnish satisfactory evidence to the board department that the applicant has received at least a sixty (60) semester hour master's or specialist degree in school psychology from:
   (A) a recognized institution of higher learning; or
   (B) an educational institution not located in the United States that has a program of study that meets the standards of the board department.

(4) Furnish satisfactory evidence to the board department that the applicant has demonstrated graduate level competency through the successful completion of course work and a practicum in the areas of assessment and counseling.

(5) Furnish satisfactory evidence to the board department that the applicant has at least one thousand two hundred (1,200) hours of school psychology experience beyond the master's degree level. At least six hundred (600) hours must be in a school setting under the supervision of any of the following:
   (A) A physician licensed under IC 25-22.5.
   (B) A psychologist licensed under IC 25-33.
   (C) A school psychologist endorsed under this chapter.

(6) Furnish satisfactory evidence to the board department that the applicant has completed, in addition to the requirements in subdivision (5), at least four hundred (400) hours of supervised experience in identification and referral of mental and behavioral disorders, including at least one (1) hour each week of direct personal supervision by a:
   (A) physician licensed under IC 25-22.5;
   (B) psychologist licensed under IC 25-33; or
(C) school psychologist endorsed under this chapter; with at least ten (10) hours of direct personal supervision.

(7) Furnish satisfactory evidence to the board department that the applicant has completed, in addition to the requirements of subdivisions (5) and (6), fifty-two (52) hours of supervision with a physician licensed under IC 25-22.5, a psychologist licensed under IC 25-33, or a school psychologist endorsed under this chapter that meets the following requirements:

(A) The fifty-two (52) hours must be completed within at least twenty-four (24) consecutive months but not less than twelve (12) months.

(B) Not more than one (1) hour of supervision may be included in the total for each week.

(C) At least nine hundred (900) hours of direct client contact must take place during the total period under clause (A).

(8) Furnish satisfactory evidence to the board department that the applicant does not have a conviction for a crime that has a direct bearing on the applicant's ability to practice competently.

(9) Furnish satisfactory evidence to the board department that the applicant has not been the subject of a disciplinary action by a licensing or certification agency of any jurisdiction on the grounds that the applicant was not able to practice as a school psychologist without endangering the public.

(10) Pass the examination provided by the board department.

SECTION 170. IC 20-30-5-6, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies only to public schools. (b) As used in this section, "good citizenship instruction" means integrating instruction into the current curriculum that stresses the nature and importance of the following:

(1) Being honest and truthful.

(2) Respecting authority.

(3) Respecting the property of others.

(4) Always doing the student's personal best.

(5) Not stealing.

(6) Possessing the skills (including methods of conflict resolution) necessary to live peaceably in society and not resorting to violence to settle disputes.
(7) Taking personal responsibility for obligations to family and community.
(8) Taking personal responsibility for earning a livelihood.
(9) Treating others the way the student would want to be treated.
(10) Respecting the national flag, the Constitution of the United States, and the Constitution of the State of Indiana.
(11) Respecting the student's parents and home.
(12) Respecting the student's self.
(13) Respecting the rights of others to have their own views and religious beliefs.
(c) The department shall:
(1) identify; and
(2) make available;
models of conflict resolution instruction to school corporations. The instruction may consist of a teacher training education program that applies the techniques to the students in the classroom to assist school corporations in complying with this section.

SECTION 171. IC 20-30-5-14, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) To:
(1) educate students on the importance of their future career choices;
(2) prepare students for the realities inherent in the work environment; and
(3) instill in students work values that will enable them to succeed in their respective careers;
each school within a school corporation shall include in the school's curriculum for all students in grades 1 through 12 instruction concerning employment matters and work values.
(b) Each school shall:
(1) integrate within the curriculum instruction that is; or
(2) conduct activities or special events periodically that are; designed to foster overall career awareness and career development as described in subsection (a).
(c) The department shall develop career awareness and career development models as described in subsection (d) to assist schools in complying with this section.
(d) The models described in this subsection must be developed in
accordance with the following:

1. For grades 1 through 5, career awareness models to introduce students to work values and basic employment concepts.
2. For grades 6 through 8, initial career information models that focus on career choices as they relate to student interest and skills.
3. For grades 9 through 10, career exploration models that offer students insight into future employment options.
4. For grades 11 through 12, career preparation models that provide job or further education counseling, including the following:
   A. Initial job counseling, including the use of job service officers to provide school-based assessment, information, and guidance on employment options and the rights of students as employees.
   B. Workplace orientation visits.
   C. On-the-job experience exercises.

(e) The department, with assistance from the department of labor and the department of workforce development, shall:

1. develop and make available teacher guides; and
2. conduct seminars or other teacher training activities;

(f) The department shall, with assistance from the department of workforce development, design and implement innovative career preparation demonstration projects for students in at least grade 9.

SECTION 172. IC 20-30-7-8, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Except as provided in section 9 of this chapter, an instructor for an educational program described in section 7 of this chapter must be:

1. licensed under IC 20-28; or
2. granted a substitute teacher’s license by the professional standards board.

SECTION 173. IC 20-30-7-9, AS ADDED BY HEA 1288-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. If the superintendent of the school corporation that is the local education agency determines that:

1. a qualified licensed teacher is not available from the entities
entering into an agreement under section 5 of this chapter; and
(2) a qualified postsecondary instructor is available;
to instruct in an educational program described in section 7 of this
chapter, the superintendent may request the professional standards
board department to issue a substitute teacher's license to the
instructor of an educational program described in section 7 of this
chapter.

SECTION 174. IC 20-30-7-10, AS ADDED BY HEA 1288-2005,
SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 10. If the professional standards board
department finds that a qualified licensed teacher is not available from
the entities entering into an agreement under section 5 of this chapter
to instruct in an educational program described in section 7 of this
chapter, the professional standards board department may issue a
substitute teacher's license to the instructor of an educational program
described in section 7 of this chapter.

SECTION 175. IC 20-31-6-1, AS ADDED BY HEA 1288-2005,
SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 1. The department in consultation with the
professional standards board, shall develop and make available to
school corporations and nonpublic schools materials that assist
teachers, administrators, and staff in a school in developing cultural
competency for use in providing professional and staff development
programs.

SECTION 176. IC 20-32-5-1, AS ADDED BY HEA 1288-2005,
SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2005]: Sec. 1. The purposes of the ISTEP program developed
under this chapter are as follows:
(1) To assess the strengths and weaknesses of school
performance.
(2) To assess the effects of state and local educational programs.
(3) To compare achievement of Indiana students to achievement
of students on a national basis.
(4) To provide a source of information for state and local decision
makers with regard to educational matters, including the
following:
   (A) The overall academic progress of students.
   (B) The need for new or revised educational programs.
(C) The need to terminate existing educational programs.
(D) Student readiness for postsecondary school experiences.
(E) Overall curriculum development and revision activities.
(F) Identifying students who may need remediation under IC 20-32-8.
(G) Diagnosing individual student needs.
(H) Teacher training and staff development activities.

SECTION 177. IC 20-33-2-7, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) In addition to the requirements of sections 4 through 6 of this chapter, a student must be at least five (5) years of age on:

(1) July 1 of the 2005-2006 school year; or
(2) August 1 of the 2006-2007 school year or any subsequent school year;

to officially enroll in a kindergarten program offered by a school corporation. However, subject to subsection (c), the governing body of the school corporation shall adopt a procedure affording a parent of a student who does not meet the minimum age requirement set forth in this subsection the right to appeal to the superintendent for enrollment of the student in kindergarten at an age earlier than the age set forth in this subsection.

(b) In addition to the requirements of sections 4 through 6 of this chapter and subsection (a), and subject to subsection (c), if a student enrolls in school as allowed under section 6 of this chapter and has not attended kindergarten, the superintendent shall make a determination as to whether the student shall enroll in kindergarten or grade 1 based on the particular model assessment adopted by the governing body under subsection (c).

(c) To assist the principal and governing bodies, the department shall do the following:

(1) Establish guidelines to assist each governing body in establishing a procedure for making appeals to the superintendent under subsection (a).
(2) Establish criteria by which a governing body may adopt a model assessment that may be used in making the determination under subsection (b).
SECTION 178. IC 20-33-2-41, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 41. With the exception of ex officio attendance officers, an individual may not hold the position of attendance officer unless the individual has complied with all standards of the professional standards board department and has been properly licensed by that body, the department.

SECTION 179. IC 21-1-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 3. (a) The Indiana state board of education is authorized to advance money to school corporations and school townships from the common school fund to be used for school building construction and educational technology programs as provided in this chapter.

(b) As used in this chapter, "school building construction program" means the purchase, lease, or financing of land, the construction and equipping of school buildings, and the remodeling, repairing, or improving of school buildings by a school corporation or school township:

(1) that sustained loss by fire, wind, cyclone, or other disaster of all or a major portion of a school building or school buildings;

(2) whose assessed valuation per pupil ADM is within the lowest forty percent (40%) of the assessed valuation per pupil ADM when compared to all school corporation or school township assessed valuation per pupil ADM; or

(3) with an advance under this chapter outstanding on July 1, 1993, that bears interest at least seven and one-half percent (7.5%).

However, as used in this chapter, the term does not include facilities used or to be used primarily for interscholastic or extracurricular activities.

(c) As used in this chapter, "educational technology program" means the purchase, lease, or financing of educational technology equipment, the operation of the educational technology equipment, and the training of teachers in the use of the educational technology equipment.

SECTION 180. IC 21-1-30-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 2. For purposes of computation under this chapter, the following
shall be used:

(1) Kindergarten pupils shall be counted as five-tenths (0.5). All other pupils shall be counted as one (1).

(2) The number of pupils shall be the number of pupils used in determining ADM, as defined by IC 21-3-1.6, for the current year.

(3) The staff cost amount for a school corporation is sixty-nine thousand eight hundred eleven dollars ($69,811).

(4) The guaranteed amount for a school corporation is the primetime allocation, before any penalty is assessed under this chapter, that the school corporation would have received under this chapter for the 1999 calendar year or the first year of participation in the program, whichever is later.

(5) The at-risk index is the index determined under IC 21-3-1.6-1.1.

(6) The following apply to determine whether amounts received under this chapter have been devoted to reducing class size in kindergarten through grade 3 as required by section 3(b) of this chapter:

(A) Except as permitted under section 5.5 of this chapter, only a licensed teacher who is an actual classroom teacher in a regular instructional program is counted as a teacher.

(B) If a school corporation is granted approval under section 5.5 of this chapter, the school corporation may include as one-third (1/3) of a teacher each classroom instructional aide who meets qualifications and performs duties prescribed by the Indiana state board of education.

(7) The complexity index is the index determined under IC 21-3-1.7-6.7.

SECTION 181. IC 21-1-30-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 3. (a) The amount to be distributed to a school corporation under this chapter is the amount determined by the following formula:

STEP ONE: For a calendar year ending before January 1, 2004, determine the applicable target pupil teacher ratio for the school corporation as follows:

(A) If the school corporation’s at-risk index is less than seventeen hundredths (0.17); the school corporation’s target pupil teacher ratio is eighteen to one (18:1):
(B) If the school corporation's at-risk index is at least seventeen hundredths (0.17) but less than twenty-seven hundredths (0.27), the school corporation's target pupil teacher ratio is fifteen (15) plus the result determined in item (iii):
   (i) Determine the result of twenty-seven hundredths (0.27) minus the school corporation's at-risk index:
   (ii) Determine the item (i) result divided by one-tenth (0.1):
   (iii) Determine the item (ii) result multiplied by three (3):
(C) If the school corporation's at-risk index is at least twenty-seven hundredths (0.27), the school corporation's target pupil teacher ratio is fifteen to one (15:1):

STEP TWO: One: For a calendar year beginning after December 31, 2003, 2004, determine the applicable target pupil teacher ratio for the school corporation as follows:

(A) If the school corporation's complexity index is less than one and one-tenth (1.1), the school corporation's target pupil teacher ratio is eighteen to one (18:1).
(B) If the school corporation's complexity index is at least one and one-tenth (1.1) but less than one and two-tenths (1.2), the school corporation's target pupil teacher ratio is fifteen (15) plus the result determined in item (iii):
   (i) Determine the result of one and two-tenths (1.2) minus the school corporation's complexity index.
   (ii) Determine the item (i) result divided by one-tenth (0.1).
   (iii) Determine the item (ii) result multiplied by three (3).
(C) If the school corporation's complexity index is at least one and two-tenths (1.2), the school corporation's target pupil teacher ratio is fifteen to one (15:1).

STEP THREE: Two: Determine the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter, in kindergarten through grade 3 for the current school year; divided by
(B) the school corporation's applicable target pupil teacher ratio, as determined in STEP ONE or STEP TWO.

STEP FOUR: Three: Determine the result of:

(A) the total regular general fund revenue (the amount determined in IC 21-3-1.7-8.2(b) STEP ONE or IC 21-3-1.7-8.2(c) STEP ONE)
IC 21-3-1.7-8.2(c) for 2005 and STEP ONE of IC 21-3-1.7-8.2(a) for 2006 and 2007) multiplied by seventy-five hundredths (0.75); divided by
(B) the school corporation's total ADM.

STEP FIVE: Determine the result of:
(A) the STEP FOUR result; multiplied by
(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten through grade 3 for the current school year.

STEP SIX: Determine the result of:
(A) the STEP FIVE result; divided by
(B) the staff cost amount.

STEP SEVEN: Determine the greater of zero (0) or the result of:
(A) the STEP THREE amount; minus
(B) the STEP SIX amount.

STEP EIGHT: Determine the result of:
(A) the STEP SEVEN amount; multiplied by
(B) the staff cost amount.

STEP NINE: Determine the greater of the STEP EIGHT amount or the school corporation's guaranteed amount.

STEP TEN: A school corporation's amount under this STEP is the following:
(A) If the amount the school corporation received under this chapter in the previous calendar year is greater than zero (0), determine the amount under this STEP is the lesser of:
   (i) the STEP NINE amount; or
   (ii) the amount the school corporation received under this chapter for the previous calendar year multiplied by one hundred seven and one-half percent (107.5%).
(B) If the amount the school corporation received under this chapter in the previous calendar year is not greater than zero (0), the amount under this STEP is the STEP EIGHT amount.

(b) The amount received under this chapter shall be devoted to reducing class size in kindergarten through grade 3. A school corporation shall compile class size data for kindergarten through grade 3 and report the data to the department of education for purposes of
maintaining compliance with this chapter.

SECTION 182. IC 21-1-30-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, 2006. 2008.

SECTION 183. IC 21-2-4-2, AS AMENDED BY HEA 1288-2005, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The governing body of each school corporation in Indiana shall establish a debt service fund for the payment of:

1. all debt and other obligations arising out of funds borrowed or advanced for school buildings when purchased from the proceeds of a bond issue for capital construction;
2. a lease to provide capital construction;
3. interest on emergency and temporary loans;
4. all debt and other obligations arising out of funds borrowed or advanced for the purchase or lease of school buses when purchased or leased from the proceeds of a bond issue, or from money obtained from a loan made under IC 20-27-4-5, for that purpose;
5. all debt and other obligations arising out of funds borrowed to pay judgments against the school corporation; or
6. all debt and other obligations arising out of funds borrowed to purchase equipment; or
7. all unreimbursed costs of textbooks for the school corporation's students who were eligible for free or reduced lunches in the previous school year.

The term "debt service" shall include but not be limited to lease rental obligations, school bonds and coupons and civil bond obligations assumed by school corporations reorganized pursuant to IC 20-23-4, and any interest cost on emergency and temporary loans but shall not include the repayment of the principal of the emergency and temporary loans obtained for benefit of any other fund. All receipts and disbursements authorized by law for school funds and tax levies for the lease rental fund, bond fund, sinking fund, civil bond obligation fund, and payment of interest on emergency and temporary loans shall be received in and disbursed from the debt service fund. The governing body may transfer the amount levied to cover unreimbursed costs of textbooks under subdivision (7) to the textbook rental fund or
extracurricular account.

SECTION 184. IC 21-2-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A tax levy shall be established by the governing body of each school corporation for the 1968 calendar year and all succeeding calendar years sufficient to pay all debt service obligations and for textbooks covered by section 2(7) of this chapter. If the advertised levy is insufficient to produce revenue to meet all debt service obligations for any calendar year, the department of local government finance is hereby authorized to establish a levy greater than advertised, if necessary, to meet such obligations.

SECTION 185. IC 21-2-5.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. This section applies to self-insurance funds permitted to be established under section 1(1) of this chapter and self-insurance funds required to be established under section 1(2) of this chapter. Subject to the approval of the commissioner of the department of insurance, the governing body of the school corporation is authorized to:

1. transfer to the self-insurance fund an amount of money in:
   A. the general fund budget; and
   B. the general fund tax levy and rate;
2. transfer monies from the general fund to the self-insurance fund; or
3. appropriate monies from the general fund for the self-insurance fund; or
4. transfer money from the capital projects fund to the self-insurance fund, to the extent that money in the capital projects fund may be used for property or casualty insurance.

SECTION 186. IC 21-2-11-4, AS AMENDED BY HEA 1288-2005, SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Any lawful school expenses payable from any other fund of the school corporation, including without limitation debt service and capital outlay, but excluding costs attributable to transportation (as defined in IC 21-2-11.5-2), may be budgeted in and paid from the general fund. However, after June 30, 2003, 2005, and before July 1, 2005, 2007, a school corporation may budget for and pay costs attributable to transportation (as defined in IC 21-2-11.5-2) from the general fund.
(b) In addition, remuneration for athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-28-4 or IC 20-28-5) may be budgeted in and paid from the school corporation's general fund.

(c) **This subsection applies only to the extent that the school corporation's transportation fund has not been increased under IC 21-2-11.5-3(b)(2) or another adjustment made by the department of local government finance to reflect the termination of state distributions for the school corporation's transportation fund.** During the period beginning July 1, 2003, 2005, and ending June 30, 2005; 2007, the school corporation may transfer money in a fund maintained by the school corporation (other than the special education preschool fund (IC 21-2-17-1) or the school bus replacement fund (IC 21-2-11.5-2)) that is obtained from:

1. a source other than a state distribution or local property taxation; or
2. a state distribution or a property tax levy that is required to be deposited in the fund; to any other fund. A transfer under subdivision (2) may not be the sole basis for reducing the property tax levy for the fund from which the money is transferred or the fund to which money is transferred. Money transferred under this subsection may be used only to pay costs, including debt service, attributable to reductions in funding for transportation distributions under IC 21-3-3.1, including reimbursements associated with transportation costs for special education and vocational programs under IC 21-3-3.1-4, and ADA flat grants under IC 21-3-4.5 (repealed). The property tax levy for a fund from which money was transferred may not be increased to replace the money transferred to another fund.

(d) The total amount transferred under subsection (c) may not exceed the following:

1. For the period beginning July 1, 2003; 2005, and ending June 30, 2004; 2006, the total amount of state funding received for transportation distributions under IC 21-3-3.1, including reimbursements associated with transportation costs for special education and vocational programs under IC 21-3-3.1-4, and ADA flat grants under IC 21-3-4.5 (repealed); for the same period: last state transportation distribution (as defined in
IC 21-2-11.5-3).
(2) For the period beginning July 1, 2004, 2006, and ending June 30, 2005, 2007, an amount equal to the product of:
(A) the amount determined under subdivision (1) multiplied by
(B) two (2); amount.

SECTION 187. IC 21-2-11.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) Subject to subsection (b), each school corporation may levy for the calendar year a property tax for the school transportation fund sufficient to pay all operating costs attributable to transportation that:
(1) are not paid from other revenues available to the fund as specified in section 4 of this chapter; and
(2) are listed in section 2(a)(1) through 2(a)(7) of this chapter.
(b) For each year after 2003, the levy for the fund may not exceed:
(1) the amount determined by multiplying:
(A) the school corporation's levy for the school transportation fund for the previous year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; multiplied by
(B) the assessed value growth quotient determined under subsection (c) STEP FOUR; plus
(2) in 2006 and 2007, the amount determined under subsection (d).
(c) For purposes of subsection (b), the assessed value growth quotient is the amount determined under STEP FOUR of the following formula:
STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 or IC 6-1.1-17.5.6 for part or all of the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).
STEP TWO: Determine the sum of the STEP ONE results.
STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).
STEP FOUR: Determine the lesser of the following:
   (A) The STEP THREE quotient.
   (B) One and six-hundredths (1.06).
If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund, the levy in the following year shall be reduced by the amount of surplus money.
(d) As used in this subsection, "last state transportation distribution" means the total amount of state funding received by a school corporation for transportation costs:
   (1) under IC 21-3-3.1-1 through IC 21-3-3.1-3; and
   (2) for special education and vocational programs under IC 21-3-3.1-4;
   after June 30, 2003, and before July 1, 2004;
multiplied by two (2). To the extent that the amount determined under subsection (b)(1) has not been adjusted to reflect the termination of state distributions for the school corporation's transportation fund, as determined by the department of local government finance, a school corporation may increase its school transportation fund levy for 2006 above the amount determined under subsection (b)(1) by fifty percent (50%) of the school corporation's last state transportation distribution, and the school corporation may increase its school transportation fund levy for 2007 above the amount determined under subsection (b)(1) by the remaining fifty percent (50%) of the school corporation's last state transportation distribution. The amount of the additional levy imposed in a year under this subsection shall be treated, for purposes of applying subsection (b)(1) in the following year, as part of the school corporation's levy for the school transportation fund for the previous year.
(c) (e) Each school corporation may levy for the calendar year a tax for the school bus replacement fund in accordance with the school bus acquisition plan adopted under section 3.1 of this chapter.
(d) (f) The tax rate and levy for each fund shall be established as a part of the annual budget for the calendar year in accord with IC 6-1.1-17.
SECTION 188. IC 21-2-11.6-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Sec. 4. (a) This section applies to a school corporation that added an amount to the school corporation's base tax levy before 2002 as the result of the approval of an excessive tax levy by the majority of individuals voting in a referendum held in the area served by the school corporation under IC 6-1.1-19.

(b) The following definitions apply throughout this section:

(1) "Base tax levy" has the meaning set forth in IC 6-1.1-19-1.

(2) "Excessive tax levy" has the meaning set forth in IC 6-1.1-19-1.

(c) A school corporation may adopt a resolution before September 21, 2005, to transfer the power of the school corporation to levy the amount described in subsection (a) from the school corporation's general fund to the school corporation's referendum tax levy fund. A school corporation that adopts a resolution under this section shall, as soon as practicable after adopting the resolution, send a certified copy of the resolution to the department of local government finance and the county. A school corporation that adopts a resolution under this subsection may, for property taxes first due and payable after 2005, levy an additional amount for the referendum tax levy fund that does not exceed the amount of the excess tax levy added to the school corporation's base tax levy before 2002.

(d) The power of the school corporation to impose the levy transferred to the referendum tax levy fund under this section expires on December 31, 2012, unless:

(1) the school corporation adopts a resolution to reimpose or extend the referendum tax levy; and

(2) the referendum tax levy is approved, before January 1, 2013, by a majority of the individuals who vote in a referendum that is conducted in accordance with the requirements in IC 6-1.1-19-4.5(c).

As soon as practicable after adopting the resolution under subdivision (1), the school corporation shall send a certified copy of the resolution to the county auditor and the department of local government finance. Upon receipt of the certified resolution, the tax control board shall proceed in the same manner as the tax
control board would for any other referendum tax levy being reimposed or extended under IC 6-1.1-19-4.5(c). However, if requested by the school corporation in the resolution adopted under subdivision (1), the question of reimposing or extending a referendum tax levy transferred to the referendum tax levy fund under this section may be combined with a question presented to the voters to reimpose or extend a referendum tax levy initially imposed after 2001. A referendum tax levy reimposed or extended under this subsection shall be treated for all purposes as a referendum tax levy reimposed or extended under IC 6-1.1-19-4.5(c).

(e) The school corporation's referendum tax levy under subsection (c) may not be considered in the determination of the school corporation's state tuition support under IC 21-3-1.7 or the determination of the school corporation's maximum general fund tax levy under IC 6-1.1-19 and IC 21-3-1.7.

SECTION 189. IC 21-2-15-4, AS AMENDED BY HEA 1288-2005, SECTION 167, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) As used in this subsection, "calendar year distribution" means the sum of:

(1) all distributions to a school corporation under:
   (A) IC 6-1.1-19-1.5;
   (B) IC 21-1-30;
   (C) IC 21-3-1.7;
   (D) IC 21-3-2.1; and
   (E) IC 21-3-12;
   for the calendar year; plus
   (2) the school corporation's excise tax revenue (as defined in IC 21-3-1.7-2) for the immediately preceding calendar year.
(b) A school corporation may establish a capital projects fund.
(c) With respect to any facility used or to be used by the school corporation (other than a facility used or to be used primarily for interscholastic or extracurricular activities, except as provided in subsection (j)), the fund may be used to pay for the following:
   (1) Planned construction, repair, replacement, or remodeling.
   (2) Site acquisition.
   (3) Site development.
   (4) Repair, replacement, or site acquisition that is necessitated by
an emergency.

(d) The fund may be used to pay for the purchase, lease, repair, or maintenance of equipment to be used by the school corporation (other than vehicles to be used for any purpose and equipment to be used primarily for interscholastic or extracurricular activities, except as provided in subsection (j)).

(e) The fund may be used for any of the following purposes:

1. To purchase, lease, upgrade, maintain, or repair one (1) or more of the following:
   A. Computer hardware.
   B. Computer software.
   C. Wiring and computer networks.
   D. Communication access systems used to connect with computer networks or electronic gateways.

2. To pay for the services of full-time or part-time computer maintenance employees.

3. To conduct nonrecurring inservice technology training of school employees.

4. To fund the payment of advances, together with interest on the advances, from the common school fund for educational technology programs under IC 21-1-5.

5. To fund the acquisition of any equipment or services necessary:
   A. to implement the technology preparation curriculum under IC 20-30-12;
   B. to participate in a program to provide educational technologies, including computers, in the homes of students (commonly referred to as "the buddy system project") under IC 20-20-13-6, the 4R's technology program under IC 20-20-15-4, or any other program under the educational technology program described in IC 20-20-13; or
   C. to obtain any combination of equipment or services described in clauses (A) and (B).

(f) The fund may be used to purchase:

1. building sites;
2. buildings in need of renovation;
3. building materials; and
4. equipment;
for the use of vocational building trades classes to construct new buildings and to remodel existing buildings.

(g) The fund may be used for leasing or renting of existing real estate, excluding payments authorized under IC 21-5-11 and IC 21-5-12.

(h) The fund may be used to pay for services of the school corporation employees that are bricklayers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos removers, painters, paperhangers, drywall applicators and tapers, plasterers, pipe fitters, roofers, structural and steel workers, metal building assemblers, heating and air conditioning installers, welders, carpenters, electricians, or plumbers, as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991, if:

1. the employees perform construction of, renovation of, remodeling of, repair of, or maintenance on the facilities and equipment specified in subsections (b) and (c);
2. the school corporation’s total annual salary and benefits paid by the school corporation to employees described in this subsection are at least six hundred thousand dollars ($600,000); and
3. the payment of the employees described in this subsection is included as part of the proposed capital projects fund plan described in section 5(a) of this chapter.

However, the number of employees that are covered by this subsection is limited to the number of employee positions described in this subsection that existed on January 1, 1993. For purposes of this subsection, maintenance does not include janitorial or comparable routine services normally provided in the daily operation of the facilities or equipment.

(i) The fund may be used to pay for energy saving contracts entered into by a school corporation under IC 36-1-12.5.

(j) Money from the fund may be used to pay for the construction, repair, replacement, remodeling, or maintenance of a school sports facility. However, a school corporation’s expenditures in a calendar year under this subsection may not exceed five percent (5%) of the property tax revenues levied for the fund in the calendar year.

(k) Money from the fund may be used to carry out a plan developed
under IC 16-41-37.5.

(1) This subsection applies during the period beginning January 1, 2004, 2006, and ending December 31, 2005, 2007. Money from the fund may be used to pay for up to one hundred percent (100%) of the following costs of a school corporation:

(1) Utility services.

(2) Property or casualty insurance.

(3) Both utility services and property or casualty insurance.

In the 2004 calendar year, a school corporation’s expenditures under this subsection may not exceed one percent (1%) of the school corporation’s 2003 calendar year distribution. In the 2005 calendar year, a school corporation’s expenditures under this subsection may not exceed in 2006 two and seventy-five hundredths percent (2.75%) and in 2007 three and five-tenths percent (3.5%) of the school corporation’s 2003 2005 calendar year distribution.

(m) Notwithstanding subsection (l), a school corporation’s expenditures under subsection (l) in the 2004 calendar year may exceed one percent (1%) of the school corporation’s 2003 calendar year distribution if the school corporation’s 2004 calendar year distribution is less than the school corporation’s 2003 calendar year distribution. The amount by which a school corporation’s expenditures under subsection (l) in the 2004 calendar year may exceed one percent (1%) of the school corporation’s 2003 calendar year distribution is the least of the following:

(1) One percent (1%) of the school corporation’s 2003 calendar year distribution:

(2) The greater of zero (0) or the difference between:

(A) the sum of:

(i) the school corporation’s calendar year distribution;

(ii) the amount determined for the school corporation under subsection (l); plus

(iii) the amount determined for the school corporation under this subsection, if any;

for the immediately preceding calendar year; minus

(B) the school corporation’s calendar year distribution for the calendar year:

(3) The difference between:

(A) one hundred percent (100%) of the school corporation’s
costs for utility services and property or casualty insurance; minus

(B) the amount determined for the school corporation under subsection (l) for the calendar year.

(n) Notwithstanding subsection (l): a school corporation's expenditures under subsection (l) in the 2005 calendar year may exceed two percent (2%) of the school corporation's 2003 calendar year distribution if the school corporation's 2005 calendar year distribution is less than the school corporation's 2003 calendar year distribution. The amount by which a school corporation's expenditures under subsection (l) in the 2005 calendar year may exceed two percent (2%) of the school corporation's 2003 calendar year distribution is the least of the following:

(1) Two percent (2%) of the school corporation's 2003 calendar year distribution;
(2) The greater of zero (0) or the difference between:
   (A) the sum of:
      (i) the school corporation's calendar year distribution;
      (ii) the amount determined for the school corporation under subsection (l); plus
      (iii) the amount determined for the school corporation under this subsection, if any;
   for the immediately preceding calendar year; minus
   (B) the school corporation's calendar year distribution for the calendar year;
(3) The difference between:
   (A) one hundred percent (100%) of the school corporation's costs for utility services and property or casualty insurance; minus
   (B) the amount determined for the school corporation under subsection (l) for the calendar year.

SECTION 190. IC 21-2-15-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Except as provided in subsection (e), to provide for the capital projects fund, the governing body may, for each year in which a plan adopted under section 5 of this chapter is in effect, impose a property tax rate that does not exceed forty-one and sixty-seven hundredths cents ($0.4167) on each one hundred dollars ($100) of assessed valuation of the school
corporation. This actual rate must be advertised in the same manner as other property tax rates.

(b) The maximum property tax rate levied by each school corporation must be adjusted each time a general reassessment of property takes effect. The adjusted property tax rate becomes the new maximum property tax rate for the levy for property taxes first due and payable in each year:

1. after the general reassessment for which the adjustment was made takes effect; and
2. before the next general reassessment takes effect.

(c) The new maximum rate under this section is the tax rate determined under STEP SEVEN of the following formula:

STEP ONE: Determine the maximum rate for the school corporation for the year preceding the year in which the general reassessment takes effect.

STEP TWO: Determine the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value of the taxable property from the year preceding the year the general reassessment takes effect to the year that the general reassessment is effective.

STEP THREE: Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Determine the greater of the following:

1. Zero (0).
2. The result of the STEP TWO percentage minus the STEP FIVE percentage.

STEP SEVEN: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) plus the STEP SIX percentage increase.

(d) The department of local government finance shall compute the
maximum rate allowed under subsection (c) and provide the rate to each school corporation.

(e) For a year in which a school corporation uses money from the school corporation’s capital projects fund to pay for costs described in section 4(l) of this chapter, the school corporation may impose a property tax rate that exceeds the rate described in subsection (a). The amount by which the property tax rate may exceed the rate described in subsection (a) equals the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the sum of:

(A) the school corporation’s expenditures under section 4(l) of this chapter for the calendar year. plus

(B) either:

(i) the school corporation’s expenditures under section 4(m) of this chapter for the 2004 calendar year; or

(ii) the school corporation’s expenditures under section 4(n) of this chapter for the 2005 calendar year.

STEP TWO: Determine the quotient of:

(A) the STEP ONE amount; divided by

(B) the school corporation’s assessed valuation for the year.

STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) one hundred (100).

SECTION 191. IC 21-3-1.6-1.1, AS AMENDED BY HEA 1288-2005, SECTION 176, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 1.1. As used in this chapter:

(a) "School corporation" means any local public school corporation established under Indiana law. Except as otherwise indicated, the term includes a charter school.

(b) "School year" means a year beginning July 1 and ending the next succeeding June 30.

(c) "State distribution" due a school corporation means the amount of state funds to be distributed to a school corporation in any calendar year under this chapter.

(d) "Average daily membership" or "ADM" of a school corporation means the number of eligible pupils enrolled in the school corporation or in a transferee corporation on a day to be fixed annually by the
Indiana state board of education and **beginning in the school year that ends in the 2005 calendar year**; as subsequently adjusted not later than January 30 under the rules adopted by the state board of education. The initial day of the count shall fall within the first thirty (30) days of the school term. If, however, extreme patterns of student in-migration, illness, natural disaster, or other unusual conditions in a particular school corporation's enrollment on either the day fixed by the Indiana state board of education or on the subsequent adjustment date, cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the Indiana state board of education may designate another day for determining the school corporation's enrollment. The Indiana state board of education shall monitor changes that occur after the fall count, in the number of students enrolled in programs for children with disabilities and shall, before December 2 of that same year and, beginning in the 2004 calendar year, before April 2 of the following calendar year, make an adjusted count of students enrolled in programs for children with disabilities. The superintendent of public instruction shall certify the December adjusted count to the budget committee before February 5 of the following year and the April adjusted count not later than May 31 immediately after the date of the April adjusted count. In determining the ADM, each kindergarten pupil shall be counted as one-half (1/2) pupil. Where a school corporation commences kindergarten in a school year, the ADM of the current and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils. In determining the ADM, each pupil enrolled in a public school and a nonpublic school is to be counted on a full-time equivalency basis as provided in section 1.2 of this chapter.

(e) "Additional count" of a school corporation, or comparable language, means the aggregate of the additional counts of the school corporation for certain pupils as set out in section 3 of this chapter (repealed) and as determined at the times for calculating ADM. "Current additional count" means the initial computed additional count of the school corporation for the school year ending in the calendar year. "Prior year additional count" of a school corporation used in computing its state distribution in a calendar year means the initial computed additional count of the school corporation for the school year ending in the preceding calendar year.
(f) For purposes of this subsection, "school corporation" does not include a charter school. "Adjusted assessed valuation" of any school corporation used in computing state distribution for a calendar year means the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the department of local government finance to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, then the state superintendent of public instruction shall prescribe adjustments in the distributions of state funds pursuant to this chapter as are thereafter to become due to a school corporation affected by the delinquency as will ensure that the school corporation will not have been unjustly enriched under the provisions of P.L.382-1987(ss). The amount of the valuation shall also be adjusted downward by the department of local government finance to the extent it consists of real or personal property described in IC 6-1.1-17-0.5(b).

(g) "General fund" means a fund established under IC 21-2-11-2.

(h) "Teacher" means every person who is required as a condition of employment by a school corporation to hold a teacher's license issued or recognized by the state, except substitutes and any person paid entirely from federal funds.

(i) For purposes of this subsection, "school corporation" does not include a charter school. "Teacher ratio" of a school corporation used in computing state distribution in any calendar year means the ratio assigned to the school corporation pursuant to section 2 of this chapter.

(j) "Eligible pupil" means a pupil enrolled in a school corporation if:

(1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;
(2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition under IC 20-8.1-6.1 (before its repeal) or IC 20-26-11, because the pupil is transferred for education to another school corporation (the "transferee
corporation");
(3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3 (before its repeal) or IC 20-26-11-6 or entitled to be counted for ADM or additional count purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;
(4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-8.1-6.1 (before its repeal) or IC 20-26-11; or
(5) all of the following apply:
   (A) The school corporation is a transferee corporation.
   (B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).
   (C) The transferee corporation's attendance area includes a state licensed private or public health care facility, child care facility, or foster family home where the pupil was placed:
      (i) by or with the consent of the division of family and children;
      (ii) by a court order;
      (iii) by a child placing agency licensed by the division of family and children; or
      (iv) by a parent or guardian under IC 20-8.1-6.1-5 (before its repeal) or IC 20-26-11-8.
For purposes of IC 21-3-12, the term includes a student enrolled in a charter school.

(k) "General fund budget" of a school corporation means the amount of the budget approved for a given year by the department of local government finance and used by the department of local government finance in certifying a school corporation's general fund tax levy and tax rate for the school corporation's general fund as provided for in IC 21-2-11. The term does not apply to a charter school.

(l) "At risk index" means the following:
   (i) For a school corporation that is not a charter school, the sum of:
      (A) the product of sixteen-hundredths (0.16) multiplied by the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income below the federal income poverty level (as
defined in IC 12-15-2-1);
(B) the product of four-tenths (0.4) multiplied by the percentage of families in the school corporation with a single parent; and
(C) the product of forty-four hundredths (0.44) multiplied by the percentage of the population in the school corporation who are at least twenty (20) years of age with less than a twelfth grade education.

The data to be used in making the calculations under this subdivision must be the data from the 2000 federal decennial census:

(2) For a charter school, the index determined under subdivision (1) for the school corporation in which the charter school is located:

(m) (l) "ADM of the previous year" or "ADM of the prior year" used in computing a state distribution in a calendar year means the initial computed ADM for the school year ending in the preceding calendar year.

(m) (m) "Current ADM" used in computing a state distribution in a calendar year means the initial computed ADM for the school year ending in the calendar year.

SECTION 192. IC 21-3-1.7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 2. (a) As used in this chapter, "excise tax revenue" means the amount sum of:

(1) financial institution excise tax revenue (IC 6-5.5); plus
(2) the motor vehicle excise taxes (IC 6-6-5); and the
(3) commercial vehicle excise taxes (IC 6-6-5.5);
(4) boat excise tax (IC 6-6-11); and
(5) aircraft excise tax (IC 6-6-6.5);
the school corporation received for deposit in the school corporation's general fund in a year or would have received for deposit in the school corporation's general fund in a year if the settlement of property taxes first due and payable in the year had been made on the schedule required under IC 6-1.1-27-1. The excise tax revenue for a charter school is zero (0).

(b) Not later than January 15 each year, the department of local government finance shall certify to the department of education the
amount of each school corporation's excise tax revenue for the immediately preceding year. In 2006, the department of local government finance shall certify to the department of education the amount of each school corporation's excise tax revenue for both 2004 and 2005. The department of education may rely on the excise tax revenue amounts certified by the department of local government finance under this subsection in making calculations under this chapter.

SECTION 193. IC 21-3-1.7-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3.1. (a) As used in this chapter, "previous year revenue" for calculations with respect to a school corporation equals:

(1) the school corporation's tuition support for regular programs, including basic tuition support, and excluding:
   (A) special education grants;
   (B) vocational education grants;
   (C) at-risk programs;
   (D) the enrollment adjustment grant;
   (E) the academic honors diploma award; and
   (F) the primetime distribution; and
   (G) for 2005 and thereafter: the supplemental remediation grant;

for the year that precedes the current year; plus

(2) the school corporation's tuition support levy for the year that precedes the current year before the reductions required under section 5(1) and 5(2) of this chapter; plus

(3) distributions received by the school corporation under IC 6-1.1-21.6 for the year that precedes the current year; plus

(4) the school corporation's excise tax revenue for the year that precedes the current year by two (2) years; minus

(5) an amount equal to the reduction in the school corporation's tuition support under any combination of subsection (b), subsection (c), or IC 20-10.1-2-1 or both; plus

(6) in calendar year 2003: the amount determined for calendar year 2002 under section 8.2 of this chapter; STEP TWO (C); plus

(7) in calendar year 2004: the amount determined for calendar year 2002 under section 8.2 of this chapter; STEP TWO (D); plus

(8) notwithstanding subdivision (I); in calendar year 2004; the
school corporation's distribution under section 9.7 of this chapter for calendar year 2003; (before its repeal), or IC 20-30-2-4; minus

(5) in 2006, the amount of the school corporation's general fund levy attributable to the levy transferred from the school corporation's general fund to the school corporation's referendum tax levy fund under IC 21-2-11.6-4.

(b) A school corporation's previous year revenue shall be reduced if:

(1) the school corporation's state tuition support for special or vocational education was reduced as a result of a complaint being filed with the department of education after December 31, 1988, because the school program overstated the number of children enrolled in special or vocational education programs; and

(2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received in tuition support for special and vocational education because of the overstatement.

(c) A school corporation's previous year revenue shall be reduced if an existing elementary or secondary school located in the school corporation converts to a charter school under IC 20-5.5-11 before July 1, 2005, or IC 20-24-11 after June 30, 2005. The amount of the reduction equals the product of:

(1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d) before July 1, 2005, and IC 20-24-7-3(c) and IC 20-24-7-3(d) after June 30, 2005; multiplied by

(2) two (2).

SECTION 194. IC 21-3-1.7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) As used in this section, "school corporation" does not include a charter school.

(b) As used in this chapter, "tuition support levy" means with respect to a school corporation for a year the result determined using the following formula:

**STEP ONE: Determine the** maximum general fund ad valorem property tax levy for the school corporation determined under
IC 6-1.1-19-1.5. reduced by the following:

STEP TWO: Determine the sum of the following:

(1) (A) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(2) (B) The portion part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(C) The part of the maximum general fund levy for the year that is added to the maximum general fund levy in the year under IC 6-1.1-19-1.5 to provide revenue for one (1) or more charter schools attended by students with legal settlement in the school corporation.

STEP THREE: Determine the difference of:

(A) the STEP ONE amount; minus

(B) the STEP TWO amount.

SECTION 195. IC 21-3-1.7-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.6. (a) This subsection does not apply to a charter school. When calculating adjusted ADM for 2006 distributions, this subsection, as effective after December 31, 2005, shall be used to calculate the adjusted ADM for the previous year rather than the calculation used to calculate adjusted ADM for 2005 distributions. For purposes of this chapter, a school corporation's "adjusted ADM" for the current year is the result determined under the following formula:

STEP ONE: Determine the greatest sum of the following:

(A) The school corporation’s ADM for the year preceding the current year by four (4) years multiplied by two-tenths (0.2).

(B) The school corporation’s ADM for the year preceding the current year by three (3) years multiplied by two-tenths (0.2).

(C) The school corporation’s ADM for the year preceding the current year by two (2) years multiplied by two-tenths (0.2).

(D) The school corporation’s ADM for the year preceding
the current year by one (1) year multiplied by two-tenths (0.2).

(D) (E) The school corporation's ADM for the current year multiplied by two-tenths (0.2).

Round the result to the nearest five-tenths (0.5).

STEP TWO: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by four (4) years; minus
(B) the STEP ONE amount.

STEP THREE: Determine the greatest of the following:
(A) The school corporation's ADM for the year preceding the current year by two (2) years;
(B) the school corporation's ADM for the year preceding the current year; by one (1) year;
(C) the school corporation's ADM for the current year.

STEP FOUR: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by three (3) years; minus
(B) the STEP THREE amount.

STEP FIVE: Determine the greater of the following:
(A) The school corporation's ADM for the year preceding the current year by one (1) year;
(B) The school corporation's ADM for the current year.

STEP SIX: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by two (2) years; minus
(B) the STEP FIVE amount.

STEP SEVEN: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by one (1) year; minus
(B) the school corporation's ADM for the current year.

STEP EIGHT: Determine the sum of the following:
(A) The STEP TWO result multiplied by two-tenths (0.2);
(B) The STEP FOUR result multiplied by four-tenths (0.4);
(C) The STEP SIX result multiplied by six-tenths (0.6);
(D) The STEP SEVEN result multiplied by eight-tenths (0.8).

STEP NINE: Determine the result of:
(A) the school corporation's ADM for the current year; plus
(B) the STEP EIGHT result.

STEP TEN: This STEP applies to a school corporation for which the amount determined under STEP EIGHT is zero (0): Determine the sum of:

(A) the school corporation's ADM for the 2003 school year;

plus

(B) the subsection (b) or (c) result, whichever is applicable.

Round the result to the nearest five-tenths (0.5): 

(b) This subsection applies during the 2004 calendar year to a school corporation described in subsection (a) STEP TEN: Determine the result under the following formula:

STEP ONE: Determine the difference between:

(A) the school corporation's ADM for the 2004 school year;

minus

(B) the school corporation's ADM for the 2003 school year:

STEP TWO: Determine the greater of zero (0) or the STEP ONE amount:

STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) two-thousandths (0.002):

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE amount;

(B) Seventy-five hundredths (0.75):

STEP FIVE: Determine the product of:

(A) the STEP ONE amount; multiplied by

(B) the STEP FOUR amount:

(c) This subsection applies during the 2005 calendar year to a school corporation described in subsection (a) STEP TEN: Determine the result under the following formula:

STEP ONE: Determine the difference between:

(A) the school corporation's ADM for the 2005 school year;

minus

(B) the school corporation's ADM for the 2004 school year:

STEP TWO: Determine the greater of zero (0) or the STEP ONE amount:

STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) two-thousandths (0.002):
STEP FOUR: Determine the lesser of the following:
(A) The STEP THREE amount;
(B) Seventy-five hundredths (0.75);

STEP FIVE: Determine the product of:
(A) the STEP ONE amount; multiplied by
(B) the STEP FOUR amount;

STEP SIX: Determine the subsection (b) amount;

STEP SEVEN: Determine the sum of:
(A) the STEP FIVE result; plus
(B) the STEP SIX result;

STEP TWO: Determine the sum of:
(A) the school corporation's ADM for the year preceding the current year; plus
(B) the product of:
   (i) the school corporation's ADM for the current year minus the clause (A) amount; multiplied by
   (ii) seventy-five hundredths (0.75).

Round the result to the nearest five-tenths (0.5).

STEP THREE: Determine the greater of the following:
(A) The STEP ONE result.
(B) The STEP TWO result.

(d) For a charter school whose current ADM is at least fifteen percent (15%) greater than the charter school's ADM of the previous year; the
   (b) A charter school's adjusted ADM for purposes of this section chapter is the charter school's current ADM.

SECTION 196. IC 21-3-1.7-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.7. (a) This subsection applies during the 2003 calendar year. For each school corporation that is not a charter school, the index used in subsection (d) is determined under the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of the following:
   (1) Multiply the school corporation's at risk index by twenty-five hundredths (0.25);
   (2) Divide the result under subdivision (1) by three thousand seven hundred thirty-six ten-thousandths (0.3736);
   (3) Subtract three hundred ninety-five ten-thousandths
(0.0395) from the result under subdivision (2):

STEP TWO: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were eligible for free lunches in the school year ending in 2001 by twenty-five hundredths (0.25);

(2) Divide the result under subdivision (1) by seven hundred twenty-three thousandths (0.723);

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2000 by twenty-five hundredths (0.25);

(2) Divide the result under subdivision (1) by one thousand seven hundred fifteen ten-thousandths (0.1715);

STEP FOUR: Determine the result of:

(1) the sum of the results in STEPS ONE through THREE;

(2) three (3);

STEP FIVE: Determine the result of one (1) plus the STEP FOUR result.

(b) This subsection applies to calendar years beginning after December 31, 2003:

(a) For each school corporation, that is not a charter school, the index used in subsection (e) (c) is determined under the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the population in the school corporation who are at least twenty (20) twenty-five (25) years of age with less than a twelfth grade education.

(2) Determine the quotient of:

(A) eight hundred seventy dollars ($870) in 2004 and nine hundred seventy one thousand nineteen dollars ($970); in 2005; ($1,019); divided by

(B) four thousand three hundred fifty dollars ($4,350) in 2004 and four thousand three five hundred sixty-eight

(3) Determine the product of:
   (A) the subdivision (1) amount; multiplied by
   (B) the subdivision (2) amount.

STEP TWO: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were eligible for free lunches in the school year ending in 2003-2005.

(2) Determine the quotient of:
   (A) one thousand one hundred dollars ($1,100) in 2004 and one thousand two hundred sixty dollars ($1,260); in 2005; ($1,260); divided by
   (B) four thousand three hundred fifty dollars ($4,350) in 2004 and four thousand three hundred sixty-eight seventeen dollars ($4,368) in 2005; ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:
   (A) the subdivision (1) amount; multiplied by
   (B) the subdivision (2) amount.

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2003-2005.

(2) Determine the quotient of:
   (A) three hundred ten dollars ($310) in 2004 and four hundred thirty-five dollars ($430); in 2005; ($452); divided by
   (B) four thousand three hundred fifty dollars ($4,350) in 2004 and four thousand three hundred sixty-eight seventeen dollars ($4,368) in 2005; ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:
A) the subdivision (1) amount; multiplied by
B) the subdivision (2) amount.

STEP FOUR: Determine the greater of zero (0) or the result of the following:

1) Determine the percentage of families in the school corporation with a single parent.
2) Determine the quotient of:
   A) four hundred forty dollars ($440) in 2004 and five hundred thirty-five dollars ($530); in 2005; ($557); divided by
   B) four thousand three hundred fifty dollars ($4,350) in 2004 and four thousand three hundred sixty-eight dollars ($4,368) in 2005; ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.
3) Determine the product of:
   A) the subdivision (1) amount; multiplied by
   B) the subdivision (2) amount.

STEP FIVE: Determine the greater of zero (0) or the result of the following:

1) Determine the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income level below the federal income poverty level (as defined in IC 12-15-2-1).
2) Determine the quotient of:
   A) two hundred twenty dollars ($220) in 2004 and three hundred thirty dollars ($330); in 2005; ($347); divided by
   B) four thousand three hundred fifty dollars ($4,350) in 2004 and four thousand three hundred sixty-eight dollars ($4,368) in 2005; ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.
3) Determine the product of:
   A) the subdivision (1) amount; multiplied by
   B) the subdivision (2) amount.

STEP SIX: Determine the sum of the results in STEPS ONE through FIVE.
STEP SEVEN: Determine the result of one (1) plus the STEP SIX result.

STEP EIGHT: This STEP applies if the STEP SEVEN result is equal to or greater than one and twenty-five hundredths (1.25). Determine the result of the following:

1. Determine the STEP TWO (1) amount for the school corporation.
2. Determine the quotient of:
   - (A) one hundred fifty dollars ($150); divided by
   - (B) four thousand three hundred fifty dollars ($4,350) in 2004 and four thousand three hundred sixty-eight dollars ($4,368) in 2005.
3. Determine the product of:
   - (A) the subdivision (1) amount; multiplied by
   - (B) the subdivision (2) amount.
4. Determine the STEP FIVE (1) amount for the school corporation.
5. Determine the product of:
   - (A) the subdivision (4) amount; multiplied by
   - (B) the subdivision (2) amount.
6. Determine the result of:
   - (A) the subdivision (3) result; plus
   - (B) the subdivision (5) result.

1. Subtract one and twenty-five hundredths (1.25) from the STEP SEVEN result.
2. Multiply the subdivision (1) result by five-tenths (0.5).

(3) Determine the result of:
   - (A) the STEP SEVEN result; plus
   - (B) the subdivision (6) (2) result.

The data to be used in making the calculations under STEP ONE, STEP FOUR, and STEP FIVE of this subsection must be the data from the 2000 federal decennial census.

(c) (b) For each charter school, the index used in section (d) or (c) subsection (c) is the index determined under subsection (a) or (b) for the school corporation in which the charter school is located. However, the index used in subsection (c) for Campagna Academy Charter School is the index determined under subsection (a) for Gary Community School Corporation.
(d) This subsection applies to calendar years ending before January 1, 2004. A school corporation's target revenue per ADM for a calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (B) of the following formula:

(A) Determine the result of:
   (i) four thousand five hundred sixty dollars ($4,560);
   multiplied by
   (ii) the index determined for the school corporation under subsection (a) or (c), as applicable.

(B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current year.

STEP TWO: Divide the school corporation's previous year revenue by the school corporation's adjusted ADM for the previous year.

STEP THREE: Multiply the index determined under subsection (a) or (c), as applicable, by the following:

(A) If the STEP TWO result is not more than four thousand five hundred sixty dollars ($4,560); multiply by ninety dollars ($90);

(B) If the STEP TWO result is more than four thousand five hundred sixty dollars ($4,560) and not more than five thousand eight hundred twenty-five dollars ($5,825); multiply by the result under clause (C);

(C) Determine the result of the following:
   (i) The STEP TWO result minus four thousand five hundred sixty dollars ($4,560);
   (ii) Divide the item (i) result by one thousand two hundred sixty-five dollars ($1,265);
   (iii) Multiply the item (ii) result by forty dollars ($40);
   (iv) Subtract the item (iii) result from ninety dollars ($90);

(D) If the STEP TWO result is more than five thousand eight hundred twenty-five dollars ($5,825); multiply by fifty dollars ($50).

STEP FOUR: Add the STEP TWO result and the STEP THREE result.

STEP FIVE: Determine the greatest of the following:

(A) Multiply the STEP FOUR result by the school
corporation's adjusted ADM for the current year:
(B) Multiply the school corporation's previous year revenue by one and two-hundredths (1.02):
(C) The STEP ONE amount.

STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ADM for the current year:
(c) This subsection applies to calendar years beginning after December 31, 2003:
(c) A school corporation's target revenue per ADM for a calendar year is the result determined under STEP NINE of the following formula:

STEP ONE: Determine the result under clause (B) of the following formula: (A) Determine the result of:
(i) four thousand three hundred fifty dollars ($4,350) in 2004 and Determine the product of:
(ii) (B) the index determined for the school corporation under subsection (b) (a) or (c); (b), as applicable.
(B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current year:

STEP TWO: Determine the result under the following formula:
(A) Determine the quotient of:
(i) the school corporation's previous year revenue; divided by
(ii) the school corporation's ADM for the previous year;
(B) Determine the product of:
(i) the clause (A) amount; multiplied by
(ii) one and two-hundredths (1.02);
(C) Determine the product of:
(i) the clause (B) amount; multiplied by
(ii) the school corporation's current ADM;

STEP THREE: Determine the result under the following formula:
(A) Determine the product of:
(i) the STEP TWO clause (A) amount; multiplied by
(ii) ninety-eight hundredths (0.98);
(B) Determine the product of:
   (i) the clause (A) amount; multiplied by
   (ii) the school corporation’s current ADM.

STEP FOUR: Determine the lesser of:
   (A) the STEP ONE amount; or
   (B) the STEP TWO amount.

STEP FIVE: Determine the greater of:
   (A) the STEP THREE amount; or
   (B) the STEP FOUR amount.

STEP SIX: Determine the lesser of:
   (A) the STEP ONE amount; or
   (B) the STEP TWO amount.

STEP SEVEN: Determine the product of:
   (A) the STEP SIX result; multiplied by
   (B) the school corporation’s current adjusted ADM.

STEP EIGHT: Determine the greatest of the following:
   (A) The product of
      (i) the school corporation’s previous year revenue multiplied by
      (ii) one and one-hundredth (1.01);
   (B) The STEP FIVE amount;
   (C) The STEP SEVEN amount.

STEP THREE: Determine the difference of:
   (A) the STEP ONE amount; minus
   (B) the STEP TWO amount.

STEP FOUR: Divide the STEP THREE result by:
   (A) six (6) in 2006; and
   (B) five (5) in 2007.

STEP FIVE: A school corporation’s STEP FIVE amount is the following:
   (A) For a charter school that has previous year revenue that is not greater than zero (0), the charter school’s STEP FIVE amount is the quotient of:
      (i) the STEP SEVEN amount for the school corporation where the charter school is located; divided by
      (ii) the school corporation’s current ADM.
   (B) The STEP FIVE amount for a school corporation that is not a charter school described in clause (A) is the
following:
(i) The school corporation's STEP ONE amount, if the absolute value of the STEP THREE amount is less than or equal to fifty dollars ($50).
(ii) For 2007, the school corporation's STEP ONE amount, if the STEP ONE amount in 2006 equaled the STEP EIGHT amount in 2006.
(iii) The sum of the school corporation's STEP TWO amount and the greater of the school corporation's STEP FOUR amount or fifty dollars ($50), if the school corporation's STEP THREE amount is greater than fifty dollars ($50).
(iv) The difference determined by subtracting the greater of the absolute value of the school corporation's STEP FOUR amount or fifty dollars ($50) from the school corporation's STEP TWO amount, if the school corporation's STEP THREE amount is less than negative fifty dollars (-$50).

STEP SIX: Determine the product of:
(A) the STEP FIVE amount; multiplied by
(B) the school corporation's current adjusted ADM.

STEP SEVEN: Determine the greater of the following:
(A) The school corporation's STEP SIX amount.
(B) The amount determined under item (iii) of the following formula:
   (i) Divide the school corporation's previous year revenue by the school corporation's previous year ADM.
   (ii) Multiply the item (i) result by ninety-nine hundredths (0.99).
   (iii) Multiply the item (ii) amount by the school corporation's current ADM.

STEP NINE: EIGHT: Determine the quotient of:
(A) the STEP EIGHT SEVEN amount; divided by
(B) the school corporation's current adjusted ADM.

SECTION 197. IC 21-3-1.7-6.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.8. (a) This section does not apply to a charter school.
(b) This subsection does not apply after December 31, 2003. A school corporation's target general fund property tax rate for purposes
of IC 6-1.1-19-1.5 is the result determined under STEP THREE of the following formula:

**STEP ONE:** This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7(d) of this chapter minus the result determined in STEP ONE of the formula in section 6.7(d) of this chapter is greater than zero (0). Determine the result under clause (E) of the following formula:

(A) Divide the school corporation’s 2002 assessed valuation by the school corporation’s current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

(i) The clause (B) result.

(ii) Thirty-nine dollars ($39) in 2002 and thirty-nine dollars and seventy-five cents ($39.75) in 2003.

(D) Determine the result determined under item (ii) of the following formula:

(i) Subtract the result determined in STEP ONE of the formula in section 6.7(d) of this chapter from the amount determined in STEP FIVE of the formula in section 6.7(d) of this chapter.

(ii) Divide the item (i) result by the school corporation’s current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

**STEP TWO:** This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7(d) of this chapter is equal to STEP ONE of the formula in section 6.7(d) of this chapter and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.
(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's 2002 assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) Thirty-nine dollars ($39) in 2002 and thirty-nine dollars and seventy-five cents ($39.75) in 2003.

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide the clause (F) result by one hundred (100).

STEP THREE: Determine the sum of:

(A) ninety-one and eight-tenths cents ($0.918) in 2002; and
(B) ninety-five and eight-tenths cents ($0.958) in 2003; and

if applicable, the STEP ONE or STEP TWO result.

(c) This subsection applies to calendar years beginning after December 31, 2004.

(b) A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP FOUR of the following formula:

STEP ONE: Determine the product of:

(A) the amount determined for the school corporation in STEP ONE of the formula in section 6.7(e) 6.7(c) of this chapter; multiplied by

(B) the school corporation's adjusted ADM for the current year.

STEP TWO: This STEP applies only if the amount determined in STEP EIGHT SEVEN of the formula in section 6.7(e) 6.7(c) of this chapter minus is not equal to the STEP ONE result. is greater than zero (0); Determine the result under clause (E) (F) of the following formula:

(A) Divide the school corporation's assessed valuation by the school corporation's current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

(i) The clause (B) result.

(ii) Forty-three thirty-six dollars and sixty-five thirty cents ($43.65): ($36.30).
(D) Determine the result determined under item (ii) of the following formula:

(i) Subtract the STEP ONE result from the amount determined in STEP EIGHT SEVEN of the formula in section 6.7(e) 6.7(c) of this chapter.

(ii) Divide the item (i) result by the school corporation's current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

STEP THREE: This STEP applies only if the amount determined in STEP EIGHT SEVEN of the formula in section 6.7(e) 6.7(c) of this chapter is equal to the STEP ONE result and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) Forty-three Thirty-six dollars and sixty-five thirty cents ($43.65) ($36.30).

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide the clause (F) result by one hundred (100).

STEP FOUR: This STEP applies to all school corporations. Determine the sum of:

(A) sixty-three seventy-two and seven-tenths cents ($0.637) ($0.72) in 2006 and seventy-two and ninety-two hundredths
cents ($0.7292) in 2007; and, plus
(B) if applicable, the STEP TWO or STEP THREE result.

(d) For the calendar year beginning January 1, 2004, and ending December 31, 2004, a school corporation's general fund ad valorem property tax levy is determined under IC 6-1.1-19-1.5(f):

SECTION 198. IC 21-3-1.7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]; Sec. 7. If a computation under this chapter results in a fraction and a rounding rule is not specified, the fraction shall be rounded as follows:

(1) If it is a All tax rate calculation; rates shall be computed by rounding the rate to the nearest one-hundredth of a cent ($0.0001).
(2) If it is a All tax levies shall be computed by rounding the levy to the nearest dollar amount ($1).
(3) All tuition support calculation distributions shall be computed by rounding the tuition support distribution to the nearest cent ($0.01).
(3) If it is a calculation is not covered by subdivision (1), or (2), or (3), the result of the calculation shall be rounded to the nearest ten-thousandth (.0001).

SECTION 199. IC 21-3-1.7-8.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]; Sec. 8.2. (a) As used in this section; “transfer amount” means the product of:

(1) a school corporation's assessed valuation for calendar year 2002 divided by one hundred (100); multiplied by

(2) the lesser of:

(A) three hundred twenty-eight ten-thousandths (0.0328); or
(B) the school corporation's capital projects fund tax rate for calendar year 2002 multiplied by five-tenths (0.5).

(b) This subsection applies to calendar years ending before January 1, 2004. Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:

STEP ONE:

(A) For a school corporation not described in clause (B); determine the school corporation's result under STEP FIVE of section 6.7(d) of this chapter for the calendar year.
(B) For a school corporation that has target revenue per adjusted ADM for a calendar year that is equal to the amount under STEP ONE (A) of section 6.7(d) of this chapter, determine the sum of:

(i) the school corporation's result under STEP ONE of section 6.7(d) of this chapter for the calendar year; plus
(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus
(iii) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

STEP TWO: Determine the sum of:

(A) the school corporation's tuition support levy;
(B) the school corporation's excise tax revenue for the year that precedes the current year by one (1) year;
(C) for the last six (6) months of calendar year 2002, the school corporation's transfer amount; plus
(D) for the first six (6) months of calendar year 2003, the school corporation's transfer amount.

The amount determined under this STEP for a charter school is zero (0).

STEP THREE: Determine the difference between:

(A) the STEP ONE amount; minus
(B) the applicable STEP TWO or STEP THREE amount.

(c) This subsection applies to calendar years beginning after December 31, 2003.

(a) Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:

STEP ONE: For a:

(A) For a school corporation not described in clause (B), determine the school corporation's result under STEP EIGHT SEVEN of section 6.7(e) 6.7(c) of this chapter for the calendar year; and
(B) For a school corporation that has target revenue per
adjusted ADM for a calendar year that is equal to the amount under STEP ONE (A) of section 6.7(c) STEP ONE of this chapter, determine the sum of:

(i) the school corporation's result under STEP ONE of section 6.7(c) STEP ONE of this chapter for the calendar year multiplied by the school corporation's adjusted ADM for the current year; plus

(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus

(iii) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility or reopening an existing facility during the preceding year.

STEP TWO: This STEP applies to a school corporation that is not a charter school. Determine the sum of:

(A) the school corporation's tuition support levy; plus

(B) the school corporation's excise tax revenue for the year that precedes the current year by one (1) year.

STEP THREE: This STEP applies to a charter school. Determine the product of:

(A) the amount determined under STEP EIGHT of section 6.7(c) STEP SEVEN of this chapter for the charter school; multiplied by

(B) thirty-five hundredths (0.35).

STEP FOUR: Determine the difference between:

(A) the STEP ONE amount; minus

(B) the STEP TWO or STEP THREE amount, as applicable.

(d) (b) If the state tuition support determined for a school corporation under this section is negative, the school corporation is not entitled to any state tuition support. In addition, the school corporation's maximum general fund levy under IC 6-1.1-19-1.5 shall be reduced by the amount of the negative result.

SECTION 200. IC 21-3-1.7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 9. (a) Subject to the amount appropriated by the general assembly
for tuition support, the amount that a school corporation is entitled to
receive in tuition support for a year is the amount determined in section
8.2 of this chapter.

(b) If the total amount to be distributed as tuition support under this
chapter, in 2005 for enrollment adjustment grants under section 9.5 of
this chapter for at-risk programs under section 9.7 of this chapter: (before its repeal), for academic honors diploma awards under section
9.8 of this chapter, in 2005 for supplemental remediation grants under
section 9.9 of this chapter (before its repeal), for primetime
distributions under IC 21-1-30, for special education grants under
IC 21-3-2.1, and for vocational education grants under IC 21-3-12 for
a particular year, exceeds:

1) three billion five hundred eighty million dollars ($3,580,000,000) in 2003;
2) three billion six hundred seventy-six million dollars ($3,676,000,000) in 2004; and
3) three billion seven hundred twenty-one million three hundred thousand
3) three billion seven hundred twenty-one million three hundred thousand
dollars ($3,721,000,000) in 2005;
4) three billion seven hundred eighty million dollars ($3,759,000,000) in 2005;
5) three billion seven hundred forty-seven million two hundred thousand
5) three billion seven hundred forty-seven million two hundred thousand
dollars ($3,747,000,000) in 2006; and
6) three billion seven hundred forty-seven million two hundred thousand
6) three billion seven hundred forty-seven million two hundred thousand
dollars ($3,747,000,000) in 2007;

the amount to be distributed for tuition support under this chapter to
each school corporation during each of the last six (6) months of the
year shall be proportionately reduced by the same dollar amount per
ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal
the amount of the excess. The amount of the reduction for a
particular school corporation is equal to the total amount of the
excess multiplied by a fraction. The numerator of the fraction is
the amount of the distribution for tuition support that the school
corporation would have received if a reduction were not made
under this section. The denominator of the fraction is the total
amount that would be distributed for tuition support to all school
corporations if a reduction were not made under this section.

SECTION 201. IC 21-3-1.7-9.8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9.8. (a) In
addition to the distributions under sections section 8.2 9.5; 9.7; and 9.9
of this chapter, a school corporation is eligible for an honors diploma award in the amount determined under STEP TWO of the following formula:

   STEP ONE: Determine the number of the school corporation's eligible pupils who successfully completed an academic honors diploma program in the school year ending in the previous calendar year.
   STEP TWO: Multiply the STEP ONE amount by nine hundred sixty-three dollars ($963). ($900).

(b) Each year the governing body of a school corporation may use the money that the school corporation receives for an honors diploma award under this section to give nine hundred sixty-three dollars ($963) to each eligible pupil in the school corporation who successfully completes an academic honors diploma program in the school year ending in the previous calendar year:

   (b) An amount received by a school corporation as an honors diploma award may be used only for:

   (1) any:
   (A) staff training;
   (B) program development;
   (C) equipment and supply expenditures; or
   (D) other expenses;
   directly related to the school corporation's academic honors diploma program; and
   (2) the school corporation's program for high ability students.

   (c) A governing body that does not comply with this section for a school year is not eligible to receive an award under this section for the following school year.

SECTION 202. IC 21-3-1.7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, 2006: 2008.

SECTION 203. IC 21-3-2.1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, 2006: 2008.

SECTION 204. IC 21-3-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. This chapter expires January 1, 2006: 2008.

SECTION 205. IC 21-6.1-2-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The board shall segregate the fund into the following accounts:

1. The pre-1996 account.
2. The 1996 account.

(b) The board shall segregate each of the accounts established under subsection (a) into the following subaccounts:

1. The annuity savings account.
2. The retirement allowance account.

(c) Except as provided in subsection (d), member contributions shall be credited to the annuity savings accounts within the pre-1996 account.

(d) Member contributions made after June 30, 1995, with respect to the following members shall be credited to the annuity savings account within the 1996 account:

1. An individual who first became a member who was hired of the fund after June 30, 1995, by a school corporation or other institution covered by the fund.
2. A member who:
   A. before July 1, 1995, served in a position covered by the fund; and
   B. after June 30, 1995, and before July 1, 2001, was hired by another school corporation or institution covered by the fund or rehired by a prior employer.
3. A member described in subdivision (2) who, after June 30, 2001, is hired by another school corporation or institution covered by the fund or rehired by a prior employer.

(e) Member contributions made to the pre-1996 account with respect to a member covered by subsection (d) shall be transferred to the annuity savings account within the 1996 account.

(f) Employer contributions made after June 30, 1995, with respect to members described in subsection (d) shall be credited to the retirement allowance account within the 1996 account. Employer contributions made after June 30, 1995, with respect to all other members shall be credited to the retirement allowance account within the pre-1996 account.

(g) Employer contributions, if any (as determined by the board); made to the pre-1996 account with respect to a member covered by subsection (d) shall be transferred to the retirement allowance account
within the 1996 account:

(g) The board shall administer these accounts and subaccounts as specified in IC 5-10.2-2.

SECTION 206. IC 21-6.1-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The general assembly shall appropriate from the state general fund an amount that is sufficient to cover the state's actuarial liability for each member covered by the pre-1996 account and for each state employee covered by the 1996 account. The board may reduce this liability by the amount of interest earned on the deposits in the fund. This liability is determined by the actuarial investigation prescribed in IC 5-10.2-2-9. The actuarial investigation and the board shall include in the determination of the liability, contribution rate, and appropriation the amount necessary to fully fund any past and estimated future cost of living increases for members of the pre-1996 account and the 1996 account, amortized over thirty (30) years. The actuary shall consult with the budget agency in making this determination. The board shall prepare its budget based on this investigation and for other specified expenditures and shall submit it to the governor or to another officer or committee authorized by law to recommend the necessary appropriation.

(b) Each school corporation shall contribute to the 1996 account as specified in IC 21-6.1-7.

(c) If members receive compensation from federal funds, the board shall at the end of each fiscal year determine the employer's contribution, excluding administration expenses, to be paid from federal funds. The amount shall be determined by such method adopted by the board as results in an equitable sharing of the employer contribution by the federal government on account of members receiving compensation from federal funds.

SECTION 207. IC 21-6.1-4-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.1. (a) This subsection applies to members who retire before July 1, 1980. A member who had completed four (4) years of approved college teacher training before voluntary or involuntary induction into the military services is entitled to credit for that service as if the member had begun teaching before the induction. A member who serves in military service is considered a teacher and is entitled to the benefits of the fund if for
or during the leave of absence the member pays into the fund the member's contributions. Time served by a member in military service for the duration of the hostilities or for the length of active service in the hostilities and the necessary demobilization time after the hostilities is not subject to the one-seventh rule specified in section 5 of this chapter.

(b) This subsection applies to members who retire after June 30, 1980. A member who had completed four (4) years of approved college teacher training before voluntary or involuntary induction into military service is entitled to credit for the member's active military service as if the member had begun teaching before the induction. A member who serves in military service is considered a teacher and is entitled to the benefits of the fund if:

1. the member has an honorable discharge; and
2. except as provided in subsection (f), the member returns to active teaching service within eighteen (18) months after the completion of active military service.

The time served by a member in military service for the duration of the hostilities or for the length of active service in the hostilities and the necessary demobilization time after the hostilities is not subject to the one-seventh rule specified in section 5 of this chapter. However, not more than six (6) years of military service credit may be granted under this subsection. In order to be eligible for any military service credit under this subsection, a member must have at least ten (10) years of in-state service credit.

(c) This subsection applies to members who retire after May 1, 1989. A member who had begun but had not completed four (4) years of approved college teacher training before voluntary or involuntary induction into the military services is entitled to service credit in an amount equal to the duration of the member's active military service if the following conditions are met:

1. The member has an honorable discharge.
2. Except as provided in subsection (f), the member returns to a four (4) year approved college teacher training program within eighteen (18) months after the completion of active military service and subsequently completes that program.
3. The member has at least ten (10) years of in-state service credit.
(d) This subsection applies to members who retire after May 1, 1991, and who are employed at state institutions of higher education. A member who had begun but had not completed baccalaureate or post-baccalaureate training before voluntary or involuntary induction into military service is entitled to the member's active military service credit for the member's active military service in an amount equal to the duration of the member's military service if the following conditions are met:

1. The member received an honorable discharge.
2. Except as provided in subsection (f), the member returns to baccalaureate or post-baccalaureate training within eighteen (18) months after completion of active military service and subsequently completes that training.
3. The member has at least ten (10) years of in-state service credit.

(e) The maximum amount of service credit that may be granted to a member who meets the conditions of subsection (c), or (d) is six (6) years. However, for purposes of subsection (c), or (d), the time served by the member in active military service for the length of active service in hostilities and necessary demobilization is not subject to the one-seventh rule specified in section 5 of this chapter.

(f) The board shall extend the eighteen (18) month deadline contained in subsection (b)(2), (c)(2), or (d)(2) if the board determines that an illness, an injury, or a disability related to the member's military service prevented the member from returning to active teaching service or to a teacher training program within eighteen (18) months after the member's discharge from military service. However, the board may not extend the deadline beyond thirty (30) months after the member's discharge.

(g) If a member retires, and the board subsequently determines that the member is entitled to additional service credit due to the extension of a deadline under subsection (f), the board shall recompute the member's benefit. However, the additional service credit may be used only in the computation of benefits to be paid after the date of the board's determination, and the member is not entitled to a recomputation of benefits received before the date of the board's determination.

(h) Notwithstanding any provision of this section, a member is
entitled to military service credit and benefits in the amount and to the extent required by the Uniformed Services Employment and Reemployment Rights Act (38 U.S.C. 4301 et seq.), including all later amendments.

(i) Subject to the provisions of this section, an active member may purchase not more than two (2) years of service credit for the member's service on active duty in the armed services if the member meets the following conditions:

(1) The member has at least one (1) year of credited service in the fund.
(2) The member serves on active duty in the armed services of the United States for at least six (6) months.
(3) The member receives an honorable discharge from the armed services.
(4) Before the member retires, the member makes contributions to the fund as follows:

(A) Contributions that are equal to the product of the following:

(i) The member's salary at the time the member actually makes a contribution for the service credit.
(ii) A rate, determined by the actuary of the fund, that is based on the age of the member at the time the member actually makes a contribution for service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased.
(iii) The number of years of service credit the member intends to purchase.

(B) Contributions for any accrued interest, at a rate determined by the actuary of the fund, for the period from the member's initial membership in the fund to the date payment is made by the member.

However, a member is entitled to purchase service credit under this subsection only to the extent that service credit is not granted for that time under another provision of this section. At least ten (10) years of service in Indiana is required before a member may receive a benefit based on service credits purchased under this section. A member who terminates employment before satisfying the eligibility requirements
necessary to receive a monthly allowance or receives a monthly allowance for the same service from another tax supported public employee retirement plan other than under the federal Social Security Act may withdraw the purchase amount plus accumulated interest after submitting a properly completed application for a refund to the fund.

(j) The following apply to the purchase of service credit under subsection (i):

1. The board may allow a member to make periodic payments of the contributions required for the purchase of the service credit. The board shall determine the length of the period during which the payments must be made.

2. The board may deny an application for the purchase of service credit if the purchase would exceed the limitations under Section 415 of the Internal Revenue Code.

3. A member may not claim the service credit for purposes of determining eligibility or computing benefits unless the member has made all payments required for the purchase of the service credit.

SECTION 208. IC 23-13-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Should for any cause any action of the board of directors or trustees of a corporation be invalid or ineffective in whole or in part as and for a cancellation or retirement of capital stock as provided in this chapter, then the entire act of cancellation or retirement as to all other stock shall be held null and void. If at any time after the transfer of any stock to the corporation or to the trustees or directors it becomes no longer possible for the corporation to operate the university, college, or institution of learning as a university, college, or institution of learning, and the fact is found to exist by the board of trustees or directors, the property and assets of the corporation vest in and belong absolutely to the local public school corporation within whose territorial limits the college, university, or institution of learning is situated unless the local public school corporation elects to refuse to accept the property and assets in writing served upon the board of trustees or an officer thereof within one hundred twenty (120) days. If the local public school corporation elects to refuse to accept the property and assets, then the property and assets of the corporation vest in and belong absolutely to the county within whose territorial limits the college, university, or institution of learning
is situated unless the county, acting by its legislative body, elects to refuse to accept the property and assets in writing served upon the board of trustees or an officer within one hundred twenty (120) days. If the county refuses to accept the property and assets, the property and assets vest in and belong absolutely to the common school state general fund of the state of Indiana. If the university, college, or institution of learning is situated in a school township, the election shall be made by the township executive with the approval of the township legislative body. If situated in a school city or town corporation, the election shall be made by the school board of the municipality.

(b) The local school corporation receiving the property or assets is responsible for the payment of the lawful debts and liabilities of the corporation. For the purpose of raising funds to pay the debts and liabilities, the township executive, with the concurrence and sanction of the township legislative body, or the city or town school board, as the case may be, is authorized and empowered to issue and sell bonds of the school township, school city, or school town. The debt created by the bonds, together with all other indebtedness of the school corporation, may not exceed two percent (2%) of the adjusted value of the taxable property within the school corporation as determined under IC 36-1-15. If the building or property of the corporation vested in the school corporation is suitable for instructing students of the township in the arts of agriculture, domestic science, or physical or practical mental culture, and in which to hold school or civic entertainments or be used for township, town, or city purposes, then the township executive, with the concurrence and sanction of the township, city, or town legislative body, as the case may be, is authorized and empowered to issue and sell bonds of the civil township, city, or town, as the case may be, and apply the proceeds to the payment of the debts and liabilities of the corporation. The proceeds of the bonds, together with all other indebtedness of the civil township, city, or town, may not exceed two percent (2%) of the adjusted value of the taxable property within the civil township, city, or town, as determined under IC 36-1-15. If the county receives the property, it is authorized to issue its general obligation bonds to pay the debts and liabilities as general obligation bonds of counties are issued under the general law. Unless the school and civil townships and school and civil cities and towns can
liquidate the debts and liabilities without violating Article 13, Section 1 of the Constitution of the State of Indiana and IC 36-1-15, they shall elect to refuse to accept the property. Unless the county can liquidate the debts and liabilities without violating the constitutional provision, it shall elect to refuse the property. If a civil township, city, or town uses its funds or the proceeds of the sale of its bonds to liquidate the debts and liabilities, it shall have an interest in the property in the proportion the funds expended by it bear to the funds expended by the school township, school city, or school town.

(c) Any bonds issued under this chapter shall be payable in not more than twenty (20) years after the date of their issuance. The municipal corporation issuing the bonds shall annually levy a tax on all of the taxable property within the municipal corporation in an amount sufficient to pay the interest on and the principal of such bonds as they mature. The bonds may mature and be payable either semiannually or annually. Notice of sale of the bonds shall be published once each week for two (2) weeks in a newspaper published in the municipal corporation issuing the bonds, or in a newspaper published in the county seat of the county in which the municipal corporation is located. Additional notices may be published.

(d) If the corporation ceases to exist or winds up its affairs without its board of trustees or directors finding that it is no longer possible for the corporation to operate the university, college, or institution of learning as a university, college, or institution of learning, this shall have the same effect as such a finding.

SECTION 209. IC 24-9-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. On or before June 30 and December 31 of each year the auditor of state shall distribute one dollar and twenty-five cents ($1.25) of the mortgage recording fee to the homeowner protection unit account established by IC 4-6-12-9.

SECTION 210. IC 25-1-1.2-2, AS AMENDED BY HEA 1288-2005, SECTION 191, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "board" means an entity that regulates occupations or professions under this title and the professional standards board department of education as
established by IC 20-28-2-1. IC 20-19-3-1.

SECTION 211. IC 25-33-1-3, AS AMENDED BY HEA 1288-2005, SECTION 196, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is created a board to be known as the "state psychology board". The board shall consist of seven (7) members appointed by the governor. Six (6) of the board members shall be licensed under this article and shall have had at least five (5) years of experience as a professional psychologist prior to their appointment. The seventh member shall be appointed to represent the general public, must be a resident of this state, must never have been credentialed in a mental health profession, and must in no way be associated with the profession of psychology other than as a consumer.

All members shall be appointed for a term of three (3) years. All members may serve until their successors are duly appointed and qualified. A vacancy occurring on the board shall be filled by the governor by appointment. The member so appointed shall serve for the unexpired term of the vacating member. Each member of the board is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b).

Such a member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the state budget agency.

(b) The members of the board shall organize by the election of a chairman and a vice chairman from among its membership. Such officers shall serve for a term of one (1) year. The board shall meet at least once in each calendar year and on such other occasions as it considers necessary and advisable. A meeting of the board may be called by its chairman or by a majority of the members on the board. Four (4) members of the board constitute a quorum. A majority of the quorum may transact business.

(c) The board is empowered to do the following:

1. Establish reasonable application, examination, and renewal procedures and set fees for licensure under this article. However, no fee collected under this article shall, under any circumstances, be refunded.

2. Adopt and enforce rules concerning assessment of costs in disciplinary proceedings before the board.
(3) Establish examinations of applicants for licensure under this article and issue, deny, suspend, revoke, and renew licenses.

(4) Subject to IC 25-1-7, investigate and conduct hearings, upon complaint against individuals licensed or not licensed under this article, concerning alleged violation of this article, under procedures conducted in accordance with IC 4-21.5.

(5) Initiate the prosecution and enjoiner of any person violating this article.

(6) Adopt rules which are necessary for the proper performance of its duties, in accordance with IC 4-22-2.

(7) Establish a code of professional conduct.

(d) The board shall adopt rules establishing standards for the competent practice of psychology.

(e) All expenses incurred in the administration of this article shall be paid from the general fund upon appropriation being made in the manner provided by law for the making of such appropriations.

(f) The bureau shall do the following:

(1) Carry out the administrative functions of the board.

(2) Provide necessary personnel to carry out the duties of this article.

(3) Receive and account for all fees required under this article.

(4) Deposit fees collected with the treasurer of the state for deposit in the state general fund.

(g) The board shall adopt rules under IC 4-22-2 to establish, maintain, and update a list of restricted psychology tests and instruments (as defined in section 14(b) of this chapter) containing those psychology tests and instruments that, because of their design or complexity, create a danger to the public by being improperly administered and interpreted by an individual other than:

(1) a psychologist licensed under IC 25-33-1-5.1;

(2) an appropriately trained mental health provider under the direct supervision of a health service provider endorsed under IC 25-33-1-5.1(e);

(3) a qualified physician licensed under IC 25-22.5;

(4) a school psychologist who holds a valid:

(A) license issued by the professional standards board department of education under IC 20-28-2; or

(B) endorsement under IC 20-20-28-12;
practicing within the scope of the school psychologist's license or endorsement; or
(5) a minister, priest, rabbi, or other member of the clergy providing pastoral counseling or other assistance.

(h) The board shall provide to:
(1) the social work certification and marriage and family therapists credentialing board; and
(2) any other interested party upon receiving the request of the interested party;
a list of the names of tests and instruments proposed for inclusion on the list of restricted psychological tests and instruments under subsection (g) at least sixty (60) days before publishing notice of intent under IC 4-22-2-23 to adopt a rule regarding restricted tests and instruments.

(i) The social work certification and marriage and family therapists credentialing board and any other interested party that receives the list under subsection (h) may offer written comments or objections regarding a test or instrument proposed for inclusion on the list of restricted tests and instruments within sixty (60) days after receiving the list. If:
(1) the comments or objections provide evidence indicating that a proposed test or instrument does not meet the criteria established for restricted tests and instruments, the board may delete that test from the list of restricted tests; and
(2) the board determines that a proposed test or instrument meets the criteria for restriction after reviewing objections to the test or instrument, the board shall respond in writing to justify its decision to include the proposed test or instrument on the list of restricted tests and instruments.

(j) This section may not be interpreted to prevent a licensed or certified health care professional from practicing within the scope of the health care professional's:
(1) license or certification; and
(2) training or credentials.

SECTION 212. IC 25-33-1-14, AS AMENDED BY HEA 1288-2005, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section does not apply to an individual who is:
(1) a member of a teaching faculty, at a public or private institution of higher learning for the purpose of teaching, research, or the exchange or dissemination of information and ideas as an assigned duty of the institution; 

(2) a commissioned psychology officer in the regular United States armed services; 

(3) licensed by the professional standards board department of education (established by IC 20-28-2) as a school psychologist and using the title "school psychologist" or "school psychometrist" as an employee of a school corporation; or 

(4) endorsed as an independent practice school psychologist under IC 20-28-12.

(b) As used in this section, "restricted psychology test or instrument" means a measurement instrument or device used for treatment planning, diagnosing, or classifying intelligence, mental and emotional disorders and disabilities, disorders of personality, or neuropsychological, neurocognitive, or cognitive functioning. The term does not apply to an educational instrument used in a school setting to assess educational progress or an appraisal instrument.

(c) It is unlawful for an individual to: 

(1) claim that the individual is a psychologist; or 

(2) use any title which uses the word "psychologist", "clinical psychologist", "Indiana endorsed school psychologist", or "psychometrist", or any variant of these words, such as "psychology", or "psychological", or "psychologic"; 

unless that individual holds a valid license issued under this article or a valid endorsement issued under IC 20-28-12.

(d) It is unlawful for any individual, regardless of title, to render, or offer to render, psychological services to individuals, organizations, or to the public, unless the individual holds a valid license issued under this article or a valid endorsement issued under IC 20-28-12 or is exempted under section 1.1 of this chapter.

(e) It is unlawful for an individual, other than: 

(1) a psychologist licensed under IC 25-33-1-5.1; 

(2) an appropriately trained mental health provider under the direct supervision of a health service provider endorsed under IC 25-33-1-5.1(e); 

(3) a qualified physician licensed under IC 25-22.5;
(4) a school psychologist who holds a valid:
(A) license issued by the professional standards board department of education under IC 20-28-2; or
(B) endorsement under IC 20-28-12;
who practices within the scope of the school psychologist's license or endorsement; or
(5) a minister, priest, rabbi, or other member of the clergy providing pastoral counseling or other assistance;
to administer or interpret a restricted psychology test or instrument as established by the board under IC 25-33-1-3(g) section 3(g) of this chapter in the course of rendering psychological services to individuals, organizations, or to the public.

(f) This section may not be interpreted to prevent a licensed or certified health care professional from practicing within the scope of the health care professional's:
(1) license or certification; and
(2) training or credentials.

SECTION 213. IC 29-1-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Except as provided in subsection (b), the right of election of the surviving spouse is personal to the spouse. It is not transferable and cannot be exercised subsequent to the spouse's death. A person with a valid power of attorney for the surviving spouse may elect for the spouse if the power of attorney has general authority with respect to estates as provided in IC 30-5-5-15(a)(4). If the surviving spouse is a protected person, the court may order the guardian of the spouse's estate to elect for the spouse.

(b) The spousal election may be exercised subsequent to the spouse's death under the following circumstances:
(1) The surviving spouse died before the election could be made.
(2) The election is being made to recover Medicaid benefits that were paid on behalf of the deceased surviving spouse.
The office of Medicaid policy and planning may exercise the right of election under this subsection. The spousal election is only enforceable up to the amount of Medicaid benefits that were received and the amount may only be distributed to the office of Medicaid policy and planning.
SECTION 214. IC 31-33-1.5-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) This section applies after June 30, 2008.

(b) A child protection caseworker or a child welfare caseworker may not be assigned work that exceeds the following maximum caseload levels at any time:

(1) For caseworkers assigned only initial assessments, including investigations of an allegation of child abuse or neglect, twelve (12) active cases per month per caseworker.

(2) For caseworkers assigned only ongoing cases, seventeen (17) active children per caseworker.

(3) For caseworkers assigned a combination of initial assessments, including investigations of an allegation of child abuse or neglect, and ongoing cases under subdivisions (1) and (2), four (4) investigations and ten (10) active ongoing cases per caseworker.

(c) The department of child services shall comply with the maximum caseload ratios described in subsection (b).

SECTION 215. IC 31-33-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The local child protection service: department of child services:

(1) must have sufficient qualified and trained staff to fulfill the purpose of this article;

(2) must be organized to maximize the continuity of responsibility, care, and service of individual caseworkers toward individual children and families;

(3) must provide training to representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing the representatives of their duties, in order to protect the legal rights and safety of children and families from the initial time of contact during the investigation through treatment; and

(4) must provide training to representatives of the child protective services system regarding the constitutional rights of the child's family, including a child's guardian or custodian, that is the subject of an investigation of child abuse or neglect consistent with the Fourth Amendment to the United States Constitution and
Article I, Section 11 of the Constitution of the State of Indiana.

(b) This section expires June 30, 2008.

SECTION 216. IC 31-33-2-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) This section applies after June 30, 2008.

(b) The department of child services:

1. must have sufficient qualified and trained staff to:
   (A) fulfill the purpose of this article; and
   (B) comply with the maximum caseload ratios for:
      (i) child protection caseworkers; and
      (ii) child welfare caseworkers;

2. must be organized to maximize the continuity of responsibility, care, and service of individual caseworkers toward individual children and families;

3. must provide training to representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing the representatives of their duties, in order to protect the legal rights and safety of children and families from the initial time of contact during the investigation through treatment; and

4. must provide training to representatives of the child protective services system regarding the constitutional rights of the child's family, including a child's guardian or custodian, that is the subject of an investigation of child abuse or neglect consistent with the Fourth Amendment to the United States Constitution and Article I, Section 11 of the Constitution of the State of Indiana.

SECTION 217. IC 32-34-1-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]: Sec. 34.

(a) Except as provided in section 42(d) of this chapter, the treasurer of state shall, on order of the attorney general, pay the necessary costs of the following:

1. Selling abandoned property.

2. Mailing notices.

3. Making publications required by this chapter.
(4) Paying other operating expenses and administrative expenses, including:
   (A) salaries and wages reasonably incurred by the attorney general in the administration and enforcement of this chapter; and
   (B) costs incurred in examining records of the holders of property and in collecting the property from the holders.

(b) If the balance of the principal of the abandoned property fund established by section 33 of this chapter exceeds five hundred thousand dollars ($500,000), the treasurer of state may, and at least once each fiscal year shall, transfer to the common school state general fund of the state the balance of the principal of the abandoned property fund that exceeds five hundred thousand dollars ($500,000).

(c) If a claim is allowed or a refund is ordered under this chapter that is more than five hundred thousand dollars ($500,000), the treasurer of state shall transfer from the state general fund sufficient money to make prompt payment of the claim. There is annually appropriated to the treasurer of state from the state general fund the amount of money sufficient to implement this subsection.

(d) Before making a deposit into the abandoned property fund, the attorney general shall record the following:
   (1) The name and last known address of each person appearing from the holder's reports to be entitled to the abandoned property.
   (2) The name and last known address of each insured person or annuitant.
   (3) The number, the name of the corporation, and the amount due concerning any policy or contract listed in the report of a life insurance company.

(e) Except as provided in subsection (f), earnings on the property custody fund and the abandoned property fund shall be credited to each fund.

(f) On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the state general fund.

SECTION 218. IC 32-34-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If a sum of money remains in the abandoned property fund for at least five (5)
years after the date the money is deposited in the fund under section 2(d) of this chapter without any order directing the return of the money:

(1) title to the sum vests in and escheats to the state; and
(2) the sum shall be distributed as part of the common school deposited in the state general fund.

(b) Any claimant who does not file an application with the court within five (5) years after the sum is deposited in the unclaimed funds account is barred from asserting a claim.

SECTION 219. IC 32-34-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person who finds and secures any boats, fleets of timber, rafts, platforms, sawlogs, or other logs or trees prepared for the purpose of sale, or any cross or railroad ties, boards, planks, staves, heading, or other timber prepared for market that is the property of another and that is found adrift in the waters of Indiana without a boom or other arrangement provided by the owner to preserve the logs or timber below the point at which they are found, whether the logs or timber have a brand or not, is entitled to receive from the owner the following compensation:

(1) For each freight boat or other heavy boat, two dollars ($2) per ton for all cargo.
(2) For each jack-boat, skiff, or canoe, one dollar ($1).
(3) For each fleet of timber, fifty dollars ($50).
(4) For each raft of not less than forty (40) logs, fifteen dollars ($15).
(5) For each platform of at least ten (10) logs, four dollars ($4).
(6) For each sawlog or other log or tree prepared for sale, fifty cents ($0.50).
(7) For each cross or railroad tie, fifteen cents ($0.15).
(8) For boards or planks caught in rafts or a large body:
   (A) one dollar ($1) per one thousand (1,000) board feet for a quantity twenty thousand (20,000) board feet or less; or
   (B) fifty cents ($0.50) per one thousand (1,000) board feet for a quantity greater than twenty thousand (20,000) board feet.
(9) For loose and scattered boards or planks, five dollars and fifty cents ($5.50) per one thousand (1,000) board feet.
(10) For staves and heading, four dollars ($4) per one thousand (1,000) pieces that are merchantable.
(b) The compensation due under subsection (a) is payable by the
owner, if required, upon the delivery to the owner of the logs or timber.

(c) The finder has a lien upon the property found for the charges provided in subsection (a).

(d) If the owner of the property fails to pay the compensation due under subsection (a) within sixty (60) days after the day the property is found, the property may be sold at the request of the person to whom the compensation is due by a constable, sheriff, or other officer of the county in which the property was found. The sale must be at the courthouse door at public auction to the highest bidder, upon thirty (30) days written or printed notice that gives the time and place of sale and a written or printed description of the property and any marks or brands on the property. The notice of the sale must be posted at the front door of the courthouse of the county in which the sale is to be made and at two (2) other public places in the county where the property is located. It is the duty of the constable or other officer making the sale to pay to the finder the finder's legal fees and charges after deducting the constable's or other officer's commission. The commission charged may be the same as if the constable or other officer had sold the same property under execution. If any sale money remains after payment of the charges and fees described in this section, the constable or other officer shall pay the remainder to the clerk of the circuit court in the county in which the sale occurred and obtain a receipt for the amount. If the constable or other officer fails to perform the constable's or other officer's duties under this chapter, the constable or other officer is liable on the constable's or other officer's official bond to the party aggrieved.

(e) If the owner, within one (1) year after the date of the sale, appears before the county judge of the county where the money is deposited with the clerk and establishes the owner's right to the satisfaction of the court to the money, the money must, upon the order of the county judge, be paid over to the owner by the clerk; otherwise, it shall be paid into the common school state general fund of Indiana.

(f) This chapter may not be construed to permit a person to recover under subsection (a) for any fleet of timber, raft or platform, sawlog, or other log or tree prepared for the purpose of sale, or any cross or railroad tie, board, plank, stave, heading, or other timber prepared for the market that is above any boom or other arrangement made by the owner to preserve the logs or timber.
SECTION 220. IC 33-23-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A senior judge is entitled to the following compensation:

1. For each of the first thirty (30) days of service in a calendar year, a per diem of fifty dollars ($50).

2. Except as provided in subsection (c), for each day the senior judge serves after serving the first thirty (30) days of service in a calendar year, a per diem of one hundred dollars ($100).

3. Reimbursement for:
   A. mileage; and
   B. reasonable expenses, including but not limited to meals and lodging, incurred in performing service as a senior judge; for each day served as a senior judge.

(b) Subject to subsection (c), the per diem and reimbursement for mileage and reasonable expenses under subsection (a) shall be paid by the state.

(c) The compensation under subsection (a)(2) must be paid by the state from funds appropriated to the supreme court for judicial payroll. If the payroll fund is insufficient to pay the compensation under subsection (a)(2), the supreme court may issue an order adjusting the compensation rate.

(d) A senior judge appointed under this chapter may not be compensated as a senior judge for more than one hundred (100) total calendar days during a calendar year.

SECTION 221. IC 33-33-48-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) The judges of the Madison superior court may jointly appoint one (1) full-time magistrate under IC 33-23-5 to serve the superior court.

(b) The magistrate continues in office until removed by the judges of the superior court.

SECTION 222. IC 33-33-62-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Perry County constitutes the seventieth judicial circuit.

(b) The Perry circuit court has a standard small claims and misdemeanor division.

(c) The judge of the Perry circuit court may appoint one (1)
full-time magistrate under IC 33-23-5. The magistrate continues in office until removed by the judge.

SECTION 223. IC 33-33-84-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. There is established a court of record to be known as the Vigo superior court. The superior court has **four (4)** five (5) judges who shall hold their office for six (6) years and until their successors have been elected and qualified.

SECTION 224. IC 34-16-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If, within the one hundred eighty (180) day period, the person fails to sue or to effectively prosecute the action, the prosecuting attorney of the county shall bring a civil action to recover the money or other property so lost and delivered, in the name of the state and for the benefit of:

1. the person's dependent children who are less than eighteen (18) years of age and the person's spouse; or
2. if there are no children or spouse, the common school state general fund.

SECTION 225. P.L.224-2003, SECTION 174 IS REPEALED [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)].

SECTION 226. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 11-8-1-3; IC 11-8-2-2; IC 11-8-2-3.

SECTION 227. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2006]: IC 21-2-4-7; IC 21-2-11.5-5; IC 21-2-15-13.1; IC 21-3-1.7-6; IC 21-3-1.7-9.5; IC 21-3-1.7-9.7; IC 21-3-1.7-9.9; IC 21-3-4.5.

SECTION 228. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-28-1-4; IC 20-28-5-6.

SECTION 229. IC 14-11-2-3 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 230. IC 12-15-9-0.7 IS REPEALED [EFFECTIVE JULY 1, 2005].

SECTION 231. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 20-12-3.2-3; IC 27-8-27-7.

SECTION 232. P.L.224-2003, SECTION 173, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: SECTION 173. (a) Notwithstanding IC 21-3-1.6-1.2 **as added by this act**, and IC 21-3-1.7, the tuition support determined under IC 21-3-1.7-8 **(repealed) and**
IC 21-3-1.7-8.2 for a school corporation shall be reduced as follows:

(1) For 2001, the previous year's revenue determined without regard to IC 21-3-1.6-1.2 as added by this act, shall be reduced by an amount determined under the following STEPS:

   STEP ONE: Determine the difference between:
   (A) the school corporation's average daily membership count for 2000, without regard to IC 21-3-1.6-1.2; as added by this act; minus
   (B) the school corporation's average daily membership count for 2000, as adjusted by the school corporation under this act after applying IC 21-3-1.6-1.2. as added by this act.

   STEP TWO: Determine the result of:
   (A) the school corporation's previous year's revenue under IC 21-3-1.7-3.1, without regard to IC 21-3-1.6-1.2; as added by this act; divided by
   (B) the school corporation's average daily membership for 2000, without regard to IC 21-3-1.6-1.2. as added by this act.

   STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

   STEP FOUR: Multiply the STEP THREE result by one-third (1/3).

(2) For 2002, the previous year revenue determined without regard to IC 21-3-1.6-1.2 as added by this act, shall be reduced by an amount equal to the result under the following:

   (A) Determine the result of:
       (i) the amount determined under SUBDIVISION (1); minus
       (ii) the amount determined under STEP FOUR of subdivision (1).

   (B) Divide the clause (A) result by three (3).

   (C) Multiply the clause (B) result by one and three-hundredths (1.03).

(3) For 2003, the previous year revenue determined without regard to IC 21-3-1.6-1.2 as added by this act, shall be reduced by an amount equal to the reduction amount under subdivision (2) multiplied by one and two-hundredths (1.02).

(4) For 2005, the previous year revenue determined without
regard to IC 21-3-1.6-1.2 shall be reduced by an amount equal to the product of:

(A) the reduction amount under subdivision (3) divided by three (3); multiplied by

(B) one and three-hundredths (1.03).

(5) For 2006 and 2007, the product of:

(A) previous year revenue determined without regard to IC 21-3-1.6-1.2 shall be reduced by an amount equal to the reduction amount under subdivision (4). divided by three (3); multiplied by

(B) one and one-hundredth (1.01).

(b) This SECTION expires January 1, 2008.

SECTION 233. [EFFECTIVE UPON PASSAGE] (a) The department of education shall adjust distributions made to a school corporation, including a charter school, after the effective date of this SECTION to eliminate the difference between the state primetime distribution that the school corporation, including a charter school, received, as a result of IC 21-1-30-3, as amended by P.L.224-2003, SECTION 141, and the state primetime distribution to which the school corporation, including a charter school, is entitled to receive under IC 21-1-30-3, as amended by this act.

(b) The adjustments required under this SECTION shall be made on the schedule determined by the department of education.

SECTION 234. [EFFECTIVE JULY 1, 2005] (a) The professional standards board established by IC 20-28-2-1 is abolished.

(b) The following are transferred on July 1, 2005, from the professional standards board to the department of education established by IC 20-19-3-1:

(1) All real and personal property of the professional standards board.

(2) All powers, duties, assets, and liabilities of the professional standards board.

(3) All appropriations to the professional standards board.

(c) Money in the professional standards board licensing fund established by P.L.224-2003, SECTION 9, is transferred on July 1, 2005, to the professional standards fund established by IC 20-28-2-10, as added by this act.

(d) Rules that were adopted by the professional standards board
before July 1, 2005, shall be treated as though the rules were adopted by the advisory board of the division of professional standards of the department of education established by IC 20-28-2-2, as amended by this act.

(e) After June 30, 2005, a reference to the professional standards board in a statute or rule shall be treated as a reference to the division of professional standards established by IC 20-28-2-1.5, as added by this act.

(f) The members appointed before July 1, 2005, to the professional standards board:

(1) become members of the advisory board for the division of professional standards established by IC 20-28-2-2, as amended by this act; and

(2) may serve until the expiration of the term for which the members were appointed.

(g) A license or permit issued by the professional standards board before July 1, 2005, shall be treated after June 30, 2005, as a license or permit issued by the department of education established by IC 20-19-3-1.

(h) Proceedings pending before the professional standards board on July 1, 2005, shall be transferred from the professional standards board to the department of education and treated as if initiated by the department of education established by IC 20-19-3-1.

SECTION 235. [EFFECTIVE JULY 1, 2005] The board shall allocate from the pension stabilization fund (IC 21-6.1-2-8) to the Indiana state teachers' retirement fund's 1996 account an amount equal to the unfunded liability for individuals who were members of the Indiana state teachers' retirement fund's pre-1996 account before July 1, 1995, (and survivors and beneficiaries of these members) who after June 30, 1995, became members of the Indiana state teachers' retirement fund's 1996 account.

SECTION 236. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "fund" refers to the public employees' retirement fund, with respect to members (and survivors and beneficiaries of members) of the fund.

(b) The amount determined in this SECTION shall be paid from the fund on or before December 1, 2005, to any person who was a retired member of the fund (or to a survivor or beneficiary of a
(c) The amount determined under the following formula shall be paid from the fund to a retired member of the fund (or to a survivor or beneficiary of a retired member of the fund) who meets the requirements of subsection (b):

STEP ONE: Multiply by twelve (12) the pension portion, plus postretirement increases to the pension portion, of the monthly benefit that was payable to the retired member of the fund (or to a survivor or beneficiary of the retired member of the fund) and provided by employer contributions during the month before the payment is made under this SECTION.

STEP TWO: Multiply the amount determined in STEP ONE by the applicable percentage from the following table:

<table>
<thead>
<tr>
<th>Calendar Year of Last Retirement of Member</th>
<th>Applicable Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1990</td>
<td>2%</td>
</tr>
<tr>
<td>1990 through 2004</td>
<td>1%</td>
</tr>
</tbody>
</table>

(d) This SECTION expires July 1, 2006.

SECTION 237. [EFFECTIVE JULY 1, 2005] (a) IC 4-24-7-4(b), as amended by this act, applies only to accounts for claims at a juvenile institution that the department of correction may have against any county for the payment of the county's portion of the cost of the maintenance of any inmate of the institution for days served after June 30, 2005.

(b) If a county has an account with an outstanding balance on June 30, 2005, for claims that the department of correction may have against any county for the payment of the county's portion of the cost of the maintenance of any inmate of the juvenile institution for days served before July 1, 2005, the county and budget agency shall attempt to establish a repayment plan before August 15, 2005.

(c) A repayment plan under this SECTION may provide for repayment in:

(1) the number of installments specified in the plan from any revenue source available to the county and not otherwise restricted to a particular purpose by law; or

(2) full in one (1) payment from the proceeds of bonds issued...
in the manner provided in IC 36-2-6-18, 36-2-6-19, and 36-2-6-20.
The bonds under subdivision (2) must be entered into before the
date specified in the repayment plan. The term of the bonds under
subdivision (2) may not exceed ten (10) years. IC 6-1.1-18.5 and
IC 6-1.1-20 do not apply to bonds issued under subdivision (2). The
proper officers of a county shall fix a tax rate for a debt service or
other similar fund that is sufficient to pay the principal and
interest on the funding or refunding of bonds issued to repay a loan
entered into under subdivision (2). The ad valorem property tax
levy limits imposed by IC 6-1.1-18.5-3 do not apply to property
taxes imposed by a county under this SECTION. For purposes of
computing the ad valorem property tax levy limit imposed on a
county under IC 6-1.1-18.5-3, the county's ad valorem property tax
levy for a particular calendar year does not include that part of the
levy imposed under this SECTION. The limit on outstanding loans
established in IC 36-2-6-18(d) does not apply to bonds issued under
subdivision (2). For purposes of computing the outstanding loan
limit under bonds issued under IC 36-2-6-18(d), the county's
outstanding loans for a particular calendar year does not include
the outstanding amount of bonds issued under subdivision (2).
(d) If an agreement on a repayment plan is not signed before
August 15, 2005, the auditor of state shall, notwithstanding
anything to the contrary in IC 6-1.1-21, reduce the distributions of
property tax replacement credits under IC 6-1.1-21 to the county
and withhold the amount owed on the account by spreading the
reductions equally over the distributions in those state fiscal years
credit the contract payments or any withheld amount to the state
general fund for the purpose of curing the default. The account is
then considered paid to the extent of the withheld amount. A
county that has the county's distribution reduced under this
SECTION shall apply the withheld amount only to the county
unit's share of the distribution and may not reduce a distribution
to any other civil taxing unit or school corporation within the
county.
(e) This SECTION expires July 2, 2009.
SECTION 238. [EFFECTIVE JULY 1, 2005] (a) The department
of child services shall submit a report to the legislative council and
the health finance commission established by IC 2-5-23-3 that contains statistics concerning the education levels and salaries of all:

(1) child protection caseworkers and child welfare caseworkers; and  
(2) child protection caseworker and child welfare caseworker supervisors;
by September 1, 2005.

(b) The report required by subsection (a) must be in an electronic format under IC 5-14-6.

(c) This SECTION expires December 31, 2005.

SECTION 239. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(b) The office shall apply to the United States Department of Health and Human Services to amend the state Medicaid plan concerning limiting dental services to provide that a Medicaid recipient who is at least twenty-one (21) years of age is only eligible for the following dental services without prior authorization under the Medicaid program:

(1) Diagnostic and preventative care.
(2) Direct restorations.
(3) Treatment of lesions.
(4) Extractions.
(5) Periodontal treatment for the following immuno-compromised individuals:
   (A) Transplant patients.
   (B) Pregnant women.
   (C) Diabetic patients.
(6) Emergency and trauma care.

The office may authorize other dental services not listed in this subdivision for a Medicaid recipient if the recipient first obtains prior authorization from the office for the dental service.

(c) The office may not implement the amendment until the office files an affidavit with the governor attesting that the amendment applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that an amendment is approved.

(d) If the office receives approval for an amendment under this
SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (c), the office shall implement the amendment not more than thirty (30) days after the governor receives the affidavit.

(e) The office may adopt rules under IC 4-22-2 necessary to implement this SECTION.

(f) This SECTION expires December 31, 2012.

SECTION 240. [EFFECTIVE JULY 1, 2005] (a) This SECTION covers officer positions created for the 2005 legislative session that were not set forth in P.L.274-2003, SECTION 3.

(b) The following officers of the senate are entitled to the following amounts to be paid after June 30, 2005, and before December 31, 2005. These amounts are in addition to the subsistence allowance: appropriations committee chair, $5,000; tax and fiscal policy committee chair, $5,000; appropriations committee ranking majority member, $1,500; tax and fiscal policy committee ranking majority member, $1,500; appropriations committee ranking minority member, $2,000; tax and fiscal policy committee ranking minority member, $2,000.

(c) The following officers of the house of representatives are entitled to the following amounts to be paid after June 30, 2005, and before December 31, 2005. These amounts are in addition to the subsistence allowance: chairman of the education subcommittee of ways and means, $1,500.

(d) This SECTION expires December 31, 2005.

SECTION 241. [EFFECTIVE UPON PASSAGE] On the effective date of this SECTION, the powers of the department of natural resources to establish fees are transferred to the natural resources commission. After the effective date of this SECTION, the natural resources commission may exercise any power delegated to the department of natural resources to establish fees, and a rule of the department of natural resources that establishes a fee for any of the following shall be treated as a rule of the natural resources commission:

(1) Programs of the department of natural resources or the natural resources commission.

(2) Facilities owned or operated by the department of natural resources or the natural resources commission or a lessee of the department of natural resources or the natural resources commission.
commission.
(3) Licenses issued by the natural resources commission, the
department of natural resources, or the director of the
department of natural resources.
(4) Inspections or other similar services under IC 14
performed by the department of natural resources or an
assistant or employee of the department of natural resources.

SECTION 242. [EFFECTIVE UPON PASSAGE] (a) The
commission for higher education shall complete the establishment
of the initial core transfer library under IC 20-12-0.5-8(18), as
amended by this act, for at least seventy (70) courses and the initial
articulation agreements for at least twelve (12) degree programs
under IC 20-12-0.5-8(19), as amended by this act, before July 1,
2007. State educational institutions shall assist the commission for
higher education as necessary to comply with this SECTION.

(b) This SECTION expires June 30, 2008.

SECTION 243. [EFFECTIVE JULY 1, 2005] (a) Effective July 1,
2005, the names of the Indiana University programs, centers, and
schools related to medicine are changed to those set forth in
IC 20-12-30.5-2, as amended by this act.

(b) A reference to the former name described in IC 20-12-30.5-2,
as amended by this act, in any law, rule, or document shall be
treated after June 30, 2005, as a reference to the new name given
to the program, center, or school.

(c) The legislative council shall provide for the preparation of
legislation to change the references in all laws to the programs,
centers, and schools described in IC 20-12-30.5-2, as amended by
this act.

SECTION 244. [EFFECTIVE JULY 1, 2005] (a) The trustees of
the following institutions may issue and sell bonds under
IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for
the following projects if the sum of principal costs of any bond
issued, excluding amounts necessary to provide money for debt
service reserves, credit enhancement, or other costs incidental to
the issuance of the bonds, does not exceed the total authority listed
below for that institution:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ivy Tech - Valparaiso New Campus - Phase II</td>
<td>20,000,000</td>
</tr>
<tr>
<td>Ivy Tech - Madison Main Campus Expansion</td>
<td>19,144,000</td>
</tr>
<tr>
<td>Ivy Tech - Marion New Campus</td>
<td>21,015,000</td>
</tr>
</tbody>
</table>
University of Southern Indiana - Education/Science Building
Completion SOB/GCB A&E and Physical Plant Expansion 6,600,000
Indiana State University - University Hall Renovation for College of Education 26,880,000
The foregoing projects are eligible for fee replacement appropriations.
University of Southern Indiana - Recreation and Fitness Center
Expansion Phase II 7,250,000
Purdue University-North Central Campus Parking Garage No. 1 5,000,000
The foregoing projects are not eligible for fee replacement appropriations.

(b) The trustees of the following institutions may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the following projects if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:
Indiana University - Bloomington Campus - Central Heating Plant Renovation Phase I 45,000,000
Purdue University - West Lafayette Campus - Infrastructure and Utilities Improvement 43,600,000
Ball State University - Boiler Plant Replacement and Chilled Water Plant Improvements 48,000,000
The budget agency shall, with the cooperation of the institutions, coordinate the planning, direct a process for developing detailed specifications, and develop a coordinated plan for contracting and implementing the construction and operation of the above projects. The projects may not be commenced by the institutions until alternatives for the projects such as privatization, joint ownership, phased construction, and joint operation of the improvements have been considered by the budget agency and the institutions. The coordinated plan may include alternatives required by the budget agency. The projects are eligible for fee replacement appropriations.

SECTION 245. [EFFECTIVE JULY 1, 2005] (a) The budget
agency shall make an early distribution of state tuition support to school corporations under IC 21-3-1.7 that may not exceed fifty percent (50%) of the most recent accrued tuition support payment delay balance, as determined by the budget agency. The distribution is to reduce accrued payment delay balances to school corporations that were created because of the distribution of eleven-twelfths (11/12) of the appropriated amount in the state fiscal year ending June 30, 2002. If the budget agency determines that insufficient combined balances exist to make an early distribution of fifty percent (50%), the budget agency may make an early distribution that is less than fifty percent (50%), so long as the percentage of the accrued payment delay is the same under this subsection as that used under subsection (b). An early distribution under this subsection is to be treated as a tuition support distribution under IC 21-3-1.7 for the calendar year in which the early distribution is made.

(b) The budget agency shall make an early distribution of property tax replacement credits and homestead credits under IC 6-1.1-21 that may not exceed fifty percent (50%) of the most recent accrued property tax replacement credit and homestead credit payment delay balance, as determined by the budget agency. The distribution is to reduce accrued payment delay balances that were created because of the statutory change in IC 6-1.1-21-10 that was made by P.L.192-2002(ss), SECTION 43, to move the May distribution to July beginning with the May 2003 distribution. If the budget agency determines that insufficient combined balances exist to make an early distribution of fifty percent (50%), the budget agency may make an early distribution that is less than fifty percent (50%), so long as the percentage of the accrued payment delay is the same under this subsection as that used under subsection (a). An early distribution under this subsection is to be treated as a distribution under IC 6-1.1-21 for the calendar year in which the early distribution is made.

(c) The budget agency shall make an additional distribution to Indiana University, Purdue University, Indiana State University, Ball State University, the University of Southern Indiana, Vincennes University, Ivy Tech State College, and the Indiana Higher Education Telecommunications System (IHETS) that may not exceed fifty percent (50%) of the claim of each of the above
state educational institutions resulting from the previous distribution of eleven-twelfths (11/12) of the budgeted amount in fiscal year 2001-2002, as determined by the budget agency. If the budget agency determines that insufficient balances exist in the state general fund, after making any early tuition distribution to school corporations under this act, to make an additional distribution under this SECTION of fifty percent (50%), the budget agency may make an additional distribution that is less than fifty percent (50%). An additional distribution under this subsection reduces the claim of a state educational institution receiving the distribution, and the institution shall reflect the reduction on its financial statements.

(d) Distributions under this SECTION:

(1) may be made in one (1) or more installments before July 1, 2007; and

(2) shall be separately allotted and the accrued payment delay balances for the state fiscal year shall be reduced accordingly.

(e) There is appropriated from the state general fund or property tax replacement fund to the budget agency the amount necessary to make early distributions under this SECTION.

(f) This SECTION expires July 2, 2007.

SECTION 246. [EFFECTIVE JULY 1, 2005]

For purposes of reconciling the amount the property tax replacement fund paid under IC 4-33-13-5(g) to entities covered by IC 6-3.1-20-7, with respect to taxable years ending in 2001, 2002, and 2003, the treasurer of state shall reduce the supplemental distributions under IC 4-33-13-5(g) to the entities covered by IC 6-3.1-20-7. The total reduction amount is what is necessary so that the property tax replacement fund realizes the difference between payments made compared to the payments that should have been made had the reimbursement under IC 6-3.1-20-7 been treated as provided in IC 4-33-13-5(g), as amended by this act. The reduction shall be allocated equally to the supplemental distributions made before September 2005, 2006, and 2007 for state fiscal years ending in 2006, 2007, and 2008.

SECTION 247. [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: IC 6-1.1-3-23, as amended by this act, applies only to property taxes first due and payable after December 31, 2004.
SECTION 248. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: (a) As used in this SECTION, "taxable year" has the meaning set forth in IC 6-3-1-16.

(b) IC 6-3-1-11, as amended by this act, applies only to taxable years beginning after December 31, 2004.

SECTION 249. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: IC 6-3-1-3.5 and IC 6-5.5-1-2, both as amended by this act, apply only to taxable years beginning after December 31, 2004.

SECTION 250. [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: (a) Notwithstanding IC 6-3-1-11, as effective before the passage of this act, this SECTION applies to taxable years beginning after December 31, 2003, and before January 1, 2005.

(b) As used in this SECTION, "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, 2004.

(c) Whenever the Internal Revenue Code is mentioned in IC 6-3, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, 2004, that pertain to the provisions specifically mentioned, shall be regarded as incorporated in IC 6-3 by reference and have the same force and effect as though fully set forth in IC 6-3. To the extent the provisions apply to IC 6-3, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, 2004, shall be regarded as rules adopted by the department under IC 6-3, unless the department of state revenue adopts specific rules that supersede the regulation.

(d) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, 2004, that is effective for any taxable year that began before January 1, 2004, and that affects:

1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);
2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);
3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);
4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);
(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or
(6) taxable income (as defined in Section 832 of the Internal Revenue Code);
is also effective for that same taxable year for purposes of determining adjusted gross income under IC 6-3-1-3.5.
(e) However, this act may not be construed to authorize a taxpayer to deduct, in computing the taxpayer's Indiana adjusted gross income, the amount of bonus depreciation (as defined in IC 6-3-12-33, as amended by this act, or IC 6-5.5-1-20, as amended by this act, as applicable) or a deduction under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000) in any taxable year beginning before January 1, 2005.

SECTION 251. [EFFECTIVE UPON PASSAGE]  (a) Notwithstanding IC 12-17-15-17, as amended by this act, the budget agency shall submit a report to the health finance commission established by IC 2-5-23 and the budget committee containing the following information concerning the funding for the infants and toddlers with disabilities program under IC 12-17-15:

(1) The total amount billed to a federal or state program in state fiscal year 2004 for services provided under the infants and toddlers with disabilities program, including amounts billed to the following programs:
   (A) Medicaid.
   (B) The children's health insurance program.
   (C) The federal Temporary Assistance to Needy Families (TANF) program (45 CFR 265).
   (D) Any other state or federal program.
(2) The total amount billed in state fiscal year 2004 to an insurance company for services provided under the infants and toddlers with disabilities program and the total amount reimbursed by the insurance company.
(3) The total copayments collected for the infants and toddlers with disabilities program in state fiscal year 2004.
(4) The total administrative expenditures for state fiscal year 2004.

The report required under this SECTION must be submitted in an
electronic format under IC 5-14-6 before September 1, 2005.

   (b) This SECTION expires January 1, 2006.

SECTION 252. [EFFECTIVE JULY 1, 2005] (a) As used in this
SECTION, "commission" refers to the health finance commission
established by IC 2-5-23-3.

   (b) The office of the secretary of family and social services shall
study and submit a report in electronic format under IC 5-14-6 to
the commission not later than October 1, 2005, concerning the
following:

   (2) Provider reimbursement rates for home and community
based services under:
      (A) the aged and disabled Medicaid waiver; and
      (B) the community and home options to institutional care
for the elderly and disabled program under IC 12-10-10.
   (3) The eligibility standards and procedures for:
      (A) the community and home options to institutional care
for the elderly and disabled program under IC 12-10-10; and
      (B) home and community based waivers;
including the use of presumptive eligibility, emergency care
placements, and local eligibility determinations.

   (c) This SECTION expires December 31, 2006.

SECTION 253. [EFFECTIVE UPON PASSAGE] (a) As used in
this SECTION, "program" refers to the community and home
options to institutional care for the elderly and disabled (CHOICE)
program established by IC 12-10-10.

   (b) The office of the secretary of family and social services shall
submit the following information in electronic format under
IC 5-14-6 to the legislative services agency not later than July 15,
2005, concerning the program for fiscal year 2005:

   (1) The total number of individuals participating in the
program.
   (2) The total expenditures for the program.
   (3) Information concerning each individual participating in
the program, including the following:
      (A) The number of activities of daily living (ADL) that an
individual is unable to perform.
      (B) The individual's monthly income and any deductions
by source.
(C) The amount of assets reported by the individual, as determined by the division.
(D) The services provided to the individual.
(E) The cost of each service provided to the individual.
(F) The copayment, if any, that the individual is required to pay and the amount paid by the individual.
(G) Whether the individual participates in a Medicaid waiver or is Medicaid eligible.
(H) The county and the area agency on aging region in which the individual resides.
(4) The reimbursement rate for services provided under the program for each area agency on aging region in the preceding fiscal year.
(5) The number of individuals on a waiting list for the program and any services being received by the individual from the state while the individual is on the waiting list.

(c) The legislative services agency shall review the information submitted under this SECTION and compile a report determining the compliance of the submitted information with the requirements of this SECTION. The report must be submitted to the health finance commission established by IC 2-5-23 and the budget committee not later than September 1, 2005.

d) This SECTION expires December 31, 2005.

SECTION 254. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 6-1.1-20.6-2, as added by this act, a county may adopt an ordinance under this SECTION to apply the credit authorized by IC 6-1.1-20.6, as added by this act, to property taxes first due and payable in 2004 or 2005.

(b) If a county has not issued property tax statements under IC 6-1.1-22-8 to the persons liable for property taxes in the county for property taxes first due and payable in 2004, the county fiscal body may adopt an ordinance to apply the credit under IC 6-1.1-20.6, as added by this act, to the property taxes first due and payable in 2004. A county fiscal body may not adopt an ordinance under this subsection after statements are issued under IC 6-1.1-22-8 for the property taxes first due and payable in 2004.

(c) If a county has not issued property tax statements under IC 6-1.1-22-8 to the persons liable for property taxes in the county
for property taxes first due and payable in 2005, the county fiscal body may adopt an ordinance to apply the credit under IC 6-1.1-20.6, as added by this act, to the property taxes first due and payable in 2005. A county fiscal body may not adopt an ordinance under this subsection after statements are issued under IC 6-1.1-22-8 for the property taxes first due and payable in 2005.

(d) Notwithstanding any provision in IC 6-1.1-20.6, as added by this act, IC 6-1.1-20.6 applies to a credit authorized by an ordinance passed under this SECTION.

(e) Except as provided in subsections (b) and (c), IC 6-1.1-20.6, as added by this act, applies to property taxes first due and payable after December 31, 2005.

(f) This SECTION expires January 1, 2006.

SECTION 255. [EFFECTIVE UPON PASSAGE] (a) All revenue that funds government comes from the people and it is the responsibility of every elected official to carefully guard against misuse of this revenue. Therefore, it is the intent of the general assembly that the state budget be reviewed comprehensively before the budgetary process for the next biennium begins in 2007.

(b) The general assembly requests that the governor to direct the office of management and budget to thoroughly review the:

(1) budget of each executive department agency and instrumentality; and
(2) overall functions of the executive department of state government;

for the purpose of finding efficiencies that might yield significant cost savings. The general assembly requests that both the size and the scope of these agencies and functions be thoroughly reviewed.

(c) The general assembly requests that:

(1) an interim report on the progress of the review under this SECTION be submitted to the general assembly in an electronic format under IC 5-14-6 before January 3, 2006; and
(2) the results of the comprehensive review, including recommendations for budgetary reforms and spending reductions throughout state government through the appropriation and allotment process be shared with the speaker of the house of representatives and the president pro tempore of the senate before December 2, 2006.
SECTION 256. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "board or commission" includes any:
   (1) board;
   (2) commission;
   (3) committee;
   (4) council;
   (5) panel;
   (6) task force;
   (7) authority;
   (8) foundation; or
   (9) bureau;
that was created by an executive order or by statute and that is in existence on July 1, 2005.
(b) The government efficiency commission is established.
(c) The government efficiency commission consists of the following members:
   (1) One (1) cochairperson appointed not later than fifteen (15) days after the effective date of this SECTION by the president pro tempore of the senate.
   (2) One (1) cochairperson appointed not later than fifteen (15) days after the effective date of this SECTION by the speaker of the house of representatives.
   (3) Ten (10) members appointed by the president pro tempore of the senate not later than thirty (30) days after the appointment is made under subdivision (1), five (5) of whom must be appointed with the advice and consent of the minority leader of the senate.
   (4) Ten (10) members appointed by the speaker of the house of representatives not later than thirty (30) days after the appointment is made under subdivision (2), five (5) of whom must be appointed with the advice and consent of the minority leader of the house of representatives.
(d) The following may not be members of the government efficiency commission:
   (1) An elected or appointed state or local official.
   (2) A lobbyist (as defined by IC 2-7-1-10).
(e) The cochairpersons may appoint nonvoting advisory members to serve on the government efficiency commission.
(f) A member of the government efficiency commission is not
entitled to a salary per diem.

(g) A member of the government efficiency commission entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member’s duties, as provided in state travel rules or this act.

(h) The government efficiency commission shall meet upon the call of the cochairpersons.

(i) The cochairpersons may advise the president pro tempore of the senate, the minority leader of the senate, the speaker of the house of representatives, and the minority leader of the house of representatives concerning the appointment of other members of the government efficiency commission.

(j) A quorum of the government efficiency commission must be present to conduct business. A quorum consists of a majority of the voting members appointed to the government efficiency commission.

(k) The government efficiency commission may not take an official action unless the official action has been approved by at least a majority of the voting members appointed to serve on the government efficiency commission.

(l) The cochairpersons may establish and appoint government efficiency commission members to subcommittees as the cochairpersons consider appropriate to carry out the government efficiency commission’s duties under subsection (m). The cochairpersons shall name the chairperson of each subcommittee.

(m) The government efficiency commission shall do the following:

1. Make recommendations to improve efficiency and reduce unnecessary costs associated with any board or commission.
2. Review and make recommendations to the governor concerning each board or commission about the following:
   A. Whether the board or commission should be continued, reorganized, or combined with another board, commission, or state agency.
   B. Whether the board or commission should terminated or allowed to expire.
3. Make recommendations to reform K-12 education funding and budgeting as it relates to non-classroom expenditures so that adequate dollars are available for teacher training and
classroom instruction.

(n) The government efficiency commission may accept donations to carry out the purposes of this SECTION.

(o) The office of the governor shall provide staff support to the government efficiency commission.

(p) As it pertains to subsection (m)(1) and (m)(2), the government efficiency commission shall provide its final recommendations before October 1, 2006, to the governor.

(q) The governor shall:
   (1) review the recommendations made by the government efficiency commission under subsections (m)(1) and (m)(2); and
   (2) before November 1, 2006, submit a report to the legislative council in an electronic format under IC 5-14-6 recommending legislation necessary to carry out those recommendations that the governor determines will improve the efficiency and operations of state government.

(r) The legislative council shall:
   (1) review; and
   (2) determine what legislation should be prepared for introduction in the 2007 regular session of the general assembly with respect to;

   recommendations made under subsection (m)(1) and (m)(2).

(s) Nothing in subsection (m)(1) and (m)(2) may be construed to authorize the termination or reorganization of a board or commission, except as otherwise provided by law.

(t) As it pertains to subsection (m)(3), the government efficiency commission shall provide its final recommendations before November 1, 2006, to the governor.

(u) The governor shall:
   (1) review the recommendations made by the government efficiency commission under subsection (m)(3); and
   (2) before December 1, 2006, submit a report in an electronic format under IC 5-14-6 with recommendations for reform to the speaker of the house of representatives and the president pro tempore of the senate.

(v) This SECTION expires December 31, 2006.

SECTION 257. [EFFECTIVE JANUARY 1, 2006] IC 6-1.1-20.9-2 and IC 6-1.1-21-2, both as amended by this act, and
IC 6-1.1-21-2.5, as added by this act, apply only to property taxes first due and payable after December 31, 2005.

SECTION 258. [EFFECTIVE JULY 1, 2005] IC 21-2-11.5-3, as amended by this act, applies to property taxes imposed for an assessment date after February 28, 2005, and first due and payable after December 31, 2005.

SECTION 259. [EFFECTIVE UPON PASSAGE] The following rules are void:

(1) An emergency rule adopted by the Indiana gaming commission on April 21, 2005 pursuant to Indiana gaming commission resolution 2005-17 concerning the imposition of a transfer fee for riverboat license transfers.

(2) Any other rule adopted after April 1, 2005, that establishes a transfer fee for riverboat licenses, including operating permits.

SECTION 260. [EFFECTIVE JULY 1, 2005] (a) Notwithstanding IC 33-33-84-3, as amended by this act, the Vigo superior court is not expanded to five (5) judges until January 1, 2006.

(b) The governor shall appoint a person under IC 3-13-6-1(c) to serve as the initial judge added to the Vigo superior court by IC 33-33-84-3, as amended by this act.

(c) The term of the initial judge appointed under subsection (b) begins January 1, 2006, and ends December 31, 2006.

(d) The initial election of the judge of the Vigo superior court added by IC 33-33-84-3, as amended by this act, is the general election in November 2006. The term of the initially elected judge begins January 1, 2007.

(e) This SECTION expires January 2, 2007.

SECTION 261. An emergency is declared for this act.
A JOINT RESOLUTION proposing an amendment to Article 1 of the Constitution of the State of Indiana concerning the definition of marriage.

Be it resolved by the General Assembly of the State of Indiana:

SECTION 1. The following amendment to the Constitution of the State of Indiana is proposed and agreed to by this, the One Hundred Fourteenth General Assembly of the State of Indiana, and is referred to the next General Assembly for reconsideration and agreement.

SECTION 2. ARTICLE 1 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED BY ADDING A NEW SECTION TO READ AS FOLLOWS: Section 38. (a) Marriage in Indiana consists only of the union of one man and one woman.

(b) This Constitution or any other Indiana law may not be construed to require that marital status or the legal incidents of marriage be conferred upon unmarried couples or groups.
SECTION 2. ARTICLE 1 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED BY ADDING A NEW SECTION TO READ AS FOLLOWS: Section 38. The people have a right to hunt, fish, and harvest game, which are a valued part of our heritage and shall be forever preserved for the public good, subject to laws prescribed by the General Assembly and rules prescribed by virtue of the authority of the General Assembly.
CERTIFICATE

INDIANA GENERAL ASSEMBLY

STATE OF INDIANA

We, the undersigned, do hereby certify that P.L.1-2005 through P.L.248-2005 of the First Regular Session of the One Hundred Fourteenth General Assembly of the State of Indiana have been compared with the enrolled acts from which they were taken and have been found correctly printed.

Signed in the State of Indiana, this 9th day of June, 2005.

Robert D. Garton
President Pro Tempore, Senate

Brian C. Bosma
Speaker, House of Representatives

Seal
<table>
<thead>
<tr>
<th>Category</th>
<th>Balance July 1, 2003</th>
<th>Revenues</th>
<th>Expenditures</th>
<th>Balance June 30, 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Governmental Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$1,356,406</td>
<td>$7,933,336</td>
<td>$7,625,452</td>
<td>$1,241,893</td>
</tr>
<tr>
<td>Other Financing Sources (Net)</td>
<td>(422,397)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Revenue Funds</td>
<td>727,233</td>
<td>11,737,517</td>
<td>12,266,483</td>
<td>273,860</td>
</tr>
<tr>
<td>Other Financing Sources (Net)</td>
<td>75,593</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highway Fund</td>
<td>381,483</td>
<td>903,089</td>
<td>1,401,253</td>
<td>358,434</td>
</tr>
<tr>
<td>Other Financing Sources (Net)</td>
<td>475,115</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects Funds</td>
<td>106,421</td>
<td>30,383</td>
<td>33,336</td>
<td>117,297</td>
</tr>
<tr>
<td>Other Financing Sources (Net)</td>
<td>13,829</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent Funds</td>
<td>513,677</td>
<td>11,207</td>
<td>34,366</td>
<td>523,295</td>
</tr>
<tr>
<td>Other Financing Sources (Net)</td>
<td>32,777</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Proprietary Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enterprise Funds</td>
<td>1,850,913</td>
<td>1,525,327</td>
<td>1,566,703</td>
<td>1,629,422</td>
</tr>
<tr>
<td>Nonoperating Revenues (Net)</td>
<td>(44,894)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Transfers (Net)</td>
<td>(135,221)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Service Funds</td>
<td>170,514</td>
<td>457,935</td>
<td>345,474</td>
<td>189,379</td>
</tr>
<tr>
<td>Nonoperating Revenues (Net)</td>
<td>(103,900)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Transfers (Net)</td>
<td>10,304</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fiduciary Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension Trust Funds</td>
<td>844,558</td>
<td>156,239</td>
<td>55,948</td>
<td>944,849</td>
</tr>
<tr>
<td>Private-Purpose Trust Funds</td>
<td>30,790</td>
<td>164,943</td>
<td>150,131</td>
<td>45,602</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$5,981,995</td>
<td>$22,821,182</td>
<td>$23,479,146</td>
<td>$5,324,031</td>
</tr>
</tbody>
</table>

Please see the State's Comprehensive Annual Financial Report for more information.
TABLES

AND

INDEX
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noncode</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-2000-28-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>114-2005</td>
</tr>
<tr>
<td>0-2001-248-4</td>
<td>Repealed</td>
<td>6</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
<tr>
<td>0-2002-106-1</td>
<td>Amended</td>
<td>11</td>
<td>04/26/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>0-2003-126-1</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>0-2003-205-45</td>
<td>Amended</td>
<td>57</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>0-2003-224-173</td>
<td>Amended</td>
<td>232</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>0-2003-224-174</td>
<td>Repealed</td>
<td>225</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>0-2003-224-261</td>
<td>Amended</td>
<td>150</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>0-2003-224-262</td>
<td>Amended</td>
<td>151</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>0-2003-224-263</td>
<td>Amended</td>
<td>152</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>0-2003-231-6</td>
<td>Amended</td>
<td>135</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>0-2003-245-37</td>
<td>Amended</td>
<td>31</td>
<td>05/12/2005</td>
<td>228-2005</td>
</tr>
<tr>
<td>0-2003-274-7</td>
<td>Amended</td>
<td>4</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>0-2003-274-8</td>
<td>Amended</td>
<td>5</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>0-2003-274-10</td>
<td>Amended</td>
<td>6</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>0-2003-274-12</td>
<td>Amended</td>
<td>7</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>0-2003-274-14</td>
<td>Amended</td>
<td>8</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>0-2004-66-6</td>
<td>Amended</td>
<td>132</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>0-2004-78-27</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2003</td>
<td>186-2005</td>
</tr>
<tr>
<td>0-2004-96-28</td>
<td>Amended</td>
<td>134</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>0-2005-4-151</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>Title 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-1-3.5-5</td>
<td>Amended</td>
<td>1</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>1-1-3.5-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>1-1-8.1-1</td>
<td>Repealed</td>
<td>2</td>
<td>01/01/2006</td>
<td>243-2005</td>
</tr>
<tr>
<td>1-1-8.1-2</td>
<td>Repealed</td>
<td>2</td>
<td>01/01/2006</td>
<td>243-2005</td>
</tr>
<tr>
<td>1-1-8.1-3</td>
<td>New</td>
<td>1</td>
<td>05/13/2005</td>
<td>243-2005</td>
</tr>
<tr>
<td>1-2-3-6</td>
<td>Amended</td>
<td>1</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>1-2-12</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>164-2005</td>
</tr>
<tr>
<td>Title 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-3.5-1-2</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>2-3.5-1-4</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>2-5-1.1-12.1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>3-5-2-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-4</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-4.5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-8.7</td>
<td>New</td>
<td>1</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-5-2-21.5</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-31</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-34.7</td>
<td>New</td>
<td>2</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-5-2-40.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-5-2-41.5</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-41.6</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-48.5</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-50.6</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-2-52</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-5-4-1.7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-5-4-7</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-5-4-9</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-5-8-2</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-5-8-2.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-5-8-3</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-4-2-12</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-6-4-5-1</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-6-5-3</td>
<td>Amended</td>
<td>6</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-14</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-6-5-34</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-35</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-1-1</td>
<td>Repealed</td>
<td>91</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-2-4.5</td>
<td>Amended</td>
<td>9</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-2-8</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-2-9</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-4-4.5</td>
<td>Amended</td>
<td>12</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-5-4-10</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-6-34</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-6-6-37</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-6-39</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-6-40</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-6.5</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-7-4</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-7-2</td>
<td>Repealed</td>
<td>91</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-6-7-5</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
</tbody>
</table>
# Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-6-8-3 .............. Amended .......... 20 .......... 07/01/2005 ...... 230-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-6-8-4 .............. Amended .......... 11 .......... 07/01/2005 ...... 221-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-6-9-5 .............. Amended .......... 21 .......... 07/01/2005 ...... 230-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-6-9-13 .............. Amended .......... 12 .......... 07/01/2005 ...... 221-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-6-10-5 .............. Amended .......... 22 .......... 07/01/2005 ...... 230-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-6-10-5.5 ............ Amended .......... 13 .......... 07/01/2005 ...... 221-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-13-12 ............. Amended .......... 1 .......... 01/01/2006 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-18-2 .............. Amended .......... 2 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-20 ................ Repealed .......... 35 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-22-1 .............. Amended .......... 3 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-22-2 .............. Amended .......... 4 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-22-3 .............. Amended .......... 5 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-22-4 .............. Amended .......... 6 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-22-5 .............. Amended .......... 7 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-22-6 .............. Amended .......... 8 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-24-5 .............. Amended .......... 52 .......... 07/01/2005 ...... 1-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-24-7 .............. Amended .......... 9 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-24-9 .............. Amended .......... 10 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-26.3-4 ............ Amended .......... 11 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-26.3-24 ........... Amended .......... 12 .......... 07/01/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-26.4 .............. New .................. 13 .......... 07/01/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-29-1 .............. Amended .......... 14 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-31-4 .............. Amended .......... 15 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-32-1 .............. Amended .......... 16 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-32-4 .............. Amended .......... 1 .......... 05/11/2005 ...... 198-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-33-1 .............. Amended .......... 17 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-33-5 .............. Amended .......... 18 .......... 01/01/2006 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-1 .............. Amended .......... 19 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-1.7 ............ New .................. 20 .......... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-2 .............. Amended .......... 21 ........... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-3 .............. Amended .......... 22 ........... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-4 .............. Amended .......... 23 ........... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-6 .............. Amended .......... 24 ........... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-7 .............. Amended .......... 25 ........... 01/01/2006 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-9 .............. Amended .......... 26 ........... 01/01/2006 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-10 ............. Amended .......... 27 ........... 01/01/2006 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-34-13 ............. Amended .......... 28 ........... 04/25/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-7-48-2 .............. Amended .......... 29 .......... 07/01/2005 ...... 81-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-8-1-5 .............. Amended .......... 1 .......... 05/04/2005 ...... 113-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-8-1-33 ............. Amended .......... 2 .......... 04/25/2005 ...... 2-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-8-2-2.2 ............. Amended .......... 53 .......... 07/01/2005 ...... 1-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-8-2-4 .............. Amended .......... 23 .......... 05/12/2005 ...... 230-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-8-2-11 .............. Amended .......... 24 .......... 07/01/2005 ...... 230-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-8-2-20</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-3-9</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>3-8-3-9</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-3-9</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-8-4-3</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-4-5</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-8-4-8</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-8-4-9</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-8-5-10</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-5-12</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-6-5</td>
<td>Amended</td>
<td>30</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-7-5</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-8-7-11</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-8-8</td>
<td>New</td>
<td>32</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-9-4-4</td>
<td>Amended</td>
<td>19</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-4-16</td>
<td>Amended</td>
<td>20</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-4-20</td>
<td>New</td>
<td>21</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-5-6</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-5-8</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-5-9</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-5-10</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-5-20.1</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-9-5-22</td>
<td>New</td>
<td>27</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-1-1.5</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-1-7.2</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-10-1-12</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-1-13</td>
<td>Amended</td>
<td>3</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-1-15</td>
<td>Amended</td>
<td>4</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-1-17</td>
<td>Amended</td>
<td>5</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-1-18</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-1-19</td>
<td>Amended</td>
<td>6</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-1-19.7</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-1-23</td>
<td>Amended</td>
<td>7</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-1-26</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-1-27</td>
<td>Amended</td>
<td>8</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-1-28</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-1-31.1</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-1-33</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-2-3</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-2-4</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-2-6</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-2-7</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-------------</td>
<td>---------</td>
</tr>
<tr>
<td>3-10-2-12</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-4-1</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-4-1</td>
<td>Amended</td>
<td>9</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-4-2</td>
<td>Amended</td>
<td>10</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-4-2.1</td>
<td>New</td>
<td>11</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-4-2.2</td>
<td>New</td>
<td>12</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-6-2</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-6-3</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-6-6</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-7-22</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-7-31</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-10-7-32</td>
<td>Amended</td>
<td>13</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-10-8-6</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-12-3</td>
<td>Repealed</td>
<td>91</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-12-3.4</td>
<td>New</td>
<td>47</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-12-3.5</td>
<td>Amended</td>
<td>48</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-10-12-4</td>
<td>Amended</td>
<td>49</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-1.5-12</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-1.5-18</td>
<td>Amended</td>
<td>36</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-1.5-22</td>
<td>Amended</td>
<td>37</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-1.5-27</td>
<td>Amended</td>
<td>38</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-1.5-31</td>
<td>Amended</td>
<td>39</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-1.5-35</td>
<td>Amended</td>
<td>3</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>3-11-2-0.5</td>
<td>New</td>
<td>14</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-2-5</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-2-7</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-2-8</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-2-10</td>
<td>Amended</td>
<td>15</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-2-12</td>
<td>Amended</td>
<td>4</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>3-11-2-12.9</td>
<td>Amended</td>
<td>16</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-2-13</td>
<td>Amended</td>
<td>17</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-2-14</td>
<td>Amended</td>
<td>18</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-3-2</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-3-3</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-3-6</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-3-11</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-3-12</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-3-22</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-3-35</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-4-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-4-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-4-5.1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-4-6</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>-----</td>
<td>-----------</td>
<td>--------</td>
</tr>
<tr>
<td>3-11-4-8</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-4-12</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-4-13</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-4-17</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-4-17.5</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-4-18</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-4-18.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-4-21</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-5</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-6-1</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-6.5-6.1</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-1</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-4</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-12</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-15</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-16</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-17</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-18</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7-19</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-2</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-4</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-5</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-7</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-20</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-21</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-26</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-27</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-7.5-28</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-8-3</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-8-4.3</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-8-7</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-8-11</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-8-15</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-8-16</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-8-25</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-8-25.1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-8-25.2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-8-25.5</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-8-28</td>
<td>Repealed</td>
<td>91</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11-8-29</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-9-2</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-9-3</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-10-1</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>-----</td>
<td>------------</td>
<td>------</td>
</tr>
<tr>
<td>3-11-10-1</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-10-1.2</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-10-1.2</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-10-2</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-10-4</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-10-4.5</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-10-11</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-10-12</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-10-14</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-10-16</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-10-16.5</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-10-17</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11-10-22</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11-10-24</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-10-25</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-10-26</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11-10-28</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-10-35</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-11-2</td>
<td>Amended</td>
<td>75</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-12</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-6</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-11</td>
<td>Amended</td>
<td>19</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-13-14</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-18</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-20</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-24</td>
<td>Amended</td>
<td>79</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-26</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-27</td>
<td>Amended</td>
<td>81</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-28.5</td>
<td>Amended</td>
<td>82</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-28.7</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-29</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-30</td>
<td>Amended</td>
<td>85</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-31.7</td>
<td>Amended</td>
<td>20</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-13-31.7</td>
<td>Amended</td>
<td>86</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-33</td>
<td>Amended</td>
<td>87</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-13-35</td>
<td>Amended</td>
<td>88</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-14-3</td>
<td>Amended</td>
<td>21</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-14-3.5</td>
<td>New</td>
<td>22</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-14-10</td>
<td>Amended</td>
<td>23</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-14-12</td>
<td>Amended</td>
<td>24</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-11-14-13</td>
<td>Amended</td>
<td>89</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-14-16</td>
<td>Amended</td>
<td>90</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-14-23</td>
<td>Amended</td>
<td>25</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-11-14.5</td>
<td>New</td>
<td>91</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-2</td>
<td>Amended</td>
<td>92</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-6</td>
<td>Amended</td>
<td>93</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-10</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-11</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-13.3</td>
<td>Amended</td>
<td>94</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-50</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-51</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-52</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-53</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-55</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-56</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-57</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15-58</td>
<td>Repealed</td>
<td>144</td>
<td>05/11/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-15</td>
<td>New</td>
<td>95</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11-16</td>
<td>New</td>
<td>96</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11.5-4-10</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11.5-4-12</td>
<td>Amended</td>
<td>97</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11.5-4-13</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11.5-4-16</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11.5-4-24</td>
<td>Amended</td>
<td>98</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11.5-5-4</td>
<td>Repealed</td>
<td>91</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-11.5-5.14</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-11.7-2-3</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11.7-5-1</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11.7-5-1.5</td>
<td>New</td>
<td>99</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-11.7-5-2</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11.7-5-2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11.7-5-2.5</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11.7-5-2.5</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11.7-5-3</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>3-11.7-5-3</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-11.7-5-6</td>
<td>Repealed</td>
<td>91</td>
<td>05/12/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-12-1-9.5</td>
<td>Amended</td>
<td>26</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>3-12-1-9.5</td>
<td>Amended</td>
<td>100</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-2-1</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-12-2-6</td>
<td>Amended</td>
<td>101</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-2-7.5</td>
<td>Amended</td>
<td>15</td>
<td>05/11/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-12-2.5</td>
<td>Repealed</td>
<td>145</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-3-5</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>198-2005</td>
</tr>
<tr>
<td>3-12-3-11</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-12-3-5-2</td>
<td>Amended</td>
<td>102</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-3-5-3</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>3-12-4-12</td>
<td>Amended</td>
<td>103</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-4-15</td>
<td>Amended</td>
<td>104</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-4-18</td>
<td>Amended</td>
<td>105</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-4-19</td>
<td>Amended</td>
<td>106</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-4-20</td>
<td>Amended</td>
<td>107</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-4-21</td>
<td>Amended</td>
<td>108</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-4-22</td>
<td>Amended</td>
<td>109</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-5-1</td>
<td>Amended</td>
<td>110</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-5-5</td>
<td>Amended</td>
<td>111</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-5-6</td>
<td>Amended</td>
<td>112</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-5-11</td>
<td>Amended</td>
<td>113</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-6-2</td>
<td>Amended</td>
<td>114</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-6-16</td>
<td>Amended</td>
<td>115</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-6-19</td>
<td>Amended</td>
<td>116</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-6-20</td>
<td>Amended</td>
<td>117</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-6-21.9</td>
<td>Amended</td>
<td>118</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-12-8-2</td>
<td>Amended</td>
<td>119</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-8-5</td>
<td>Amended</td>
<td>120</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-8-6</td>
<td>Amended</td>
<td>121</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-8-17</td>
<td>Amended</td>
<td>122</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-9-1</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-12-9-1</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>3-12-9-3</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-12-9-4</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-12-11-2</td>
<td>Amended</td>
<td>122</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-3</td>
<td>Amended</td>
<td>123</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-9</td>
<td>Amended</td>
<td>124</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-11</td>
<td>Amended</td>
<td>125</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-12</td>
<td>Amended</td>
<td>126</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-13</td>
<td>Amended</td>
<td>127</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-14</td>
<td>Amended</td>
<td>128</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-16</td>
<td>Amended</td>
<td>129</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-17.7</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-12-11-18</td>
<td>Amended</td>
<td>130</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-11-21</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-12-12-11</td>
<td>Amended</td>
<td>131</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-12-14</td>
<td>Amended</td>
<td>132</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-12-12-16</td>
<td>Amended</td>
<td>133</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-13-1-2.5</td>
<td>New</td>
<td>62</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-13-1-10</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-13-1-20</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-13-2-1.5</td>
<td>New</td>
<td>65</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-13-2-8</td>
<td>Amended</td>
<td>5</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
</tbody>
</table>

Table of Citations Affected
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-13-4-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-5-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-5-2</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-6-1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-7-2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-7-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-2</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-4</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-6</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-7</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-8</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-9</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-8-10</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-9-2</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-9-3</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-9-4</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-10-2</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-10-3</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-10-4</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-10-5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-11-3</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-13-11-3.5</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>3-14-2-1</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-2.5</td>
<td>New</td>
<td>22</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-3</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-5</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-13</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-15</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-16</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-18</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-18</td>
<td>Amended</td>
<td>134</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-14-2-24</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-26</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-2-29</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-1.1</td>
<td>New</td>
<td>32</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-3</td>
<td>Amended</td>
<td>135</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-14-3-4</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-5</td>
<td>Amended</td>
<td>136</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-14-3-6</td>
<td>Amended</td>
<td>137</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-14-3-7</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-8</td>
<td>Amended</td>
<td>138</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-14-3-16</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-18</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-19</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-20</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-20.5</td>
<td>New</td>
<td>39</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-3-21.5</td>
<td>New</td>
<td>40</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>3-14-4-8</td>
<td>Amended</td>
<td>139</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-14-4-10</td>
<td>Amended</td>
<td>140</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>3-14-5-1</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-14-5-2</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>3-14-5-3</td>
<td>Amended</td>
<td>31</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
</tbody>
</table>

**Title 4**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-1-7.1-5</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>4-1-8-1</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-1-8-1</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-1-10</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>91-2005</td>
</tr>
<tr>
<td>4-1-11</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>91-2005</td>
</tr>
<tr>
<td>4-1.5</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-1.5-4-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>4-1.5-4-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>4-2-6-1</td>
<td>Amended</td>
<td>1</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-2</td>
<td>Amended</td>
<td>2</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-2.5</td>
<td>Amended</td>
<td>3</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-3</td>
<td>Repealed</td>
<td>50</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-4</td>
<td>Amended</td>
<td>4</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-5</td>
<td>Repealed</td>
<td>50</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-5.5</td>
<td>New</td>
<td>5</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-8</td>
<td>Amended</td>
<td>6</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-9</td>
<td>Amended</td>
<td>7</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-10.5</td>
<td>New</td>
<td>8</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-11</td>
<td>Amended</td>
<td>9</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-11.5</td>
<td>New</td>
<td>10</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-12</td>
<td>Amended</td>
<td>11</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-13</td>
<td>Amended</td>
<td>12</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-6-14</td>
<td>Amended</td>
<td>13</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-2-7</td>
<td>New</td>
<td>14</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-3-11</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-3-12</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-3-13</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-3-14</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-3-14-4</td>
<td>Amended</td>
<td>7</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-3-15</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-3-16</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-3-20</td>
<td>Repealed</td>
<td>51</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>4-3-21</td>
<td>New</td>
<td>1</td>
<td>02/17/2005</td>
<td>5-2005</td>
</tr>
<tr>
<td>4-3-21-11</td>
<td>Amended</td>
<td>1</td>
<td>05/11/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>4-3-22</td>
<td>New</td>
<td>38</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-4-2.3</td>
<td>New</td>
<td>1</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>4-4-3</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-3-8</td>
<td>Amended</td>
<td>8</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>4-4-3.5</td>
<td>Repealed</td>
<td>18</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>4-4-3.6</td>
<td>Repealed</td>
<td>18</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>4-4-3.7</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-4.6</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-5.1</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-5.1-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>4-4-5.1-5</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>4-4-5.2-1</td>
<td>Amended</td>
<td>2</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-6.1</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-6.1-2.6</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>4-4-7</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-8</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-9.1</td>
<td>Amended</td>
<td>2</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>4-4-9.3-1</td>
<td>Amended</td>
<td>3</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>4-4-9.3-3</td>
<td>Amended</td>
<td>4</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>4-4-9.7</td>
<td>New</td>
<td>5</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>4-4-10.9-1.2</td>
<td>New</td>
<td>1</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-10.9-1.5</td>
<td>Amended</td>
<td>2</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-10.9-2.1</td>
<td>New</td>
<td>3</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-10.9-2.2</td>
<td>New</td>
<td>4</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-10.9-11</td>
<td>Amended</td>
<td>3</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-10.9-11-5</td>
<td>Amended</td>
<td>5</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-1</td>
<td>Amended</td>
<td>6</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-2</td>
<td>Amended</td>
<td>7</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-2.5</td>
<td>New</td>
<td>8</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-2.7</td>
<td>New</td>
<td>9</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-4</td>
<td>Amended</td>
<td>10</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-5</td>
<td>Amended</td>
<td>11</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-6</td>
<td>Amended</td>
<td>12</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-7</td>
<td>Amended</td>
<td>13</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-9</td>
<td>Amended</td>
<td>14</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-10</td>
<td>Amended</td>
<td>15</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-11</td>
<td>Amended</td>
<td>16</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-14</td>
<td>Amended</td>
<td>17</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>----------------</td>
<td>--------</td>
</tr>
<tr>
<td>4-4-11-14.5</td>
<td>New</td>
<td>18</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-14.6</td>
<td>New</td>
<td>19</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>4-4-11-15.1</td>
<td>Amended</td>
<td>4</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.2</td>
<td>New</td>
<td>6</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.3</td>
<td>New</td>
<td>7</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.4</td>
<td>New</td>
<td>8</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.5</td>
<td>New</td>
<td>19</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.6</td>
<td>New</td>
<td>20</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.7</td>
<td>New</td>
<td>21</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.8</td>
<td>New</td>
<td>22</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-15.9</td>
<td>New</td>
<td>23</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16</td>
<td>Amended</td>
<td>1</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>4-4-11-16.1</td>
<td>Amended</td>
<td>2</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>4-4-11-16.2</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>4-4-11-16.3</td>
<td>Amended</td>
<td>2</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.4</td>
<td>Amended</td>
<td>23</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.5</td>
<td>Amended</td>
<td>24</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.6</td>
<td>Amended</td>
<td>25</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.7</td>
<td>Amended</td>
<td>26</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.8</td>
<td>Amended</td>
<td>27</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.9</td>
<td>Amended</td>
<td>28</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.10</td>
<td>Amended</td>
<td>29</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.11</td>
<td>Amended</td>
<td>30</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.12</td>
<td>Amended</td>
<td>31</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.13</td>
<td>New</td>
<td>1</td>
<td>04/14/2005</td>
<td>25-2005</td>
</tr>
<tr>
<td>4-4-11-16.14</td>
<td>New</td>
<td>2</td>
<td>04/14/2005</td>
<td>25-2005</td>
</tr>
<tr>
<td>4-4-11-16.15</td>
<td>Amended</td>
<td>33</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.16</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>4-4-11-16.17</td>
<td>Amended</td>
<td>34</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.18</td>
<td>Amended</td>
<td>35</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.19</td>
<td>Amended</td>
<td>36</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.20</td>
<td>Amended</td>
<td>37</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.21</td>
<td>Amended</td>
<td>38</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.22</td>
<td>Amended</td>
<td>39</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.23</td>
<td>Amended</td>
<td>40</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.24</td>
<td>Amended</td>
<td>41</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.25</td>
<td>Amended</td>
<td>42</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.26</td>
<td>Amended</td>
<td>43</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-11-16.27</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-11-16.28</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-11-16.29</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-11-16.30</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-11-16.31</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------------</td>
<td>----------</td>
</tr>
<tr>
<td>4-4-21-1</td>
<td>Amended</td>
<td>44</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-22</td>
<td>Repealed</td>
<td>12</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>4-4-23</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-24</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-25</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-26-3</td>
<td>Amended</td>
<td>45</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-28-11</td>
<td>Amended</td>
<td>46</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-28-12</td>
<td>Amended</td>
<td>47</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-28-15</td>
<td>Amended</td>
<td>48</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-28-18</td>
<td>Amended</td>
<td>49</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-28-21</td>
<td>Amended</td>
<td>50</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-4-29</td>
<td>Repealed</td>
<td>18</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>4-4-29-6</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-4-30-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>174-2005</td>
</tr>
<tr>
<td>4-4-30-5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>4-4-31-1</td>
<td>Amended</td>
<td>4</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-4-32-2</td>
<td>Amended</td>
<td>5</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-5-10-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-5-10-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-6-2-1.5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>4-6-2-1.5</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-6-3-2</td>
<td>Amended</td>
<td>15</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-6-12-8</td>
<td>Amended</td>
<td>51</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-8.1-1-7</td>
<td>Amended</td>
<td>52</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-9.1-1-7</td>
<td>Amended</td>
<td>39</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-10-15-2</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-10-15-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>4-10-18-16</td>
<td>Amended</td>
<td>6</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-1-13</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-12-1-18</td>
<td>New</td>
<td>40</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-12-8.5-3</td>
<td>Amended</td>
<td>53</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-12-10-4</td>
<td>Amended</td>
<td>7</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-10-6</td>
<td>Amended</td>
<td>8</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11-1</td>
<td>Amended</td>
<td>9</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11-9</td>
<td>Amended</td>
<td>10</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11-13</td>
<td>Amended</td>
<td>11</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11-14</td>
<td>Amended</td>
<td>12</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11-15</td>
<td>Amended</td>
<td>13</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-11-18</td>
<td>Amended</td>
<td>14</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-12-12-6</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-13-1-4</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-13-1-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>11-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>------</td>
<td>---------------</td>
<td>----------</td>
</tr>
<tr>
<td>4-13-1-4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>4-13-1-4.2</td>
<td>New</td>
<td>16</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-13-1-15</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>4-13-1.1-4</td>
<td>Amended</td>
<td>15</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-13-1.6-3</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-13-1.6-5</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-13-2.14-5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>144-2005</td>
</tr>
<tr>
<td>4-13-2-20</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-13-2-20</td>
<td>Amended</td>
<td>16</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-13-6-1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>4-13-12-1.6</td>
<td>Amended</td>
<td>54</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13-16.5-2</td>
<td>Amended</td>
<td>17</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-13-17-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-13-17-7</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-13-17-8</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-13.1</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-13.5-1.1</td>
<td>Amended</td>
<td>55</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1.1-5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1-2</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1.2-5</td>
<td>New</td>
<td>56</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1.3</td>
<td>Amended</td>
<td>57</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1.3-1</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1-4</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.5-1-5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13-6-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>34-2005</td>
</tr>
<tr>
<td>4-13.5-6-4</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-13.6-6-2.7</td>
<td>Amended</td>
<td>18</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-13.6-8-1</td>
<td>Amended</td>
<td>58</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-13.6-8-10</td>
<td>Amended</td>
<td>59</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-15-2-3.8</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>4-15-2-33</td>
<td>Amended</td>
<td>17</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-15-2-34</td>
<td>Amended</td>
<td>18</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-15-2-35</td>
<td>Amended</td>
<td>19</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-15-2-35.5</td>
<td>New</td>
<td>20</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-15-10-4</td>
<td>Amended</td>
<td>21</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-15-11-1</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-20-5-6-9</td>
<td>New</td>
<td>1</td>
<td>05/13/2005</td>
<td>244-2005</td>
</tr>
<tr>
<td>4-20.5-6-9</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>11-2005</td>
</tr>
<tr>
<td>4-20.5-6-10</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>175-2005</td>
</tr>
<tr>
<td>4-20.5-7-2</td>
<td>Amended</td>
<td>41</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-20.5-7-2.5</td>
<td>New</td>
<td>2</td>
<td>05/13/2005</td>
<td>244-2005</td>
</tr>
<tr>
<td>4-20.5-7-7</td>
<td>Amended</td>
<td>42</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-21.5-2-5</td>
<td>Amended</td>
<td>19</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------------</td>
<td>----------</td>
</tr>
<tr>
<td>4-21.5-2-5 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>229-2005</td>
</tr>
<tr>
<td>4-21.5-2-5 ..........</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005 ......</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-21.5-2-6 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2006 ......</td>
<td>234-2005</td>
</tr>
<tr>
<td>4-21.5-3-7 ..........</td>
<td>Amended</td>
<td>22</td>
<td>05/11/2005 ......</td>
<td>222-2005</td>
</tr>
<tr>
<td>4-21.5-7-3 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>99-2005</td>
</tr>
<tr>
<td>4-21.5-7-5 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005 ......</td>
<td>99-2005</td>
</tr>
<tr>
<td>4-21.5-7-6 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005 ......</td>
<td>99-2005</td>
</tr>
<tr>
<td>4-22-2-19 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-20 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-23 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-24 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>188-2005</td>
</tr>
<tr>
<td>4-22-2-24 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>239-2005</td>
</tr>
<tr>
<td>4-22-2-24 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-28 ..........</td>
<td>Amended</td>
<td>20</td>
<td>02/09/2005 ......</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-22-2-28 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>226-2005</td>
</tr>
<tr>
<td>4-22-2-28 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005 ......</td>
<td>188-2005</td>
</tr>
<tr>
<td>4-22-2-28 ..........</td>
<td>New</td>
<td>2</td>
<td>07/01/2005 ......</td>
<td>239-2005</td>
</tr>
<tr>
<td>4-22-2-28 ..........</td>
<td>New</td>
<td>3</td>
<td>07/01/2005 ......</td>
<td>239-2005</td>
</tr>
<tr>
<td>4-22-2-29 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-31 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-33 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-35 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2-37.1 ..........</td>
<td>Amended</td>
<td>21</td>
<td>02/09/2005 ......</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-22-2-37.1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>179-2005</td>
</tr>
<tr>
<td>4-22-2-37.1 ..........</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005 ......</td>
<td>235-2005</td>
</tr>
<tr>
<td>4-22-2.1 ..........</td>
<td>New</td>
<td>4</td>
<td>07/01/2005 ......</td>
<td>188-2005</td>
</tr>
<tr>
<td>4-22-2.5-1 ..........</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2.5-3 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005 ......</td>
<td>188-2005</td>
</tr>
<tr>
<td>4-22-2.5-3.1 ..........</td>
<td>New</td>
<td>6</td>
<td>07/01/2005 ......</td>
<td>188-2005</td>
</tr>
<tr>
<td>4-22-2.5-4 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005 ......</td>
<td>188-2005</td>
</tr>
<tr>
<td>4-22-2.5-4 ..........</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2.7-4 ..........</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2.7-5 ..........</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2.8-2 ..........</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2.8-5 ..........</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-22-2.8-8 ..........</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005 ......</td>
<td>215-2005</td>
</tr>
<tr>
<td>4-23-7.1-1 ..........</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005 ......</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-23-7.1-5.1 ..........</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005 ......</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-23-7.1-5.2 ..........</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005 ......</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-23-7.1-29 ..........</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005 ......</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-23-7.1-40.5 ..........</td>
<td>New</td>
<td>1</td>
<td>07/01/2005 ......</td>
<td>136-2005</td>
</tr>
<tr>
<td>4-23-16 ..........</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005 ......</td>
<td>177-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>------</td>
<td>-------------</td>
<td>-------</td>
</tr>
<tr>
<td>4-23-20-3</td>
<td>Amended</td>
<td>22</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-23-26-3</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-23-29-4</td>
<td>Amended</td>
<td>9</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>4-24-7-2</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-24-7-4</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-30-16-3</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-30-19-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>84-2005</td>
</tr>
<tr>
<td>4-30-19-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>84-2005</td>
</tr>
<tr>
<td>4-30-19-4.2</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>84-2005</td>
</tr>
<tr>
<td>4-32-6-4.5</td>
<td>New</td>
<td>1</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-6-16.4</td>
<td>New</td>
<td>2</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-6-20</td>
<td>Amended</td>
<td>3</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-6-20.2</td>
<td>New</td>
<td>4</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-7-3</td>
<td>Amended</td>
<td>5</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-9-9.5</td>
<td>New</td>
<td>6</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-9-16</td>
<td>Amended</td>
<td>7</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-9-20</td>
<td>Amended</td>
<td>8</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-9-37</td>
<td>New</td>
<td>9</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-9-38</td>
<td>New</td>
<td>10</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-32-11-3</td>
<td>Amended</td>
<td>11</td>
<td>05/06/2005</td>
<td>150-2005</td>
</tr>
<tr>
<td>4-33-2-11.6</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-33-3-2</td>
<td>Amended</td>
<td>2</td>
<td>05/06/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-33-4-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-33-4-3.5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-33-4-18</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-34-4-23</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>4-34-4-5</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-33-6-6</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>4-33-12-6</td>
<td>Amended</td>
<td>23</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>4-33-12.5</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>4-33-13-5</td>
<td>Amended</td>
<td>10</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>4-33-13-5</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>4-34-3-4</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>4-34-3-5</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>4-34-3-6</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
</tbody>
</table>

**Title 5**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-1-7-2</td>
<td>Amended</td>
<td>11</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-1-14-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>5-1-16-1</td>
<td>Amended</td>
<td>62</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-1.1</td>
<td>New</td>
<td>63</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-2</td>
<td>Amended</td>
<td>64</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>----------------</td>
<td>--------</td>
</tr>
<tr>
<td>5-1-16-3</td>
<td>Amended</td>
<td>65</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-4</td>
<td>Amended</td>
<td>66</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-7</td>
<td>Amended</td>
<td>67</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-8</td>
<td>Amended</td>
<td>68</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-9</td>
<td>Amended</td>
<td>69</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-10</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-10.5</td>
<td>New</td>
<td>70</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-12</td>
<td>Amended</td>
<td>71</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-13</td>
<td>Amended</td>
<td>72</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-13.1</td>
<td>Amended</td>
<td>73</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-16-35</td>
<td>Amended</td>
<td>74</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1-17</td>
<td>New</td>
<td>6</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>5-1-18</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>5-1.4-1-10</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-1.5-2-2</td>
<td>Amended</td>
<td>75</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1.5-4-4</td>
<td>Amended</td>
<td>76</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1.5-5-4</td>
<td>Amended</td>
<td>77</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-1.5-6.5-4</td>
<td>Amended</td>
<td>78</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-2-1-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>5-2-1-6</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-9</td>
<td>Amended</td>
<td>2</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>5-2-1-9</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-9</td>
<td>Amended</td>
<td>8</td>
<td>05/06/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-2-1-9</td>
<td>Amended</td>
<td>12</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-2-1-10.5</td>
<td>Amended</td>
<td>13</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-2-1-11</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-12</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-12.5</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-14</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-15</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-1-15.2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>5-2-6-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>5-2-6-3.5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>64-2005</td>
</tr>
<tr>
<td>5-2-6-3.5</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-2-6-3.5</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-2-6-14</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>64-2005</td>
</tr>
<tr>
<td>5-2-6-17</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>5-2-10.1-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>5-2-10.1-11</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------</td>
<td>-----</td>
<td>-------------</td>
<td>------</td>
</tr>
<tr>
<td>5-2-10.1-12 ..........</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>5-2-10.5 ............</td>
<td>Repealed</td>
<td>52</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>5-2-12-4 ............</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>51-2005</td>
</tr>
<tr>
<td>5-2-12-5 ............</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>64-2005</td>
</tr>
<tr>
<td>5-2-15 ...............</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>5-3-1-3 .............</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-3-1-6 .............</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-4-1-3 .............</td>
<td>Amended</td>
<td>141</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>5-8-1-37 ............</td>
<td>Amended</td>
<td>2</td>
<td>05/04/2005</td>
<td>113-2005</td>
</tr>
<tr>
<td>5-8-1-37 ............</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>5-8-5-1 .............</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>5-8-5-3 .............</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>5-8-5-4 .............</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>5-8-6 ...............</td>
<td>New</td>
<td>29</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>5-9-4-7 .............</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-9-4-8 .............</td>
<td>Amended</td>
<td>75</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-9-4-10 ............</td>
<td>Amended</td>
<td>14</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-10-1.1-1.5 ........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>5-10-1.1-4 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>5-10-1.1-7 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>5-10-1.1-7.3 .........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>5-10-1.1-7.5 .........</td>
<td>Amended</td>
<td>5</td>
<td>05/11/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>5-10-1.5-1 ..........</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-1.7-1 ..........</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-5.5-1 ..........</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-5.5-2 ..........</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-5.5-2.5 .........</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-5.5-3.5 .........</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-8-2.2 ..........</td>
<td>Amended</td>
<td>15</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-10-8-2.6 ..........</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-10-8-6 ............</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-8-6 ............</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>24-2005</td>
</tr>
<tr>
<td>5-10-8-7.3 ..........</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-10-8-7.7 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>196-2005</td>
</tr>
<tr>
<td>5-10-8-8 ............</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-10-10-4 ...........</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-10-10-4 ...........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2004</td>
<td>10-2005</td>
</tr>
<tr>
<td>5-10-10-4 ...........</td>
<td>Amended</td>
<td>3</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>5-10-10-4.5 ........</td>
<td>New</td>
<td>2</td>
<td>07/01/2004</td>
<td>10-2005</td>
</tr>
<tr>
<td>5-10-10-5 ...........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2004</td>
<td>10-2005</td>
</tr>
<tr>
<td>5-10-13-2 ...........</td>
<td>Amended</td>
<td>4</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>5-10-14 .............</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>24-2005</td>
</tr>
<tr>
<td>5-10.2-1-8 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>88-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------</td>
<td>-----</td>
<td>-------------</td>
<td>-------</td>
</tr>
<tr>
<td>5-10.2-2-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.2-2-9</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-10.2-2-11</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-10.2-2-18</td>
<td>Amended</td>
<td>24</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-10.2-4-1.7</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>88-2005</td>
</tr>
<tr>
<td>5-10.2-4-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.2-4-8</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.2-5-34</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-10.2-5-38</td>
<td>New</td>
<td>51</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-10.2-5-39</td>
<td>New</td>
<td>52</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-10.3-3-1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.3-3-4</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.3-3-6</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.3-4-2</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>5-10.3-8-14</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>220-2005</td>
</tr>
<tr>
<td>5-11-1-1</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-11-1-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>5-11-1-9</td>
<td>Amended</td>
<td>25</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-11-5.5</td>
<td>New</td>
<td>23</td>
<td>07/01/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>5-11-10-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>5-11-10-1.6</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-13-4-14</td>
<td>Amended</td>
<td>79</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-13-7-2</td>
<td>Amended</td>
<td>79</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-13-12-3</td>
<td>Amended</td>
<td>80</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-13-12-7</td>
<td>Amended</td>
<td>26</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-13-12-7</td>
<td>Amended</td>
<td>81</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-13-12-8</td>
<td>Amended</td>
<td>82</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-13-12-8.5</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-13-12-10</td>
<td>Amended</td>
<td>83</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-13-12-11</td>
<td>Amended</td>
<td>27</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-14-1.5-5</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-14-1.5-6.1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>5-14-1.5-6.1</td>
<td>Amended</td>
<td>28</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-14-1.5-6.1</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-14-1.5-6.5</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-14-3.2</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>5-14-3.2</td>
<td>Amended</td>
<td>16</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>5-14-3.3-5</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-14-3.3-6</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-14-3-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>5-14-3-4.5</td>
<td>New</td>
<td>29</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-14-3-4.7</td>
<td>New</td>
<td>85</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-14-3-4.8</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>------</td>
<td>-----------------</td>
<td>----------</td>
</tr>
<tr>
<td>5-14-3-9</td>
<td>Amended</td>
<td>2</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>5-15-5.1-5</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-15-5.1-18</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-15-6-11</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>5-19-1.5-7</td>
<td>Amended</td>
<td>30</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-20-1-3</td>
<td>Amended</td>
<td>86</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-20-1-3.5</td>
<td>New</td>
<td>87</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-20-1-4</td>
<td>Amended</td>
<td>88</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-20-1-8</td>
<td>Amended</td>
<td>89</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-20-1-18</td>
<td>Amended</td>
<td>90</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-20-1-27</td>
<td>New</td>
<td>91</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-21-1-1.5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-2</td>
<td>Amended</td>
<td>81</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-21-1-2</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-3.5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-4.5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-6</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-6.5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-1-7</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-2</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-2.1</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-3</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-4</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-7</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-8</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-9</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-10</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-11</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-12</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-13</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-14</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-2-15</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-3</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-4</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-5</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-21-6</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-22-1-2</td>
<td>Amended</td>
<td>82</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-22-1-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>5-22-1-3</td>
<td>Amended</td>
<td>1</td>
<td>05/06/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>5-22-1-3</td>
<td>Amended</td>
<td>24</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>5-22-2-1</td>
<td>Amended</td>
<td>2</td>
<td>05/06/2005</td>
<td>165-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-22-2-1</td>
<td>Amended</td>
<td>25</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>5-22-2-1.3</td>
<td>New</td>
<td>3</td>
<td>05/06/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>5-22-2-1.3</td>
<td>New</td>
<td>26</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>5-22-2-7</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-22-2-13.2</td>
<td>New</td>
<td>21</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-22-2-13.9</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-22-3-7</td>
<td>New</td>
<td>4</td>
<td>05/06/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>5-22-3-7</td>
<td>New</td>
<td>27</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>5-22-4-8</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>5-22-4-8</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-22-4-9</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>5-22-5-8</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>6-2005</td>
</tr>
<tr>
<td>5-22-7-5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-22-9-3</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-22-10-4</td>
<td>Amended</td>
<td>3</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>5-22-14-3</td>
<td>Amended</td>
<td>31</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-22-14-9</td>
<td>Amended</td>
<td>32</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-22-15-20.5</td>
<td>Amended</td>
<td>33</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-22-16-4</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-22-21-7</td>
<td>Amended</td>
<td>55</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-22-21-7.5</td>
<td>Amended</td>
<td>56</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-22-21-7.5</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>5-22-21-7.5</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-22-21-7.6</td>
<td>Amended</td>
<td>85</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-22-22-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>5-22-22-1</td>
<td>Amended</td>
<td>86</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>5-26-5-8</td>
<td>Amended</td>
<td>92</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-27-1-1</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-27-3-1</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-27-3-2</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>5-28</td>
<td>New</td>
<td>34</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>5-28-6-2</td>
<td>Amended</td>
<td>9</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>5-28-6-3</td>
<td>New</td>
<td>1</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>5-28-8-4</td>
<td>Amended</td>
<td>93</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-28-15-3</td>
<td>Amended</td>
<td>7</td>
<td>01/01/2006</td>
<td>214-2005</td>
</tr>
<tr>
<td>5-28-15-5</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>5-28-15-6</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>5-28-25-1</td>
<td>Amended</td>
<td>94</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>5-28-26</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>5-28-27</td>
<td>New</td>
<td>1</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>5-29</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>5-30</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>74-2005</td>
</tr>
<tr>
<td>5-30-1-11</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-1.1-1-1.5 .......... Amended .......... 3 .......... 07/01/2005 .......... 88-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-1-3.5 .......... New ............... 1 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-1-5.5 .......... New ............... 4 .......... 07/01/2005 .......... 88-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-3-23 .......... Amended .......... 2 .......... 01/01/2004 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-3-23 .......... Amended .......... 59 .......... 01/01/2004 .......... 246-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-4 .......... Amended .......... 3 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-4.5 .......... Amended .......... 4 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-4.7 .......... New ............... 5 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-13.8 .......... Amended .......... 6 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-16 .......... Amended .......... 7 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-17 .......... Amended .......... 8 .......... 07/01/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-27.5 .......... Amended .......... 9 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-28.5 .......... Amended .......... 10 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-28.5 .......... Amended .......... 7 .......... 07/01/2005 .......... 88-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-31 .......... Amended .......... 11 .......... 07/01/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-31.5 .......... New ............... 12 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-31.6 .......... New ............... 13 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-31.7 .......... New ............... 14 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-35 .......... Amended .......... 8 .......... 07/01/2005 .......... 88-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-4-41 .......... New ............... 4 .......... 01/01/2006 .......... 199-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-5-5-3 .......... Amended .......... 16 .......... 07/01/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-5-5-4.7 .......... Amended .......... 17 .......... 05/12/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-5-5-5 .......... Amended .......... 18 .......... 07/01/2005 .......... 228-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-12-34.5 .......... New ............... 11 .......... 07/01/2005 .......... 214-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-12-35.5 .......... Amended .......... 12 .......... 07/01/2005 .......... 214-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-12-41 .......... Amended .......... 5 .......... 03/30/2004 .......... 199-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-1.1-12-1-1 .......... Amended .......... 1 .......... 07/01/2005 .......... 216-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-----</td>
<td>------------</td>
</tr>
<tr>
<td>6-1.1-12.1-5</td>
<td>Amended</td>
<td>1</td>
<td>01/01/2005</td>
</tr>
<tr>
<td>6-1.1-12.1-5.1</td>
<td>Amended</td>
<td>2</td>
<td>01/01/2005</td>
</tr>
<tr>
<td>6-1.1-12.1-5.4</td>
<td>Amended</td>
<td>3</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-12.1-5.6</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-12.1-5.6.1</td>
<td>Amended</td>
<td>4</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-12.1-5.9</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-12.1-8</td>
<td>Amended</td>
<td>6</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-12.1-9</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-12.1-11</td>
<td>Amended</td>
<td>36</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-12.1-14</td>
<td>Amended</td>
<td>7</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-12.4</td>
<td>New</td>
<td>8</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-15-1</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-15-2.1</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-15-3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-15-4</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-15-5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-15-9</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-8</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-13</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-14</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-14</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-16</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-20</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-17-20</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18-1</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18-7.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18-12</td>
<td>Amended</td>
<td>87</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18.5-10.3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18.5-10.3</td>
<td>Amended</td>
<td>88</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18.5-13</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-18.6</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-19-1.5</td>
<td>Amended</td>
<td>60</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-19-6</td>
<td>Amended</td>
<td>89</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-19-8</td>
<td>Amended</td>
<td>90</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-19-12</td>
<td>Amended</td>
<td>91</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-20.4</td>
<td>New</td>
<td>61</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-20.6</td>
<td>New</td>
<td>62</td>
<td>01/01/2005</td>
</tr>
<tr>
<td>6-1.1-20.7</td>
<td>Amended</td>
<td>37</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-20.7-13</td>
<td>Amended</td>
<td>38</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------</td>
<td>------</td>
<td>-------------</td>
</tr>
<tr>
<td>6-1.1-20.8-1</td>
<td>Amended</td>
<td>39</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-20.8-2.5</td>
<td>Amended</td>
<td>40</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-20.8-4</td>
<td>Amended</td>
<td>41</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-20.9-2</td>
<td>Amended</td>
<td>63</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-21-2</td>
<td>Amended</td>
<td>92</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-21-2</td>
<td>Amended</td>
<td>64</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-21-2.5</td>
<td>New</td>
<td>65</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-21-4</td>
<td>Amended</td>
<td>22</td>
<td>05/12/2005</td>
</tr>
<tr>
<td>6-1.1-21.8-4</td>
<td>Amended</td>
<td>93</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-21.8-4</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-21.8-4</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-21.8-6</td>
<td>Amended</td>
<td>42</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-22.5-10</td>
<td>Amended</td>
<td>18</td>
<td>04/25/2005</td>
</tr>
<tr>
<td>6-1.1-23-1</td>
<td>Amended</td>
<td>14</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-28-1</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-28-2</td>
<td>Amended</td>
<td>19</td>
<td>04/25/2005</td>
</tr>
<tr>
<td>6-1.1-30-7</td>
<td>Amended</td>
<td>67</td>
<td>05/13/2005</td>
</tr>
<tr>
<td>6-1.1-31-7</td>
<td>Amended</td>
<td>15</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-31.5-2</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-31.5-3.5</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-31.5-3.5</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-31.5-3.5</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-31.5-5</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-31.7-3.5</td>
<td>New</td>
<td>28</td>
<td>05/12/2005</td>
</tr>
<tr>
<td>6-1.1-33.5-7</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-34-1</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-35-1.1</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-35.2-1</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-39-1.5</td>
<td>Amended</td>
<td>43</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-39-2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-39-2.5</td>
<td>Amended</td>
<td>44</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-39-3</td>
<td>Amended</td>
<td>45</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-39-5</td>
<td>Amended</td>
<td>46</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-39-8</td>
<td>Amended</td>
<td>47</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-39-9</td>
<td>Amended</td>
<td>48</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-43-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.1-43-1</td>
<td>Amended</td>
<td>49</td>
<td>02/09/2005</td>
</tr>
<tr>
<td>6-1.1-45</td>
<td>New</td>
<td>16</td>
<td>01/01/2006</td>
</tr>
<tr>
<td>6-1.1-45.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.5-5-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.5-5-2</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-1.5-5-5</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
</tr>
<tr>
<td>6-2.5-1-28</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-2.5-4-5</td>
<td>Amended</td>
<td>1</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>6-2.5-4-5</td>
<td>Amended</td>
<td>3</td>
<td>01/01/2006</td>
<td>203-2005</td>
</tr>
<tr>
<td>6-2.5-4-11</td>
<td>Amended</td>
<td>20</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>6-2.5-5-20</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>195-2005</td>
</tr>
<tr>
<td>6-2.5-5-37</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-2.5-5-39</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>195-2005</td>
</tr>
<tr>
<td>6-2.5-5-40</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-2.5-6-16</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-2.5-11-10</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>195-2005</td>
</tr>
<tr>
<td>6-3-1-3.5</td>
<td>Amended</td>
<td>69</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>6-3-1-11</td>
<td>Amended</td>
<td>70</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>6-3-1-33</td>
<td>Amended</td>
<td>71</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>6-3-2-1.5</td>
<td>Amended</td>
<td>2</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>6-3-2-1.5</td>
<td>Amended</td>
<td>4</td>
<td>01/01/2006</td>
<td>203-2005</td>
</tr>
<tr>
<td>6-3-2-2.6</td>
<td>Amended</td>
<td>21</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>6-3-3-10</td>
<td>Amended</td>
<td>50</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-1-3</td>
<td>New</td>
<td>17</td>
<td>01/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3-1-2-1</td>
<td>Amended</td>
<td>94</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>6-3-1-2-1</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>6-3-1-4-1</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3-1-4-2</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3-1-4-2.5</td>
<td>New</td>
<td>1</td>
<td>01/01/2006</td>
<td>197-2005</td>
</tr>
<tr>
<td>6-3-1-4-3</td>
<td>Amended</td>
<td>14</td>
<td>01/01/2006</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3-1-4-7</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3-1-6-1</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>6-3-1-7-1</td>
<td>Amended</td>
<td>51</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-7-2</td>
<td>Amended</td>
<td>52</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-7-7</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3-1-9-1</td>
<td>Amended</td>
<td>53</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-9-1</td>
<td>Amended</td>
<td>95</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3-1-9-2</td>
<td>Amended</td>
<td>54</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-9-2</td>
<td>Amended</td>
<td>96</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3-1-9-4</td>
<td>Amended</td>
<td>55</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-9-4</td>
<td>Amended</td>
<td>97</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3-1-10-1</td>
<td>Amended</td>
<td>56</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-10-2</td>
<td>Amended</td>
<td>57</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-10-8</td>
<td>Amended</td>
<td>58</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-10-9</td>
<td>Amended</td>
<td>59</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-11-2</td>
<td>Amended</td>
<td>60</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-11.5-2</td>
<td>Amended</td>
<td>61</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-11.5-17</td>
<td>Amended</td>
<td>3</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>6-3-1-11.5-21</td>
<td>Amended</td>
<td>62</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3-1-11.6-2</td>
<td>Amended</td>
<td>4</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-------------</td>
<td>----------</td>
</tr>
<tr>
<td>6-3.1-11.6-2</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2006</td>
<td>203-2005</td>
</tr>
<tr>
<td>6-3.1-11.6-4</td>
<td>Amended</td>
<td>63</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-11.6-9</td>
<td>Amended</td>
<td>6</td>
<td>01/01/2006</td>
<td>203-2005</td>
</tr>
<tr>
<td>6-3.1-11.6-12</td>
<td>Amended</td>
<td>64</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-11.6-14</td>
<td>Amended</td>
<td>65</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-1</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-1.5</td>
<td>New</td>
<td>66</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-2</td>
<td>Amended</td>
<td>67</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-3</td>
<td>Amended</td>
<td>68</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-5.3</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>6-3.1-13-5.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>6-3.1-13-12</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-13</td>
<td>Amended</td>
<td>69</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-14</td>
<td>Amended</td>
<td>70</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-15</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-15</td>
<td>Amended</td>
<td>71</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-15.5</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-15.5</td>
<td>Amended</td>
<td>72</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-16</td>
<td>Amended</td>
<td>73</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-17</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-17</td>
<td>Amended</td>
<td>74</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-18</td>
<td>Amended</td>
<td>75</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-18</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-19</td>
<td>Amended</td>
<td>76</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-19</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-19.5</td>
<td>Amended</td>
<td>77</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-19.5</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-20</td>
<td>Amended</td>
<td>78</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-21</td>
<td>Amended</td>
<td>79</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-21</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>197-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-22</td>
<td>Amended</td>
<td>80</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-23</td>
<td>Amended</td>
<td>81</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-24</td>
<td>Amended</td>
<td>82</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-25</td>
<td>Amended</td>
<td>83</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-26</td>
<td>Amended</td>
<td>84</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-13-27</td>
<td>Amended</td>
<td>85</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-5.1</td>
<td>Amended</td>
<td>86</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-5.3</td>
<td>Amended</td>
<td>87</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13-5.7</td>
<td>Amended</td>
<td>88</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13.5-10</td>
<td>Amended</td>
<td>89</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-13.5-12</td>
<td>Amended</td>
<td>90</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
</tbody>
</table>

* P.L.193-2005, SECTION 26 changed the effective date from 7-1-2005 to 2-9-2005.
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-3.1-15-1</td>
<td>Amended</td>
<td>95</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>6-3.1-15-3</td>
<td>Amended</td>
<td>96</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>6-3.1-15-10</td>
<td>Amended</td>
<td>97</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>6-3.1-15-15</td>
<td>Amended</td>
<td>98</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>6-3.1-17-1</td>
<td>Amended</td>
<td>91</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-17-7</td>
<td>Amended</td>
<td>92</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-17-8</td>
<td>Amended</td>
<td>93</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-19-2</td>
<td>Amended</td>
<td>94</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-19-5</td>
<td>Amended</td>
<td>95</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-21-10</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>6-3.1-23-3</td>
<td>Amended</td>
<td>98</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3.1-23-4</td>
<td>Amended</td>
<td>3</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-5</td>
<td>Amended</td>
<td>4</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-5</td>
<td>Amended</td>
<td>99</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3.1-23-6</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-12</td>
<td>Amended</td>
<td>6</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-12</td>
<td>Amended</td>
<td>100</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3.1-23-13</td>
<td>Amended</td>
<td>7</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-13</td>
<td>Amended</td>
<td>101</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3.1-23-15</td>
<td>Amended</td>
<td>8</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-15</td>
<td>Amended</td>
<td>102</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3.1-23-16</td>
<td>Amended</td>
<td>9</td>
<td>01/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>6-3.1-23-17</td>
<td>Amended</td>
<td>103</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>6-3.1-24-2</td>
<td>Amended</td>
<td>96</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-24-3</td>
<td>Amended</td>
<td>16</td>
<td>05/15/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3.1-24-6</td>
<td>Amended</td>
<td>97</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-24-7</td>
<td>Amended</td>
<td>17</td>
<td>02/09/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3.1-24-7</td>
<td>Amended</td>
<td>98</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-24-9</td>
<td>Amended</td>
<td>18</td>
<td>02/09/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3.1-24-9</td>
<td>Amended</td>
<td>99</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-24-12</td>
<td>Amended</td>
<td>19</td>
<td>01/01/2006</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3.1-24-12.5</td>
<td>Amended</td>
<td>100</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-24-12.5</td>
<td>Amended</td>
<td>20</td>
<td>02/09/2005</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3.1-24-13</td>
<td>Amended</td>
<td>101</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-2</td>
<td>Repealed</td>
<td>148</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-2.5</td>
<td>New</td>
<td>102</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-5.5</td>
<td>New</td>
<td>18</td>
<td>05/15/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-8</td>
<td>Amended</td>
<td>103</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-8</td>
<td>Amended</td>
<td>19</td>
<td>05/15/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3.1-26-10</td>
<td>Repealed</td>
<td>40</td>
<td>01/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-12</td>
<td>Amended</td>
<td>104</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
</tbody>
</table>

* P.L. 193-2005, SECTION 26 changed the effective date from 7-1-2005 to 2-9-2005.
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-3.1-26-13</td>
<td>Amended</td>
<td>105</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-14</td>
<td>Amended</td>
<td>20</td>
<td>05/15/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3.1-26-15</td>
<td>Amended</td>
<td>21</td>
<td>05/15/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3.1-26-16</td>
<td>Amended</td>
<td>22</td>
<td>05/15/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-17</td>
<td>Amended</td>
<td>106</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-18</td>
<td>Amended</td>
<td>107</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-18</td>
<td>Amended</td>
<td>23</td>
<td>05/15/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-19</td>
<td>Amended</td>
<td>108</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-20</td>
<td>Amended</td>
<td>109</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-21</td>
<td>Amended</td>
<td>110</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-23</td>
<td>Amended</td>
<td>111</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>* 6-3.1-26-24</td>
<td>Amended</td>
<td>112</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-26-25</td>
<td>Amended</td>
<td>113</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>6-3.1-27-2.5</td>
<td>New</td>
<td>2</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-3.2</td>
<td>New</td>
<td>3</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-3.5</td>
<td>New</td>
<td>4</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-5</td>
<td>Repealed</td>
<td>16</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-8</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-9</td>
<td>Amended</td>
<td>6</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-9.5</td>
<td>New</td>
<td>7</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-10</td>
<td>Amended</td>
<td>8</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-12</td>
<td>Amended</td>
<td>9</td>
<td>01/01/2006</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-27-13</td>
<td>Amended</td>
<td>10</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-28-1</td>
<td>Amended</td>
<td>11</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-28-7</td>
<td>Amended</td>
<td>12</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-28-10</td>
<td>Amended</td>
<td>13</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-28-11</td>
<td>Amended</td>
<td>14</td>
<td>01/01/2005</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-29</td>
<td>New</td>
<td>15</td>
<td>01/01/2006</td>
<td>191-2005</td>
</tr>
<tr>
<td>6-3.1-30</td>
<td>New</td>
<td>21</td>
<td>01/01/2007</td>
<td>193-2005</td>
</tr>
<tr>
<td>6-3.5-1.1-1.1</td>
<td>New</td>
<td>1</td>
<td>01/01/2006</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-1.1-9</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-1.1-12</td>
<td>Amended</td>
<td>3</td>
<td>01/01/2006</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-1.1-14</td>
<td>Amended</td>
<td>4</td>
<td>01/01/2006</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-1.1-15</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2006</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-6-1.1</td>
<td>New</td>
<td>6</td>
<td>01/01/2006</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-6-17</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-6-18</td>
<td>Amended</td>
<td>8</td>
<td>01/01/2006</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-6-18.5</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>6-3.5-6-19</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>118-2005</td>
</tr>
<tr>
<td>6-3.5-6-27</td>
<td>New</td>
<td>18</td>
<td>05/11/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-6-28</td>
<td>New</td>
<td>19</td>
<td>05/11/2005</td>
<td>214-2005</td>
</tr>
</tbody>
</table>

* P.L.193-2005, SECTION 26 changed the effective date from 7-1-2005 to 2-9-2005.
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-3.5-7-5</td>
<td>Amended</td>
<td>20</td>
<td>05/11/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-11</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>207-2005</td>
</tr>
<tr>
<td>6-3.5-7-13.1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>118-2005</td>
</tr>
<tr>
<td>6-3.5-7-13.1</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-25</td>
<td>Amended</td>
<td>24</td>
<td>03/31/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3.5-7-25.5</td>
<td>New</td>
<td>25</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3.5-7-26</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>6-3.5-7-26.1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>6-3.5-7-27</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>6-3.5-7-27.1</td>
<td>Amended</td>
<td>75</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>6-3.5-7-27.1</td>
<td>Amended</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>6-3.5-7-28</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.1</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.2</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.3</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.4</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.5</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.6</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.7</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.8</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.9</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.10</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.11</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.12</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.13</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.14</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.15</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.16</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.17</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.18</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.19</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.20</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.21</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.22</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-3.5-7-28.23</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-9-12-8</td>
<td>Amended</td>
<td>31</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-12-9</td>
<td>Repealed</td>
<td>77</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-13-1</td>
<td>Amended</td>
<td>32</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-13-2</td>
<td>Amended</td>
<td>33</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-25-1</td>
<td>Amended</td>
<td>1</td>
<td>12/31/2004</td>
<td>158-2005</td>
</tr>
<tr>
<td>6-9-25-9.5</td>
<td>Amended</td>
<td>2</td>
<td>12/31/2004</td>
<td>158-2005</td>
</tr>
<tr>
<td>6-9-25-10.5</td>
<td>Amended</td>
<td>3</td>
<td>12/31/2004</td>
<td>158-2005</td>
</tr>
<tr>
<td>6-9-27-1</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-3</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-4</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-5</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-7</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-8</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-8.5</td>
<td>New</td>
<td>40</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-9</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-9.5</td>
<td>New</td>
<td>42</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-27-10</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-35</td>
<td>New</td>
<td>44</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-36</td>
<td>New</td>
<td>45</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-37</td>
<td>New</td>
<td>46</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>6-9-38</td>
<td>New</td>
<td>47</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>7.1-2-2-2</td>
<td>Amended</td>
<td>1</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-1-3</td>
<td>Amended</td>
<td>2</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-1-14</td>
<td>Amended</td>
<td>3</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-1-18</td>
<td>Amended</td>
<td>4</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-1-15</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>161-2005</td>
</tr>
<tr>
<td>7.1-3-3-5</td>
<td>Amended</td>
<td>5</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-8-3</td>
<td>Amended</td>
<td>6</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-12-5</td>
<td>Amended</td>
<td>7</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-13-3</td>
<td>Amended</td>
<td>8</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-16-5</td>
<td>Repealed</td>
<td>34</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-18-11</td>
<td>Amended</td>
<td>9</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-18-5-2</td>
<td>Amended</td>
<td>10</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-18-5-3</td>
<td>Amended</td>
<td>11</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-19-5</td>
<td>Amended</td>
<td>12</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-20-2.5</td>
<td>Amended</td>
<td>13</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-20-12</td>
<td>Amended</td>
<td>14</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-20-13.5</td>
<td>Amended</td>
<td>15</td>
<td>05/11/2005</td>
<td>224-2005</td>
</tr>
<tr>
<td>7.1-3-20-16</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>155-2005</td>
</tr>
</tbody>
</table>

### Title 7.1

7.1-2-2-2 Amended 1 05/11/2005 224-2005
7.1-3-1-3 Amended 2 05/11/2005 224-2005
7.1-3-1-14 Amended 3 05/11/2005 224-2005
7.1-3-1-18 Amended 4 05/11/2005 224-2005
7.1-3-1-15 New 1 07/01/2005 161-2005
7.1-3-3-5 Amended 5 05/11/2005 224-2005
7.1-3-8-3 Amended 6 05/11/2005 224-2005
7.1-3-12-5 Amended 7 05/11/2005 224-2005
7.1-3-13-3 Amended 8 05/11/2005 224-2005
7.1-3-16-5 Repealed 34 05/11/2005 224-2005
7.1-3-18-11 Amended 9 05/11/2005 224-2005
7.1-3-18-5-2 Amended 10 05/11/2005 224-2005
7.1-3-18-5-3 Amended 11 05/11/2005 224-2005
7.1-3-19-5 Amended 12 05/11/2005 224-2005
7.1-3-20-2.5 Amended 13 05/11/2005 224-2005
7.1-3-20-12 Amended 14 05/11/2005 224-2005
7.1-3-20-13.5 Amended 15 05/11/2005 224-2005
7.1-3-20-16 Amended 1 07/01/2005 155-2005
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1-3-20-16.1  .......... Amended .......... 2 .......... 05/06/2005 ...... 155-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.1-4-7-4  .......... Amended .......... 23 .......... 05/11/2005 ...... 224-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.1-5-7-13  .......... Amended .......... 3 .......... 07/01/2005 ...... 161-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Title 8

<p>| Title 8 |
|---------------------|------|-----|-----------|------|
| 8-1-8.6-3  .......... Amended .......... 104 .......... 05/15/2005 ...... 235-2005 |
| 8-1-13.18.5  .......... Amended .......... 1 .......... 04/19/2005 ...... 42-2005 |
| 8-1-5.3-5.1  .......... Amended .......... 26 .......... 04/25/2005 ...... 2-2005 |
| 8-1-5.3-5.2  .......... Amended .......... 27 .......... 04/25/2005 ...... 2-2005 |
| 8-1-5.5-29  .......... New .......... 1 .......... 07/01/2005 ...... 131-2005 |
| 8-1-5.5-30  .......... New .......... 2 .......... 07/01/2005 ...... 131-2005 |
| 8-1-5.5-31  .......... New .......... 3 .......... 07/01/2005 ...... 131-2005 |
| 8-3-1-21.1  .......... Amended .......... 114 .......... 02/09/2005 ...... 4-2005 |
| 8-4.5-2-2  .......... Amended .......... 115 .......... 02/09/2005 ...... 4-2005 |</p>
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>8-4.5-3-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>59-2005</td>
</tr>
<tr>
<td>8-4.5-4-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>59-2005</td>
</tr>
<tr>
<td>8-4.5-4-1.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>59-2005</td>
</tr>
<tr>
<td>8-4.5-4-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>59-2005</td>
</tr>
<tr>
<td>8-4.5-4-4-1</td>
<td>Repealed</td>
<td>5</td>
<td>07/01/2005</td>
<td>59-2005</td>
</tr>
<tr>
<td>8-5.5-8-1</td>
<td>Amended</td>
<td>106</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-5.5-8-2</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-5.5-8-3</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-5.5-8-4-1</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-5.5-8-16</td>
<td>Amended</td>
<td>107</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-5.5-9-2</td>
<td>Amended</td>
<td>50</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>8-5.5-9-2</td>
<td>Amended</td>
<td>108</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-10-1-3</td>
<td>Amended</td>
<td>109</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-10-1-4</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>8-10-1-10</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>8-10-1-13</td>
<td>Amended</td>
<td>110</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-10-1-16</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>8-10-1-22</td>
<td>Amended</td>
<td>111</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-10-4-1</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>8-10-4-2</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>232-2005</td>
</tr>
<tr>
<td>8-14-10-8</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>8-14-10-9</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>8-14-10-10</td>
<td>New</td>
<td>79</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>8-14-5-1-4</td>
<td>New</td>
<td>113</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-15-2-1</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>8-15-2-1</td>
<td>Amended</td>
<td>115</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-15-2-4</td>
<td>Amended</td>
<td>116</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-15-2-14.5</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>8-15-2-17.2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>151-2005</td>
</tr>
<tr>
<td>8-16-1-0.1</td>
<td>Amended</td>
<td>117</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-16-1-1</td>
<td>Amended</td>
<td>118</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-21-3-19.5</td>
<td>Amended</td>
<td>28</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>8-21-9-12</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>8-21-9-12</td>
<td>Amended</td>
<td>116</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>8-21-12-3</td>
<td>Amended</td>
<td>119</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
<td>-----</td>
<td>-----------</td>
<td>------</td>
</tr>
<tr>
<td>8-21-12-10.5</td>
<td>New</td>
<td>120</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-22-2-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-2-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-2-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-3-4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-3-4.3</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-3-5</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-3-6</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>134-2005</td>
</tr>
<tr>
<td>8-22-3-11.6</td>
<td>New</td>
<td>7</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>8-22-3-5-9</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>8-22-3-5-14</td>
<td>Amended</td>
<td>117</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>8-23-1-13</td>
<td>Amended</td>
<td>121</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-23-2-4.1</td>
<td>Amended</td>
<td>122</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-23-2-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>35-2005</td>
</tr>
<tr>
<td>8-23-2-6</td>
<td>Amended</td>
<td>123</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>8-23-3-11</td>
<td>New</td>
<td>85</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>8-23-5-2</td>
<td>Amended</td>
<td>1</td>
<td>05/06/2005</td>
<td>183-2005</td>
</tr>
<tr>
<td>8-23-7-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>35-2005</td>
</tr>
<tr>
<td>8-23-7-13</td>
<td>Amended</td>
<td>86</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>8-23-9-12</td>
<td>Amended</td>
<td>29</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>8-23-9-58</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>35-2005</td>
</tr>
<tr>
<td>8-23-12-4</td>
<td>Amended</td>
<td>118</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
</tbody>
</table>

**Title 9**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-13-1-4</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>9-13-2-42</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-13-2-55</td>
<td>Repealed</td>
<td>76</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-56</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-57</td>
<td>Repealed</td>
<td>76</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-60</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-77</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-92</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-92</td>
<td>Amended</td>
<td>8</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>9-13-2-105</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-117.3</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-13-2-117.7</td>
<td>New</td>
<td>2</td>
<td>05/06/2005</td>
<td>183-2005</td>
</tr>
<tr>
<td>9-13-2-123</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-13-2-127</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-169</td>
<td>Repealed</td>
<td>76</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-170</td>
<td>Amended</td>
<td>54</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>9-13-2-170.3</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-174.5</td>
<td>New</td>
<td>1</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>-------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>9-13-2-180 ..........</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-188 ..........</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-13-2-196 ..........</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-14-2-1 ............</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-14-3-5 ............</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-14-3-8 ............</td>
<td>Amended</td>
<td>30</td>
<td>04/25/2005</td>
<td></td>
</tr>
<tr>
<td>9-14-4-4 ............</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-16-1-4.5 ..........</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-16-1-5 ............</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-16-1-7 ............</td>
<td>New</td>
<td>142</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>9-16-4-1 ............</td>
<td>Amended</td>
<td>143</td>
<td>07/01/2005</td>
<td>221-2005</td>
</tr>
<tr>
<td>9-17-2-1 ............</td>
<td>Amended</td>
<td>4</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-17-2-1.5 ..........</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-17-2-5 ............</td>
<td>Amended</td>
<td>6</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-17-2-6 ............</td>
<td>Amended</td>
<td>7</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-17-2-9 ............</td>
<td>Amended</td>
<td>8</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-17-2-17 ...........</td>
<td>New</td>
<td>9</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-17-8-0.5 ..........</td>
<td>New</td>
<td>10</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-18-1-1 ............</td>
<td>Amended</td>
<td>11</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-18-1-1 ............</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-2-7 ............</td>
<td>Amended</td>
<td>99</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-18-2-7 ............</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>147-2005</td>
</tr>
<tr>
<td>9-18-2-8 ............</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-2-26 ...........</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-2-28 ...........</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-2-29 ...........</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-2-29.5 ..........</td>
<td>New</td>
<td>25</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-2-43 ...........</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-18-15-1 ...........</td>
<td>Amended</td>
<td>55</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>9-18-15-5 ...........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-18-15-6 ...........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-18-15-7 ...........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-18-15-10 ...........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-18-15-13 ...........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-18-25-1.7 ..........</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-18-31-6 ...........</td>
<td>Amended</td>
<td>100</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-18-49 .............</td>
<td>New</td>
<td>56</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>9-19-1-1 ............</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
<td>-----</td>
<td>-----------</td>
<td>-----</td>
</tr>
<tr>
<td>9-19-1-3</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-19-1-5</td>
<td>New</td>
<td>3</td>
<td>05/06/2005</td>
<td>183-2005</td>
</tr>
<tr>
<td>9-19-6-11</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>148-2005</td>
</tr>
<tr>
<td>9-19-6-11</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-19-6-11.3</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>148-2005</td>
</tr>
<tr>
<td>9-19-6-12</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>148-2005</td>
</tr>
<tr>
<td>9-19-6-19</td>
<td>Amended</td>
<td>4</td>
<td>05/06/2005</td>
<td>183-2005</td>
</tr>
<tr>
<td>9-19-11-2</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-19-13-1</td>
<td>Amended</td>
<td>101</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-19-13-4</td>
<td>Amended</td>
<td>102</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-19-18-3</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-19-18-4</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-20-2-2</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-21-4-5</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>9-21-5-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>151-2005</td>
</tr>
<tr>
<td>9-21-5-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>151-2005</td>
</tr>
<tr>
<td>9-21-5-3</td>
<td>Amended</td>
<td>124</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>9-21-5-11</td>
<td>Amended</td>
<td>125</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>9-21-5-13</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>9-21-5-13</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-5-14</td>
<td>New</td>
<td>24</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-8-27</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-21-8-46</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-21-8-47</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-21-8-52</td>
<td>Amended</td>
<td>103</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-9-5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>148-2005</td>
</tr>
<tr>
<td>9-21-12-1</td>
<td>Amended</td>
<td>104</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-4</td>
<td>Amended</td>
<td>105</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-11</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>9-21-12-11</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-12</td>
<td>New</td>
<td>26</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-13</td>
<td>New</td>
<td>27</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-14</td>
<td>New</td>
<td>28</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-15</td>
<td>New</td>
<td>29</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-16</td>
<td>New</td>
<td>30</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-12-17</td>
<td>New</td>
<td>31</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-21-21</td>
<td>New</td>
<td>36</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-22-1-3.5</td>
<td>New</td>
<td>2</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-22-1-4</td>
<td>Amended</td>
<td>7</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-22-1-13</td>
<td>Amended</td>
<td>4</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-22-1-14</td>
<td>Amended</td>
<td>5</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-22-1-16</td>
<td>Amended</td>
<td>6</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-22-1-19</td>
<td>Amended</td>
<td>7</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------</td>
<td>--------</td>
</tr>
<tr>
<td>9-22-1-32</td>
<td>Amended</td>
<td>8</td>
<td>04/27/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-22-3-0.5</td>
<td>New</td>
<td>12</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-22-5-13</td>
<td>Amended</td>
<td>87</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>9-22-5-15</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>9-23-0.5</td>
<td>New</td>
<td>13</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-23-2-14</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-1-7</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-2-1</td>
<td>Amended</td>
<td>106</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-24-2-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>9-24-2-4</td>
<td>Amended</td>
<td>107</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-24-2-5</td>
<td>Amended</td>
<td>108</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-24-6-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>123-2005</td>
</tr>
<tr>
<td>9-24-6-6</td>
<td>Amended</td>
<td>109</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-24-9-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>123-2005</td>
</tr>
<tr>
<td>9-24-10-3</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-10-7</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-10-7.5</td>
<td>New</td>
<td>41</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-11-5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>123-2005</td>
</tr>
<tr>
<td>9-24-11-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>86-2005</td>
</tr>
<tr>
<td>9-24-12-1</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-12-2</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-12-5</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-12-7</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-12-10</td>
<td>New</td>
<td>46</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-15-6.5</td>
<td>Amended</td>
<td>34</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-24-15-6.7</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>9-24-16-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>123-2005</td>
</tr>
<tr>
<td>9-24-16-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>86-2005</td>
</tr>
<tr>
<td>9-24-16-4</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-16-5</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-24-16-10</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>9-25-6-14</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-25-6-19</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>9-25-6-20</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>9-26-1-1</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-26-1-2</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-26-1-5</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-26-1-7</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-26-3-5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>151-2005</td>
</tr>
<tr>
<td>9-27-2-4</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-27-4-4</td>
<td>Amended</td>
<td>110</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-27-4-5.5</td>
<td>Amended</td>
<td>88</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
</tbody>
</table>
# Table of Citations Affected

<table>
<thead>
<tr>
<th>Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-27-4-5.5</td>
<td>Amended</td>
<td>111</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-27-4-5.5</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-2-2</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-3-4</td>
<td>Amended</td>
<td>89</td>
<td>01/01/2004</td>
<td>246-2005</td>
</tr>
<tr>
<td>9-29-3-8</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-3-9</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-3-10</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-3-14</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>109-2005</td>
</tr>
<tr>
<td>9-29-3-14</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-4-4</td>
<td>Amended</td>
<td>14</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>9-29-5-2</td>
<td>Amended</td>
<td>112</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>9-29-5-11</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-5-12</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-5-13</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-5-13.5</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-5-19</td>
<td>Repealed</td>
<td>76</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-5-32</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-29-5-32.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>233-2005</td>
</tr>
<tr>
<td>9-29-5-38</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>9-29-5-42</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-9-4</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-9-6</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-9-7</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-9-8</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-9-15</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-29-10-2</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>153-2005</td>
</tr>
<tr>
<td>9-29-10-3</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>153-2005</td>
</tr>
<tr>
<td>9-29-13-1</td>
<td>Repealed</td>
<td>76</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>9-30-5-5</td>
<td>Amended</td>
<td>36</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-5-11</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>153-2005</td>
</tr>
<tr>
<td>9-30-5-14</td>
<td>Amended</td>
<td>37</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-6-9</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>153-2005</td>
</tr>
<tr>
<td>9-30-6-10</td>
<td>Amended</td>
<td>38</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-6-13.5</td>
<td>Amended</td>
<td>39</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-6-16</td>
<td>Amended</td>
<td>40</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-6-18</td>
<td>Amended</td>
<td>41</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-9-7.5</td>
<td>Amended</td>
<td>42</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>9-30-11-6</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>153-2005</td>
</tr>
<tr>
<td>9-30-12-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>153-2005</td>
</tr>
<tr>
<td>9-30-15-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>209-2005</td>
</tr>
<tr>
<td>Title 10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-11-2-26</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>10-11-2-31</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>10-11-8-2</td>
<td>Amended</td>
<td>28</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>10-13-3-3</td>
<td>Amended</td>
<td>113</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-6</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>10-13-3-7.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>10-13-3-10</td>
<td>Amended</td>
<td>29</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>10-13-3-12.5</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>10-13-3-14</td>
<td>Amended</td>
<td>114</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-20</td>
<td>Amended</td>
<td>115</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-21</td>
<td>Amended</td>
<td>116</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-27</td>
<td>Amended</td>
<td>117</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-27.5</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>10-13-3-36</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>10-13-3-38.5</td>
<td>Amended</td>
<td>119</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-38.5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>120-2005</td>
</tr>
<tr>
<td>10-13-3-38.5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>10-13-3-38.5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>10-13-3-38.5</td>
<td>Amended</td>
<td>90</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>10-13-3-39</td>
<td>Amended</td>
<td>120</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>10-13-3-39</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>10-13-6-8</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>142-2005</td>
</tr>
<tr>
<td>10-13-6-8</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>69-2005</td>
</tr>
<tr>
<td>10-13-6-9.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>10-13-6-10</td>
<td>Amended</td>
<td>2</td>
<td>01/01/2006</td>
<td>142-2005</td>
</tr>
<tr>
<td>10-13-6-10</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>69-2005</td>
</tr>
<tr>
<td>10-14-1-2</td>
<td>Amended</td>
<td>4</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-1-4</td>
<td>Amended</td>
<td>5</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-2-1</td>
<td>Repealed</td>
<td>53</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-2-2</td>
<td>Repealed</td>
<td>53</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-2-3</td>
<td>Repealed</td>
<td>53</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-2-4</td>
<td>Amended</td>
<td>6</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-2-5</td>
<td>Amended</td>
<td>9</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>10-14-3-1</td>
<td>Amended</td>
<td>7</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-4-11</td>
<td>Amended</td>
<td>8</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-14-8-8</td>
<td>Amended</td>
<td>9</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-1-2</td>
<td>Repealed</td>
<td>54</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-15-1-3</td>
<td>Amended</td>
<td>10</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-1-4</td>
<td>Repealed</td>
<td>11</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-1-7</td>
<td>Amended</td>
<td>54</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-2-2</td>
<td>Amended</td>
<td>12</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-2-5</td>
<td>Amended</td>
<td>14</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-2-6</td>
<td>Amended</td>
<td>15</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-15-2-7</td>
<td>Amended</td>
<td>16</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>10-16-7-22</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>10-18-1-18</td>
<td>Amended</td>
<td>1</td>
<td>04/13/2005</td>
<td>17-2005</td>
</tr>
<tr>
<td>10-18-2-12</td>
<td>Amended</td>
<td>43</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>10-18-8-1</td>
<td>Amended</td>
<td>1</td>
<td>04/15/2005</td>
<td>29-2005</td>
</tr>
<tr>
<td>10-19</td>
<td>New</td>
<td>17</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
</tbody>
</table>

### Title 11

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>11-8-1-3</td>
<td>Repealed</td>
<td>226</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-8-2-2</td>
<td>Repealed</td>
<td>226</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-8-2-3</td>
<td>Repealed</td>
<td>226</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-8-2-6</td>
<td>Amended</td>
<td>92</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-8-2-7</td>
<td>Amended</td>
<td>93</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-8-2-8</td>
<td>Amended</td>
<td>94</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-8-7</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>64-2005</td>
</tr>
<tr>
<td>11-10-2-3</td>
<td>Amended</td>
<td>95</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-10-5-1</td>
<td>Amended</td>
<td>121</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>11-10-5-2</td>
<td>Amended</td>
<td>122</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>11-10-5-3</td>
<td>Amended</td>
<td>96</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-10-5-4</td>
<td>Amended</td>
<td>97</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>11-10-5-5</td>
<td>Amended</td>
<td>123</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>11-10-8-3</td>
<td>Amended</td>
<td>124</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>11-10-14</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>11-12-5-7</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>11-13-1-18</td>
<td>Amended</td>
<td>125</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>11-13-5-1</td>
<td>Amended</td>
<td>44</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>11-14-2-5</td>
<td>Amended</td>
<td>126</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
</tbody>
</table>

### Title 12

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-7-1-3</td>
<td>Amended</td>
<td>32</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>12-7-1-3</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>12-7-2-24.9</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>180-2005</td>
</tr>
<tr>
<td>12-7-2-31.5</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------</td>
<td>--------</td>
</tr>
<tr>
<td>12-7-2-31.6</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-7-2-34.2</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-7-2-35</td>
<td>Amended</td>
<td>1</td>
<td>04/27/2005</td>
<td>107-2005</td>
</tr>
<tr>
<td>12-7-2-40.2</td>
<td>New</td>
<td>98</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-7-2-44</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-7-2-44.7</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-7-2-57.5</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-7-2-64</td>
<td>Amended</td>
<td>45</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>12-7-2-64</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-7-2-69</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-7-2-82.7</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-7-2-117.3</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-7-2-131.3</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>12-7-2-153</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-7-2-158</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-7-2-158.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>92-2005</td>
</tr>
<tr>
<td>12-7-2-174.8</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>12-7-2-189.7</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>180-2005</td>
</tr>
<tr>
<td>12-7-2-189.8</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>92-2005</td>
</tr>
<tr>
<td>12-7-2-192.3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-7-2-192.3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>180-2005</td>
</tr>
<tr>
<td>12-7-2-192.4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>180-2005</td>
</tr>
<tr>
<td>12-7-2-192.5</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>180-2005</td>
</tr>
<tr>
<td>12-7-2-192.7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>133-2005</td>
</tr>
<tr>
<td>12-7-2-200.5</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-8-1-10</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-8-2-12</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-8-6-10</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-8-8-8</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-8-10-7</td>
<td>Amended</td>
<td>127</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>12-8-10-7-4</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>12-9-5-4</td>
<td>Amended</td>
<td>128</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>12-9-5-5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>12-10-10-4</td>
<td>Amended</td>
<td>99</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-10-10-12</td>
<td>New</td>
<td>100</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-10-11-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>12-10-11-8</td>
<td>Amended</td>
<td>2</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>12-10-11-9</td>
<td>New</td>
<td>3</td>
<td>05/04/2005</td>
<td>137-2005</td>
</tr>
<tr>
<td>12-10-18</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>12-10.5-1-4</td>
<td>Amended</td>
<td>1</td>
<td>04/19/2005</td>
<td>37-2005</td>
</tr>
<tr>
<td>12-10.5-1-9</td>
<td>New</td>
<td>2</td>
<td>04/19/2005</td>
<td>37-2005</td>
</tr>
<tr>
<td>12-10.5-2-2</td>
<td>Amended</td>
<td>3</td>
<td>04/19/2005</td>
<td>37-2005</td>
</tr>
<tr>
<td>12-10.5-2-3</td>
<td>New</td>
<td>4</td>
<td>04/19/2005</td>
<td>37-2005</td>
</tr>
<tr>
<td>12-11.1-10</td>
<td>Amended</td>
<td>101</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>----------------</td>
<td>------</td>
</tr>
<tr>
<td>12-12-8-1.5</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-2.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-3.2</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-3.4</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-3.6</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-3.8</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-4</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-5</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-6</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-7</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-8</td>
<td>New</td>
<td>16</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-9</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-10</td>
<td>New</td>
<td>18</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-11</td>
<td>New</td>
<td>19</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-12</td>
<td>New</td>
<td>20</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-13</td>
<td>New</td>
<td>21</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-14</td>
<td>New</td>
<td>22</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-15</td>
<td>New</td>
<td>23</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-16</td>
<td>New</td>
<td>24</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-8-17</td>
<td>New</td>
<td>25</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>12-12-9-2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>12-12-9-4</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>12-12-9-5</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>12-13-1-1</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-5-1</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-5-2</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-5-5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-5-13</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>133-2005</td>
</tr>
<tr>
<td>12-13-6-1</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-7-1</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-7-1</td>
<td>Amended</td>
<td>46</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>12-13-7-2</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-7-2</td>
<td>Amended</td>
<td>47</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>12-13-7-12</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-7-18</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-14.5</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-15.1-7</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-13-15.2-1</td>
<td>Amended</td>
<td>129</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>12-14-1.5-1.5</td>
<td>Repealed</td>
<td>35</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>12-14-2-17</td>
<td>Amended</td>
<td>130</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>12-14-5-2</td>
<td>Amended</td>
<td>131</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------</td>
<td>-----</td>
<td>-------------</td>
<td>------</td>
</tr>
<tr>
<td>12-14-25-1.5</td>
<td>Repealed</td>
<td>35</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>12-14-25.5-3</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-14-29</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>92-2005</td>
</tr>
<tr>
<td>12-15-1.5-1.5</td>
<td>Repealed</td>
<td>35</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>12-15-2-0.5</td>
<td>Amended</td>
<td>48</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>12-15-2-24</td>
<td>New</td>
<td>102</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-3-1</td>
<td>Amended</td>
<td>104</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-5-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-15-5-8</td>
<td>New</td>
<td>105</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-8.5-12</td>
<td>Amended</td>
<td>106</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-9-0.5</td>
<td>Amended</td>
<td>107</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-9-0.7</td>
<td>Repealed</td>
<td>230</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-9-1</td>
<td>Amended</td>
<td>108</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-9-5</td>
<td>Amended</td>
<td>109</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-9-7</td>
<td>New</td>
<td>110</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-15-11.5-3</td>
<td>Repealed</td>
<td>30</td>
<td>12/31/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-15-11.5-4.1</td>
<td>Repealed</td>
<td>30</td>
<td>12/31/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-15-11.5-4.2</td>
<td>New</td>
<td>2</td>
<td>12/30/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-15-12-4.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-15-12-19</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>48-2005</td>
</tr>
<tr>
<td>12-15-12-20</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>12-15-13-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>8-2005</td>
</tr>
<tr>
<td>12-15-21-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>8-2005</td>
</tr>
<tr>
<td>12-15-23-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>8-2005</td>
</tr>
<tr>
<td>12-15-35-28</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-15-35-45</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-15-35.5-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-15-35.5-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-15-35.5-7</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>101-2005</td>
</tr>
<tr>
<td>12-16-2.5-3</td>
<td>Repealed</td>
<td>31</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-2.5-6.3</td>
<td>New</td>
<td>3</td>
<td>07/01/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-2.5-6.5</td>
<td>New</td>
<td>4</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-3.5-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-3.5-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-3.5-3</td>
<td>Amended</td>
<td>7</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-4-5-1</td>
<td>Amended</td>
<td>8</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-4-5-2</td>
<td>Amended</td>
<td>9</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-4-5-3</td>
<td>Amended</td>
<td>10</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>-----</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>12-16-4.5-8</td>
<td>Amended</td>
<td>11</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-4.5-8.5</td>
<td>New</td>
<td>12</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-5.5-1</td>
<td>Amended</td>
<td>13</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-5.5-1.2</td>
<td>New</td>
<td>14</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-5.5-3</td>
<td>Amended</td>
<td>15</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-5.5-3.2</td>
<td>New</td>
<td>16</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-1</td>
<td>Amended</td>
<td>17</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-1.2</td>
<td>New</td>
<td>18</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-1.5</td>
<td>New</td>
<td>19</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-1.7</td>
<td>New</td>
<td>20</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-2</td>
<td>Repealed</td>
<td>31</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-5</td>
<td>Amended</td>
<td>21</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-6.5-6</td>
<td>Amended</td>
<td>22</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-7.5-1</td>
<td>Repealed</td>
<td>31</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-7.5-1.2</td>
<td>New</td>
<td>23</td>
<td>07/01/2004</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-7.5-2.5</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2003</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-7.5-12</td>
<td>Amended</td>
<td>25</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-11.5-1</td>
<td>Repealed</td>
<td>31</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-11.5-2</td>
<td>Repealed</td>
<td>31</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-12.5-2</td>
<td>Amended</td>
<td>26</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-12.5-4</td>
<td>Amended</td>
<td>27</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-12.5-5</td>
<td>Amended</td>
<td>28</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>12-16-14-3</td>
<td>Amended</td>
<td>111</td>
<td>07/01/2003</td>
<td>246-2005</td>
</tr>
<tr>
<td>12-17-2-4</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-5</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-8</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-16</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-18</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-18</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-18.5</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-26</td>
<td>Amended</td>
<td>51</td>
<td>04/25/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-34</td>
<td>Amended</td>
<td>112</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-34</td>
<td>Amended</td>
<td>132</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-35</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-12-6</td>
<td>Amended</td>
<td>133</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-12-12</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-15-3</td>
<td>Amended</td>
<td>113</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-15-16</td>
<td>Amended</td>
<td>134</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-15-17</td>
<td>Amended</td>
<td>114</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-19</td>
<td>New</td>
<td>32</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-2-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-2-1.5</td>
<td>Amended</td>
<td>135</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17-2-2-8</td>
<td>Amended</td>
<td>136</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>12-17.2-3.1</td>
<td>Repealed</td>
<td>3</td>
<td>04/27/2005</td>
<td>107-2005</td>
</tr>
<tr>
<td>12-17.2-3.2</td>
<td>New</td>
<td>2</td>
<td>04/27/2005</td>
<td>107-2005</td>
</tr>
<tr>
<td>12-17.2-3.5-5.5</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>162-2005</td>
</tr>
<tr>
<td>12-17.2-5-6.3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>162-2005</td>
</tr>
<tr>
<td>12-17.2-5-6.5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>162-2005</td>
</tr>
<tr>
<td>12-17.4-2-9</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-3-11</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-3-12</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-4-1.5</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-4-1.7</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-4-14</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-4-15</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-5-11</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-5-12</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-6-10</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-17.4-6-11</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-18-8-10</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-1-2</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-1-17</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-1-18</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-1-10</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-2-2</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-2-3</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-5-1</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-5-2</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-5-3</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-5-9</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-5-10</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-5-11</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-6-5</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-1</td>
<td>Amended</td>
<td>137</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>12-19-7-1.5</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-3</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-4</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-5</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-6</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-7</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-8</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-9</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-11</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-11.1</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-15</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>12-19-7-16</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>12-19-7-17</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7-19</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-3</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-5</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-6</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-7</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-8</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-9</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-10</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-11</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-13</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-14</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-15</td>
<td>Amended</td>
<td>75</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-18</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-19-7.5-33</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-1-4</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-2-1</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-3-3</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-1</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-2</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-3</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-4</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-5</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-6</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-7</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-4-11</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5-1</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5-2</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5-3</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5.5-1</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5.5-2</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5.5-3</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5.5-4</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-5.5-5</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-1</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-3</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-5</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6.5-5</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6.6-5</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-6.6</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-7</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-8</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
<tr>
<td>12-20-6-9</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>...</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-20-6-10 ..........</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-7-1 ..........</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-7-3 ..........</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-7-3.5 ........</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-7-5 ..........</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-8-3 ..........</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-8-7 ..........</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-9-2 ..........</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-9-3 ..........</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-9-4 ..........</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-9-5 ..........</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-9-6 ..........</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-10-1 ..........</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-10-2 ..........</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-10-3 ..........</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-10-3.5 .......</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-10-4 ..........</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-11-1 ..........</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-11-2 ..........</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-11-3 ..........</td>
<td>Amended</td>
<td>138</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>12-20-11-3 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>12-20-11-4 ..........</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-11-5 ..........</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-12-1 ..........</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-13-1 ..........</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-13-3 ..........</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-1 ..........</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-2 ..........</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-3 ..........</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-4 ..........</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-5 ..........</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-7 ..........</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-15-8 ..........</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-1 ..........</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-2 ..........</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-3 ..........</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-5 ..........</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-6 ..........</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-7 ..........</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-8 ..........</td>
<td>Amended</td>
<td>75</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-10 ..........</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-11 ..........</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-12 ..........</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
</tbody>
</table>
# Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-20-16-13</td>
<td>Amended</td>
<td>79</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-16-17</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-17-1</td>
<td>Amended</td>
<td>81</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-17-2</td>
<td>Amended</td>
<td>82</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-17-3</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-17-4</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-18-1</td>
<td>Amended</td>
<td>85</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-18-2</td>
<td>Amended</td>
<td>86</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-19-1</td>
<td>Amended</td>
<td>87</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-19-2</td>
<td>Amended</td>
<td>88</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-19-3</td>
<td>Amended</td>
<td>89</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-19-4</td>
<td>Amended</td>
<td>90</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-20-1</td>
<td>Amended</td>
<td>91</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-20-2</td>
<td>Amended</td>
<td>92</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-20-4</td>
<td>Amended</td>
<td>93</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-21-2</td>
<td>Amended</td>
<td>94</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-21-3</td>
<td>Amended</td>
<td>95</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-21-4</td>
<td>Amended</td>
<td>96</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-22-1</td>
<td>Amended</td>
<td>97</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-22-2</td>
<td>Amended</td>
<td>98</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-22-3</td>
<td>Amended</td>
<td>99</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-1</td>
<td>Amended</td>
<td>100</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-2</td>
<td>Amended</td>
<td>101</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-3</td>
<td>Amended</td>
<td>102</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-10</td>
<td>Amended</td>
<td>103</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-14</td>
<td>Amended</td>
<td>104</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-16</td>
<td>Amended</td>
<td>105</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-18</td>
<td>Amended</td>
<td>106</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-23-21</td>
<td>Amended</td>
<td>107</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-24-1</td>
<td>Amended</td>
<td>108</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-24-3</td>
<td>Amended</td>
<td>109</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-24-4</td>
<td>Amended</td>
<td>110</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-24-5</td>
<td>Amended</td>
<td>111</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-24-7</td>
<td>Amended</td>
<td>112</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-2</td>
<td>Amended</td>
<td>113</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-4</td>
<td>Amended</td>
<td>114</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-5</td>
<td>Amended</td>
<td>115</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-8</td>
<td>Amended</td>
<td>116</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-11</td>
<td>Amended</td>
<td>117</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-12</td>
<td>Amended</td>
<td>118</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-13</td>
<td>Amended</td>
<td>119</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-14</td>
<td>Amended</td>
<td>120</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-15</td>
<td>Amended</td>
<td>121</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>------</td>
<td>---------------</td>
<td>---------</td>
</tr>
<tr>
<td>12-20-25-17</td>
<td>Amended</td>
<td>122</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-18</td>
<td>Amended</td>
<td>123</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-19</td>
<td>Amended</td>
<td>124</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-20</td>
<td>Amended</td>
<td>125</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-21</td>
<td>Amended</td>
<td>126</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-22</td>
<td>Amended</td>
<td>127</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-23</td>
<td>Amended</td>
<td>128</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-24</td>
<td>Amended</td>
<td>129</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-27</td>
<td>Amended</td>
<td>130</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-28</td>
<td>Amended</td>
<td>131</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-29</td>
<td>Amended</td>
<td>132</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-30</td>
<td>Amended</td>
<td>133</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-31</td>
<td>Amended</td>
<td>134</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-32</td>
<td>Amended</td>
<td>135</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-33</td>
<td>Amended</td>
<td>136</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-34</td>
<td>Amended</td>
<td>137</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-35</td>
<td>Amended</td>
<td>138</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-36</td>
<td>Amended</td>
<td>139</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-37</td>
<td>Amended</td>
<td>140</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-38</td>
<td>Amended</td>
<td>141</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-39</td>
<td>Amended</td>
<td>142</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-40</td>
<td>Amended</td>
<td>143</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-41</td>
<td>Amended</td>
<td>144</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-42</td>
<td>Amended</td>
<td>145</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-43</td>
<td>Amended</td>
<td>146</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-44</td>
<td>Amended</td>
<td>147</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-45</td>
<td>Amended</td>
<td>148</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-46</td>
<td>Amended</td>
<td>149</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-47</td>
<td>Amended</td>
<td>150</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-48</td>
<td>Amended</td>
<td>151</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-49</td>
<td>Amended</td>
<td>152</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-50</td>
<td>Amended</td>
<td>153</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-51</td>
<td>Amended</td>
<td>154</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-52</td>
<td>Amended</td>
<td>155</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-53</td>
<td>Amended</td>
<td>156</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-54</td>
<td>Amended</td>
<td>157</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-55</td>
<td>Amended</td>
<td>158</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-56</td>
<td>Amended</td>
<td>159</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-20-25-57</td>
<td>Amended</td>
<td>160</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>----------------</td>
<td>--------</td>
</tr>
<tr>
<td>12-30-4-6</td>
<td>Amended</td>
<td>161</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-30-4-10</td>
<td>Amended</td>
<td>162</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-30-4-11</td>
<td>Amended</td>
<td>163</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>12-30-7-33</td>
<td>Amended</td>
<td>164</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td><strong>Title 13</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13-11-2-8</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-11-2-16</td>
<td>Amended</td>
<td>126</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-11-2-17</td>
<td>Amended</td>
<td>52</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>13-11-2-42</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>13-11-2-46</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
<tr>
<td>13-11-2-61</td>
<td>Amended</td>
<td>53</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>13-11-2-74.5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>13-11-2-83</td>
<td>Amended</td>
<td>127</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-11-2-129.6</td>
<td>New</td>
<td>2</td>
<td>02/17/2005</td>
<td>5-2005</td>
</tr>
<tr>
<td>13-11-2-142.6</td>
<td>Amended</td>
<td>141</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>13-11-2-150</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>13-11-2-151</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>13-11-2-151.1</td>
<td>Amended</td>
<td>128</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-11-2-151.6</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
<tr>
<td>13-11-2-176.5</td>
<td>Amended</td>
<td>142</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>13-11-2-195.5</td>
<td>New</td>
<td>129</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-11-2-206</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-11-2-210</td>
<td>Repealed</td>
<td>17</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-11-2-212</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-11-2-245</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>13-11-2-245</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>13-13-7</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
<tr>
<td>13-14-1-15</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>13-14-8-9</td>
<td>Amended</td>
<td>1</td>
<td>04/21/2005</td>
<td>54-2005</td>
</tr>
<tr>
<td>13-14-9-3</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>215-2005</td>
</tr>
<tr>
<td>13-14-9-3</td>
<td>Amended</td>
<td>54</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>13-14-9-4</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>215-2005</td>
</tr>
<tr>
<td>13-14-9-4.2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>226-2005</td>
</tr>
<tr>
<td>13-14-9.5-2</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>215-2005</td>
</tr>
<tr>
<td>13-15-3-1.3</td>
<td>New</td>
<td>3</td>
<td>02/17/2005</td>
<td>5-2005</td>
</tr>
<tr>
<td>13-15-4-10</td>
<td>Amended</td>
<td>130</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-17-2-2</td>
<td>Amended</td>
<td>119</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-17-2-10</td>
<td>Amended</td>
<td>120</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-18-1-2</td>
<td>Amended</td>
<td>121</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-18-1-9</td>
<td>Amended</td>
<td>122</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-18-3-2.3</td>
<td>Amended</td>
<td>2</td>
<td>04/21/2005</td>
<td>54-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>----------------</td>
<td>--------</td>
</tr>
<tr>
<td>13-18-3-2.4</td>
<td>Amended</td>
<td>3</td>
<td>04/21/2005</td>
<td>54-2005</td>
</tr>
<tr>
<td>13-18-3-2.5</td>
<td>Amended</td>
<td>4</td>
<td>04/21/2005</td>
<td>54-2005</td>
</tr>
<tr>
<td>13-18-3-2.6</td>
<td>New</td>
<td>5</td>
<td>04/21/2005</td>
<td>54-2005</td>
</tr>
<tr>
<td>13-18-13-2</td>
<td>Amended</td>
<td>131</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-3</td>
<td>Amended</td>
<td>132</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-4</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-5</td>
<td>Amended</td>
<td>133</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-6</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-7</td>
<td>Amended</td>
<td>134</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-8</td>
<td>Amended</td>
<td>135</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-10</td>
<td>Amended</td>
<td>137</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-12</td>
<td>Amended</td>
<td>139</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-13</td>
<td>Amended</td>
<td>140</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-14</td>
<td>Amended</td>
<td>141</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-16</td>
<td>Amended</td>
<td>143</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-17</td>
<td>Amended</td>
<td>144</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-19</td>
<td>Amended</td>
<td>146</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-13-20</td>
<td>Amended</td>
<td>147</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-15-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>13-18-21-2</td>
<td>Amended</td>
<td>148</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-3</td>
<td>Amended</td>
<td>149</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-4</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-5</td>
<td>Amended</td>
<td>150</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-6</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-7</td>
<td>Amended</td>
<td>151</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-8</td>
<td>Amended</td>
<td>152</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-9</td>
<td>Amended</td>
<td>153</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-10</td>
<td>Amended</td>
<td>154</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-11</td>
<td>Amended</td>
<td>155</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-13</td>
<td>Amended</td>
<td>156</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-14</td>
<td>Amended</td>
<td>157</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-15</td>
<td>Amended</td>
<td>158</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-16</td>
<td>Amended</td>
<td>159</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-17</td>
<td>Amended</td>
<td>160</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-18</td>
<td>Amended</td>
<td>161</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-19</td>
<td>Amended</td>
<td>162</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-20</td>
<td>Amended</td>
<td>163</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-22</td>
<td>Amended</td>
<td>164</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-23</td>
<td>Amended</td>
<td>165</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>provisions</td>
<td>Type</td>
<td>SEC</td>
<td>effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>------------</td>
<td>----------</td>
<td>-----</td>
<td>----------------</td>
<td>-------</td>
</tr>
<tr>
<td>13-18-21-24</td>
<td>Amended</td>
<td>166</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-25</td>
<td>Amended</td>
<td>167</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-26</td>
<td>Amended</td>
<td>168</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-28</td>
<td>Amended</td>
<td>169</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-21-29</td>
<td>Amended</td>
<td>170</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-18-22-6</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>13-19-2-2</td>
<td>Amended</td>
<td>123</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-19-2-8</td>
<td>Amended</td>
<td>124</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-19-3-9</td>
<td>New</td>
<td>2</td>
<td>01/01/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>13-19-4-1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-19-4-2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-19-4-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-19-4-6</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-19-4-7</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-19-4-8</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-19-5-1</td>
<td>Amended</td>
<td>171</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-2</td>
<td>Amended</td>
<td>172</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-3</td>
<td>Amended</td>
<td>173</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-4</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-6</td>
<td>Amended</td>
<td>174</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-7</td>
<td>Amended</td>
<td>175</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-8</td>
<td>Amended</td>
<td>176</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-9</td>
<td>Amended</td>
<td>177</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-10</td>
<td>Amended</td>
<td>178</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-11</td>
<td>Amended</td>
<td>179</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-12</td>
<td>Amended</td>
<td>180</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-13</td>
<td>Amended</td>
<td>181</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-15</td>
<td>Amended</td>
<td>182</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-19-5-16</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>13-20-1-1</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-1-2</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-1-3</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-1-4</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-4-7</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-6-2</td>
<td>Repealed</td>
<td>17</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-6-3</td>
<td>Repealed</td>
<td>17</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-6-4</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-6-5</td>
<td>Repealed</td>
<td>17</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-6-6</td>
<td>Repealed</td>
<td>17</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-20-6-8</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>154-2005</td>
</tr>
<tr>
<td>13-21-1-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------</td>
<td>-------</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>13-21-3-5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>13-21-3-10</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>13-21-3-16</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>13-21-13-2</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>13-22-3-10</td>
<td>Amended</td>
<td>1</td>
<td>05/06/2005</td>
<td>172-2005</td>
</tr>
<tr>
<td>13-22-7.5</td>
<td>New</td>
<td>2</td>
<td>05/06/2005</td>
<td>172-2005</td>
</tr>
<tr>
<td>13-25-4-8</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>25-2005</td>
</tr>
<tr>
<td>13-25-4-8</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>208-2005</td>
</tr>
<tr>
<td>13-26-11-2</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>13-26-11-2.1</td>
<td>New</td>
<td>6</td>
<td>01/01/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>13-26-13</td>
<td>Repealed</td>
<td>9</td>
<td>07/01/2005</td>
<td>131-2005</td>
</tr>
<tr>
<td>13-26-14-4</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>131-2005</td>
</tr>
<tr>
<td>13-27.5-1-2</td>
<td>Amended</td>
<td>125</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-28-3-1</td>
<td>Amended</td>
<td>126</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>13-28-3-3</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
<tr>
<td>13-28-3-6</td>
<td>Repealed</td>
<td>6</td>
<td>07/01/2005</td>
<td>12-2005</td>
</tr>
</tbody>
</table>

**Title 14**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>14-8-2-5.5</td>
<td>New</td>
<td>15</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>14-8-2-37.6</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>14-8-2-37.7</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>14-8-2-37.8</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>14-8-2-49.2</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-86.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-107</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-114</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-8-2-117</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-169.5</td>
<td>New</td>
<td>5</td>
<td>05/11/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-185</td>
<td>Amended</td>
<td>6</td>
<td>05/11/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-203</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-239.5</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-242.5</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-265</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-8-2-289</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>14-10-1-1</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-10-2-1</td>
<td>Amended</td>
<td>115</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>14-10-2-2</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>99-2005</td>
</tr>
<tr>
<td>14-10-2-3</td>
<td>Repealed</td>
<td>229</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>14-12-1-3</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>14-13-1-30</td>
<td>Amended</td>
<td>183</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------</td>
<td>------</td>
<td>----------------</td>
<td>--------</td>
</tr>
<tr>
<td>14-13-1-36</td>
<td>Amended</td>
<td>184</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-13-3-4</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-13-4-4</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-13-5-4</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-13-6-7</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-13-6-22</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>27-2005</td>
</tr>
<tr>
<td>14-14-1-2.5</td>
<td>New</td>
<td>185</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-3</td>
<td>Amended</td>
<td>186</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-7</td>
<td>Amended</td>
<td>187</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-8</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-9</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-10</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-11</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-12</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-13</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-14</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-15</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-15.5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-14-1-18</td>
<td>Amended</td>
<td>188</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>14-15-3-13</td>
<td>Amended</td>
<td>1</td>
<td>04/13/2005</td>
<td>21-2005</td>
</tr>
<tr>
<td>14-16-1-1.5</td>
<td>New</td>
<td>16</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>14-16-1-3</td>
<td>Repealed</td>
<td>25</td>
<td>05/11/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-16-1-4</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-16-1-8</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-16-1-9.5</td>
<td>New</td>
<td>17</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>14-16-1-14</td>
<td>Amended</td>
<td>117</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>14-16-1-15</td>
<td>Amended</td>
<td>118</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>14-16-1-16</td>
<td>Amended</td>
<td>119</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>14-16-1-18</td>
<td>Amended</td>
<td>18</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>14-16-1-23</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>219-2005</td>
</tr>
<tr>
<td>14-16-1-29</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-16-1-29</td>
<td>Amended</td>
<td>20</td>
<td>01/01/2006</td>
<td>219-2005</td>
</tr>
<tr>
<td>14-18-3-4</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-18-4-3</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-19-1-0.5</td>
<td>New</td>
<td>14</td>
<td>05/11/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-19-1-1</td>
<td>Amended</td>
<td>15</td>
<td>05/11/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-19-1-2</td>
<td>Amended</td>
<td>120</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>14-20-1-24.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>175-2005</td>
</tr>
<tr>
<td>14-20-12-3</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-20-15-4</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>229-2005</td>
</tr>
<tr>
<td>14-21-1-13.5</td>
<td>Amended</td>
<td>143</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>14-22-1-3</td>
<td>Repealed</td>
<td>26</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-7-3</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>------</td>
<td>------------------</td>
<td>---------</td>
</tr>
<tr>
<td>14-22-7-4 ..........</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-8-4 ..........</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-8-5 ..........</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-11-3 ..........</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-11-4 ..........</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-12-1.6 .......</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>14-22-12-5 ..........</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-12-7 ..........</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-22-20.5 ..........</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>14-22-38-4 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>75-2005</td>
</tr>
<tr>
<td>14-24-4.5 ..........</td>
<td>New</td>
<td>24</td>
<td>07/01/2005</td>
<td>225-2005</td>
</tr>
<tr>
<td>14-30-4-6 ..........</td>
<td>Amended</td>
<td>56</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>14-32-8-6 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>14-33-7-7 ..........</td>
<td>Amended</td>
<td>127</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>14-33-7-17 ..........</td>
<td>Amended</td>
<td>128</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>14-33-16.5 ..........</td>
<td>New</td>
<td>7</td>
<td>05/07/2005</td>
<td>189-2005</td>
</tr>
<tr>
<td>14-34-13-1 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>174-2005</td>
</tr>
<tr>
<td>14-34-13-2 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>174-2005</td>
</tr>
<tr>
<td>14-37-1-1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-3-14 ..........</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-4-1 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-4-10 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-4-11 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-6-6 ..........</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-7-1 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-7-3 ..........</td>
<td>Amended</td>
<td>6</td>
<td>04/25/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>14-37-8-17 ..........</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>15-1.5-1-11 ..........</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-1-12 ..........</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-1-13 ..........</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-2-2 ..........</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-2-10.5 ........</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-2-14 ..........</td>
<td>New</td>
<td>189</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>15-1.5-3-10 ..........</td>
<td>New</td>
<td>190</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>15-1.5-9-2 ..........</td>
<td>Amended</td>
<td>191</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-1 ........</td>
<td>Repealed</td>
<td>31</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-2 ........</td>
<td>Repealed</td>
<td>31</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-3 ........</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-3.5 ......</td>
<td>New</td>
<td>12</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-4 ........</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>----------------</td>
<td>------</td>
</tr>
<tr>
<td>15-1.5-10.5-5</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-5.3</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-5.5</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-6</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-7</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-8</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-8</td>
<td>Amended</td>
<td>30</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-8.1</td>
<td>New</td>
<td>20</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-8.2</td>
<td>New</td>
<td>21</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-8.3</td>
<td>Repealed</td>
<td>31</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-9</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-10</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-11</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-12</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-13</td>
<td>New</td>
<td>26</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-1.5-10.5-14</td>
<td>New</td>
<td>27</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-2.1-1-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-1-5</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-2.5</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-3.4</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-4</td>
<td>Repealed</td>
<td>32</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-12.7</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-29.9</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-31.3</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-32</td>
<td>Repealed</td>
<td>32</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-2-54</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-3-11</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-3-13</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-3-14</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-7-7</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-11</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-12</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-13</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-14</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-16.5</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-21</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-22</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-18-23</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
</tbody>
</table>
# Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-2.1-21-8</td>
<td>Amended</td>
<td>1</td>
<td>04/11/2005</td>
<td>16-2005</td>
</tr>
<tr>
<td>15-2.1-23-2</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-2.1-24-19</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>93-2005</td>
</tr>
<tr>
<td>15-4-1-16</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>40-2005</td>
</tr>
<tr>
<td>15-6-4-16</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-6-4-26</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-6-4-28</td>
<td>Repealed</td>
<td>31</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-6-4-28.1</td>
<td>New</td>
<td>30</td>
<td>07/01/2005</td>
<td>241-2005</td>
</tr>
<tr>
<td>15-7-4-9.2-5</td>
<td>Amended</td>
<td>192</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>15-7-5-1.5</td>
<td>New</td>
<td>193</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>15-7-9-1</td>
<td>Amended</td>
<td>10</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
<tr>
<td>15-9</td>
<td>New</td>
<td>11</td>
<td>04/25/2005</td>
<td>83-2005</td>
</tr>
</tbody>
</table>

**Title 16**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-18-1-3</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>16-18-1-3</td>
<td>Amended</td>
<td>33</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>16-18-2-1.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-18-2-5.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>16-18-2-14</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-18-2-28.5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-18-2-36.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-18-2-37.5</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-18-2-56.3</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-18-2-56.5</td>
<td>New</td>
<td>2</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>16-18-2-70.1</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>67-2005</td>
</tr>
<tr>
<td>16-18-2-96</td>
<td>Amended</td>
<td>18</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-18-2-97</td>
<td>Amended</td>
<td>1</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-18-2-106.3</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-18-2-106.4</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-18-2-128.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>16-18-2-150</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>152-2005</td>
</tr>
<tr>
<td>16-18-2-162</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-18-2-163</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>95-2005</td>
</tr>
<tr>
<td>16-18-2-163.3</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>95-2005</td>
</tr>
<tr>
<td>16-18-2-164.6</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>95-2005</td>
</tr>
<tr>
<td>16-18-2-183.5</td>
<td>New</td>
<td>4</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>16-18-2-215.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-18-2-238.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-18-2-240.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>196-2005</td>
</tr>
<tr>
<td>16-18-2-266.5</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-18-2-273</td>
<td>Repealed</td>
<td>40</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-18-2-277.6</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>-------------</td>
<td>-------</td>
</tr>
<tr>
<td>16-18-2-277.7</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-18-2-277.8</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-18-2-294.5</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>95-2005</td>
</tr>
<tr>
<td>16-18-2-295</td>
<td>Amended</td>
<td>2</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-18-2-350</td>
<td>Repealed</td>
<td>40</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-18-2-365.5</td>
<td>New</td>
<td>3</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-19-3-6.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>110-2005</td>
</tr>
<tr>
<td>16-21-1-7</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-2.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-10</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-11</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-11.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>67-2005</td>
</tr>
<tr>
<td>16-21-2-14</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-2-16</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-21-3-4</td>
<td>New</td>
<td>5</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>16-21-8-0.5</td>
<td>New</td>
<td>4</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-21-8-0.6</td>
<td>New</td>
<td>5</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-21-8-0.7</td>
<td>New</td>
<td>6</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-21-8-5</td>
<td>Amended</td>
<td>7</td>
<td>04/26/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-21-8-6</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>90-2005</td>
</tr>
<tr>
<td>16-22-5-15</td>
<td>Amended</td>
<td>194</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>16-22-8-2.1</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-5</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-6.5</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-7</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-8</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-9</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-9.1</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-10</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-11</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-12</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-13</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-14</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-15</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-16</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-17</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-18</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-19</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-20</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-21</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>----------------</td>
<td>------</td>
</tr>
<tr>
<td>16-22-8-22</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-23</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-24</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-25</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-26</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-27</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-28</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-29</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-30</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-31</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-33</td>
<td>Repealed</td>
<td>35</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-34</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-34.5</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-22-8-34.5</td>
<td>Repealed</td>
<td>38</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>16-24-1-21</td>
<td>Amended</td>
<td>165</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>16-24-1-23</td>
<td>Amended</td>
<td>166</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>16-24-2-10</td>
<td>Amended</td>
<td>167</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>16-24-2-13</td>
<td>Amended</td>
<td>168</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>16-27-0.5-0.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>152-2005</td>
</tr>
<tr>
<td>16-27-0.5-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>152-2005</td>
</tr>
<tr>
<td>16-27-1-0.5</td>
<td>Repealed</td>
<td>77</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-1-5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-1-7</td>
<td>Repealed</td>
<td>11</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-2-2.2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-2-3</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-2-4</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-2-5</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-2-6</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-2-7</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-27-4</td>
<td>New</td>
<td>18</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>16-28-11-4</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-31-3-2</td>
<td>Amended</td>
<td>19</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3-3</td>
<td>Amended</td>
<td>20</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3-14</td>
<td>Amended</td>
<td>21</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3-19</td>
<td>Repealed</td>
<td>25</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3.5-2</td>
<td>Amended</td>
<td>22</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3.5-3</td>
<td>Amended</td>
<td>23</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3.5-4</td>
<td>Amended</td>
<td>24</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3.5-4.5</td>
<td>New</td>
<td>25</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3.5-5</td>
<td>Amended</td>
<td>26</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-3.5-6</td>
<td>Amended</td>
<td>27</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-6.5-2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>96-2005</td>
</tr>
<tr>
<td>16-31-8.5-1</td>
<td>Amended</td>
<td>28</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------</td>
<td>------</td>
<td>--------------</td>
<td>--------</td>
</tr>
<tr>
<td>16-31-8.5-3 .............</td>
<td>Amended</td>
<td>29</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-31-8.5-4 .............</td>
<td>Amended</td>
<td>30</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>16-33-3-4 .............</td>
<td>Amended</td>
<td>144</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>16-33-3-8 .............</td>
<td>Amended</td>
<td>145</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>16-33-3-9 .............</td>
<td>Amended</td>
<td>146</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>16-33-4-11 .............</td>
<td>Amended</td>
<td>147</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>16-34-2-1.1 .............</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>36-2005</td>
</tr>
<tr>
<td>16-34-5 .............</td>
<td>New</td>
<td>6</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>16-35-1.6-1.5 ...........</td>
<td>Repealed</td>
<td>35</td>
<td>04/25/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>16-37-3-9 .............</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>81-2005</td>
</tr>
<tr>
<td>16-38-4-8 .............</td>
<td>Amended</td>
<td>57</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>16-38-6-1 .............</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>48-2005</td>
</tr>
<tr>
<td>16-39-10 .............</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>47-2005</td>
</tr>
<tr>
<td>16-40-3 .............</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>196-2005</td>
</tr>
<tr>
<td>16-40-4 .............</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>95-2005</td>
</tr>
<tr>
<td>16-41-8-1 .............</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>16-41-11-8 .............</td>
<td>Amended</td>
<td>31</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>16-41-19-7 .............</td>
<td>Amended</td>
<td>169</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>16-41-27-1 .............</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-3 .............</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-4 .............</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-5 .............</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-6 .............</td>
<td>Repealed</td>
<td>40</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-7 .............</td>
<td>Repealed</td>
<td>40</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-8 .............</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-9 .............</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-10 ............</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-1.15 ...........</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-16 ............</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-17 ............</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-18 ............</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-19 ............</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-20 ............</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-21 ............</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-22 ............</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-24 ............</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-26 ............</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-27 ............</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-29 ............</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-30 ............</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-41-27-31</td>
<td>Amended</td>
<td></td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-32</td>
<td>Amended</td>
<td></td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-33</td>
<td>Amended</td>
<td></td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-27-34</td>
<td>Amended</td>
<td></td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>16-41-37-2</td>
<td>Amended</td>
<td>148</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>16-41-37-5</td>
<td>New</td>
<td>33</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>16-41-39.4-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>16-41-39.4-2</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>16-41-39.4-3</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>16-41-39.4-4</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>16-41-39.4-5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>135-2005</td>
</tr>
<tr>
<td>16-42-3-6</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-3-9</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-5.2-2</td>
<td>Amended</td>
<td>1</td>
<td>01/01/2005</td>
<td>139-2005</td>
</tr>
<tr>
<td>16-42-5.2-3</td>
<td>Amended</td>
<td>2</td>
<td>01/01/2005</td>
<td>139-2005</td>
</tr>
<tr>
<td>16-42-5.2-3.5</td>
<td>New</td>
<td>3</td>
<td>01/01/2005</td>
<td>139-2005</td>
</tr>
<tr>
<td>16-42-19-7</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-19-12</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-22-3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-22-6</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-22-8</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-22-9</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-22-10</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-42-22-12</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>16-44-2-18</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>16-44-2-18.5</td>
<td>New</td>
<td>61</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>16-46-6-4</td>
<td>Amended</td>
<td>59</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
</tbody>
</table>

## Title 20

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-1</td>
<td>Repealed</td>
<td></td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-1-1-6</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>65-2005</td>
</tr>
<tr>
<td>20-1-1-1-5</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-1-6-2-1</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-1-6-15.1</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-1-6-16</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-1-6-18.2</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-1-18-7</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-1-18-3-11</td>
<td>Amended</td>
<td>129</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>20-1-19-23</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-1-21-4</td>
<td>Amended</td>
<td>1</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-1-21-7</td>
<td>Amended</td>
<td>2</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-1-21-8</td>
<td>Amended</td>
<td>3</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-2</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-3</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-3-11-3.1</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>20-3-14-7</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-3-21-5</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-3-21-9</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-3-22-5</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-3-22-9</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-3.1</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-4</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-4-1-3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-1-14</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-1-26.4</td>
<td>Amended</td>
<td>27</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>20-4-1-26.5</td>
<td>Amended</td>
<td>75</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-4-1-28</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-1-35</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-1-36</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-1-37</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-1-38</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-3-1</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-4-4-7</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-5-9</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-5-10</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-5-11</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-5-25.5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-2</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-3</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-4</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-5</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-6</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-7</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-8</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-8</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-4-8-9</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-10</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-11</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-25</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-8-27</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-15-1</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-15-2</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-15-3</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-15-4</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>---------------</td>
<td>-------</td>
</tr>
<tr>
<td>20-4-15-5</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-15-6</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-16-1</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-16-2</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-16-3</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-16-4</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-16-5</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-16-6</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-4-57-7</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-5</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-5-3-3.5</td>
<td>New</td>
<td>31</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>20-5.5</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-5.5-3-8</td>
<td>Amended</td>
<td>4</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-5.5-7-10</td>
<td>New</td>
<td>5</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-5.5-7-11</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-5.5-8-2</td>
<td>Amended</td>
<td>7</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-5.5-8-7</td>
<td>New</td>
<td>8</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-6.1</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-7</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-8.1</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-8.1-3-25</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-8.1-3-26</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-8.1-4-22</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-8.1-5-1-0.2</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>20-8.1-5-1-7</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-8.1-5-1-7.7</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>20-8.1-5-1-26</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-8.1-5-2</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-8.1-6-1-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>89-2005</td>
</tr>
<tr>
<td>20-8.1-6-1-5</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>89-2005</td>
</tr>
<tr>
<td>20-8.1-7-11</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-8.1-7-22</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>76-2005</td>
</tr>
<tr>
<td>20-8.1-15-10</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-9.1</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-9.1-4-1</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-9.1-5-22</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-10.1</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-10.1-4-0.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>20-10.1-4-3.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------</td>
<td>-----</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>20-10.1-4-16</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>76-2005</td>
</tr>
<tr>
<td>20-10.1-4.6-2.9</td>
<td>New</td>
<td>9</td>
<td>05/06/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-10.1-7.8</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>20-10.1-7-11</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-10.1-11-10</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-15-4</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-15-7</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-15-8</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-15-9</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-15-10</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-15-17</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-16-13</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-10.1-21-7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>182-2005</td>
</tr>
<tr>
<td>20-10.1-21-8</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>182-2005</td>
</tr>
<tr>
<td>20-10.1-22.4-3</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-10.1-25-1</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-10.1-25.3-2.5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-25.3-11</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-25.3-14</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-25.3-16</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-10.1-25.5-3</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-10.1-25.6-2</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-10.1-25.6-3</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-10.2</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-11</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-11-3-5.5</td>
<td>Amended</td>
<td>130</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>20-12-0.5-8</td>
<td>Amended</td>
<td>121</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-12-0.5-11</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-0.5-13</td>
<td>New</td>
<td>122</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-12-1.2</td>
<td>Amended</td>
<td>63</td>
<td>01/01/2006</td>
<td>214-2005</td>
</tr>
<tr>
<td>20-12-1-12</td>
<td>New</td>
<td>123</td>
<td>05/13/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-12-3.2-3</td>
<td>Repealed</td>
<td>231</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-12-5.5-1</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-5.5-2</td>
<td>Amended</td>
<td>124</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-12-5.5-2.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>121-2005</td>
</tr>
<tr>
<td>20-12-6-1</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-6-16</td>
<td>Amended</td>
<td>195</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-7-7</td>
<td>Amended</td>
<td>196</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-8-7</td>
<td>Amended</td>
<td>197</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>20-12-9.5-1</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-12-1</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-12-12-1</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-12-2</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-12-12-3</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-12-12-4</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-12-12-5</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-12-12-6</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-12-15-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>20-12-17-3</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-12-17-5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-12-19.7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>157-2005</td>
</tr>
<tr>
<td>20-12-21-3</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-21-5.1</td>
<td>Amended</td>
<td>2</td>
<td>05/06/2005</td>
<td>157-2005</td>
</tr>
<tr>
<td>20-12-21-6.1</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-29.7</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>20-12-30.5-2</td>
<td>Amended</td>
<td>125</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-12-61-1</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-1.2</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-2</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-3</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-5</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-9</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-12</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-61-13</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-63-1.5</td>
<td>New</td>
<td>198</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-3</td>
<td>Amended</td>
<td>199</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-4</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-6</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-7</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-8</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-9</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-10</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-11</td>
<td>Amended</td>
<td>200</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-11.5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-22</td>
<td>Amended</td>
<td>201</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-26</td>
<td>Amended</td>
<td>202</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-63-27.5</td>
<td>Repealed</td>
<td>212</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>20-12-65-1</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-70-10</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-4</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-5</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------</td>
<td>------</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>20-12-75-6 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-7 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-8 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-9 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-10 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-11 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-12 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-75-13 ..........</td>
<td>Repealed</td>
<td>30</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-12-76 ..........</td>
<td>New</td>
<td>34</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-12-76-18 ..........</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-12-76-40 ..........</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-14 ..........</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-14-13-10 ..........</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>228-2005</td>
</tr>
<tr>
<td>20-15 ..........</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-15-1-4.5 ..........</td>
<td>New</td>
<td>26</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-1-5 ..........</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-1-7 ..........</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-2-4 ..........</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-2-6 ..........</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-3-1 ..........</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-3-10 ..........</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-15-4-2 ..........</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16 ..........</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-16-1-4.5 ..........</td>
<td>New</td>
<td>37</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-1-7 ..........</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-2-4 ..........</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-2-5 ..........</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-2-6 ..........</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-2-7 ..........</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-2-13 ..........</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-3-10 ..........</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-16-4-2 ..........</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-17 ..........</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-18 ..........</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-18-2-22 ..........</td>
<td>Amended</td>
<td>126</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-19 ................</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-19-2-8 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>65-2005</td>
</tr>
<tr>
<td>20-19-3-4 ..........</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-19-4-8 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>226-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>--------------</td>
<td>-------</td>
</tr>
<tr>
<td>20-19-5</td>
<td>New</td>
<td>79</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>20-20</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-20-8-3</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-20-8-6</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-20-8-7</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-20-13-3</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-20-13-6</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-20-13-18</td>
<td>Amended</td>
<td>127</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-20-13-19</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-20-13-22</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-20-13-24</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-20-14-3</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-20-16-2</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-20-16-3</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>20-20-26-4</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>182-2005</td>
</tr>
<tr>
<td>20-20-26-5</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>182-2005</td>
</tr>
<tr>
<td>20-20-31-10</td>
<td>Amended</td>
<td>128</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-21</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-21-1-2</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-1-4.5</td>
<td>New</td>
<td>50</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-1-5</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-1-7</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-2-1</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-2-4</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-2-5</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-2-6</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-2-7</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-2-13</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-3-1</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-3-10</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-21-4-2</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-22-1-4.5</td>
<td>New</td>
<td>61</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-1-7</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-2-4</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-2-5</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-2-6</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-2-7</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-2-13</td>
<td>Amended</td>
<td>66</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-3-10</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-22-4-2</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-23</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-23-4-29</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>------</td>
<td>---------------</td>
<td>----------</td>
</tr>
<tr>
<td>20-23-4-30</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-23-5-12</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-6-12</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-7-13</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-9-6</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-12-5</td>
<td>Amended</td>
<td>79</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-23-13-1</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-23-14-5</td>
<td>Amended</td>
<td>81</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>20-23-16-2</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-2</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-3</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-6</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-7</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-8</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-9</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-10</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-12</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-13</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-14</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-15</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-16</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-17</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-18</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-19</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-20</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-21</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-22</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-23</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-24</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-28</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-29</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-30</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-31</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-32</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-33</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-34</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-35</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-36</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-37</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-38</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-39</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-23-16-40</td>
<td>Repealed</td>
<td>52</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-24</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------------</td>
<td>-------</td>
</tr>
<tr>
<td>20-24-3-9</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-24-7-10</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-24-7-11</td>
<td>New</td>
<td>129</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-24-7-11</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-24-8-2</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-24-8-4</td>
<td>Amended</td>
<td>130</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-24-8-7</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-25</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-25-3-4</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>20-25-5-15</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-25-10-3</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-25-10-5</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-25-11-1</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-25-13-7</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-26</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-26-4-4.5</td>
<td>New</td>
<td>64</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>20-26-7-33</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-26-11-5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>89-2005</td>
</tr>
<tr>
<td>20-26-11-8</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-26-11-8</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>89-2005</td>
</tr>
<tr>
<td>20-26-11-11</td>
<td>Amended</td>
<td>131</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-26-12-15</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-26-13-10</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-26-13-11</td>
<td>New</td>
<td>12</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-26-13-12</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-26-13-13</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-27</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-27-3-1</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-27-3-8</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-27-5-33</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-27-6-8</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-27-7-19</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-27-8-16</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-27-9-17</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-27-10-4</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-28</td>
<td>New</td>
<td>12</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-28-1-1.5</td>
<td>New</td>
<td>132</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-1-2</td>
<td>Amended</td>
<td>133</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-1-4</td>
<td>Repealed</td>
<td>228</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-1-5.5</td>
<td>New</td>
<td>134</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-1-7</td>
<td>Amended</td>
<td>135</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-1-10</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------</td>
<td>-----</td>
<td>--------------</td>
<td>-------</td>
</tr>
<tr>
<td>20-28-2-1</td>
<td>Amended</td>
<td>136</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-1.5</td>
<td>New</td>
<td>137</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-2</td>
<td>Amended</td>
<td>138</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-3</td>
<td>Amended</td>
<td>139</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-4</td>
<td>Amended</td>
<td>140</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-5</td>
<td>Amended</td>
<td>141</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-6</td>
<td>Amended</td>
<td>142</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-7</td>
<td>Amended</td>
<td>143</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-8</td>
<td>Amended</td>
<td>144</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-9</td>
<td>Amended</td>
<td>145</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-2-10</td>
<td>New</td>
<td>146</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-3-1</td>
<td>Amended</td>
<td>147</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-3-2</td>
<td>Amended</td>
<td>148</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-3-3</td>
<td>Amended</td>
<td>149</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-4-3</td>
<td>Amended</td>
<td>150</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-4-4</td>
<td>Amended</td>
<td>151</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-4-6</td>
<td>Amended</td>
<td>152</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-4-7</td>
<td>Amended</td>
<td>153</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-4-10</td>
<td>Amended</td>
<td>154</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-1</td>
<td>Amended</td>
<td>155</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-2</td>
<td>Amended</td>
<td>156</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-3</td>
<td>Amended</td>
<td>157</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-6</td>
<td>Repealed</td>
<td>228</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-7</td>
<td>Amended</td>
<td>158</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-8</td>
<td>Amended</td>
<td>159</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-9</td>
<td>Amended</td>
<td>160</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-10</td>
<td>Amended</td>
<td>161</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-11</td>
<td>Amended</td>
<td>162</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-12</td>
<td>Amended</td>
<td>163</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-5-14</td>
<td>Amended</td>
<td>164</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-9-1</td>
<td>Amended</td>
<td>165</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-9-2</td>
<td>Amended</td>
<td>166</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-9-4</td>
<td>Amended</td>
<td>167</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-9-7</td>
<td>Amended</td>
<td>168</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-28-12-3</td>
<td>Amended</td>
<td>169</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-29</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-30</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-30-2-2</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-30-2-2.2</td>
<td>New</td>
<td>16</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-30-5-0.5</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>20-30-5-4.5</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>20-30-5-6</td>
<td>Amended</td>
<td>170</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-30-5-14</td>
<td>Amended</td>
<td>171</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------</td>
<td>-----</td>
<td>----------------</td>
<td>---------</td>
</tr>
<tr>
<td>20-30-5-18</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>76-2005</td>
</tr>
<tr>
<td>20-30-6-10</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>20-30-6-13</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>78-2005</td>
</tr>
<tr>
<td>20-30-7-8</td>
<td>Amended</td>
<td>172</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-30-7-9</td>
<td>Amended</td>
<td>173</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-30-7-10</td>
<td>Amended</td>
<td>174</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-30-8-4.5</td>
<td>New</td>
<td>18</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>20-30-11-4</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-7</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-8</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-9</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-10</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-10.5</td>
<td>New</td>
<td>74</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-15.5</td>
<td>New</td>
<td>75</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-16</td>
<td>Repealed</td>
<td>83</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-17</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-30-11-18</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-31</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-31-6-1</td>
<td>Amended</td>
<td>175</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-32</td>
<td>New</td>
<td>16</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-32-4-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-3</td>
<td>Repealed</td>
<td>10</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-6</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-7</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-8</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-9</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-4-10</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>105-2005</td>
</tr>
<tr>
<td>20-32-5-1</td>
<td>Amended</td>
<td>176</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-33</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-33-2-7</td>
<td>Amended</td>
<td>177</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-33-2-9</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-33-2-11</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-33-2-22</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>20-33-2-28.5</td>
<td>New</td>
<td>19</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-33-2-28.7</td>
<td>New</td>
<td>20</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-33-2-32</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-33-2-41</td>
<td>Amended</td>
<td>178</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>20-33-3-33</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-33-7-3</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-33-8-0.2</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>20-33-8-12</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-33-8-13.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>106-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>20-33-8-33</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-33-8.5</td>
<td>New</td>
<td>23</td>
<td>07/01/2005</td>
<td>242-2005</td>
</tr>
<tr>
<td>20-34</td>
<td>New</td>
<td>18</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-34-3-18</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>76-2005</td>
</tr>
<tr>
<td>20-34-4-6</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-35</td>
<td>New</td>
<td>19</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-35-2-1</td>
<td>Amended</td>
<td>79</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-35-3-1</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-35-4-10</td>
<td>Amended</td>
<td>81</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-35-4-10</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-35-5-15</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-35-8-2</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-35-8-2</td>
<td>Amended</td>
<td>82</td>
<td>07/01/2005</td>
<td>218-2005</td>
</tr>
<tr>
<td>20-36</td>
<td>New</td>
<td>20</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-37</td>
<td>New</td>
<td>21</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>20-37-1-1</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>20-38</td>
<td>New</td>
<td>22</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
</tbody>
</table>

Title 21

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-1-4-1</td>
<td>Amended</td>
<td>149</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-4-2</td>
<td>Amended</td>
<td>150</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-5-1</td>
<td>Amended</td>
<td>151</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-5-3</td>
<td>Amended</td>
<td>179</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-1-5.1-1</td>
<td>Amended</td>
<td>152</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-5.1-2</td>
<td>Amended</td>
<td>153</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-5.1-4</td>
<td>Amended</td>
<td>154</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-5.1-5</td>
<td>Amended</td>
<td>155</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-11-1</td>
<td>Amended</td>
<td>156</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-11-3.1</td>
<td>Amended</td>
<td>157</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-11-5</td>
<td>Amended</td>
<td>158</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-30-2</td>
<td>Amended</td>
<td>180</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-1-30-3</td>
<td>Amended</td>
<td>181</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-1-30-10</td>
<td>Amended</td>
<td>182</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-1-31</td>
<td>New</td>
<td>35</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-1-32</td>
<td>New</td>
<td>36</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-4-2</td>
<td>Amended</td>
<td>159</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-4-2</td>
<td>Amended</td>
<td>183</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-4-3</td>
<td>Amended</td>
<td>184</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-4-7</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-4-7</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>21-2-5.6-2</td>
<td>Amended</td>
<td>160</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-5.6-3</td>
<td>Amended</td>
<td>185</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>-------------</td>
<td>----------</td>
</tr>
<tr>
<td>21-2-11-4</td>
<td>Amended</td>
<td>161</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-11-4</td>
<td>Amended</td>
<td>186</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-11-5-2</td>
<td>Amended</td>
<td>162</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-11-5-3</td>
<td>Amended</td>
<td>187</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-11-5-5</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>21-2-11-5-5</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-11-6-4</td>
<td>New</td>
<td>188</td>
<td>07/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-12-2</td>
<td>Amended</td>
<td>163</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-13-2</td>
<td>Amended</td>
<td>164</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-13-3</td>
<td>Amended</td>
<td>165</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-14-6</td>
<td>Amended</td>
<td>166</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-15-4</td>
<td>Amended</td>
<td>189</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-15-4</td>
<td>Amended</td>
<td>167</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-15-9</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>228-2005</td>
</tr>
<tr>
<td>21-2-15-11</td>
<td>Amended</td>
<td>190</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-15-13.1</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-2-17-1</td>
<td>Amended</td>
<td>168</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-18-3</td>
<td>Amended</td>
<td>169</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-19</td>
<td>New</td>
<td>37</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-20</td>
<td>New</td>
<td>38</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-21</td>
<td>New</td>
<td>39</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-2-21-1.8</td>
<td>New</td>
<td>62</td>
<td>05/11/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>21-3-1.6-1.1</td>
<td>Amended</td>
<td>170</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-1.6-1.1</td>
<td>Amended</td>
<td>191</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.6-1.2</td>
<td>Amended</td>
<td>171</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-1.7-2</td>
<td>Amended</td>
<td>192</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-3.1</td>
<td>Amended</td>
<td>193</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-3.1</td>
<td>Amended</td>
<td>172</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-1.7-5</td>
<td>Amended</td>
<td>194</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-6</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-6.6</td>
<td>Amended</td>
<td>195</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-6.7</td>
<td>Amended</td>
<td>196</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-6.8</td>
<td>Amended</td>
<td>197</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-7</td>
<td>Amended</td>
<td>198</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-8.2</td>
<td>Amended</td>
<td>199</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-9</td>
<td>Amended</td>
<td>200</td>
<td>01/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-9.5</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-9.7</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-9.8</td>
<td>Amended</td>
<td>201</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-9.9</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-1.7-10</td>
<td>Amended</td>
<td>202</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-2.1-10</td>
<td>Amended</td>
<td>203</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-3-3-1-2.1</td>
<td>Amended</td>
<td>173</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-4.5</td>
<td>Repealed</td>
<td>227</td>
<td>01/01/2006</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-3-4.5-2</td>
<td>Amended</td>
<td>174</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-11-1</td>
<td>Amended</td>
<td>175</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-11-2</td>
<td>Amended</td>
<td>176</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-11-5</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>169-2005</td>
</tr>
<tr>
<td>21-3-11-5</td>
<td>Amended</td>
<td>177</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-3-12-12</td>
<td>Amended</td>
<td>204</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-5-9-5</td>
<td>Amended</td>
<td>178</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-6.1-2-2</td>
<td>Amended</td>
<td>205</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-6.1-2-5</td>
<td>Amended</td>
<td>206</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-6.1-3-1</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>21-6.1-3-4</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>62-2005</td>
</tr>
<tr>
<td>21-6.1-4-1</td>
<td>Amended</td>
<td>179</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-6.1-4-5</td>
<td>Amended</td>
<td>180</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>21-6.1-4-6.1</td>
<td>Amended</td>
<td>207</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>21-6.1-4-13</td>
<td>Amended</td>
<td>181</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>Title 22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22-1-5</td>
<td>New</td>
<td>19</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>22-3-2-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-2-9</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-2-14</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-3-21</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-6-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-6-1</td>
<td>Amended</td>
<td>182</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-3-7-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-7-9</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-7-9.2</td>
<td>Amended</td>
<td>183</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-3-7-15</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-7-34</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>201-2005</td>
</tr>
<tr>
<td>22-3-12-2</td>
<td>Amended</td>
<td>60</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>22-4-4-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-8-3.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-9-2</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-9-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-9-5</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-10-6</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-10-7</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-10.5-0.5</td>
<td>New</td>
<td>2</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-10.5-6</td>
<td>Amended</td>
<td>3</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-10.5-7</td>
<td>Amended</td>
<td>4</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>-----</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>22-4-11-2</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-11-5</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>98-2005</td>
</tr>
<tr>
<td>22-4-18-1</td>
<td>Amended</td>
<td>184</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-18-6</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>22-4-18-6</td>
<td>Amended</td>
<td>185</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-18.3</td>
<td>Repealed</td>
<td>8</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-19-6</td>
<td>Amended</td>
<td>131</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>22-4-19-6.5</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>22-4-24.5-1</td>
<td>Repealed</td>
<td>8</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-25-1</td>
<td>Amended</td>
<td>5</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-32-19</td>
<td>Amended</td>
<td>6</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-37-3</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>22-4-42-3</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>127-2005</td>
</tr>
<tr>
<td>22-4-42-2-2</td>
<td>Amended</td>
<td>186</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-41-4-1</td>
<td>Amended</td>
<td>187</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-10</td>
<td>New</td>
<td>40</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-11</td>
<td>New</td>
<td>41</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-12</td>
<td>New</td>
<td>42</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-13</td>
<td>New</td>
<td>43</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-14</td>
<td>New</td>
<td>44</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-15</td>
<td>New</td>
<td>45</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-1-16</td>
<td>New</td>
<td>46</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-5-2-5</td>
<td>Repealed</td>
<td>8</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-5-2-14</td>
<td>Amended</td>
<td>7</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-5-3-4</td>
<td>Repealed</td>
<td>8</td>
<td>05/11/2005</td>
<td>202-2005</td>
</tr>
<tr>
<td>22-4-9-1-12.1</td>
<td>Amended</td>
<td>188</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-12-1-3</td>
<td>Amended</td>
<td>31</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-12-1-3.5</td>
<td>Amended</td>
<td>1</td>
<td>05/06/2005</td>
<td>166-2005</td>
</tr>
<tr>
<td>22-4-12-1-9</td>
<td>Amended</td>
<td>32</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-12-2-2</td>
<td>Amended</td>
<td>33</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-12-2-5</td>
<td>Amended</td>
<td>34</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-12-2-6</td>
<td>Amended</td>
<td>35</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-12-5</td>
<td>Repealed</td>
<td>56</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-12-6-7</td>
<td>Amended</td>
<td>189</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-4-13-2-2</td>
<td>Amended</td>
<td>1</td>
<td>04/19/2005</td>
<td>44-2005</td>
</tr>
<tr>
<td>22-4-13-2-10</td>
<td>Amended</td>
<td>36</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-13-5-1</td>
<td>Amended</td>
<td>37</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-13-5-2</td>
<td>Amended</td>
<td>38</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-13-5-4</td>
<td>Amended</td>
<td>39</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-14-1-4</td>
<td>Amended</td>
<td>40</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-14-2-1</td>
<td>Repealed</td>
<td>56</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-14-2-3</td>
<td>Repealed</td>
<td>56</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-4-14-2-7</td>
<td>Amended</td>
<td>41</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------</td>
<td>-----</td>
<td>------------</td>
<td>------</td>
</tr>
<tr>
<td>22-14-2-12 ..........</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>22-14-3-1 ..........</td>
<td>Amended</td>
<td>190</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>22-15-1-4 ..........</td>
<td>Amended</td>
<td>43</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-3-1 ..........</td>
<td>Amended</td>
<td>44</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-3-2 ..........</td>
<td>Amended</td>
<td>45</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-3-3 ..........</td>
<td>Amended</td>
<td>46</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-3-4 ..........</td>
<td>Amended</td>
<td>47</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-4-1 ..........</td>
<td>Amended</td>
<td>48</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-4-2 ..........</td>
<td>Amended</td>
<td>49</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>22-15-7-2.5 ..........</td>
<td>Amended</td>
<td>2</td>
<td>05/06/2005</td>
<td>166-2005</td>
</tr>
</tbody>
</table>

**Title 23**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>23-1-18-1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>178-2005</td>
</tr>
<tr>
<td>23-1-29-5 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>178-2005</td>
</tr>
<tr>
<td>23-1-38.5-1 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>178-2005</td>
</tr>
<tr>
<td>23-1-38.5-2 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>178-2005</td>
</tr>
<tr>
<td>23-1-38.5-13 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>178-2005</td>
</tr>
<tr>
<td>23-1-40-8 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>178-2005</td>
</tr>
<tr>
<td>23-2-1-17.5 ..........</td>
<td>New</td>
<td>1</td>
<td>05/11/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>23-2-1-19 ..........</td>
<td>Amended</td>
<td>2</td>
<td>05/11/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>23-6-4-10 ..........</td>
<td>Amended</td>
<td>132</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>23-7-8-1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>23-7-8-2 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>23-13-5-8 ..........</td>
<td>Amended</td>
<td>208</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>23-17-2-7 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>23-17-24-1.5 ..........</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>23-17-24-2 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>23-17-24-3 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
</tbody>
</table>

**Title 24**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>24-3-5-0.1 ..........</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-0.2 ..........</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-0.3 ..........</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-1 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-1.5 ..........</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>24-3-5-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-4</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-4.5</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-5</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-6</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-7</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5-8</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5.2</td>
<td>Repealed</td>
<td>18</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5.4-14</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>24-3-5.4-15</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-5.4-17</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-3-6</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-4-9-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-9-9</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-9-10</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-9-13</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-9-18</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-9-22</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-9-23</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>19-2005</td>
</tr>
<tr>
<td>24-4-12-8</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>160-2005</td>
</tr>
<tr>
<td>24-4.5-1-102</td>
<td>Amended</td>
<td>1</td>
<td>05/04/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>24-4.5-4-107</td>
<td>Amended</td>
<td>2</td>
<td>05/04/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>24-4.5-7-103</td>
<td>Amended</td>
<td>61</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>24-4.5-7-201</td>
<td>Amended</td>
<td>3</td>
<td>05/04/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>24-4.7-5-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>24-4.7-5-1</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>24-4.8</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>115-2005</td>
</tr>
<tr>
<td>24-5-0.5-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>24-5-0.5-4</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>24-5-0.5-4</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>24-5-8-6</td>
<td>Amended</td>
<td>62</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>24-5-12-23</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>24-5-12-23</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>24-8-3-1</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>24-9-2-9</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>24-9-3-7</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>24-9-5-1</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>24-9-5-4</td>
<td>Amended</td>
<td>1</td>
<td>01/01/2005</td>
<td>3-2005</td>
</tr>
<tr>
<td>24-9-9-4</td>
<td>Amended</td>
<td>209</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>----------------</td>
<td>-------</td>
</tr>
<tr>
<td>25-1-1.2-2 ..........</td>
<td>Amended</td>
<td>191</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-1-1.2-2 ..........</td>
<td>Amended</td>
<td>210</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>25-1-2-2.1 ..........</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-1-2-9 ..........</td>
<td>Repealed</td>
<td>87</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-5-1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-2 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-3 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-4 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-5 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-6 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-8 ..........</td>
<td>Repealed</td>
<td>15</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-10 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-5-10 ..........</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>25-1-6-1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-6-2 ..........</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-6-3 ..........</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-6-3 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-6-4 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-6-5 ..........</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-6-6-5 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-6-8 ..........</td>
<td>Amended</td>
<td>63</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-1-6-8 ..........</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-7-5 ..........</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-7-6 ..........</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-8-6 ..........</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-8-7 ..........</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-9-6.9 ..........</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>206-2005</td>
</tr>
<tr>
<td>25-1-11-9.5 ..........</td>
<td>Repealed</td>
<td>87</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-11-10 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-11-18 ..........</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-1-12-3 ..........</td>
<td>Amended</td>
<td>64</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-1-12-6 ..........</td>
<td>Amended</td>
<td>65</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-4-1-3 ..........</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-4-1-4 ..........</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-4-1-6 ..........</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-4-1-14 ..........</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-4-1-16 ..........</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-4-1-32 ..........</td>
<td>New</td>
<td>16</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>-------------</td>
<td>----------</td>
</tr>
<tr>
<td>25-4-2-3</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-4-2-8</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-6.1-3-2</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-6.1-3-5</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-6.1-3-8</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-6.1-9-7</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-6-1</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-6-14</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-6-15</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-10-11</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-11-2</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-11-3</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-11-4</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-11-5</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-11-6</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-7-12-1</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-21</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-22</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-23</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-24</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-25</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-26</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-4-27</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-9-11</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-3</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-4</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-5</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-6</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-7</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-8</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-9</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-10</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-13-11</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-14-1</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-15.4-6</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-8-16-3</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-9-1-0.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>120-2005</td>
</tr>
<tr>
<td>25-9-1-0.7</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>120-2005</td>
</tr>
<tr>
<td>25-9-1-7</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>120-2005</td>
</tr>
<tr>
<td>25-9-1-7.5</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>120-2005</td>
</tr>
<tr>
<td>25-9-1-8</td>
<td>Repealed</td>
<td>6</td>
<td>07/01/2005</td>
<td>120-2005</td>
</tr>
<tr>
<td>25-9-1-20</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-11-1-1</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>25-13-1-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>30-2005</td>
</tr>
<tr>
<td>25-14-1-16</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>46-2005</td>
</tr>
<tr>
<td>25-15-6-4</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-15-6-5</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-15-6-6</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-15-6-7</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-15-9-7</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-17-6-9-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>99-2005</td>
</tr>
<tr>
<td>25-20-1-3</td>
<td>Amended</td>
<td>192</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-20.2-6-1</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-20.2-6-5</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-20.5-1-7</td>
<td>Amended</td>
<td>193</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-20.5-1-11</td>
<td>Amended</td>
<td>194</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-20.5-1-16</td>
<td>Amended</td>
<td>195</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-21.5-2-14</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-3-4</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-7-5</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-8-3</td>
<td>Repealed</td>
<td>87</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-8-6</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-8-7</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-11-4</td>
<td>New</td>
<td>66</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-21.5-13-3</td>
<td>Amended</td>
<td>67</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-22.5-1-2</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-22.5-2-7</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>18-2005</td>
</tr>
<tr>
<td>25-22.5-8-5</td>
<td>New</td>
<td>8</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>25-22.5-11</td>
<td>New</td>
<td>26</td>
<td>07/01/2005</td>
<td>217-2005</td>
</tr>
<tr>
<td>25-23-1-27.1</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-23.7-1-1</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-23.7-2-7</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-23.7-2-7.5</td>
<td>New</td>
<td>34</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-23.7-2-7.6</td>
<td>New</td>
<td>35</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-23.7-3-2</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-23.7-6-5</td>
<td>Amended</td>
<td>68</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-23.7-8</td>
<td>New</td>
<td>37</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>25-26-13-2</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>25-26-13-4</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>25-26-13-4</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-13-25</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>25-26-13-25.5</td>
<td>New</td>
<td>17</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>25-26-14-1</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-1.5</td>
<td>New</td>
<td>24</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-1.7</td>
<td>New</td>
<td>25</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-1.8</td>
<td>New</td>
<td>26</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------</td>
<td>-----</td>
<td>-----------------</td>
<td>------</td>
</tr>
<tr>
<td>25-26-14-4.1</td>
<td>New</td>
<td>27</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-4.2</td>
<td>New</td>
<td>28</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-4.3</td>
<td>New</td>
<td>29</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-4.4</td>
<td>New</td>
<td>30</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-4.5</td>
<td>New</td>
<td>31</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-4.6</td>
<td>New</td>
<td>32</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-4.7</td>
<td>New</td>
<td>33</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-6</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-6.5</td>
<td>New</td>
<td>35</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-6.6</td>
<td>New</td>
<td>36</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-7</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-8.3</td>
<td>New</td>
<td>38</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-8.5</td>
<td>New</td>
<td>39</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-8.7</td>
<td>New</td>
<td>40</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-9</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-9.2</td>
<td>New</td>
<td>42</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-9.3</td>
<td>New</td>
<td>43</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-10.5</td>
<td>New</td>
<td>44</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-11</td>
<td>Amended</td>
<td>45</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-14</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-14.5</td>
<td>New</td>
<td>47</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-15</td>
<td>Amended</td>
<td>48</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-15.5</td>
<td>New</td>
<td>49</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-16</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-16.5</td>
<td>New</td>
<td>51</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-16.6</td>
<td>New</td>
<td>52</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-17</td>
<td>Amended</td>
<td>53</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-17.2</td>
<td>New</td>
<td>54</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-17.3</td>
<td>New</td>
<td>55</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-17.8</td>
<td>New</td>
<td>56</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-17.9</td>
<td>New</td>
<td>57</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-20</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-21.5</td>
<td>New</td>
<td>59</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-26</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-14-27</td>
<td>Amended</td>
<td>61</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-26-15-10</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>25-26-20-4</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>25-26-21</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>122-2005</td>
</tr>
<tr>
<td>25-28.5-1-7</td>
<td>Amended</td>
<td>66</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-28.5-1-8</td>
<td>Amended</td>
<td>67</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-28.5-1-12</td>
<td>Amended</td>
<td>69</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-28.5-1-22</td>
<td>Amended</td>
<td>70</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-28.5-1-23</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
</tbody>
</table>
**Table of Citations Affected**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-28.5-1-24</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-28.5-2-2.1</td>
<td>Amended</td>
<td>73</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-29-3-4</td>
<td>Amended</td>
<td>68</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-29-5-1</td>
<td>Amended</td>
<td>69</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-29-5-3</td>
<td>Amended</td>
<td>70</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-30-1-7</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-30-1-16</td>
<td>Amended</td>
<td>75</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-30-1-17</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-7</td>
<td>Amended</td>
<td>77</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-9</td>
<td>Amended</td>
<td>78</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-14</td>
<td>Amended</td>
<td>79</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-15</td>
<td>Amended</td>
<td>80</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-17</td>
<td>Amended</td>
<td>81</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-21</td>
<td>Amended</td>
<td>82</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-28</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31-1-35</td>
<td>New</td>
<td>84</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-31.5-9.1</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>99-2005</td>
</tr>
<tr>
<td>25-33-1-3</td>
<td>Amended</td>
<td>211</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>25-33-1-3</td>
<td>Amended</td>
<td>196</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-33-1-9</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-33-1-14</td>
<td>Amended</td>
<td>212</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>25-33-1-14</td>
<td>Amended</td>
<td>197</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>25-34.1-1-2</td>
<td>Amended</td>
<td>71</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>25-34.1-3-3.1</td>
<td>Amended</td>
<td>85</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-34.1-3-4.1</td>
<td>Amended</td>
<td>86</td>
<td>07/01/2005</td>
<td>194-2005</td>
</tr>
<tr>
<td>25-35.6-1-2</td>
<td>Amended</td>
<td>63</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-4</td>
<td>Amended</td>
<td>64</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-5</td>
<td>Amended</td>
<td>65</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-6</td>
<td>New</td>
<td>66</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-7</td>
<td>New</td>
<td>67</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-8</td>
<td>New</td>
<td>68</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-9</td>
<td>New</td>
<td>69</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-1-10</td>
<td>New</td>
<td>70</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-2-2</td>
<td>Amended</td>
<td>71</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-3-3</td>
<td>Amended</td>
<td>72</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-3-3.5</td>
<td>New</td>
<td>73</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
<tr>
<td>25-35.6-3-8.1</td>
<td>New</td>
<td>74</td>
<td>07/01/2005</td>
<td>212-2005</td>
</tr>
</tbody>
</table>

**Title 26**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>26-1-9.1-311</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>26-2-8-116</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>77-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-----</td>
<td>-----------</td>
<td>--------</td>
</tr>
<tr>
<td>27-1-3-30</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-1-15.7-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>60-2005</td>
</tr>
<tr>
<td>27-1-15.7-2.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>56-2005</td>
</tr>
<tr>
<td>27-1-15.7-2.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>60-2005</td>
</tr>
<tr>
<td>27-1-15.7-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>57-2005</td>
</tr>
<tr>
<td>27-1-22-26.1</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>39-2005</td>
</tr>
<tr>
<td>27-1-29-17</td>
<td>Amended</td>
<td>203</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>27-2-16-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>181-2005</td>
</tr>
<tr>
<td>27-2-19-3</td>
<td>Amended</td>
<td>36</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>27-4-1-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>138-2005</td>
</tr>
<tr>
<td>27-4-1-4</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>39-2005</td>
</tr>
<tr>
<td>27-4-9</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>138-2005</td>
</tr>
<tr>
<td>27-7-5-1.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>72-2005</td>
</tr>
<tr>
<td>27-8-5-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-8-5-2.7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>211-2005</td>
</tr>
<tr>
<td>27-8-5-19</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-8-5-19.3</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>211-2005</td>
</tr>
<tr>
<td>27-8-5.5-2</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-8-10-2.3</td>
<td>Amended</td>
<td>72</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>27-8-10-5.1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>211-2005</td>
</tr>
<tr>
<td>27-8-11-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>26-2005</td>
</tr>
<tr>
<td>27-8-11-7</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>26-2005</td>
</tr>
<tr>
<td>27-8-11-8</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-8-14.1-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>196-2005</td>
</tr>
<tr>
<td>27-8-14.1-4</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>196-2005</td>
</tr>
<tr>
<td>27-8-19.8-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>27-8-19.8-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>27-8-19.8-9.2</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>27-8-19.8-21</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>27-8-19.8-23</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>27-8-19.8-24</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>223-2005</td>
</tr>
<tr>
<td>27-8-27-7</td>
<td>Repealed</td>
<td>231</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>27-8-31</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>138-2005</td>
</tr>
<tr>
<td>27-10-2-10</td>
<td>Amended</td>
<td>73</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>27-10-3-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-3-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-3-5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-3-7</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-3-7.1</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-3-9</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>------------</td>
<td>------</td>
</tr>
<tr>
<td>27-10-3-11 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td></td>
</tr>
<tr>
<td>27-10-3-21 ..........</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-4-7 ..........</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-10-5-1 ..........</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>102-2005</td>
</tr>
<tr>
<td>27-13-1-10.5 .......</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>26-2005</td>
</tr>
<tr>
<td>27-13-7-5 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-13-7-14.5 .......</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>196-2005</td>
</tr>
<tr>
<td>27-13-9-1 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-13-34-13 .........</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>125-2005</td>
</tr>
<tr>
<td>27-13-38-2 ..........</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>27-13-43 ............</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>26-2005</td>
</tr>
<tr>
<td>27-16 ................</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
</tbody>
</table>

**Title 28**

| 28-1-13-1.8 .......... | Amended  | 7   | 07/01/2005 | 141-2005 |
| 28-1-18.2-5 .......... | Amended  | 8   | 07/01/2005 | 141-2005 |
| 28-5-1-4 ............ | Amended  | 9   | 07/01/2005 | 141-2005 |
| 28-5-1-6 ............ | Amended  | 204 | 05/15/2005 | 235-2005 |
| 28-6.1-9-8 ........... | Amended  | 10  | 07/01/2005 | 141-2005 |
| 28-7-1-0.5 ........... | Amended  | 11  | 07/01/2005 | 141-2005 |
| 28-7-1-8 ............ | Amended  | 12  | 07/01/2005 | 141-2005 |
| 28-7-1-9 ............ | Amended  | 13  | 07/01/2005 | 141-2005 |
| 28-7-1-11 ............| Amended  | 14  | 07/01/2005 | 141-2005 |
| 28-7-1-16 ............| Amended  | 15  | 07/01/2005 | 141-2005 |
| 28-7-1-17 ............| Amended  | 16  | 07/01/2005 | 141-2005 |
| 28-7-1-17.1 ..........| New      | 17  | 07/01/2005 | 141-2005 |
| 28-7-1-39 ............| New      | 18  | 07/01/2005 | 141-2005 |
| 28-10-1-1 ............| Amended  | 19  | 05/04/2005 | 141-2005 |
| 28-11-2-3 ............| Amended  | 20  | 07/01/2005 | 141-2005 |
| 28-11-3-6 ............| Amended  | 21  | 07/01/2005 | 141-2005 |
| 28-11-4-2 ............| Amended  | 22  | 07/01/2005 | 141-2005 |
| 28-11-4-5 ............| Amended  | 23  | 07/01/2005 | 141-2005 |
| 28-12-2-1 ............| Amended  | 24  | 07/01/2005 | 141-2005 |
| 28-13-9-9 ............| Amended  | 25  | 07/01/2005 | 141-2005 |
| 28-13-14-14 ..........| Amended  | 26  | 07/01/2005 | 141-2005 |

**Title 29**

<p>| 29-1-2-1 ..........  | Amended  | 3   | 07/01/2004 | 238-2005 |
| 29-1-2-12.1 .........| Amended  | 4   | 07/01/2005 | 238-2005 |
| 29-1-2-14 ..........  | Amended  | 5   | 07/01/2005 | 238-2005 |
| 29-1-2-15 ..........  | Amended  | 6   | 07/01/2005 | 238-2005 |</p>
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>29-1-3-2</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-3-4</td>
<td>Amended</td>
<td>213</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>29-1-6-1</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-7-3.1</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-7-5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-7-15.1</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-7-5.1.5</td>
<td>Amended</td>
<td>74</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>29-1-15-16</td>
<td>Repealed</td>
<td>63</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-15-16.5</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-1-15-17</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>29-3-3-6</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>29-3-8-5</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
</tbody>
</table>

**Title 30**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-1-8-7</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-2-8.5-29</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-2-16</td>
<td>New</td>
<td>27</td>
<td>05/04/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>30-3-4-1</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-1-2</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-1-13</td>
<td>New</td>
<td>20</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-1</td>
<td>Amended</td>
<td>21</td>
<td>01/01/2006</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-1.5</td>
<td>New</td>
<td>22</td>
<td>01/01/2006</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-2</td>
<td>Amended</td>
<td>23</td>
<td>01/01/2006</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-10</td>
<td>Amended</td>
<td>24</td>
<td>01/01/2006</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-17</td>
<td>New</td>
<td>25</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-18</td>
<td>New</td>
<td>26</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-19</td>
<td>New</td>
<td>27</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-1-9</td>
<td>New</td>
<td>28</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-2-1-11</td>
<td>New</td>
<td>29</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-1</td>
<td>Repealed</td>
<td>63</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-1.5</td>
<td>New</td>
<td>30</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-3</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-6</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-6.5</td>
<td>New</td>
<td>33</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-7</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-24</td>
<td>Repealed</td>
<td>63</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-24.4</td>
<td>New</td>
<td>35</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-24.5</td>
<td>New</td>
<td>36</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-27</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-28</td>
<td>Repealed</td>
<td>63</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-29</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-4-3-33</td>
<td>New</td>
<td>39</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-3-34</td>
<td>New</td>
<td>40</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-4-5</td>
<td>New</td>
<td>41</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-5-16</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-5.5</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>30-4-6-3</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-6-8</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-6-10.5</td>
<td>New</td>
<td>45</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-4-6-14</td>
<td>New</td>
<td>46</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-2-5.5</td>
<td>New</td>
<td>47</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-5-4.5</td>
<td>New</td>
<td>48</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-5-7</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-5-9</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-8-7</td>
<td>New</td>
<td>51</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-9-2</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>30-5-10-4</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>31-9-2-6</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-9-2-22.5</td>
<td>New</td>
<td>81</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-29.7</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-38.5</td>
<td>New</td>
<td>82</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-40</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-75</td>
<td>Amended</td>
<td>198</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-9-2-80</td>
<td>Amended</td>
<td>199</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-9-2-88.5</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-9-2-113.5</td>
<td>Amended</td>
<td>200</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-9-2-130</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-11-5</td>
<td>Repealed</td>
<td>2</td>
<td>04/19/2005</td>
<td>41-2005</td>
</tr>
<tr>
<td>31-11-11-3</td>
<td>Amended</td>
<td>1</td>
<td>04/19/2005</td>
<td>41-2005</td>
</tr>
<tr>
<td>31-12-1-11</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-12-2-6</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-1</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-3</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-4</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-10-1</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-10-3</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-13-5</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-13-6.7</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-14-1</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
</tbody>
</table>

**Title 31**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>31-9-2-6</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-9-2-22.5</td>
<td>New</td>
<td>81</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-29.7</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-38.5</td>
<td>New</td>
<td>82</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-40</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-9-2-75</td>
<td>Amended</td>
<td>198</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-9-2-80</td>
<td>Amended</td>
<td>199</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-9-2-88.5</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-9-2-113.5</td>
<td>Amended</td>
<td>200</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-9-2-130</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-11-5</td>
<td>Repealed</td>
<td>2</td>
<td>04/19/2005</td>
<td>41-2005</td>
</tr>
<tr>
<td>31-11-11-3</td>
<td>Amended</td>
<td>1</td>
<td>04/19/2005</td>
<td>41-2005</td>
</tr>
<tr>
<td>31-12-1-11</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-12-2-6</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-1</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-3</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-1.5-4</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-10-1</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-10-3</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-13-5</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-13-6.7</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-14-1</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
<td>-----</td>
<td>-----------</td>
<td>------</td>
</tr>
<tr>
<td>31-14-14-2</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-14-2.5</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-14-4</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-14-5</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-15-1</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-15-2</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-14-15-4</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-15-4-11</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-15-4-12</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-15-6-8</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-16-3.5-2</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-16-3.5-3</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-16-12.5-4</td>
<td>Amended</td>
<td>75</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-16-15-1</td>
<td>Amended</td>
<td>85</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-16-15-4</td>
<td>Amended</td>
<td>86</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-16-15-7</td>
<td>Amended</td>
<td>87</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-16-15-8</td>
<td>Amended</td>
<td>88</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-16-15-10</td>
<td>Amended</td>
<td>89</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-16-15-15</td>
<td>Amended</td>
<td>90</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-16-15-16</td>
<td>Amended</td>
<td>91</td>
<td>05/12/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-17-2-8.3</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-2-11</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-2-16</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-17-2-18</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-2-21.7</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-2-23</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3-2</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3-8</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3-9</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3-10</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3.5-1</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3.5-2</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3.5-3</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-3.5-4</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-1</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-2</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-2.5</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-3</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-4</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-5</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-8</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-4-10</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-17-6-7</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>31-18-3-5</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-18-7-2</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-19-2-7.5</td>
<td>Amended</td>
<td>92</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-19-4-8</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-4-9</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-4.5-4</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-7-1</td>
<td>Amended</td>
<td>93</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-19-8-3</td>
<td>Amended</td>
<td>201</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-19-9-2</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-9-8</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-10-0.5</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-11-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-19-12-5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-15-1</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-15-2</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-17-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-17-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-17-2</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-19-17-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-17-4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-17-5</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-18-5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-19-19-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-19-4</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>100-2005</td>
</tr>
<tr>
<td>31-19-28-1</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-30-1-3</td>
<td>Amended</td>
<td>202</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-33-1-1</td>
<td>Amended</td>
<td>94</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-1.5</td>
<td>New</td>
<td>95</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-1.5-5.5</td>
<td>New</td>
<td>214</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>31-33-2-1</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-2</td>
<td>Amended</td>
<td>96</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-2</td>
<td>Amended</td>
<td>215</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>31-33-2-2.1</td>
<td>New</td>
<td>216</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>31-33-2-2.3</td>
<td>New</td>
<td>97</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-3</td>
<td>Amended</td>
<td>98</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-4</td>
<td>Amended</td>
<td>99</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-6</td>
<td>Amended</td>
<td>100</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-7</td>
<td>Repealed</td>
<td>192</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-2-8</td>
<td>Amended</td>
<td>101</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-3-1</td>
<td>Amended</td>
<td>102</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-3-4</td>
<td>Amended</td>
<td>103</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-3-5</td>
<td>Amended</td>
<td>104</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-3-6</td>
<td>Amended</td>
<td>105</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------------</td>
<td>---------</td>
</tr>
<tr>
<td>31-33-4-2</td>
<td>Amended</td>
<td>106</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-5-4</td>
<td>Amended</td>
<td>107</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-1</td>
<td>Amended</td>
<td>108</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-2</td>
<td>Amended</td>
<td>109</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-3</td>
<td>Amended</td>
<td>110</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-4</td>
<td>Amended</td>
<td>111</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-5</td>
<td>Amended</td>
<td>112</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-6</td>
<td>Amended</td>
<td>113</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-6.5</td>
<td>Amended</td>
<td>114</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-7</td>
<td>Amended</td>
<td>115</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-7-8</td>
<td>Amended</td>
<td>116</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-1</td>
<td>Amended</td>
<td>117</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-2</td>
<td>Amended</td>
<td>118</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-3</td>
<td>Amended</td>
<td>119</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-5</td>
<td>Amended</td>
<td>120</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-6</td>
<td>Amended</td>
<td>121</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-7</td>
<td>Amended</td>
<td>122</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-8</td>
<td>Amended</td>
<td>123</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-9</td>
<td>Amended</td>
<td>124</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-11</td>
<td>Amended</td>
<td>125</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-12</td>
<td>Amended</td>
<td>126</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-8-13</td>
<td>Amended</td>
<td>127</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-9-1</td>
<td>Amended</td>
<td>128</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-9-2</td>
<td>Amended</td>
<td>129</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-9-3</td>
<td>Amended</td>
<td>130</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-10-2</td>
<td>Amended</td>
<td>131</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-10-3</td>
<td>Amended</td>
<td>132</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-11-1</td>
<td>Amended</td>
<td>133</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-12-1</td>
<td>Amended</td>
<td>134</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-12-2</td>
<td>Amended</td>
<td>135</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-12-3</td>
<td>Amended</td>
<td>136</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-13-1</td>
<td>Amended</td>
<td>137</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-13-2</td>
<td>Amended</td>
<td>138</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-13-3</td>
<td>Amended</td>
<td>139</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-13-4</td>
<td>Amended</td>
<td>140</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-13-5</td>
<td>Amended</td>
<td>141</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-14-1</td>
<td>Amended</td>
<td>142</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-14-2</td>
<td>Amended</td>
<td>143</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-1</td>
<td>Amended</td>
<td>144</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-2</td>
<td>Amended</td>
<td>145</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-3</td>
<td>Amended</td>
<td>146</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-4</td>
<td>Amended</td>
<td>147</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-5</td>
<td>Amended</td>
<td>148</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
<td>-----</td>
<td>-----------</td>
<td>------</td>
</tr>
<tr>
<td>31-33-17-6 ..........</td>
<td>Amended</td>
<td>149</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-7 ..........</td>
<td>Amended</td>
<td>150</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-8 ..........</td>
<td>Amended</td>
<td>151</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-17-10 ........</td>
<td>Amended</td>
<td>152</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-18-1 ..........</td>
<td>Amended</td>
<td>153</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-18-1.5 .......</td>
<td>Amended</td>
<td>154</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-18-2 ..........</td>
<td>Amended</td>
<td>155</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-18-3 ..........</td>
<td>Amended</td>
<td>156</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-18-4 ..........</td>
<td>Amended</td>
<td>157</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-19-1 ..........</td>
<td>Amended</td>
<td>158</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-19-4 ..........</td>
<td>Amended</td>
<td>159</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-19-8 ..........</td>
<td>Amended</td>
<td>160</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-19-9 ..........</td>
<td>Amended</td>
<td>161</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-20-1 ..........</td>
<td>Amended</td>
<td>162</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-20-2 ..........</td>
<td>Amended</td>
<td>163</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-20-3 ..........</td>
<td>Amended</td>
<td>164</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-20-4 ..........</td>
<td>Amended</td>
<td>165</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-22-3 ..........</td>
<td>Amended</td>
<td>166</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-33-22-5 ..........</td>
<td>Amended</td>
<td>167</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-1-1 ..........</td>
<td>Amended</td>
<td>76</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-34-1-2 ..........</td>
<td>Amended</td>
<td>77</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-34-1-4 ..........</td>
<td>Amended</td>
<td>78</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-34-1-5 ..........</td>
<td>Amended</td>
<td>79</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-34-1-6 ..........</td>
<td>Amended</td>
<td>80</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-34-1-7 ..........</td>
<td>Amended</td>
<td>203</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-34-1-11 ..........</td>
<td>Amended</td>
<td>81</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-34-2-6 ..........</td>
<td>Amended</td>
<td>168</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-2.5-2 ..........</td>
<td>Amended</td>
<td>169</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-2.5-3 ..........</td>
<td>Amended</td>
<td>170</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-2.5-4 ..........</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-34-2.5-4 ..........</td>
<td>Amended</td>
<td>171</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-3-1 ..........</td>
<td>Amended</td>
<td>172</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-3-2 ..........</td>
<td>Amended</td>
<td>173</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-3-3 ..........</td>
<td>Amended</td>
<td>174</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-3-5 ..........</td>
<td>Amended</td>
<td>175</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-4-2 ..........</td>
<td>Amended</td>
<td>176</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-8-4 ..........</td>
<td>Amended</td>
<td>177</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-8-5 ..........</td>
<td>Amended</td>
<td>178</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-8-7 ..........</td>
<td>Amended</td>
<td>179</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-9-8 ..........</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-34-10-2 ..........</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-34-10-3 ..........</td>
<td>Amended</td>
<td>180</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-18-1.2 .......</td>
<td>Amended</td>
<td>204</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
</tbody>
</table>
## Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>31-34-18-6.1</td>
<td>Amended</td>
<td>181</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-19-7</td>
<td>Amended</td>
<td>182</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-20-1.5</td>
<td>Amended</td>
<td>183</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-20-5</td>
<td>Amended</td>
<td>205</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-34-20-6</td>
<td>Amended</td>
<td>206</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-34-21-7.5</td>
<td>Amended</td>
<td>184</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-34-21-10</td>
<td>Amended</td>
<td>207</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-34-22-2</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-34-23-1</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-34-23-4</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>31-34-24-8</td>
<td>Amended</td>
<td>208</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-34-24-18</td>
<td>Amended</td>
<td>185</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-35-1-6</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-35-1-11</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>31-35-1-12</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-35-6-4</td>
<td>Amended</td>
<td>57</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>31-37-2-3</td>
<td>Amended</td>
<td>209</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-17-1.2</td>
<td>Amended</td>
<td>210</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-17-6.1</td>
<td>Amended</td>
<td>186</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-19-6.5</td>
<td>Amended</td>
<td>187</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-37-19-26</td>
<td>Amended</td>
<td>211</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-19-27</td>
<td>Amended</td>
<td>212</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-20-6</td>
<td>Amended</td>
<td>213</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-22-6</td>
<td>Amended</td>
<td>214</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-24-8</td>
<td>Amended</td>
<td>215</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>31-37-24-18</td>
<td>Amended</td>
<td>188</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-39-2-13.5</td>
<td>Amended</td>
<td>189</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-39-8-4</td>
<td>Amended</td>
<td>190</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>31-40-1-1.7</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>31-40-2-1.7</td>
<td>New</td>
<td>82</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
</tbody>
</table>

### Title 32

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>32-17-9-6</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>141-2005</td>
</tr>
<tr>
<td>32-17-5-4-1</td>
<td>Amended</td>
<td>54</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>32-21-4-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>156-2005</td>
</tr>
<tr>
<td>32-25-1-2</td>
<td>Amended</td>
<td>83</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>32-25-2-5</td>
<td>Amended</td>
<td>84</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>32-25-2-7</td>
<td>Amended</td>
<td>85</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>32-27-2-7</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>32-27-2-8</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>165-2005</td>
</tr>
<tr>
<td>32-29-1-11</td>
<td>Amended</td>
<td>86</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>32-29-7-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------</td>
<td>------</td>
</tr>
<tr>
<td>32-29-7-3</td>
<td>Amended</td>
<td>55</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>32-29-7-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>167-2005</td>
</tr>
<tr>
<td>32-30-1-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>79-2005</td>
</tr>
<tr>
<td>32-30-1-7</td>
<td>Repealed</td>
<td>2</td>
<td>07/01/2005</td>
<td>79-2005</td>
</tr>
<tr>
<td>32-30-6-1.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>32-30-6-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>32-30-6-7</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>32-30-6-9</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>23-2005</td>
</tr>
<tr>
<td>32-30-6-11</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>32-30-8-2</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>32-30-8-3</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>87-2005</td>
</tr>
<tr>
<td>32-30-10-9</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>167-2005</td>
</tr>
<tr>
<td>32-33-10-5</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>32-33-10-6</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>104-2005</td>
</tr>
<tr>
<td>32-34-1-20</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>85-2005</td>
</tr>
<tr>
<td>32-34-1-34</td>
<td>Amended</td>
<td>217</td>
<td>07/01/2004</td>
<td>246-2005</td>
</tr>
<tr>
<td>32-34-1-45</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>85-2005</td>
</tr>
<tr>
<td>32-34-3-4</td>
<td>Amended</td>
<td>218</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>32-34-9-2</td>
<td>Amended</td>
<td>219</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>32-37-1-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>181-2005</td>
</tr>
</tbody>
</table>

**Title 33**

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>33-23-3-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>32-2005</td>
</tr>
<tr>
<td>33-23-3-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>32-2005</td>
</tr>
<tr>
<td>33-23-3-4</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>32-2005</td>
</tr>
<tr>
<td>33-23-3-5</td>
<td>Amended</td>
<td>220</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>33-23-6-2</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>55-2005</td>
</tr>
<tr>
<td>33-23-8-4</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>181-2005</td>
</tr>
<tr>
<td>33-24-2-5</td>
<td>Amended</td>
<td>29</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-24-3-7</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>32-2005</td>
</tr>
<tr>
<td>33-24-5-2</td>
<td>Amended</td>
<td>10</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>33-24-6-4</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>129-2005</td>
</tr>
<tr>
<td>33-25-2-5</td>
<td>Amended</td>
<td>30</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-28-2-2</td>
<td>Amended</td>
<td>31</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-28-4-7</td>
<td>Amended</td>
<td>87</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-28-4-8</td>
<td>Amended</td>
<td>216</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>33-30-2-1</td>
<td>Amended</td>
<td>1</td>
<td>01/01/2006</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-30-2-1</td>
<td>Amended</td>
<td>88</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-30-2-2</td>
<td>Amended</td>
<td>89</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-30-3-3</td>
<td>Amended</td>
<td>32</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-33-2-9</td>
<td>Amended</td>
<td>33</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-33-15-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>33-33-15-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-15-4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-15-5</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-15-6</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-17-2</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-17-3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-17-4</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-17-5</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-17-6</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-17-7</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-22-6</td>
<td>New</td>
<td>90</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-29-2</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-29-8</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-1</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-3</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-4</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-5</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-6</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-7</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-8</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-9</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-10</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-11</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-15</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-16</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-17</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-19</td>
<td>New</td>
<td>19</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-34-3</td>
<td>Repealed</td>
<td>25</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-45-42</td>
<td>Amended</td>
<td>34</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-33-48-7.5</td>
<td>New</td>
<td>221</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>33-33-48-10</td>
<td>New</td>
<td>91</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-48-11</td>
<td>New</td>
<td>92</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-49-13</td>
<td>Amended</td>
<td>35</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-33-49-13</td>
<td>Amended</td>
<td>93</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-49-32</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>33-2005</td>
</tr>
<tr>
<td>33-33-49-33</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>33-2005</td>
</tr>
<tr>
<td>33-33-53-1</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-53-5</td>
<td>Amended</td>
<td>217</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>33-33-53-5</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>33-33-54-2</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-54-3</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
<td>-----</td>
<td>-----------</td>
<td>------</td>
</tr>
<tr>
<td>33-33-54-4</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-54-5</td>
<td>New</td>
<td>94</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-54-5</td>
<td>Repealed</td>
<td>26</td>
<td>01/01/2006</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-54-6</td>
<td>New</td>
<td>24</td>
<td>07/01/2005</td>
<td>237-2005</td>
</tr>
<tr>
<td>33-33-55-9</td>
<td>Amended</td>
<td>95</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-58-10</td>
<td>Amended</td>
<td>96</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-62-1</td>
<td>Amended</td>
<td>222</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>33-33-65-4</td>
<td>Amended</td>
<td>97</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-71-38</td>
<td>Amended</td>
<td>98</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-33-71-43</td>
<td>Amended</td>
<td>36</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-33-82-31</td>
<td>Amended</td>
<td>37</td>
<td>04/22/2005</td>
<td>58-2005</td>
</tr>
<tr>
<td>33-33-84-3</td>
<td>Amended</td>
<td>225</td>
<td>07/01/2005</td>
<td>246-2005</td>
</tr>
<tr>
<td>33-34-8-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-34-8-1</td>
<td>Amended</td>
<td>99</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-34-8-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-4-1</td>
<td>Amended</td>
<td>100</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-4-1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-4-2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-4-2</td>
<td>Amended</td>
<td>101</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-4-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-4-3</td>
<td>Amended</td>
<td>102</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-4-4</td>
<td>Amended</td>
<td>103</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-4-4</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-4-5</td>
<td>Amended</td>
<td>104</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-4-6</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-4-6</td>
<td>Amended</td>
<td>105</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-4-7</td>
<td>Amended</td>
<td>106</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-5-2</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-5-2</td>
<td>Amended</td>
<td>56</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>33-37-5-17</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-5-21.2</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-5-25</td>
<td>Amended</td>
<td>107</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-5-26</td>
<td>New</td>
<td>12</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-5-26.2</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-5-27</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-5-28</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-7-2</td>
<td>Amended</td>
<td>108</td>
<td>07/01/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-7-2</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-7-8</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-7-8</td>
<td>Amended</td>
<td>109</td>
<td>07/01/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-37-7-9</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-8-4</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-37-8-6</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective Date</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>33-38-5-6</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>159-2005</td>
</tr>
<tr>
<td>33-38-5-8</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>159-2005</td>
</tr>
<tr>
<td>33-38-5-8.1</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>159-2005</td>
</tr>
<tr>
<td>33-38-5-8.2</td>
<td>Amended</td>
<td>110</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-38-7-11</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>28-2005</td>
</tr>
<tr>
<td>33-38-8-13</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>28-2005</td>
</tr>
<tr>
<td>33-38-13-33</td>
<td>Amended</td>
<td>111</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>33-39-1-2</td>
<td>Amended</td>
<td>37</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>33-39-1-6</td>
<td>Amended</td>
<td>38</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>33-39-1-8</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-39-8-5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>33-42-6-1</td>
<td>Amended</td>
<td>112</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
</tbody>
</table>

### Title 34

<p>| 34-6-2-3.3          | New        | 1   | 07/01/2005     | 116-2005 |
| 34-6-2-33.5         | New        | 2   | 07/01/2005     | 179-2005 |
| 34-6-2-44.3         | New        | 2   | 07/01/2005     | 116-2005 |
| 34-6-2-44.3         | New        | 3   | 07/01/2005     | 179-2005 |
| 34-6-2-44.4         | New        | 4   | 07/01/2005     | 179-2005 |
| 34-6-2-44.7         | New        | 1   | 07/01/2005     | 112-2005 |
| 34-6-2-71.9         | New        | 5   | 07/01/2005     | 179-2005 |
| 34-6-2-73.5         | New        | 6   | 07/01/2005     | 179-2005 |
| 34-6-2-73.7         | New        | 7   | 07/01/2005     | 179-2005 |
| 34-6-2-82.6         | New        | 4   | 02/17/2005     | 5-2005  |
| 34-6-2-88.3         | New        | 1   | 07/01/2005     | 149-2005 |
| 34-6-2-135.5        | New        | 8   | 07/01/2005     | 179-2005 |
| 34-6-2-142.6        | New        | 5   | 02/17/2005     | 5-2005  |
| 34-7-4-2            | Amended    | 58  | 07/01/2005     | 68-2005 |
| 34-11-2-10.5        | New        | 1   | 07/01/2005     | 43-2005 |
| 34-11-8-1           | Amended    | 113 | 04/25/2005     | 2-2005  |
| 34-13-1-2           | Repealed   | 131 | 04/25/2005     | 2-2005  |
| 34-13-3-3           | Amended    | 14  | 07/01/2005     | 208-2005 |
| 34-13-3-3           | Amended    | 218 | 07/01/2005     | 1-2005  |
| 34-16-1-4           | Amended    | 224 | 07/01/2005     | 246-2005 |
| 34-17-3-2           | Amended    | 34  | 07/01/2005     | 119-2005 |
| 34-24-1-1           | Amended    | 1   | 07/01/2005     | 45-2005 |
| 34-24-1-1           | Amended    | 75  | 07/01/2005     | 212-2005 |
| 34-24-1-1           | Amended    | 17  | 07/01/2005     | 160-2005 |
| 34-24-1-1           | Amended    | 4   | 07/01/2005     | 181-2005 |
| 34-24-2-2           | Amended    | 40  | 05/11/2005     | 222-2005 |
| 34-24-2-3           | Amended    | 41  | 05/11/2005     | 222-2005 |</p>
<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>34-24-2-4 ..........</td>
<td>Amended</td>
<td>42</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>34-24-2-5 ..........</td>
<td>Amended</td>
<td>43</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>34-24-2-6 ..........</td>
<td>Amended</td>
<td>44</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>34-24-2-8 ..........</td>
<td>Amended</td>
<td>45</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>34-26-5-9 ..........</td>
<td>Amended</td>
<td>59</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>34-26-5-16 ..........</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>34-28-5-1 ..........</td>
<td>Amended</td>
<td>24</td>
<td>06/01/2005</td>
<td>176-2005</td>
</tr>
<tr>
<td>34-28-5-1 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>200-2005</td>
</tr>
<tr>
<td>34-28-5-4 ..........</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>200-2005</td>
</tr>
<tr>
<td>34-28-5-8 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>200-2005</td>
</tr>
<tr>
<td>34-30-2-2 ..........</td>
<td>Amended</td>
<td>205</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>34-30-2-3 ..........</td>
<td>Amended</td>
<td>206</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>34-30-2-3.8 ........</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>239-2005</td>
</tr>
<tr>
<td>34-30-2-8 ..........</td>
<td>Amended</td>
<td>207</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>34-30-2-10.5 .......</td>
<td>New</td>
<td>13</td>
<td>07/01/2005</td>
<td>52-2005</td>
</tr>
<tr>
<td>34-30-2-16 ..........</td>
<td>Repealed</td>
<td>47</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>34-30-2-25 ..........</td>
<td>Amended</td>
<td>208</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>34-30-2-30.5 .......</td>
<td>New</td>
<td>75</td>
<td>07/01/2005</td>
<td>210-2005</td>
</tr>
<tr>
<td>34-30-2-43.3 ........</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>34-30-2-45.2 ........</td>
<td>New</td>
<td>29</td>
<td>05/06/2005</td>
<td>145-2005</td>
</tr>
<tr>
<td>34-30-2-84.5 ........</td>
<td>Repealed</td>
<td>240</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-30-2-85 ..........</td>
<td>Amended</td>
<td>219</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-30-2-85.1 .......</td>
<td>Amended</td>
<td>220</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-30-2-85.2 .......</td>
<td>Amended</td>
<td>221</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-30-2-85.5 .......</td>
<td>Amended</td>
<td>222</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-30-2-87 ..........</td>
<td>Amended</td>
<td>209</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>34-30-2-116.9 .......</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>138-2005</td>
</tr>
<tr>
<td>34-30-2-119.7 .......</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>245-2005</td>
</tr>
<tr>
<td>34-30-2-122.5 .......</td>
<td>New</td>
<td>57</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>34-30-2-125.5 .......</td>
<td>Amended</td>
<td>114</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>34-30-2-131 ..........</td>
<td>Amended</td>
<td>58</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>34-30-2-132.4 .......</td>
<td>New</td>
<td>59</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>34-30-2-132.6 .......</td>
<td>New</td>
<td>60</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>34-30-2-132.8 .......</td>
<td>New</td>
<td>61</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>34-30-2-151.2 .......</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>34-30-2-152.2 .......</td>
<td>New</td>
<td>6</td>
<td>05/04/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>34-30-2-152.2 .......</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>34-30-4-2 ..........</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>38-2005</td>
</tr>
<tr>
<td>34-30-13-1 ..........</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>116-2005</td>
</tr>
<tr>
<td>34-30-14-6 ..........</td>
<td>Amended</td>
<td>223</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-30-21 ..........</td>
<td>New</td>
<td>6</td>
<td>02/17/2005</td>
<td>5-2005</td>
</tr>
<tr>
<td>34-30-22 ..........</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>116-2005</td>
</tr>
<tr>
<td>34-31-7 ..........</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>149-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>------------</td>
<td>------</td>
</tr>
<tr>
<td>34-46-2-12</td>
<td>Amended</td>
<td>224</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-46-2-13</td>
<td>Amended</td>
<td>225</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-46-2-14</td>
<td>Amended</td>
<td>226</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>34-46-2-27</td>
<td>Repealed</td>
<td>2</td>
<td>04/19/2005</td>
<td>41-2005</td>
</tr>
<tr>
<td>34-54-11-2</td>
<td>Amended</td>
<td>62</td>
<td>07/01/2005</td>
<td>238-2005</td>
</tr>
<tr>
<td>34-55-10-1</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-2</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-2.5</td>
<td>New</td>
<td>11</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-3</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-4</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-5</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-6</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-7</td>
<td>Repealed</td>
<td>20</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-8</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-9</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-10</td>
<td>Repealed</td>
<td>20</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-11</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-55-10-12</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>179-2005</td>
</tr>
<tr>
<td>34-57-5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>112-2005</td>
</tr>
</tbody>
</table>

Title 35

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>35-32-2-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>115-2005</td>
</tr>
<tr>
<td>35-33-1-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>50-2005</td>
</tr>
<tr>
<td>35-33-2-2</td>
<td>Amended</td>
<td>115</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-33-4-1</td>
<td>Amended</td>
<td>116</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-33-5-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>187-2005</td>
</tr>
<tr>
<td>35-33-5-2</td>
<td>Amended</td>
<td>117</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-33-5-3</td>
<td>Amended</td>
<td>118</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-33-5-5</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>187-2005</td>
</tr>
<tr>
<td>35-33-6-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>94-2005</td>
</tr>
<tr>
<td>35-33-6-2.5</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>94-2005</td>
</tr>
<tr>
<td>35-33-6-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>94-2005</td>
</tr>
<tr>
<td>35-33-6-4</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>94-2005</td>
</tr>
<tr>
<td>35-33-6-6</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>94-2005</td>
</tr>
<tr>
<td>35-33-8-3.2</td>
<td>Amended</td>
<td>4</td>
<td>04/07/2005</td>
<td>10-2005</td>
</tr>
<tr>
<td>35-34-1-2</td>
<td>Amended</td>
<td>119</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-35-3-1</td>
<td>Amended</td>
<td>1</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-37-2.5</td>
<td>Repealed</td>
<td>9</td>
<td>05/11/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>35-37-2.5</td>
<td>New</td>
<td>2</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-37-4-6</td>
<td>Amended</td>
<td>120</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-37-4-8</td>
<td>Amended</td>
<td>121</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-37-6-2</td>
<td>Amended</td>
<td>122</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>35-38-1-7.1</td>
<td>Amended</td>
<td>3</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-38-1-7.1</td>
<td>Amended</td>
<td>3</td>
<td>05/11/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>35-38-1-17</td>
<td>Amended</td>
<td>123</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-38-2-1.8</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>14-2005</td>
</tr>
<tr>
<td>35-38-2-3</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>13-2005</td>
</tr>
<tr>
<td>35-38-2.5-2.5</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>31-2005</td>
</tr>
<tr>
<td>35-38-2.5-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>31-2005</td>
</tr>
<tr>
<td>35-38-2.5-4.7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>31-2005</td>
</tr>
<tr>
<td>35-38-2.5-7</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>31-2005</td>
</tr>
<tr>
<td>35-38-2.5-10</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>31-2005</td>
</tr>
<tr>
<td>35-38-2.5-12</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>31-2005</td>
</tr>
<tr>
<td>35-38-2.6-1</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>35-38-5-5</td>
<td>Amended</td>
<td>124</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-41-1-1</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>115-2005</td>
</tr>
<tr>
<td>35-41-1-17</td>
<td>Amended</td>
<td>46</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>35-41-1-24.7</td>
<td>Amended</td>
<td>227</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>35-42-2-1</td>
<td>Amended</td>
<td>125</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-42-3-4</td>
<td>Amended</td>
<td>60</td>
<td>07/01/2005</td>
<td>68-2005</td>
</tr>
<tr>
<td>35-42-4-6</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>124-2005</td>
</tr>
<tr>
<td>35-42-4-7</td>
<td>Amended</td>
<td>228</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>35-43-4-2.7</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>143-2005</td>
</tr>
<tr>
<td>35-43-4-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>143-2005</td>
</tr>
<tr>
<td>35-43-5-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>181-2005</td>
</tr>
<tr>
<td>35-43-5-1</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>171-2005</td>
</tr>
<tr>
<td>35-43-5-1</td>
<td>Amended</td>
<td>170</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>35-43-5-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>45-2005</td>
</tr>
<tr>
<td>35-43-5-4</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>181-2005</td>
</tr>
<tr>
<td>35-43-5-4.5</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>181-2005</td>
</tr>
<tr>
<td>35-43-5-18</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>171-2005</td>
</tr>
<tr>
<td>35-43-5-19</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>171-2005</td>
</tr>
<tr>
<td>35-43-10</td>
<td>New</td>
<td>76</td>
<td>01/01/2006</td>
<td>212-2005</td>
</tr>
<tr>
<td>35-44-1-1</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>103-2005</td>
</tr>
<tr>
<td>35-44-1-1</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>35-44-1-2</td>
<td>Amended</td>
<td>48</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>35-44-1-7</td>
<td>Amended</td>
<td>49</td>
<td>05/11/2005</td>
<td>222-2005</td>
</tr>
<tr>
<td>35-44-2-2</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>35-45-4-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>7-2005</td>
</tr>
<tr>
<td>35-45-5-1</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>35-45-5-2</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>35-45-5-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>35-45-5-4.5</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>35-45-5-4.6</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>35-45-5-4.7</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>70-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>--------------</td>
<td>--------</td>
</tr>
<tr>
<td>35-45-17</td>
<td>New</td>
<td>8</td>
<td>07/01/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>35-46-1-8</td>
<td>Amended</td>
<td>126</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-46-1-9</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>130-2005</td>
</tr>
<tr>
<td>35-46-1-14</td>
<td>Amended</td>
<td>127</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-46-5-2</td>
<td>New</td>
<td>9</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>35-46-5-3</td>
<td>New</td>
<td>10</td>
<td>05/04/2005</td>
<td>126-2005</td>
</tr>
<tr>
<td>35-46-8</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>94-2005</td>
</tr>
<tr>
<td>35-47-1-7</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>49-2005</td>
</tr>
<tr>
<td>35-47-2-3</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>49-2005</td>
</tr>
<tr>
<td>35-47-2-3</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>187-2005</td>
</tr>
<tr>
<td>35-47-4.5-3</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>170-2005</td>
</tr>
<tr>
<td>35-47-4.5-3</td>
<td>Amended</td>
<td>11</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>35-47-6.1-1</td>
<td>New</td>
<td>2</td>
<td>07/01/2005</td>
<td>50-2005</td>
</tr>
<tr>
<td>35-47-13</td>
<td>New</td>
<td>9</td>
<td>05/04/2005</td>
<td>140-2005</td>
</tr>
<tr>
<td>35-47-13</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>187-2005</td>
</tr>
<tr>
<td>35-47.5-4.5</td>
<td>Amended</td>
<td>7</td>
<td>04/25/2005</td>
<td>80-2005</td>
</tr>
<tr>
<td>35-47.5-4.5</td>
<td>Amended</td>
<td>128</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-48-3-9</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>35-48-4.14.5</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>35-48-4.14.7</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>192-2005</td>
</tr>
<tr>
<td>35-48-7.5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>35-48-7.8</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>204-2005</td>
</tr>
<tr>
<td>35-50-1-2</td>
<td>Amended</td>
<td>4</td>
<td>05/11/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>35-50-1-2</td>
<td>Amended</td>
<td>4</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-1.3</td>
<td>New</td>
<td>5</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-1.8</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>53-2005</td>
</tr>
<tr>
<td>35-50-2-2</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>35-50-2-3</td>
<td>Amended</td>
<td>6</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-4</td>
<td>Amended</td>
<td>7</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-5</td>
<td>Amended</td>
<td>8</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-6</td>
<td>Amended</td>
<td>9</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-7</td>
<td>Amended</td>
<td>10</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-8</td>
<td>Amended</td>
<td>11</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-8.5</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>53-2005</td>
</tr>
<tr>
<td>35-50-2-10</td>
<td>Amended</td>
<td>5</td>
<td>05/11/2005</td>
<td>213-2005</td>
</tr>
<tr>
<td>35-50-2-10</td>
<td>Amended</td>
<td>12</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-11</td>
<td>Amended</td>
<td>13</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-13</td>
<td>Amended</td>
<td>14</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-2-14</td>
<td>Amended</td>
<td>15</td>
<td>04/25/2005</td>
<td>71-2005</td>
</tr>
<tr>
<td>35-50-5-1.1</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>119-2005</td>
</tr>
<tr>
<td>35-50-5-3</td>
<td>Amended</td>
<td>129</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>35-50-6-3.3</td>
<td>Amended</td>
<td>229</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>35-50-6-8</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>53-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------</td>
<td>-----</td>
<td>-----------</td>
<td>----------</td>
</tr>
<tr>
<td>36-1-2-7</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-1-3-8</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>200-2005</td>
</tr>
<tr>
<td>36-1-6-2</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>131-2005</td>
</tr>
<tr>
<td>36-1-7-13</td>
<td>Amended</td>
<td>230</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-7-15</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-1-8-5</td>
<td>Amended</td>
<td>171</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>36-1-8-9</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-1-8-9.5</td>
<td>New</td>
<td>29</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-1-8-10.5</td>
<td>Amended</td>
<td>231</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-8-15</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>88-2005</td>
</tr>
<tr>
<td>36-1-10-1</td>
<td>Amended</td>
<td>232</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-10.5-1</td>
<td>Amended</td>
<td>233</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-11-1</td>
<td>Amended</td>
<td>234</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-11-1</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>184-2005</td>
</tr>
<tr>
<td>36-1-12.5-1.5</td>
<td>Amended</td>
<td>235</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-14-1</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>231-2005</td>
</tr>
<tr>
<td>36-1-14-1</td>
<td>Amended</td>
<td>236</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-1-17</td>
<td>New</td>
<td>1</td>
<td>05/04/2005</td>
<td>128-2005</td>
</tr>
<tr>
<td>36-2-2-4</td>
<td>Amended</td>
<td>82</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-2-3-4</td>
<td>Amended</td>
<td>83</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-2-5-13</td>
<td>Amended</td>
<td>2</td>
<td>01/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-2-6-4.5</td>
<td>Amended</td>
<td>191</td>
<td>07/01/2005</td>
<td>234-2005</td>
</tr>
<tr>
<td>36-2-7.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>91-2005</td>
</tr>
<tr>
<td>36-2-9-1</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-2-9-7</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-2-9-8</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-2-9-14</td>
<td>Amended</td>
<td>172</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>36-2-9-20</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>177-2005</td>
</tr>
<tr>
<td>36-2-9.5</td>
<td>New</td>
<td>16</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-2-15-2</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>88-2005</td>
</tr>
<tr>
<td>36-3-1-5.1</td>
<td>New</td>
<td>17</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-1-6.1</td>
<td>New</td>
<td>18</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-1-6.2</td>
<td>New</td>
<td>19</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-2-3</td>
<td>Amended</td>
<td>20</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-4-3</td>
<td>Amended</td>
<td>84</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-3-5-2</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-2.5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-2.6</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-2.7</td>
<td>New</td>
<td>24</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-2.8</td>
<td>New</td>
<td>25</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-----</td>
<td>-------------</td>
<td>-----------</td>
</tr>
<tr>
<td>36-3-5-4</td>
<td>Amended</td>
<td>26</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-9</td>
<td>New</td>
<td>27</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-10</td>
<td>New</td>
<td>28</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-11</td>
<td>New</td>
<td>29</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-5-12</td>
<td>New</td>
<td>30</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-6-4</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-6-5</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-6-6</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-6-8</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-6-9</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-3-7-5</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>131-2005</td>
</tr>
<tr>
<td>36-4-1-3</td>
<td>Repealed</td>
<td>8</td>
<td>04/28/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-1-4</td>
<td>Repealed</td>
<td>8</td>
<td>04/28/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-1-9</td>
<td>Amended</td>
<td>1</td>
<td>04/28/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-1-5</td>
<td>Amended</td>
<td>2</td>
<td>04/28/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-3-4</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-3-4.1</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-3-9</td>
<td>Amended</td>
<td>5</td>
<td>01/01/2004</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-3-11</td>
<td>Amended</td>
<td>6</td>
<td>04/28/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-3-13</td>
<td>Amended</td>
<td>7</td>
<td>04/28/2005</td>
<td>111-2005</td>
</tr>
<tr>
<td>36-4-6-3</td>
<td>Amended</td>
<td>85</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-4-6-4</td>
<td>Amended</td>
<td>86</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-4-6-5</td>
<td>Amended</td>
<td>87</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-5-2-4.1</td>
<td>Amended</td>
<td>88</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-6-1.5</td>
<td>New</td>
<td>3</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-6-1.6</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-6-4-2</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>88-2005</td>
</tr>
<tr>
<td>36-6-4-3</td>
<td>Amended</td>
<td>173</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>36-6-4-3</td>
<td>Amended</td>
<td>36</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-6-4-11</td>
<td>Amended</td>
<td>174</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>36-6-5-1</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>88-2005</td>
</tr>
<tr>
<td>36-6-5-1</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-6-6-2</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-6-6-2.1</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-6-6-2.5</td>
<td>Amended</td>
<td>89</td>
<td>07/01/2005</td>
<td>230-2005</td>
</tr>
<tr>
<td>36-6-6-3</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-6-6-4</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>240-2005</td>
</tr>
<tr>
<td>36-7-1-3</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-1-18</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-2-9</td>
<td>Amended</td>
<td>50</td>
<td>04/15/2005</td>
<td>22-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective Date</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>-----</td>
<td>----------------</td>
<td>------</td>
</tr>
<tr>
<td>36-7-2-10</td>
<td>New</td>
<td>6</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>36-7-4-201</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>82-2005</td>
</tr>
<tr>
<td>36-7-4-100</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-9-4</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>66-2005</td>
</tr>
<tr>
<td>36-7-13-3.4</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-13-4</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-13-10.5</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-13-12</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-13-13.1</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-13-13.5</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-13-13.6</td>
<td>Amended</td>
<td>35</td>
<td>01/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-13-21</td>
<td>New</td>
<td>9</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-13-22</td>
<td>New</td>
<td>10</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-13.5-11</td>
<td>Amended</td>
<td>133</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-14-1</td>
<td>Amended</td>
<td>5</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-14-1.5</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-2</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-3</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-14-6.1</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-14-8</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-14-11</td>
<td>Amended</td>
<td>9</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-12.2</td>
<td>Amended</td>
<td>10</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-15</td>
<td>Amended</td>
<td>11</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-15.5</td>
<td>Amended</td>
<td>12</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-16</td>
<td>Amended</td>
<td>13</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-14-16.5</td>
<td>Amended</td>
<td>14</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-18.5</td>
<td>Amended</td>
<td>15</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-20</td>
<td>Amended</td>
<td>16</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-22.2</td>
<td>Amended</td>
<td>134</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-14-25.1</td>
<td>Amended</td>
<td>17</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-30</td>
<td>Amended</td>
<td>18</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-32</td>
<td>Amended</td>
<td>19</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-34</td>
<td>Amended</td>
<td>20</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-36</td>
<td>Amended</td>
<td>21</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-39</td>
<td>Amended</td>
<td>135</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-14-39.5</td>
<td>Amended</td>
<td>22</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-40</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>216-2005</td>
</tr>
<tr>
<td>36-7-14-42</td>
<td>Amended</td>
<td>23</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-44.2</td>
<td>Amended</td>
<td>24</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-14-44.2</td>
<td>Amended</td>
<td>136</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-14.5-11</td>
<td>Amended</td>
<td>10</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-14.5-12.3</td>
<td>New</td>
<td>11</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>Affected Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------</td>
<td>-----</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>36-7-14.5-12.5</td>
<td>Amended</td>
<td>12</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-15.1-2</td>
<td>Amended</td>
<td>25</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-6</td>
<td>Amended</td>
<td>27</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-7</td>
<td>Amended</td>
<td>28</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-8</td>
<td>Amended</td>
<td>29</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-9</td>
<td>Amended</td>
<td>30</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-10.5</td>
<td>Amended</td>
<td>31</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-12</td>
<td>Amended</td>
<td>32</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-13</td>
<td>Amended</td>
<td>33</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-15.2</td>
<td>Amended</td>
<td>137</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-15.1-17</td>
<td>Amended</td>
<td>34</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-20</td>
<td>Amended</td>
<td>35</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-22</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-22.5</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-26</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>216-2005</td>
</tr>
<tr>
<td>36-7-15.1-26</td>
<td>Amended</td>
<td>138</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-15.1-26</td>
<td>Amended</td>
<td>38</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-26-30</td>
<td>Amended</td>
<td>39</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-31</td>
<td>Amended</td>
<td>40</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-33</td>
<td>Amended</td>
<td>41</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-36</td>
<td>Amended</td>
<td>42</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-36.2</td>
<td>Amended</td>
<td>139</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-15.1-37</td>
<td>Amended</td>
<td>13</td>
<td>05/07/2005</td>
<td>190-2005</td>
</tr>
<tr>
<td>36-7-15.1-40</td>
<td>Amended</td>
<td>43</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-42</td>
<td>Amended</td>
<td>44</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-45</td>
<td>Amended</td>
<td>45</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-53</td>
<td>Amended</td>
<td>140</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-15.1-53</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>216-2005</td>
</tr>
<tr>
<td>36-7-15.1-53</td>
<td>Amended</td>
<td>46</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.1-58</td>
<td>Amended</td>
<td>47</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.2-10</td>
<td>Amended</td>
<td>48</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-15.2-15</td>
<td>Amended</td>
<td>210</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>36-7-15.2-16</td>
<td>Amended</td>
<td>211</td>
<td>05/15/2005</td>
<td>235-2005</td>
</tr>
<tr>
<td>36-7-16-4</td>
<td>Amended</td>
<td>49</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-25-3</td>
<td>Amended</td>
<td>50</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-26-14</td>
<td>Amended</td>
<td>51</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-30-10</td>
<td>Amended</td>
<td>52</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-30-16</td>
<td>Amended</td>
<td>53</td>
<td>07/01/2005</td>
<td>185-2005</td>
</tr>
<tr>
<td>36-7-30-25</td>
<td>Amended</td>
<td>141</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-30.1</td>
<td>New</td>
<td>7</td>
<td>02/17/2005</td>
<td>5-2005</td>
</tr>
<tr>
<td>36-7-30.5</td>
<td>New</td>
<td>11</td>
<td>05/11/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-31-10</td>
<td>Amended</td>
<td>66</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>Provisions</td>
<td>Type</td>
<td>SEC</td>
<td>Effective</td>
<td>P.L.</td>
</tr>
<tr>
<td>---------------</td>
<td>---------</td>
<td>------</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>36-7-31-11</td>
<td>Amended</td>
<td>67</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-7-31-12</td>
<td>Amended</td>
<td>36</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-31-14</td>
<td>Amended</td>
<td>68</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-7-31-14.1</td>
<td>New</td>
<td>69</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-7-31-21</td>
<td>Amended</td>
<td>70</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-7-31-23</td>
<td>Amended</td>
<td>71</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-7-31.3-9</td>
<td>Amended</td>
<td>130</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>36-7-31.3-9</td>
<td>Amended</td>
<td>72</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-7-31.3-11</td>
<td>Amended</td>
<td>37</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-32-6.5</td>
<td>New</td>
<td>38</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-32-8.5</td>
<td>New</td>
<td>39</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>36-7-32-9</td>
<td>Amended</td>
<td>142</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-32-10</td>
<td>Amended</td>
<td>143</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-32-12</td>
<td>Amended</td>
<td>145</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-32-13</td>
<td>Amended</td>
<td>146</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-32-14</td>
<td>Amended</td>
<td>147</td>
<td>02/09/2005</td>
<td>4-2005</td>
</tr>
<tr>
<td>36-7-32-23</td>
<td>Amended</td>
<td>13</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-32-26</td>
<td>New</td>
<td>14</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-32-27</td>
<td>New</td>
<td>15</td>
<td>07/01/2005</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-34</td>
<td>New</td>
<td>16</td>
<td>01/01/2006</td>
<td>203-2005</td>
</tr>
<tr>
<td>36-7-5</td>
<td>New</td>
<td>73</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-8-3-6</td>
<td>Amended</td>
<td>37</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-5-1</td>
<td>Amended</td>
<td>38</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-1</td>
<td>Amended</td>
<td>39</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-4</td>
<td>Amended</td>
<td>40</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-5</td>
<td>Amended</td>
<td>41</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-6</td>
<td>Amended</td>
<td>42</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-6.5</td>
<td>Amended</td>
<td>43</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-7</td>
<td>Amended</td>
<td>44</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-7-7.5-1</td>
<td>Amended</td>
<td>45</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-8-1</td>
<td>Amended</td>
<td>46</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-8-2</td>
<td>Amended</td>
<td>47</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-8-7</td>
<td>Amended</td>
<td>48</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-10-12.2</td>
<td>New</td>
<td>1</td>
<td>07/01/2005</td>
<td>97-2005</td>
</tr>
<tr>
<td>36-8-10-16</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>97-2005</td>
</tr>
<tr>
<td>36-8-12-2</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>43-2005</td>
</tr>
<tr>
<td>36-8-12-10.5</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>43-2005</td>
</tr>
<tr>
<td>36-8-12-10.7</td>
<td>New</td>
<td>4</td>
<td>07/01/2005</td>
<td>43-2005</td>
</tr>
<tr>
<td>36-8-12-10.9</td>
<td>New</td>
<td>5</td>
<td>07/01/2005</td>
<td>43-2005</td>
</tr>
<tr>
<td>36-8-13-1</td>
<td>Amended</td>
<td>49</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-16.5-15</td>
<td>Repealed</td>
<td>8</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
</tbody>
</table>
### Table of Citations Affected

<table>
<thead>
<tr>
<th>Affected Provisions</th>
<th>Type</th>
<th>SEC</th>
<th>Effective</th>
<th>P.L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>36-8-16.5-24</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-16.5-26</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-16.5-28</td>
<td>Amended</td>
<td>3</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-16.5-37</td>
<td>Amended</td>
<td>4</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-16.5-39</td>
<td>Amended</td>
<td>5</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-16.5-42</td>
<td>Amended</td>
<td>6</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-16.5-50</td>
<td>New</td>
<td>7</td>
<td>07/01/2005</td>
<td>146-2005</td>
</tr>
<tr>
<td>36-8-19-1</td>
<td>Amended</td>
<td>50</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-8-19-1.5</td>
<td>New</td>
<td>51</td>
<td>05/12/2005</td>
<td>227-2005</td>
</tr>
<tr>
<td>36-9-3-2</td>
<td>Amended</td>
<td>74</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-9-3-5</td>
<td>Amended</td>
<td>1</td>
<td>07/01/2005</td>
<td>114-2005</td>
</tr>
<tr>
<td>36-9-3-9</td>
<td>Amended</td>
<td>2</td>
<td>07/01/2005</td>
<td>114-2005</td>
</tr>
<tr>
<td>36-9-4-29.4</td>
<td>Amended</td>
<td>238</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-9-4-54</td>
<td>Amended</td>
<td>239</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-9-23-32</td>
<td>Amended</td>
<td>7</td>
<td>07/01/2005</td>
<td>131-2005</td>
</tr>
<tr>
<td>36-9-31-26</td>
<td>Repealed</td>
<td>131</td>
<td>04/25/2005</td>
<td>2-2005</td>
</tr>
<tr>
<td>36-10-7-6</td>
<td>Amended</td>
<td>175</td>
<td>07/01/2005</td>
<td>73-2005</td>
</tr>
<tr>
<td>36-10-9-6</td>
<td>Amended</td>
<td>75</td>
<td>05/15/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-10-12</td>
<td>New</td>
<td>47</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-10-13</td>
<td>New</td>
<td>48</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-11-11-2</td>
<td>Amended</td>
<td>8</td>
<td>07/01/2005</td>
<td>131-2005</td>
</tr>
<tr>
<td>36-12</td>
<td>New</td>
<td>49</td>
<td>07/01/2005</td>
<td>1-2005</td>
</tr>
<tr>
<td>36-12-7-8</td>
<td>Amended</td>
<td>76</td>
<td>07/01/2005</td>
<td>214-2005</td>
</tr>
<tr>
<td>36-12-14</td>
<td>New</td>
<td>27</td>
<td>07/01/2005</td>
<td>199-2005</td>
</tr>
<tr>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>SEA 1</td>
<td>P.L.193-2005</td>
<td>SEA 13</td>
<td>P.L.194-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 2</td>
<td>P.L.68-2005</td>
<td>SEA 14</td>
<td>P.L.150-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 8</td>
<td>P.L.112-2005</td>
<td>SEA 149</td>
<td>P.L.62-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 12</td>
<td>P.L.11-2005</td>
<td>SEA 164</td>
<td>P.L.51-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 13</td>
<td>P.L.69-2005</td>
<td>SEA 165</td>
<td>P.L.52-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 14</td>
<td>P.L.58-2005</td>
<td>SEA 172</td>
<td>P.L.30-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 15</td>
<td>P.L.103-2005</td>
<td>SEA 175</td>
<td>P.L.31-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 18</td>
<td>P.L.113-2005</td>
<td>SEA 179</td>
<td>P.L.119-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 30</td>
<td>P.L.114-2005</td>
<td>SEA 193</td>
<td>P.L.17-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 32</td>
<td>P.L.49-2005</td>
<td>SEA 195</td>
<td>P.L.63-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 43</td>
<td>P.L.26-2005</td>
<td>SEA 196</td>
<td>P.L.120-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 44</td>
<td>P.L.12-2005</td>
<td>SEA 197</td>
<td>P.L.46-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 47</td>
<td>P.L.45-2005</td>
<td>SEA 198</td>
<td>P.L.85-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 49</td>
<td>P.L.115-2005</td>
<td>SEA 200</td>
<td>P.L.105-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 54</td>
<td>P.L.116-2005</td>
<td>SEA 202</td>
<td>P.L.121-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 56</td>
<td>P.L.22-2005</td>
<td>SEA 206</td>
<td>P.L.122-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 60</td>
<td>P.L.27-2005</td>
<td>SEA 209</td>
<td>P.L.73-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 63</td>
<td>P.L.59-2005</td>
<td>SEA 212</td>
<td>P.L.32-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 64</td>
<td>P.L.117-2005</td>
<td>SEA 213</td>
<td>P.L.195-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 67</td>
<td>P.L.146-2005</td>
<td>SEA 223</td>
<td>P.L.86-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 75</td>
<td>P.L.60-2005</td>
<td>SEA 224</td>
<td>P.L.152-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 76</td>
<td>P.L.36-2005</td>
<td>SEA 225</td>
<td>P.L.18-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 77</td>
<td>P.L.104-2005</td>
<td>SEA 227</td>
<td>P.L.123-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 79</td>
<td>P.L.147-2005</td>
<td>SEA 230</td>
<td>P.L.64-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 88</td>
<td>P.L.28-2005</td>
<td>SEA 233</td>
<td>P.L.124-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 89</td>
<td>P.L.148-2005</td>
<td>SEA 242</td>
<td>P.L.153-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 92</td>
<td>P.L.70-2005</td>
<td>SEA 244</td>
<td>P.L.74-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 95</td>
<td>P.L.61-2005</td>
<td>SEA 253</td>
<td>P.L.125-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 96</td>
<td>P.L.71-2005</td>
<td>SEA 265</td>
<td>P.L.15-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 98</td>
<td>P.L.13-2005</td>
<td>SEA 266</td>
<td>P.L.75-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 100</td>
<td>P.L.118-2005</td>
<td>SEA 267</td>
<td>P.L.23-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 101</td>
<td>P.L.14-2005</td>
<td>SEA 268</td>
<td>P.L.126-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 111</td>
<td>P.L.29-2005</td>
<td>SEA 279</td>
<td>P.L.154-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 117</td>
<td>P.L.50-2005</td>
<td>SEA 282</td>
<td>P.L.155-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 125</td>
<td>P.L.72-2005</td>
<td>SEA 285</td>
<td>P.L.106-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 127</td>
<td>P.L.243-2005</td>
<td>SEA 293</td>
<td>P.L.47-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 132</td>
<td>P.L.149-2005</td>
<td>SEA 295</td>
<td>P.L.156-2005</td>
<td></td>
</tr>
<tr>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>SEA 296 .... P.L.127-2005</td>
<td>SEA 452 .... P.L.232-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 298 .... P.L.226-2005</td>
<td>SEA 453 .... P.L.19-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 301 .... P.L.65-2005</td>
<td>SEA 465 .... P.L.16-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 303 .... P.L.33-2005</td>
<td>SEA 467 .... P.L.233-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 304 .... P.L.157-2005</td>
<td>SEA 472 .... P.L.90-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 306 .... P.L.87-2005</td>
<td>SEA 474 .... P.L.132-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 307 .... P.L.227-2005</td>
<td>SEA 481 .... P.L.133-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 308 .... P.L.88-2005</td>
<td>SEA 482 .... P.L.81-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 315 .... P.L.34-2005</td>
<td>SEA 483 .... P.L.109-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 322 .... P.L.128-2005</td>
<td>SEA 484 .... P.L.24-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 326 .... P.L.76-2005</td>
<td>SEA 487 .... P.L.134-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 327 .... P.L.228-2005</td>
<td>SEA 496 .... P.L.199-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 329 .... P.L.158-2005</td>
<td>SEA 498 .... P.L.200-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 330 .... P.L.77-2005</td>
<td>SEA 503 .... P.L.91-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 332 .... P.L.78-2005</td>
<td>SEA 508 .... P.L.201-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 335 .... P.L.229-2005</td>
<td>SEA 509 .... P.L.165-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 340 .... P.L.129-2005</td>
<td>SEA 512 .... P.L.111-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 341 .... P.L.230-2005</td>
<td>SEA 513 .... P.L.35-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 352 .... P.L.66-2005</td>
<td>SEA 518 .... P.L.82-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 360 .... P.L.196-2005</td>
<td>SEA 523 .... P.L.92-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 363 .... P.L.159-2005</td>
<td>SEA 525 .... P.L.53-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 372 .... P.L.89-2005</td>
<td>SEA 527 .... P.L.93-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 373 .... P.L.79-2005</td>
<td>SEA 529 .... P.L.234-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 376 .... P.L.107-2005</td>
<td>SEA 536 .... P.L.202-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 378 .... P.L.191-2005</td>
<td>SEA 538 .... P.L.135-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 379 .... P.L.160-2005</td>
<td>SEA 539 .... P.L.136-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 382 .... P.L.161-2005</td>
<td>SEA 549 .... P.L.166-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 397 .... P.L.231-2005</td>
<td>SEA 557 .... P.L.94-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 414 .... P.L.197-2005</td>
<td>SEA 564 .... P.L.167-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 417 .... P.L.108-2005</td>
<td>SEA 566 .... P.L.95-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 419 .... P.L.198-2005</td>
<td>SEA 568 .... P.L.96-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 420 .... P.L.162-2005</td>
<td>SEA 569 .... P.L.110-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 422 .... P.L.130-2005</td>
<td>SEA 571 .... P.L.203-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 432 .... P.L.163-2005</td>
<td>SEA 572 .... P.L.20-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 433 .... P.L.164-2005</td>
<td>SEA 574 .... P.L.168-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 442 .... P.L.80-2005</td>
<td>SEA 578 .... P.L.235-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 444 .... P.L.192-2005</td>
<td>SEA 590 .... P.L.204-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEA 446 .... P.L.131-2005</td>
<td>SEA 591 .... P.L.205-2005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>SEA 603 ........</td>
<td>P.L.48-2005</td>
<td>HEA 1137 ........</td>
<td>P.L.177-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 609 ........</td>
<td>P.L.207-2005</td>
<td>HEA 1153 ........</td>
<td>P.L.238-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 611 ........</td>
<td>P.L.97-2005</td>
<td>HEA 1159 ........</td>
<td>P.L.140-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 615 ........</td>
<td>P.L.137-2005</td>
<td>HEA 1179 ........</td>
<td>P.L.141-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 620 ........</td>
<td>P.L.54-2005</td>
<td>HEA 1183 ........</td>
<td>P.L.21-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 626 ........</td>
<td>P.L.170-2005</td>
<td>HEA 1200 ........</td>
<td>P.L.189-2005</td>
<td></td>
</tr>
<tr>
<td>SEA 634 ........</td>
<td>P.L.138-2005</td>
<td>HEA 1217 ........</td>
<td>P.L.100-2005</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>HEA 1240 ........</td>
<td>P.L.8-2005</td>
</tr>
<tr>
<td>HEA 1003 ........</td>
<td>P.L.4-2005</td>
<td>HEA 1250 ........</td>
<td>P.L.190-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1004 ........</td>
<td>P.L.236-2005</td>
<td>HEA 1262 ........</td>
<td>P.L.179-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1008 ........</td>
<td>P.L.83-2005</td>
<td>HEA 1263 ........</td>
<td>P.L.55-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1021 ........</td>
<td>P.L.3-2005</td>
<td>HEA 1265 ........</td>
<td>P.L.239-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1022 ........</td>
<td>P.L.5-2005</td>
<td>HEA 1270 ........</td>
<td>P.L.143-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1032 ........</td>
<td>P.L.6-2005</td>
<td>HEA 1288 ........</td>
<td>P.L.1-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1033 ........</td>
<td>P.L.208-2005</td>
<td>HEA 1302 ........</td>
<td>P.L.40-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1052 ........</td>
<td>P.L.84-2005</td>
<td>HEA 1314 ........</td>
<td>P.L.218-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1056 ........</td>
<td>P.L.139-2005</td>
<td>HEA 1315 ........</td>
<td>P.L.219-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1063 ........</td>
<td>P.L.173-2005</td>
<td>HEA 1329 ........</td>
<td>P.L.244-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1073 ........</td>
<td>P.L.210-2005</td>
<td>HEA 1358 ........</td>
<td>P.L.41-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1075 ........</td>
<td>P.L.211-2005</td>
<td>HEA 1365 ........</td>
<td>P.L.240-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1098 ........</td>
<td>P.L.212-2005</td>
<td>HEA 1398 ........</td>
<td>P.L.2-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1099 ........</td>
<td>P.L.7-2005</td>
<td>HEA 1402 ........</td>
<td>P.L.57-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1112 ........</td>
<td>P.L.213-2005</td>
<td>HEA 1403 ........</td>
<td>P.L.181-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1113 ........</td>
<td>P.L.176-2005</td>
<td>HEA 1407 ........</td>
<td>P.L.221-2005</td>
<td></td>
</tr>
<tr>
<td>HEA 1126 ........</td>
<td>P.L.38-2005</td>
<td>HEA 1432 ........</td>
<td>P.L.42-2005</td>
<td></td>
</tr>
<tr>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>HEA 1611 . . . P.L.144-2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2005
First Regular Session 114th General Assembly

PUBLIC LAW NUMBER TO ENROLLED ACT NUMBER TABLE
prepared by
OFFICE OF CODE REVISION
LEGISLATIVE SERVICES AGENCY
Room 301, State House

<table>
<thead>
<tr>
<th>Public Law Number</th>
<th>Enrolled Act Number</th>
<th>Public Law Number</th>
<th>Enrolled Act Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.L.1-2005</td>
<td>HEA 1288</td>
<td>P.L.38-2005</td>
<td>HEA 1126</td>
</tr>
<tr>
<td>P.L.3-2005</td>
<td>HEA 1021</td>
<td>P.L.40-2005</td>
<td>HEA 1302</td>
</tr>
<tr>
<td>P.L.4-2005</td>
<td>HEA 1003</td>
<td>P.L.41-2005</td>
<td>HEA 1358</td>
</tr>
<tr>
<td>P.L.5-2005</td>
<td>HEA 1022</td>
<td>P.L.42-2005</td>
<td>HEA 1432</td>
</tr>
<tr>
<td>P.L.6-2005</td>
<td>HEA 1032</td>
<td>P.L.43-2005</td>
<td>HEA 1580</td>
</tr>
<tr>
<td>P.L.7-2005</td>
<td>HEA 1099</td>
<td>P.L.44-2005</td>
<td>HEA 1594</td>
</tr>
<tr>
<td>P.L.8-2005</td>
<td>HEA 1240</td>
<td>P.L.45-2005</td>
<td>SEA 47</td>
</tr>
<tr>
<td>P.L.9-2005</td>
<td>HEA 1540</td>
<td>P.L.46-2005</td>
<td>SEA 197</td>
</tr>
<tr>
<td>P.L.10-2005</td>
<td>HEA 1600</td>
<td>P.L.47-2005</td>
<td>SEA 293</td>
</tr>
<tr>
<td>P.L.11-2005</td>
<td>SEA 12</td>
<td>P.L.48-2005</td>
<td>SEA 603</td>
</tr>
<tr>
<td>P.L.12-2005</td>
<td>SEA 44</td>
<td>P.L.49-2005</td>
<td>SEA 32</td>
</tr>
<tr>
<td>P.L.13-2005</td>
<td>SEA 98</td>
<td>P.L.50-2005</td>
<td>SEA 117</td>
</tr>
<tr>
<td>P.L.14-2005</td>
<td>SEA 101</td>
<td>P.L.51-2005</td>
<td>SEA 164</td>
</tr>
<tr>
<td>P.L.15-2005</td>
<td>SEA 265</td>
<td>P.L.52-2005</td>
<td>SEA 165</td>
</tr>
<tr>
<td>P.L.16-2005</td>
<td>SEA 465</td>
<td>P.L.53-2005</td>
<td>SEA 525</td>
</tr>
<tr>
<td>P.L.17-2005</td>
<td>SEA 193</td>
<td>P.L.54-2005</td>
<td>SEA 620</td>
</tr>
<tr>
<td>P.L.19-2005</td>
<td>SEA 453</td>
<td>P.L.56-2005</td>
<td>HEA 1375</td>
</tr>
<tr>
<td>P.L.20-2005</td>
<td>SEA 572</td>
<td>P.L.57-2005</td>
<td>HEA 1402</td>
</tr>
<tr>
<td>P.L.22-2005</td>
<td>SEA 56</td>
<td>P.L.59-2005</td>
<td>SEA 63</td>
</tr>
<tr>
<td>P.L.23-2005</td>
<td>SEA 267</td>
<td>P.L.60-2005</td>
<td>SEA 75</td>
</tr>
<tr>
<td>P.L.24-2005</td>
<td>SEA 484</td>
<td>P.L.61-2005</td>
<td>SEA 95</td>
</tr>
<tr>
<td>P.L.26-2005</td>
<td>SEA 43</td>
<td>P.L.63-2005</td>
<td>SEA 195</td>
</tr>
<tr>
<td>P.L.27-2005</td>
<td>SEA 60</td>
<td>P.L.64-2005</td>
<td>SEA 230</td>
</tr>
<tr>
<td>P.L.28-2005</td>
<td>SEA 88</td>
<td>P.L.65-2005</td>
<td>SEA 301</td>
</tr>
<tr>
<td>P.L.29-2005</td>
<td>SEA 111</td>
<td>P.L.66-2005</td>
<td>SEA 352</td>
</tr>
<tr>
<td>P.L.31-2005</td>
<td>SEA 175</td>
<td>P.L.68-2005</td>
<td>SEA 2</td>
</tr>
<tr>
<td>P.L.32-2005</td>
<td>SEA 212</td>
<td>P.L.69-2005</td>
<td>SEA 13</td>
</tr>
<tr>
<td>P.L.33-2005</td>
<td>SEA 303</td>
<td>P.L.70-2005</td>
<td>SEA 92</td>
</tr>
<tr>
<td>P.L.34-2005</td>
<td>SEA 315</td>
<td>P.L.71-2005</td>
<td>SEA 96</td>
</tr>
<tr>
<td>P.L.35-2005</td>
<td>SEA 513</td>
<td>P.L.72-2005</td>
<td>SEA 125</td>
</tr>
<tr>
<td>P.L.36-2005</td>
<td>SEA 76</td>
<td>P.L.73-2005</td>
<td>SEA 209</td>
</tr>
<tr>
<td>P.L.37-2005</td>
<td>HEA 1069</td>
<td>P.L.74-2005</td>
<td>SEA 244</td>
</tr>
<tr>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>P.L.75-2005</td>
<td>SEA 266</td>
<td>P.L.121-2005</td>
<td>SEA 202</td>
</tr>
<tr>
<td>P.L.76-2005</td>
<td>SEA 326</td>
<td>P.L.122-2005</td>
<td>SEA 206</td>
</tr>
<tr>
<td>P.L.77-2005</td>
<td>SEA 330</td>
<td>P.L.123-2005</td>
<td>SEA 227</td>
</tr>
<tr>
<td>P.L.78-2005</td>
<td>SEA 332</td>
<td>P.L.124-2005</td>
<td>SEA 233</td>
</tr>
<tr>
<td>P.L.79-2005</td>
<td>SEA 373</td>
<td>P.L.125-2005</td>
<td>SEA 253</td>
</tr>
<tr>
<td>P.L.80-2005</td>
<td>SEA 442</td>
<td>P.L.126-2005</td>
<td>SEA 268</td>
</tr>
<tr>
<td>P.L.81-2005</td>
<td>SEA 482</td>
<td>P.L.127-2005</td>
<td>SEA 296</td>
</tr>
<tr>
<td>P.L.82-2005</td>
<td>SEA 518</td>
<td>P.L.128-2005</td>
<td>SEA 322</td>
</tr>
<tr>
<td>P.L.84-2005</td>
<td>HEA 1052</td>
<td>P.L.130-2005</td>
<td>SEA 422</td>
</tr>
<tr>
<td>P.L.85-2005</td>
<td>SEA 198</td>
<td>P.L.131-2005</td>
<td>SEA 446</td>
</tr>
<tr>
<td>P.L.86-2005</td>
<td>SEA 223</td>
<td>P.L.132-2005</td>
<td>SEA 474</td>
</tr>
<tr>
<td>P.L.87-2005</td>
<td>SEA 306</td>
<td>P.L.133-2005</td>
<td>SEA 481</td>
</tr>
<tr>
<td>P.L.89-2005</td>
<td>SEA 372</td>
<td>P.L.135-2005</td>
<td>SEA 538</td>
</tr>
<tr>
<td>P.L.90-2005</td>
<td>SEA 472</td>
<td>P.L.136-2005</td>
<td>SEA 539</td>
</tr>
<tr>
<td>P.L.91-2005</td>
<td>SEA 503</td>
<td>P.L.137-2005</td>
<td>SEA 615</td>
</tr>
<tr>
<td>P.L.92-2005</td>
<td>SEA 523</td>
<td>P.L.138-2005</td>
<td>SEA 634</td>
</tr>
<tr>
<td>P.L.93-2005</td>
<td>SEA 527</td>
<td>P.L.139-2005</td>
<td>HEA 1056</td>
</tr>
<tr>
<td>P.L.94-2005</td>
<td>SEA 557</td>
<td>P.L.140-2005</td>
<td>HEA 1159</td>
</tr>
<tr>
<td>P.L.95-2005</td>
<td>SEA 566</td>
<td>P.L.141-2005</td>
<td>HEA 1179</td>
</tr>
<tr>
<td>P.L.96-2005</td>
<td>SEA 568</td>
<td>P.L.142-2005</td>
<td>HEA 1241</td>
</tr>
<tr>
<td>P.L.97-2005</td>
<td>SEA 611</td>
<td>P.L.143-2005</td>
<td>HEA 1270</td>
</tr>
<tr>
<td>P.L.98-2005</td>
<td>SEA 612</td>
<td>P.L.144-2005</td>
<td>HEA 1611</td>
</tr>
<tr>
<td>P.L.100-2005</td>
<td>HEA 1217</td>
<td>P.L.146-2005</td>
<td>SEA 67</td>
</tr>
<tr>
<td>P.L.101-2005</td>
<td>HEA 1325</td>
<td>P.L.147-2005</td>
<td>SEA 79</td>
</tr>
<tr>
<td>P.L.103-2005</td>
<td>SEA 15</td>
<td>P.L.149-2005</td>
<td>SEA 132</td>
</tr>
<tr>
<td>P.L.104-2005</td>
<td>SEA 77</td>
<td>P.L.150-2005</td>
<td>SEA 140</td>
</tr>
<tr>
<td>P.L.105-2005</td>
<td>SEA 200</td>
<td>P.L.151-2005</td>
<td>SEA 217</td>
</tr>
<tr>
<td>P.L.106-2005</td>
<td>SEA 285</td>
<td>P.L.152-2005</td>
<td>SEA 224</td>
</tr>
<tr>
<td>P.L.107-2005</td>
<td>SEA 376</td>
<td>P.L.153-2005</td>
<td>SEA 242</td>
</tr>
<tr>
<td>P.L.110-2005</td>
<td>SEA 569</td>
<td>P.L.156-2005</td>
<td>SEA 295</td>
</tr>
<tr>
<td>P.L.112-2005</td>
<td>SEA 8</td>
<td>P.L.158-2005</td>
<td>SEA 329</td>
</tr>
<tr>
<td>P.L.113-2005</td>
<td>SEA 18</td>
<td>P.L.159-2005</td>
<td>SEA 363</td>
</tr>
<tr>
<td>P.L.115-2005</td>
<td>SEA 49</td>
<td>P.L.161-2005</td>
<td>SEA 382</td>
</tr>
<tr>
<td>P.L.116-2005</td>
<td>SEA 54</td>
<td>P.L.162-2005</td>
<td>SEA 420</td>
</tr>
<tr>
<td>P.L.117-2005</td>
<td>SEA 64</td>
<td>P.L.163-2005</td>
<td>SEA 432</td>
</tr>
<tr>
<td>P.L.118-2005</td>
<td>SEA 100</td>
<td>P.L.164-2005</td>
<td>SEA 433</td>
</tr>
<tr>
<td>P.L.119-2005</td>
<td>SEA 179</td>
<td>P.L.165-2005</td>
<td>SEA 509</td>
</tr>
<tr>
<td>P.L.120-2005</td>
<td>SEA 196</td>
<td>P.L.166-2005</td>
<td>SEA 549</td>
</tr>
<tr>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
<td>Public Law Number</td>
<td>Enrolled Act Number</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>P.L. 168-2005</td>
<td>SEA 574</td>
<td>P.L. 214-2005</td>
<td>HEA 1120</td>
</tr>
<tr>
<td>P.L. 170-2005</td>
<td>SEA 626</td>
<td>P.L. 216-2005</td>
<td>HEA 1182</td>
</tr>
<tr>
<td>P.L. 175-2005</td>
<td>HEA 1080</td>
<td>P.L. 221-2005</td>
<td>HEA 1407</td>
</tr>
<tr>
<td>P.L. 176-2005</td>
<td>HEA 1113</td>
<td>P.L. 222-2005</td>
<td>HEA 1501</td>
</tr>
<tr>
<td>P.L. 177-2005</td>
<td>HEA 1137</td>
<td>P.L. 223-2005</td>
<td>HEA 1646</td>
</tr>
<tr>
<td>P.L. 182-2005</td>
<td>HEA 1488</td>
<td>P.L. 228-2005</td>
<td>SEA 327</td>
</tr>
<tr>
<td>P.L. 183-2005</td>
<td>HEA 1495</td>
<td>P.L. 229-2005</td>
<td>SEA 335</td>
</tr>
<tr>
<td>P.L. 185-2005</td>
<td>HEA 1590</td>
<td>P.L. 231-2005</td>
<td>SEA 397</td>
</tr>
<tr>
<td>P.L. 186-2005</td>
<td>HEA 1662</td>
<td>P.L. 232-2005</td>
<td>SEA 452</td>
</tr>
<tr>
<td>P.L. 188-2005</td>
<td>HEA 1822</td>
<td>P.L. 234-2005</td>
<td>SEA 529</td>
</tr>
<tr>
<td>P.L. 189-2005</td>
<td>HEA 1200</td>
<td>P.L. 235-2005</td>
<td>SEA 578</td>
</tr>
<tr>
<td>P.L. 190-2005</td>
<td>HEA 1250</td>
<td>P.L. 236-2005</td>
<td>HEA 1004</td>
</tr>
<tr>
<td>P.L. 192-2005</td>
<td>SEA 444</td>
<td>P.L. 238-2005</td>
<td>HEA 1153</td>
</tr>
<tr>
<td>P.L. 193-2005</td>
<td>SEA 1</td>
<td>P.L. 239-2005</td>
<td>HEA 1265</td>
</tr>
<tr>
<td>P.L. 194-2005</td>
<td>SEA 139</td>
<td>P.L. 240-2005</td>
<td>HEA 1365</td>
</tr>
<tr>
<td>P.L. 195-2005</td>
<td>SEA 213</td>
<td>P.L. 241-2005</td>
<td>HEA 1431</td>
</tr>
<tr>
<td>P.L. 196-2005</td>
<td>SEA 360</td>
<td>P.L. 242-2005</td>
<td>HEA 1794</td>
</tr>
<tr>
<td>P.L. 198-2005</td>
<td>SEA 419</td>
<td>P.L. 244-2005</td>
<td>HEA 1329</td>
</tr>
<tr>
<td>P.L. 199-2005</td>
<td>SEA 496</td>
<td>P.L. 245-2005</td>
<td>HEA 1453</td>
</tr>
<tr>
<td>P.L. 201-2005</td>
<td>SEA 508</td>
<td>P.L. 247-2005</td>
<td>SJR 7</td>
</tr>
<tr>
<td>P.L. 203-2005</td>
<td>SEA 571</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 204-2005</td>
<td>SEA 590</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 205-2005</td>
<td>SEA 591</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 206-2005</td>
<td>SEA 607</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 207-2005</td>
<td>SEA 609</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 208-2005</td>
<td>HEA 1033</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 209-2005</td>
<td>HEA 1057</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 210-2005</td>
<td>HEA 1073</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 211-2005</td>
<td>HEA 1075</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.L. 212-2005</td>
<td>HEA 1098</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## INDEX

2005 Regular Session

References are to the Public Law (P.L.) number where full text of legislation may be located.

### ADMINISTRATIVE LAW

Administrative law judges, special appointment and removal for cause,  
**P.L.99-2005**  
Administrative rules and procedures,  
**P.L.188-2005**  
Administrative rules and procedures,  
**P.L.226-2005**  
Administrative rules and procedures,  
**P.L.239-2005**  
Adoption of administrative rules,  
**P.L.226-2005**  
Claims, defenses, remedies,  
**P.L.3-2005**  
Electronic publication of the IAC and Indiana Register,  
**P.L.215-2005**  
Environmental law judge authority, special appointment, and removal for cause,  
**P.L.99-2005**  
Fire safety and building laws,  
**P.L.44-2005**  
Fiscal impact statement,  
**P.L.226-2005**  
Office of environmental adjudication review of agency actions and actions of boards,  
**P.L.99-2005**  
Rules affecting small businesses,  
**P.L.188-2005**  
Shovel ready site development center,  
**P.L.25-2005**  
Small business regulatory coordinator,  
**P.L.239-2005**

### AGRICULTURE AND ANIMALS

Cattle guards,  
**P.L.16-2005**  
Cattle running at large,  
**P.L.16-2005**  
Clean water Indiana fund,  
**P.L.241-2005**  
Department of agriculture,  
**P.L.83-2005**  
Indiana dairy industry development board,  
**P.L.241-2005**  
Pests of animals; milk permits,  
**P.L.93-2005**  
Regulation of seeds,  
**P.L.40-2005**

### ALCOHOLIC BEVERAGES

Alcohol server training,  
**P.L.161-2005**  
Bona fide incentives for wholesalers,  
**P.L.224-2005**  
Historic district permit,  
**P.L.155-2005**  
Municipal riverfront development projects,  
**P.L.155-2005**  
Notice publication,  
**P.L.224-2005**  
Retailer and dealer permit fees,  
**P.L.224-2005**  
Special discounts to retailers and dealers,  
**P.L.224-2005**

### AGING AND DISABILITIES

CHOICE board members,  
**P.L.137-2005**  
Continuum of care, respite care services,  
**P.L.37-2005**  
Indiana prescription drug advisory committee duties,  
**P.L.101-2005**  
Review of home and community services rules,  
**P.L.137-2005**
<table>
<thead>
<tr>
<th>ALCOHOLIC BEVERAGES—Continued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco certificates,</td>
</tr>
<tr>
<td>P.L.224-2005</td>
</tr>
<tr>
<td>Transfer of product between</td>
</tr>
<tr>
<td>wholesalers, P.L.224-2005</td>
</tr>
</tbody>
</table>

| BONDING AND ECONOMIC          |
| DEVELOPMENT                   |
| Certified technology parks,   |
| P.L.203-2005                  |
| Excluded cities in Marion     |
| County, P.L.190-2005          |
| Global commerce center,       |
| P.L.203-2005                  |
| Indiana economic development  |
| corporation; tourism,         |
| community development,        |
| P.L.4-2005                    |
| Indiana finance authority,    |
| P.L.235-2005                  |
| Joint projects, P.L.203-2005  |
| Military base redevelopment,  |
| P.L.190-2005                  |
| Military bases, P.L.203-2005  |
| Office of tourism, P.L.229-2005|
| Property tax abatement, tax   |
| increment financing,          |
| P.L.216-2005                  |
| Redevelopment commissions and  |
| authorities, P.L.190-2005      |
| Research grant bonding,       |
| P.L.232-2005                  |
| Self-liquidating projects of  |
| port commission, P.L.232-2005 |
| Shovel ready site development |
| center to assist in local     |
| economic development,         |
| P.L.25-2005                   |
| State bonding entities,       |
| P.L.235-2005                  |
| University bonding,           |
| P.L.121-2005                  |

| BUSINESS ASSOCIATIONS         |
| Corporate law matters,        |
| P.L.178-2005                  |
| Professional fundraisers and   |
| solicitors, P.L.245-2005      |

| CHILDREN                      |
| Adopted child as a natural child, |
| P.L.238-2005                  |
| Adoption; adoption record     |
| keeping, P.L.130-2005         |
| Child care homes, P.L.162-2005|
| Code Adam safety protocol,    |
| P.L.11-2005                   |
| Committee on child care, board|
| for coordination of child care|
| regulation repealed, P.L.107-2005|
| Consent to adoption,          |
| P.L.130-2005                  |
| Department of child services, |
| P.L.234-2005                  |
| Lead poisoning screening,     |
| P.L.135-2005                  |
| Parenting time, P.L.68-2005   |
| Premises liability of certain |
| religious organizations and    |
| child care providers, P.L.149-2005|
| Safety during storms,         |
| P.L.110-2005                  |

<p>| CIVIL PROCEDURE               |
| Bankruptcy and exemption      |
| amounts, P.L.179-2005         |
| Civil immunity for advertisers|
| or sponsors, P.L.116-2005     |
| Civil immunity for volunteer  |
| health care providers, P.L.116-2005|
| Civil procedure and local     |
| government, P.L.200-2005      |
| Foreign judgments, P.L.238-2005|
| Immunity for volunteers of a  |
| nonprofit, P.L.38-2005        |
| Premises liability of certain |
| religious organizations and    |
| child care providers, P.L.149-2005|</p>
<table>
<thead>
<tr>
<th>CRIMINAL LAW AND PROCEDURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory sentences, P.L.71-2005</td>
</tr>
<tr>
<td>Aggravating circumstances affecting sentence, P.L.213-2005</td>
</tr>
<tr>
<td>Airlines, P.L.50-2005</td>
</tr>
<tr>
<td>Bail agents and recovery agents, P.L.102-2005</td>
</tr>
<tr>
<td>Child pornography, P.L.51-2005</td>
</tr>
<tr>
<td>Child solicitation, P.L.124-2005</td>
</tr>
<tr>
<td>Counterfeiting, P.L.45-2005</td>
</tr>
<tr>
<td>Handgun licenses, P.L.49-2005</td>
</tr>
<tr>
<td>Home detention, P.L.31-2005</td>
</tr>
<tr>
<td>Human cloning, P.L.126-2005</td>
</tr>
<tr>
<td>Indiana criminal justice institute, P.L.192-2005</td>
</tr>
<tr>
<td>Insurance fraud, insurance application fraud, P.L.181-2005</td>
</tr>
<tr>
<td>Interfering with a drug or alcohol screening test, P.L.171-2005</td>
</tr>
<tr>
<td>Internet gambling, P.L.70-2005</td>
</tr>
<tr>
<td>Life imprisonment without parole, P.L.53-2005</td>
</tr>
<tr>
<td>Methamphetamine lab reporting, P.L.192-2005</td>
</tr>
<tr>
<td>Missing endangered adults, P.L.140-2005</td>
</tr>
<tr>
<td>Payment of inmate costs of medical care, P.L.213-2005</td>
</tr>
<tr>
<td>Possession of firearm by dangerous person, P.L.187-2005</td>
</tr>
<tr>
<td>Probation, P.L.13-2005</td>
</tr>
<tr>
<td>Probation hearings, P.L.14-2005</td>
</tr>
<tr>
<td>Sale of ephedrine or pseudoephedrine, P.L.192-2005</td>
</tr>
<tr>
<td>Seizure and retention of firearm, P.L.187-2005</td>
</tr>
<tr>
<td>Sentencing, P.L.96-2005</td>
</tr>
<tr>
<td>Sentencing policy study committee, P.L.61-2005</td>
</tr>
<tr>
<td>Sex offender registration, P.L.51-2005</td>
</tr>
<tr>
<td>Sex offense against a child, P.L.53-2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CIVIL PROCEDURE—Continued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statute of limitations for design or construction deficiency, P.L.79-2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMMERCIAL LAW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic health care transactions, P.L.77-2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CORRECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of correction property, P.L.108-2005</td>
</tr>
<tr>
<td>DNA data base, P.L.142-2005</td>
</tr>
<tr>
<td>DNA samples from offenders, P.L.69-2005</td>
</tr>
<tr>
<td>Law enforcement training board, P.L.52-2005</td>
</tr>
<tr>
<td>Victim notification system, P.L.64-2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COURTS AND COURT OFFICERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional courts and magistrates, P.L.246-2005</td>
</tr>
<tr>
<td>Advisory sentences, P.L.71-2005</td>
</tr>
<tr>
<td>Alternative dispute resolution, P.L.55-2005</td>
</tr>
<tr>
<td>Court fees, P.L.176-2005</td>
</tr>
<tr>
<td>Judges' retirement benefits, P.L.28-2005</td>
</tr>
<tr>
<td>Judicial salaries, P.L.159-2005</td>
</tr>
<tr>
<td>Marion superior court, P.L.33-2005</td>
</tr>
<tr>
<td>Pretrial diversion programs and deferral programs, P.L.176-2005</td>
</tr>
<tr>
<td>Reentry court program assistance, P.L.92-2005</td>
</tr>
<tr>
<td>Senior judges, P.L.32-2005</td>
</tr>
<tr>
<td>Sentencing, P.L.71-2005</td>
</tr>
<tr>
<td>Sentencing policy study committee, P.L.61-2005</td>
</tr>
<tr>
<td>CRIMINAL LAW AND PROCEDURE—Continued</td>
</tr>
<tr>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Spyware and other computer issues,</td>
</tr>
<tr>
<td>Transitional dormitories, P.L.213-2005</td>
</tr>
<tr>
<td>Undisclosed transport of a dangerous device, P.L.50-2005</td>
</tr>
<tr>
<td>Unlawful entry of a motor vehicle, P.L.143-2005</td>
</tr>
<tr>
<td>Unlawful recording, P.L.94-2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EDUCATION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult stem cell research center, P.L.126-2005</td>
<td>Recodification, P.L.1-2005</td>
</tr>
<tr>
<td>Bullying, P.L.106-2005</td>
<td>Student medication, P.L.76-2005</td>
</tr>
<tr>
<td>Charter schools, P.L.169-2005</td>
<td>Student suspensions and expulsions, P.L.242-2005</td>
</tr>
<tr>
<td>Core 40 curriculum, requirement for graduation, P.L.105-2005</td>
<td>Transfer tuition, P.L.89-2005</td>
</tr>
<tr>
<td>Core 40 curriculum, requirement for admission to higher education, P.L.105-2005</td>
<td>Tuition exemption for children and spouses of National Guard members, P.L.157-2005</td>
</tr>
<tr>
<td>Court assisted resolution of suspensions and expulsions, P.L.242-2005</td>
<td></td>
</tr>
<tr>
<td>Criminal intent necessary for certain crimes, P.L.231-2005</td>
<td></td>
</tr>
<tr>
<td>Flexible instruction program, P.L.242-2005</td>
<td></td>
</tr>
<tr>
<td>Indiana School for the Blind and Visually Impaired, P.L.218-2005</td>
<td></td>
</tr>
<tr>
<td>Ivy Tech Community College of Indiana, P.L.127-2005</td>
<td></td>
</tr>
<tr>
<td>Kindergarten start date, P.L.246-2005</td>
<td></td>
</tr>
<tr>
<td>Meningitis education, P.L.76-2005</td>
<td></td>
</tr>
<tr>
<td>Moment of silence in schools, P.L.78-2005</td>
<td></td>
</tr>
<tr>
<td>National Guard active duty benefits, P.L.157-2005</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ELECTIONS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Absentee ballots; recounts and contests, P.L.103-2005</td>
<td></td>
</tr>
<tr>
<td>Ballot form, P.L.58-2005</td>
<td></td>
</tr>
<tr>
<td>Disqualification due to criminal conviction, P.L.113-2005</td>
<td></td>
</tr>
<tr>
<td>Military and overseas voters, P.L.198-2005</td>
<td></td>
</tr>
<tr>
<td>Precinct election officers, withdrawal of candidates, vacancies, ballots, precincts, P.L.230-2005</td>
<td></td>
</tr>
<tr>
<td>Vacancies caused by officeholder's death, P.L.119-2005</td>
<td></td>
</tr>
<tr>
<td>Various election law matters, P.L.103-2005</td>
<td></td>
</tr>
<tr>
<td>Voter identification, P.L.109-2005</td>
<td></td>
</tr>
<tr>
<td>Voter registration, P.L.81-2005</td>
<td></td>
</tr>
<tr>
<td>Voting systems, campaign finance, provisional ballots, recounts and contests, voter registration, P.L.221-2005</td>
<td></td>
</tr>
</tbody>
</table>
INDEX

ENVIRONMENT
Application of waste tire fee to farm tractors, implements of husbandry, and semitrailers, P.L.208-2005
Campground sewage service rates, P.L.189-2005
Change of scope of requirement to demonstrate local or regional need for solid waste facility permit, P.L.154-2005
Combined sewer overflow limited use subcategory P.L.54-2005
Combined sewer overflow wet weather subcategory; long term control plan, P.L.54-2005
Environmental committees, P.L.12-2005
Environmental crimes task force, P.L.63-2005
Environmental quality service council study; alternative fuels, P.L.208-2005
Feasibility of additional or new control alternatives to attain water quality standards, P.L.54-2005
Federal CERCLA exceptions; state liability, P.L.25-2005
Good character requirements apply only to certain permits, P.L.154-2005
Liability of persons and political subdivisions for contamination of property, P.L.208-2005
Military base permits, P.L.203-2005
Military base permits, P.L.5-2005
Permit schedules of compliance, P.L.54-2005
Revolving loan programs, P.L.235-2005
Solid waste landfills, districts, P.L.189-2005
Solid waste processing facility definition expanded, P.L.154-2005
Solid waste transfers and solid waste operators, P.L.154-2005
Transportation; destruction and treatment; chemical munitions, P.L.172-2005
Variances from water quality standard; effective period of variance, P.L.54-2005
Wetlands, P.L.241-2005

FAMILY AND JUVENILE LAW
Adoption history, P.L.100-2005
Adoption proceedings, P.L.129-2005
Arbitration, P.L.112-2005
Child in need of services petitions, P.L.129-2005
Definition of marriage, P.L.247-2005
Department of child services, P.L.234-2005
False information on marriage license, P.L.41-2005
Guardian ad litem and court appointed special advocate funding, P.L.129-2005
Parenting time, P.L.68-2005

FINANCE
Budget and school funding formula, P.L.246-2005
Local government, P.L.214-2005
Viatical settlement contracts; securities violations, P.L.223-2005

FINANCIAL INSTITUTIONS
Bankruptcy and exemption amounts, P.L.179-2005
Uniform Consumer Credit Code, financial institutions, P.L.141-2005

GAMING
Charity gaming games, P.L.150-2005
GAMING—Continued
Charity gaming rulemaking, P.L.150-2005
Indiana gaming commission membership, P.L.170-2005
Law enforcement, P.L.170-2005
Lottery, P.L.84-2005
Qualified organizations, P.L.150-2005
Riverboat requirements, P.L.170-2005

GENERAL ASSEMBLY
Library and heritage study committee, P.L.117-2005
Rail corridor safety committee, P.L.114-2005
State house museum committee, P.L.117-2005

GENERAL PROVISIONS
Accessible electronic information service, P.L.136-2005
Chief information officer, P.L.177-2005
Contracts with governmental bodies, P.L.165-2005
Daylight saving time, P.L.243-2005
Indiana state library, P.L.136-2005
Indiana talking books and braille division of the Indiana state library, P.L.136-2005
Intelenet, P.L.177-2005
Office of technology, P.L.177-2005
Poet laureate, P.L.164-2005
Purchase of blended biodiesel fuel by governmental bodies, P.L.6-2005
Technical corrections, P.L.2-2005

HEALTH
Abortion, P.L.36-2005
Certified food handler exemptions, P.L.139-2005
Construction of hospitals and ambulatory outpatient surgical centers, P.L.67-2005
Disease management, P.L.48-2005
Electronic health care transactions, P.L.77-2005
Electronic prescriptions, P.L.204-2005
False information on marriage license, P.L.41-2005
Health and hospital corporation of Marion County, P.L.184-2005
Health care data, P.L.95-2005
Home care services; prescription drug distributors, P.L.212-2005
Home health care services and hospice services council, P.L.152-2005
Human cloning, P.L.126-2005
Independent living, P.L.217-2005
Indiana criminal justice institute, P.L.90-2005
Lead poisoning, P.L.135-2005
Licensure of abortion clinics and birthing centers, P.L.96-2005
Long term care plan, P.L.163-2005
Mobile and manufactured homes, P.L.87-2005
Protected health information disclosure; HIPAA disclosure, P.L.47-2005
Sex crime victim, P.L.90-2005

INSURANCE
Bail agent licensure; bail law; recovery agent licensure; bail bond enforcement and administration, P.L.102-2005
Credentialing, P.L.26-2005
<table>
<thead>
<tr>
<th>INSURANCE—Continued</th>
<th>LOCAL GOVERNMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health insurance coverage waivers, P.L.211-2005</td>
<td>Worker's compensation burial expense allowance, P.L.201-2005</td>
</tr>
<tr>
<td>Insurance producer continuing education; insurance producer licensure; waiver; member armed forces, P.L.60-2005</td>
<td>Youth coaching exemption from worker's compensation and occupational disease law, P.L.201-2005</td>
</tr>
<tr>
<td>Insurance producer continuing education; continuing education approval, P.L.57-2005</td>
<td></td>
</tr>
<tr>
<td>Insurance producer licensure and continuing education waiver; waiver; member armed forces, P.L.56-2005</td>
<td></td>
</tr>
<tr>
<td>Mandated benefit task force; health plan evidence of coverage; health plan information format, P.L.125-2005</td>
<td></td>
</tr>
<tr>
<td>Morbid obesity treatment coverage, P.L.196-2005</td>
<td></td>
</tr>
<tr>
<td>Motor vehicle insurance rates; premium rates for members of armed forces, P.L.39-2005</td>
<td></td>
</tr>
<tr>
<td>Professional employer organizations, P.L.245-2005</td>
<td></td>
</tr>
<tr>
<td>Recommendations to senior consumers; annuity recommendations; insurance product regulation compact, P.L.138-2005</td>
<td></td>
</tr>
<tr>
<td>Uninsured and underinsured motorist insurance; commercial liability insurance, P.L.72-2005</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Areas needing redevelopment, P.L.185-2005</td>
</tr>
<tr>
<td>Amusement device permits, insurance requirements, P.L.166-2005</td>
<td>Budget and tax levy review in Marion County, P.L.227-2005</td>
</tr>
<tr>
<td>Life long learning accounts program study, P.L.202-2005</td>
<td>Contracts with governmental bodies, P.L.165-2005</td>
</tr>
<tr>
<td>Skills 2016 training program and fund, P.L.202-2005</td>
<td>County officer, change of compensation, P.L.240-2005</td>
</tr>
<tr>
<td>Unemployment tax avoidance (SUTA) dumping, P.L.98-2005</td>
<td>Duties of Marion County auditor and Indianapolis city controller, P.L.227-2005</td>
</tr>
<tr>
<td></td>
<td>Economic development, P.L.214-2005</td>
</tr>
<tr>
<td></td>
<td>Eminent domain, P.L.173-2005</td>
</tr>
<tr>
<td></td>
<td>Enhanced wireless emergency telephone service, P.L.146-2005</td>
</tr>
<tr>
<td></td>
<td>Law enforcement and fire department consolidation, P.L.227-2005</td>
</tr>
<tr>
<td></td>
<td>Liens; water; sewer; other ordinances, P.L.131-2005</td>
</tr>
<tr>
<td></td>
<td>Litigation expenses of officers and employees, P.L.128-2005</td>
</tr>
<tr>
<td></td>
<td>Marion County consolidation study commission, P.L.227-2005</td>
</tr>
<tr>
<td></td>
<td>Military bases; planning and zoning; council, P.L.5-2005</td>
</tr>
<tr>
<td></td>
<td>Public safety, P.L.146-2005</td>
</tr>
<tr>
<td></td>
<td>Redevelopment projects, P.L.185-2005</td>
</tr>
<tr>
<td></td>
<td>Regulation of seeds, P.L.40-2005</td>
</tr>
<tr>
<td></td>
<td>Taxes, P.L.199-2005</td>
</tr>
<tr>
<td></td>
<td>Terms of county officials, assessors, P.L.88-2005</td>
</tr>
<tr>
<td></td>
<td>Town, change to city status, P.L.111-2005</td>
</tr>
</tbody>
</table>
LOCAL GOVERNMENT—Continued
Township merger; dissolution of merged township, P.L.240-2005
Unsafe building law, P.L.66-2005
Volunteer firefighters, P.L.43-2005

MEDICAID
Extension for amendment to aged and disabled waiver, P.L.137-2005
Incentives to direct patients to hospitals, P.L.145-2005
Indiana prescription drug advisory committee duties, P.L.101-2005
Medicaid health facility quality assessment, P.L.186-2005
Overpayments; interest on overpayments, P.L.8-2005
Prescription drug coverage, P.L.101-2005
Transitional services waiver, P.L.133-2005
Waiver for family planning services, P.L.20-2005

MENTAL HEALTH
Evansville State Hospital advisory committee, P.L.244-2005
Evansville State Hospital Transfer of Land to Southwestern Indiana Master Gardener Association, Inc., P.L.244-2005
Mental health quality advisory committee, P.L.101-2005
Prescription drug coverage for Medicaid risk based managed care, P.L.101-2005

MILITARY AND VETERANS’ AFFAIRS
Department of homeland security, P.L.22-2005
Local appropriations for Memorial Day celebrations, P.L.29-2005
Memorial day expenses, P.L.29-2005
Veterans’ organizations Memorial Day celebrations, P.L.29-2005
War memorial commission, P.L.17-2005
War memorial foundation, P.L.17-2005

MOTOR VEHICLES
Abandoned vehicles; liens on motor vehicles for services provided, P.L.104-2005
Blood type on driver's licenses and identification cards, P.L.86-2005
Bureau of motor vehicles, law enforcement concerning vehicles, P.L.210-2005
Identification number on driver's license, permit, or identification card, P.L.123-2005
Lighting devices and markings required on implements of agriculture, P.L.148-2005
Maximum speed limits and accident reports, P.L.151-2005
Motorized carts, P.L.225-2005
Off-road vehicles, P.L.219-2005
Open alcoholic beverage containers, P.L.209-2005
Personalized license plates, P.L.233-2005
Staggered registration deadline for certain motor vehicles, P.L.147-2005
Waiver of reinstatement fee for driver's license, P.L.153-2005

NATURAL RESOURCES
Abraham Lincoln bicentennial commission, P.L.9-2005
Boat speed limits during competitions, P.L.21-2005
NATURAL RESOURCES—Continued

Certain forestry operations not considered nuisance, P.L.82-2005
Cervidae livestock operations and products, P.L.93-2005
Coal, P.L.174-2005
Conservancy districts, P.L.189-2005
Constitutional right to hunt and fish, P.L.248-2005
Geophysical surveying not subject to regulation, P.L.80-2005
Inapplicability of rules governing regulated explosives to certain oil and gas activities, P.L.80-2005
Motorized carts; hunting and fishing licenses; snowmobiles and off-road vehicles; pest control, P.L.225-2005
Oil and gas well drilling requirements and variances, P.L.80-2005
Processed deer meat, P.L.75-2005
Recognition of forestry needs in local planning, P.L.82-2005
Wabash River heritage commission, P.L.27-2005

PENSIONS

Benefit increases, P.L.246-2005
Leave conversion pilot program, P.L.220-2005
Pension beneficiary designation, deferred compensation plans, P.L.220-2005
PERF and TRF exempt earnings amount, P.L.62-2005
PERF and TRF investment selection, P.L.62-2005
PERF and TRF trustees, P.L.62-2005
Retirement medical benefits account, P.L.220-2005

Sheriff's deferred retirement option plan, P.L.97-2005

PROBATE, TRUSTS AND FIDUCIARIES

Attorney in fact, will depository, other probate matters, P.L.238-2005
Benevolent trusts, P.L.245-2005
Medicaid reimbursement, P.L.246-2005
Modification or termination of a trust; trustee powers, P.L.238-2005
Pet trust or noncharitable trust, P.L.238-2005

PROFESSIONS AND OCCUPATIONS

Boxing and sparring, P.L.120-2005
Dental hygienists practice without a license, P.L.30-2005
Dental hygienists, P.L.30-2005
Dentist license reciprocity, P.L.46-2005
Electronic prescriptions, P.L.204-2005
Health professions, P.L.205-2005
Home medical equipment services providers, P.L.122-2005
Human cloning, P.L.126-2005
Mobile and manufactured homes, P.L.87-2005
Office based sedation standards, P.L.18-2005
Professional licensing, P.L.194-2005
Professional licensing agency, P.L.206-2005
Psychologist reciprocity; audiologist and speech language pathologists, P.L.212-2005
Referral to health care entities, P.L.217-2005
<table>
<thead>
<tr>
<th>INDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROPERTY AND HOUSING</td>
</tr>
<tr>
<td>Abandoned property, P.L.85-2005</td>
</tr>
<tr>
<td>Agricultural nuisance, P.L.23-2005</td>
</tr>
<tr>
<td>Department of correction, P.L.108-2005</td>
</tr>
<tr>
<td>Instruments of defeasance, P.L.156-2005</td>
</tr>
<tr>
<td>Mortgage foreclosure actions, P.L.167-2005</td>
</tr>
<tr>
<td>Mortgage foreclosures; sheriff's administrative fee, P.L.240-2005</td>
</tr>
<tr>
<td>Unclaimed property, P.L.85-2005</td>
</tr>
<tr>
<td>Warranties, P.L.165-2005</td>
</tr>
<tr>
<td>PUBLIC OFFICERS AND EMPLOYEES</td>
</tr>
<tr>
<td>Design-build contracts, P.L.74-2005</td>
</tr>
<tr>
<td>Ethics violations, P.L.222-2005</td>
</tr>
<tr>
<td>Inspector general, P.L.222-2005</td>
</tr>
<tr>
<td>Office of management and budget; government efficiency commission, P.L.246-2005</td>
</tr>
<tr>
<td>Office of tourism development, P.L.229-2005</td>
</tr>
<tr>
<td>Robert D. Orr Plaza; Governor Frank O'Bannon Great Hall, P.L.175-2005</td>
</tr>
<tr>
<td>Social Security numbers on public records, P.L.91-2005</td>
</tr>
<tr>
<td>Special death benefits, P.L.10-2005</td>
</tr>
<tr>
<td>State bonding entities, P.L.235-2005</td>
</tr>
<tr>
<td>State police officer survivor health coverage, P.L.24-2005</td>
</tr>
<tr>
<td>State public works projects, P.L.34-2005</td>
</tr>
<tr>
<td>State vendor or contractor payments by electronic funds transfer, P.L.144-2005</td>
</tr>
<tr>
<td>TAXES</td>
</tr>
<tr>
<td>Agricultural land assessment base rate of $880 per acre for 2005 and 2006, P.L.228-2005</td>
</tr>
<tr>
<td>Aircraft, P.L.195-2005</td>
</tr>
<tr>
<td>Allowed uses; option income tax, P.L.118-2005</td>
</tr>
<tr>
<td>Amnesty program, P.L.236-2005</td>
</tr>
<tr>
<td>Cargo trailers, P.L.195-2005</td>
</tr>
<tr>
<td>Certified distributions of local income taxes, P.L.207-2005</td>
</tr>
<tr>
<td>County land valuation commission; term of member; election to abolish, P.L.228-2005</td>
</tr>
<tr>
<td>Credits; biodiesel; ethanol; and coal gasification, P.L.191-2005</td>
</tr>
<tr>
<td>Delay of general reassessment of real property and annual adjustment of real property assessed value, P.L.228-2005</td>
</tr>
<tr>
<td>Department of local government finance administration of local property assessments and budgets, P.L.228-2005</td>
</tr>
<tr>
<td>Department of revenue withholding of revenue distributions to political subdivisions, P.L.228-2005</td>
</tr>
<tr>
<td>EDGE credit applications, P.L.197-2005</td>
</tr>
<tr>
<td>Food and beverage taxes, P.L.158-2005</td>
</tr>
<tr>
<td>Income tax credits, P.L.193-2005</td>
</tr>
<tr>
<td>Income tax credits, P.L.199-2005</td>
</tr>
<tr>
<td>Inheritance taxes, P.L.238-2005</td>
</tr>
<tr>
<td>Innkeepers taxes, P.L.168-2005</td>
</tr>
<tr>
<td>Local government, P.L.199-2005</td>
</tr>
<tr>
<td>Local government, P.L.214-2005</td>
</tr>
<tr>
<td>Property tax abatement, tax increment finance, P.L.216-2005</td>
</tr>
<tr>
<td>Property tax deductions, P.L.193-2005</td>
</tr>
<tr>
<td>Property taxes, P.L.199-2005</td>
</tr>
</tbody>
</table>
TAXES—Continued
Property taxes; earned income tax credit; other taxes,
  P.L.246-2005
Real property sales disclosure; fee; distribution of revenue; application to exempt property,
  P.L.228-2005
Recreational vehicles,
  P.L.195-2005
Reduction or waiver of property taxes in a brownfield,
  P.L.208-2005
Research and development,
  P.L.193-2005
Sales tax exemptions,
  P.L.193-2005
Sales tax exemptions,
  P.L.195-2005
Streamlined sales tax,
  P.L.195-2005
Voluntary remediation tax credit extension; amount; statewide cap,
  P.L.208-2005
TRADE REGULATION AND CONSUMER SALES
Cigarettes,
  P.L.160-2005
Deceptive acts,
  P.L.165-2005
Deceptive practices and telephone privacy,
  P.L.222-2005
Home loan practices,
  P.L.3-2005
Motor vehicle rental contracts; rental agreement damage waivers; renter responsibility,
  P.L.19-2005
TRANSPORTATION
Airport authority boards,
  P.L.134-2005
Boards of aviation commissioners,
  P.L.134-2005
Construction contracts,
  P.L.35-2005
Corridor planning,
  P.L.59-2005
Indiana department of transportation,
  P.L.35-2005
Lake County regional transportation authority,
  P.L.114-2005
Maintenance of railroad crossings and transportation of railroad employees,
  P.L.183-2005
Rail corridor safety committee,
  P.L.114-2005
Utility facilities,
  P.L.35-2005
UTILITIES
Rural electric membership corporation act,
  P.L.42-2005
Township assistance,
  P.L.73-2005
Utilities, generally,
  P.L.42-2005
WELFARE AND POOR RELIEF
Department of child services,
  P.L.234-2005
Hospital care for the indigent program,
  P.L.145-2005
Reentry court program assistance,
  P.L.92-2005
Township assistance reports,
  P.L.180-2005